



**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES
MBA IN GENERAL MANAGEMENT**

**ASSESEMENT OF PUBLIC PROCUREMENT PLANNING &
IMPLIMENTATION PRACTICES IN FEDERAL GOEVERNEMENT
INSTITUTIONS**

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Advisor: Matiose Ensirmu (PhD)

**May, 2017
Addis Ababa ,Ethiopia**

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LISTS OF ABBREVIATION AND ACRONYMS

CCIIDI	Chemical and Construction inputs Industry Development Institute
CQS	Consultant Qualification Selection
EFY	Ethiopian Fiscal Year
ICB	International Competitive bidding
NCB	National Competitive bidding
QCBS	Quality and Cost Based selection
RFQ	Request for Quotation
FA	Framework Agreement
FBPIDI	Food, Beverage and Pharmaceutical Industry Development Institute
FDRE	Federal Democratic Republic of Ethiopia
FPPAA	Federal Public Procurement property Administration Agency
GNP	Growth National Product
MIDI	Metal Industry Development Institute
MOFED	Ministry of Finance and Economic Development
OECD	Organization for Economic Co-Operation and Development
PB	Public Bodies
PE	Procuring Entities
PP	Public Procurement
PPM	Public Procurement Management
PPPDS	Public Procurement and Property Disposal Services
PPI	procurement planning and Implementation
SOW	Statement of Work
TOR	Term of Reference

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ABSTRACT

The purpose of the study was to assess the practice of public procurement planning and Implementation (PPI) in federal government Institutions. The methodology used was both qualitative and quantitative methods, using descriptive techniques to discuss and interpret data. The study population was 120 staffs of PPDS of which the target population was 14 staffs working on procurement core process in PPDS and 9 from the selected government Institutions as the major users of central public procurement service which are selected by judgmental sampling technique . The Questionnaires, in-depth interview and document review were used to collect data. The techniques used to analyze data were, frequency and percentage using Microsoft excel. The finding reveals that limited capacity in conducting needs assessment, description of needs, and late submission of requirements, insufficient staffing of procurement unit in terms of number and skill required, limited quality training in planning and implementation activities , preparation of procurement document at each stage, lack of practice in announcement of annual procurement plan, limited capacity in contract management, and lack of using PP as management and monitoring tools, limited experience of using some procurement methods, submission of substandard requirement in terms of specification/TOR/SOW, limited interest to participate in open bidding by most suppliers/contractors and limited capacity of supplier to deliver as per contract and inadequate availability of foreign currency are among others. Based on the findings, following are major recommendations: procurement unit need to be staffed with qualified and trained personals, collaborate with knowledge center to improve skills and competencies of workforce, avail resource and facility to professionals, regularly provide quality training in all aspect, implement practice of conducting market survey and update market information and supplier list and apply oversight and control mechanism to support accountability throughout procurement cycle and create awareness and collaborate with key stakeholders at different level, enforce submission of requirement as per timeline of directive, and establish a mechanism to conduct periodic assessment and consistently the result of procurement planning, process and system.

Key Words:- Procurement ,Planning , Implementation.

CHAPTER ONE

INTRODUCTION

1.1. Background of the Study

Procurement is the acquisition of appropriate goods and services at the best possible ‘total cost of ownership’ to meet the needs of purchaser in terms of quality and quantity, time and location. When goods and services are purchased by a public sector, it is called public procurement.

The core aspects of public procurement systems involve getting the right item at the right time, and at the right price, to support government actions. (Wittig, 1999). A Public Procurement System is said to be well functioning if it achieves the objectives of transparency, competition, economy, fairness and accountability, (World Bank, 2010).

In the past decades, even if it required maximum possible consideration, it was not getting due attention it deserves. In many developing countries, public procurement has not been viewed as having a strategic impact on the management of public resources. It was largely treated, as a process-oriented, “back- office” support function and often implemented by non-professional staff of the buying agencies. (Hunja, R.2009) However, recently many developing countries have started to understand its importance in ensuring good governance. According to (Hunja, R.2009), developing countries had realized that an efficient procurement system contributes to good governance by increasing confidence that public funds are well spent.

As public procurement systems have a direct and beneficial effect on economic situation of a country, it needs significant improvements. Public procurement systems are the bridge between public requirements of basic services, such as hospitals, schools, roads etc, as governments are required to provide goods and services to meet a Varsity of citizen needs (Wittig, 1999).

In public procurement, inadequate procurement planning and poor drafting of specifications, lack of advertising the detailed planning of the procurement before start of procurement process,

Insufficient use of open competitive tendering and lack of monitoring and evaluation are some of the challenges that hinder the public procurement effectiveness (Jones, 2013).

Public procurement in Ethiopia dates back to 1940s. According to a report prepared by the Ethiopian Procurement and Property Administration Agency, public procurement was started in 1940 EC. Further, according to Admasu Mamo (2001), it was established to procure military equipment's and supplies for soldiers. With the responsibility laid on the Ministry of Finance; the procured materials were stored at the Ministry's warehouse. According to the report, the improved procurement services were started in 1942 EC. In addition to military equipment's, the Ministry of Finance was given the mandate to procure stationeries and cars for organizations which are financed by the regular government budget.

According to Admasu, during the time, other public organizations didn't like to be subordinated to the Ministry and they felt dominated. In addition, the Ministry didn't have skilled and qualified man power that it couldn't perform its function efficiently and effectively as expected. Therefore, due to these and other setbacks, an independent agency (Ministry of Public Property Organization and Distribution) were established in 1950. Under proclamation No.19/1950, this independent agency was responsible to procure and distribute materials such as military uniforms, equipment and supplies; public vehicles, capital equipment and stationeries; materials which are crucial for development and industrialization; air, water and inland transportation equipment and spare parts. According to Brooks and Demissie (2009), during the Derg regime, the functions of public procurement were handled by the Ministry of Finance. Procurements were made centrally with the tendering committee having the responsibility to made decisions on procurements. The legislative framework governing the procurement system in the country was very poor that only a procurement manual was issued in 1981.

According to the Public Procurement and Property Administration Agency manual, since public organization entirely depends on the government budget and the organization's success comes mainly from appropriately spending the procurement budget, the public organizations should manage the public procurement systems by ensuring value for money. (PPA Manual, 2010). The above-mentioned manual requires the participation of end users, procurement unit and suppliers

in the public procurement process. Also it provides highlights on roles, regulations, procedures, and processes in the public sector procurement and gives parameters that govern procurement activities which involve the use of public funds. also outlines the procedure for the development of specifications, bid invitation, bid evaluation, submission of bid evaluation report, award of contract and contract management.

The procuring activity starts from the end user, who is usually a department or section, and then the procurement unit for process so as to bring the required goods/service or works on board. In the process, to prioritize the purchase of goods/service or works, preparing the procurement plan aligned with the approved budget is vital.

However, In Ethiopia, like the other developing countries, the procurement was a neglected area for long period of time. Following the downfall of the Derg regime, the country was regulated by the previous legislative and the Ministry of Finance and Economic Development (MOFED) took responsibility of regulating the procurement system. Also, The Public Procurement and Property Administration Agency established by Proclamation No. 649/2009 , which is an independent institution responsible for strengthening of control and oversight of the federal government's procurement activities. Further, a new public procurement directive and manual has been issued.

Therefore, it is justifiable and very important to undertake a research in this process and this study focused on assessing the public procurement practice mainly in the Public procurement and property disposal service and other selected federal government Institutions procurement process and its implementation as a case study and identified a number of challenges confronting the implementation of the process and motivated by desire to come up with feasible recommendations that can enhance the procurement process and its implementation and will definitely contribute a lot in the governments' development and service provision operation.

1.2. Statement of the Problem

Public procurement has been increasingly considered as a powerful public policy tool to bring about major economic, environmental and social benefits and it is increasingly recognized as a central instrument to ensure efficient and corruption-free management of public resources.

When the public institutions did not prepare well thought plan and are not appropriately implementing it, definitely they will be forced to undertake several piece purchases; this trend is

the major barrier so far to ensure value for money in those organizations'. Practically in Ethiopia, there is a drawback in preparing procurement plan and implement it properly in public institutions; most organizations have been undertaking too much unjustified and unplanned purchase in each budget year (Yirga, 2011).

Consequently, extra delay is another reason to extend the work program for consecutive years, and hence the organization will fail to achieve its objective in due time. For instance, some government Universities forced to change their exam schedule time due to the problem of unavailability of printing paper not delivered on time by supplier.

Furthermore, it is practical that there is also a trend of under-utilization of the budget; and the major cause is the ineffective management of the procurement function. Particularly in every year report of the Ministry of Finance and Economic Development, it is repeatedly stated that many development activities are delayed because of the procurement processing failures.

In this regard the researcher examined to find a research paper related to Procurement Management in Ethiopia Public Institution which is conducted by different researchers on the country level:

This study focused on assessing the public procurement planning and its implementation practices in selected Federal government institutions and the researcher tried to find out the weak link of the procurement cycle starting from the planning and its implementation practice up to delivery of goods/services to come up with possible recommendations that can improve the procurement process and its implementation.

1.3. Research Questions

The Study tried to give answers specifically for the following researchable questions which are mentioned as a gap in many organizations.

1. What are the existing practice of public procurement planning and implementation in Public Procurement and Property Disposal Service?
2. What are the factors that slow down public procurement implementation?
3. What is the completeness level of specifications in the demand request and procurement plan preparation?

4. What is the level of professional knowledge, appropriate skilled and trained work force for performing purchasing and contracting functions?

1.4. Objective of the study

1.4.1. General Objective

The general objective of the research is giving a better insight about the challenges of the public procurement system and assesses the nature and system of public procurement practices and the underlying factors that hinder public procurement activities for common users items in Public Procurement and Property Disposal Service.

1.4.2. Specific Objectives

Having the above mentioned general objectives, the study has the following specific objectives.

1. To assess the legal and regulatory framework governing the Federal Government's public procurement activities,
2. To examine the professional capacity of the procurement staff in the public Procurement activities that performing purchasing and contracting functions,
3. To assess the public procurement operations practices ,
4. To identify major factors related to procurement implementation in the public Institutions,

1.5.The Significance of the Study

The study findings expected to shed-light on weak performance of public procurement planning and implementation practice, this can have an advantage for different stakeholders. For the managers to make corrective action, for policy makers to inform the key challenges in public procurement to revise the policy and review the practice, The study also expected to contribute to researchers who have an initiation and those who are interested to conduct a detailed and comprehensive study , further detail investigation, and particularly, if the management admits the problem and take corrective measurement, regarding factors affecting practices of public procurement, the study will contribute a lot to enhance institutional performance by achieving value for money.

1.6. Scope and Limitations of the Research

Public procurement is a vast area; conducting research the whole system is unmanageable in terms of time and cost.

This study is intended to examine the procurement practice at Public Procurement and Property Disposal Service .The study didn't cover all federal government Institutions procurement activities.

The assessment of this study focuses on the planning and implementation stage, this enables to see how the practice of Public Procurement and Property Disposal Service looks like.

Based on this the study has carried out specifically in Public Procurement and Property Disposal Service (PPPDS) which is the main body to facilitate the bulk purchase for common users Items like goods ,services & works for all government Universities and Public Sectors, and some procuring entities of common users item.

1.7.Organization of the Research

This research paper has five chapters. The **first chapter** provides relevant introductory part, which contains background of the study, statement of the problem, research question, objective of the study, significance of the study, scope & limitation of the study. Followed by **Chapter two** that deals with the Public Procurement Proclamation, Directive, Manual, and related literature reviews of both theoretical and empirical. The **third chapter** discusses the research design and methodology; in this section it incorporates research methods, design, study population and sampling method, source and data collection instruments, pilot reliability test, method of data processing and analysis. **Chapter four** deals with the presentation, analysis and interpretation of data obtained from questionnaires, observation and interview. Finally, the last chapter is, **chapter five** which deals with the summary of major findings, conclusions and recommendations of the study.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

Introduction

This chapter explores related literature, written by different authors, on the issue of public procurement planning and implementation practice, and it reviews procurement proclamation, Directives and PPA public procurement manuals in order to establish and provide answers to the research questions.

2.1. Definition of Key Terms

2.1.1. Procurement

It is a process of identifying and obtaining goods and services, includes sourcing, purchasing and covers all activities from identifying potential suppliers through to delivery from supplier to the users or beneficiary. It is favorable that the goods/ services are appropriate and that they are procured at the best possible cost to meet the needs of the purchaser in terms of quality and quantity, time, and location (Mangan, Lawani, and Butcher, 2008).

2.1.2. Public Procurement

Public procurement is the process of procuring of goods, services and works on behalf of Government organizations. According to Kotoka (2012), explains that procurement as that function responsible for obtaining by purchase, lease or other legal means, equipment, materials, supplies and services required by an undertaking for use in satisfying wants. Therefore, the key task in public procurement is the purchasing of goods, works and services through contract with suppliers. The contract is a legal bidding document which needs to be respected and adhered to at all time. Tendering is thus a formal and legal procedure of soliciting tender offers in order to select the most suitable contractor.

2.1.3. Public Procurement and Planning

To accomplish the organization's objectives, the most important tool is effective procurement plan. Procurement plan that aligns to the objective of the organization programs and budgetary

process can expedite the accomplishment of the goals. It is one of the pre-requisites for the effectiveness and efficiency of the procurement function, thus leading to the ultimate success of the organization. (Namusonge et al., 2013) The Public Procurement and Property Administration Agency (PPA) guideline proposes that effective planning allows requirements to be aggregated into larger purchases at lower unit costs, rather than frequent sourcing of quotations for identical items and issuing many individual local purchase orders. It allows the private sector to respond more effectively to the requirements and specifications of the Government (PPA, 2011 p.139). As per Basheka (2008), procurement plan adds value and, above all, it resulted into compliance with the set processes, he also states that if managed efficiently and effectively, results into compliance with set processes, which eventually leads to saving taxpayers' money. Moreover, as per Namusonge et al. (2013), procurement planning will make sure that the employees can effectively and efficiently mitigate the challenges affecting procurement process, and it significantly reduces the delay in the process. Procurement planning is the future needs to procure goods and services for the organization to meet its strategic goals, thus, performing the procurement plan should be proactive; failure to request the required goods or services early will bring to postpone the work program to subsequent years, it is also a means for under-utilization of the budget. As procurement is a long and time-consuming process, contract planning should "begin as soon as the agency need is identified, preferably well in advance of the fiscal year in which contract award is necessary" (Thai, 2004,).

However, "without thorough procurement planning, the subsequent procurement processes will not yield substantial benefits"(Behsaka, 2008,p197).. The preparation of the procurement plan has eliminated the need for emergency purchases, which are sometimes expensive or buying for the sake of buying, or buying just because there is money.

2.1.4. Public Procurement Plan and End Users/Departments

In the public procurement plan, the user department must raise the procurement needs; this need has to acquire specification/Terms of Reference of Requirements; it should be clear, precise, complete and well understood. The specification may further be refined and clarified, by the procuring department, as per the pertinent rules and regulation. Technical specification is prepared or will be prepared by end users. (FDRE, Public Procurement Guideline, 2011, 3.1.4.f) To achieve success in procuring function the end users should be involved in high caliber, in addition, it entails the participation of higher officials. As per the study of Thai (2004) the

planning effort will succeed only with the complete commitment and involvement of top management, The other vital issue in planning is the level of understanding and capability of the end users; the end users should well understand the use of the procurement plan, and the appropriately capable person must fill the requisition. Procurement planning must be prepared by the “right” personnel and accorded the importance it deserves (Namusonge et al., 2013). However, the tendency shows that they are not aware in developing precise requisition for the procuring department; they also frequently fail in submitting timely. The divisions take long as there lack of teamwork and close co-ordination on budgeting for the annual procurement plan. This generates heat and disagreement among user departments and leads to failure of presenting their needs in time.

2.1.5. Procurement Plan and Market Price Assessment

In procurement planning, since our plan is for the future, our cost estimation should be much more realistic by assessing the required market condition, the previous trend and any source of price. In surveying the goods or service, the cost and the availability must be considered. Public bodies have to organize their procurement needs in package’s base. Needs collected from end users. The market price survey should be undertaken, and they should consider ensuring that if there are adequate suppliers or not, and classifying the procurement into lots based on the category of supplies (FDRE, Public Procurement Manual, 2010, 3.1.5.c). The procurement plan cost should state on the market basis, which is conducted by public body or price, which has obtained from other sources (FDRE, Public Procurement Manual, 2010, 3.1.4.e).

2.2. Public Procurement System:

The process in which public sector institutions acquire goods and services. Public procurement systems are highly centralized and State Procurement Boards govern procurement (Bovis, 2007).

2.2.1. Purchasing:

The specific function associated with the actual buying of goods and services from suppliers (Mngan Lawani, and Butcher , 2008).

2.2.2. Sourcing:

It refers to process of identifying and working with appropriate suppliers (Mngan Lawani, and Butcher , 2008).

2.3. Public Procurement as a Profession

Unfortunately, educators and researchers have not given much attention to public procurement. Indeed, in scholarly research publications, while there are a significant number of academic books, journal and articles in private sector purchasing, good scholarly publications in public procurement are hard to find (Rosalyn and Rick, 2001). While there are many universities that offer courses in supply and purchasing management and public procurement laws for the private sector, public procurement remains a neglected area of education. Public procurement has until recently been a neglected area of research. Consequently, getting a good number of submitted papers is always a major challenge.

As Thai (2004), points out, Public procurement is an extremely complicated function of government and public procurement requires interdisciplinary skills and knowledge, including economics, political science, public administration, accounting, marketing, law, operations research, engineering, and architecture, among others. Ethiopian Civil Service University also has been giving public procurement in Masters Level since 2004 E.C. This is also may be an indication of public procurement still a neglected area in our country, which might facilitate unethical practices of public procurement officers due to lack of knowledge and little consideration of the discipline.

2.4. The Role of Procurement

Benslimane, Plaisent, and Bernard (2005) contend that the overall aim and objective of procurement is carry out activities related to procurement in such a way that the goods and services so procured are of the right quality, from the right source, are at the right cost and can be delivered in the right quantities, to the right place, at the right time.

There are six rights' in procurement and they can be achieved through following specific objectives of procurement (Benslimane Plaisent and Benard ,2005). These specific objectives are;

- To buy quality materials, items and services economically from reliable sources;
- To ensure timely delivery through the selection of capable and efficient suppliers;
- To continuously locate, evaluate and develop economical and reliable supply sources;

- To identify the most reliable sources of supply through either open tender, multi-stage tendering (pre-qualifying suppliers and retaining only those that are capable of meeting the Organization's requirements; strategic sourcing) and limited tendering.
- To investigate the availability of new materials and monitor trends in market prices;
- To buy in accordance with Organizations policies;

Moreover, Caldwell et al (2009) say that there are three important principles of procurement. The first principle is transparency, which provides that all phases in the procurement process are fair and accurately documented. The second principle is that of accountability and it points out that there is need for accountability to financiers, who may require certain rules to be followed when using the money they have provided. Finally, there is the principle of efficiency and cost effectiveness and this principle is about meeting the 'six rights' of supply (price, right time, right quantity, quality services, and delivery to the required places and from the most cost effective source).

The particular features of procurement are the budgets involved, the frequency of activities and technical complexity of the functions. More recently as a function procurement has been complicated by the inclusion of 'manufacturing partnering' and by the acceptance that best value cannot be measured by price alone, but needs to take account of time, quality and sustainability considerations as well (Shaw, 2010).

2.5. The Objectives of Public Procurement

There are a number of objectives of public procurement. These objectives can be implemented through various means. To know objectives of public procurements are crucial to understand these possible objectives and to understand how they relate to each other and the importance of each objective in ethical practice of public procurement to understand their relevance for the particular procurement system.

According to Arrowsmith, S., and Trybus, M (2008). mostly the followings are key public procurement objectives.

- i. Value for money (efficiency) in the acquisition of required goods works or services.
- ii. Integrity, avoiding corruption and conflicts of interest
- iii. Accountability

iv. Equal opportunities and equal treatment for providers

It is common that within different public procurement systems the existence of different objectives and the weight attached to the various objectives differs. For example, some systems attach much more importance than others to policies of fair and equal treatment of providers, to the use of procurement to promote social objectives or to accountability, however many of the objectives of public procurement showed below shared about greater or lesser degree with private persons engaged in procurement. Most obviously, both public and private procurement has a major goal of obtaining value for money, and both public and private purchasers are concerned to ensure an efficient procurement process. Further, although it has sometimes been asserted that public procurement differs with private purchasing in that public purchasers are concerned to use procurement to promote economic, social and environmental objectives, in fact this use of procurement is also common in the private sector, and has become increasingly important with the development of the concept of Corporate Social Responsibility. However mostly government procurement have a great responsibility to keep it Arrowsmith, S.,and Trybus,M (2008).

2.5.1. Value for Money in the Acquisition of Required Goods, Works or Services

According to Business Dictionary (2015), Value for money is a utility derived from every purchase or every sum of money spent. Value for money is based not only on the minimum purchase price (economy) but also on the maximum efficiency and effectiveness of the purchase. Value for money is taking into account the optimum combination of whole life cost and quality necessary to meet the customer's requirement (Emmet and Crocker, 2008). As Lyson (1994), has pointed out, the real value for money question is 'How much will the item or service purchased cost to own and used'. On the other hand, Saunders (2009), rebounded the previous reviews, particularly regarding the primary objective of government procurement as being the achievement of value for money.

2.5.2. Integrity Avoiding Corruption and Conflicts Of Interest

A second very important objective of many public procurement systems and public procurement regulation is to ensure integrity in the system. Integrity refers, first, to the idea that procurement should be carried out without any influence of corruption. Corruption can cover various types of practice. Many such practices involve various forms of collusion between government and bidders, particularly :

- Awarding contracts on the basis of bribes;
- Awarding contracts to firms in which one has a personal interest;
- Awarding contracts to firms in which one's friends, family or business acquaintances have an interest; and
- Awarding contracts to firms who have provided financial support.

Such corruption can occur in the completion as well as award of contracts e.g. officials can collude with bidders to allow them to claim extra payments for non-existent work (Anechiarico and Jacobs, 1996).

2.5.3. Accountability

A third objective of many public procurement systems is to ensure accountability in the sense that the system provide a means for interested parties to establish whether the government is meeting its objectives. Such interested parties can include, for example, the general public tenderers. Accountability aspect is important as a means to achieve many of the objectives of a procurement system, including value for money and integrity. However, accountability can also sometimes be considered as a value in its own right especially in democratic countries.

Transparency is of more importance to restore faith in the system for contractors and the tax payers by allowing them to see exactly what transpires in the government contracting process.

To the extent that accountability is a separate objective of the procurement system governments may accept costs to accountability mechanisms for example, costs of publishing information or loss of value for money from reducing discretion even if these accountability mechanisms do not produce, for example, financial savings or any actual reduction in corrupt activity (Kenneth and Brian, 2006).

2.5.4. Equal Opportunities and Equal Treatment for Suppliers

This principle requires that identical situations to be treated in the same way or that different situation not be treated in the same way.

Comparable situations must not be treated differently and different situations must not be treated in the same way, unless such the preparatory stage of any procurement procedure treatment is objectively justified. For example, when choosing a procedure, you should use the same deadlines must be applied to all tenderers consider at what stages you will be able to apply and the same information provided. However, tenders with different prices should receive different marks in the cost evaluation (Hunja, 2009).

Furthermore, Thai (2004), describes equality problems in a procurement context may arise from equality failures in the procurement practice of the contracting authority, eg direct or indirect discrimination on grounds of nationality, sex, race, etc in the contracting authority's conduct of procurement processes.

Many public procurement systems refer to a principle of equal treatment of those participating in the system. Equal treatment in public procurement may take on two different roles.

First, equal treatment may serve simply as a means to achieve other objectives of the public procurement system, such as value for money in obtaining goods, works and services, preventing corruption and opening up markets to competition. Thus all interested firms have an equal opportunity to participate is often the method chosen for seeking out the best terms for the goods, works and services. Requiring that those involved in the competition be treated on an equal basis during the conduct of the competition can help ensure value for money and/or prevent corruption in the procedure in two ways:

- ✓ By limiting the opportunities for the procuring entity to make discretionary decisions that could be abused to favors particular firms (for example, a firm that has paid a bribe or from the perspective of opening up markets).
- ✓ By encouraging firms to have confidence in the process and thus encouraging, the best firms to participate in the procedure.

Secondly, however, in addition to serving as a means to support other procurement objectives, equal treatment may also serve as an objective of the procurement process in its own right (Weele, 2010).

2.6. Procurement Procedures

Shaw (2010) points out that the procurement process can be wrapped into three steps. These are need identification, planning and specification of goods or services required, and sourcing, awarding, and supplier management to facilitate timely delivery.

2.6.1. Need Identification

Procurement is done to desire to accomplish a specific task. Given that resources are always scarce, the task to be accomplished should be important to an organization (Nakamura, 2004)

2.6.2. Planning and Specification of Goods or Services Required

Once the needs have been identified, the procurement department should develop or communicate a plan on how to deliver the service or goods required. The plan must be developed in collaboration with the other functions within the organization, so that it is integrated into the organization's strategy and therefore provided for adequately (Shaw, 2010).

To be able to purchase the right goods or services, the specifications of what the organization needs must be clear.

These specifications are used to communicate to the supplier what is needed and what should be supplied. It is therefore important to have clear, precise and accurate specifications. Most organizations have standard specifications for the most regularly procured items and services such as medical and construction (Shaw, 2010).

Thai, Araujo, Carter and Callender (2005) provide that a specification is a detailed description of the design, the service, or materials. It describes in detail the requirements to which the supplies or services must conform. The basic requirement of a good specification is to clearly identify the service or product to stakeholders. The specifications must be clear to all parties. That is the user, procurement and the supplier. Factors to consider in specifying a product include physical attributes, technical specification, and intended use (Thai et al, 2005).

2.6.3. Sourcing

Hinson and McCue (2004) say that sourcing is the process of identifying sources of supply that can meet the organization's immediate and future requirements for goods and services. The sourcing process adopted will depend on the situation and on the time available to carry out sourcing. For instance, in a sudden on-set emergency the need to respond quickly to the emergency will mean there will be limited time to gather sourcing information and approve suppliers, therefore, an organization may make use of existing suppliers.

2.6.3.1. Steps in the Sourcing Process

2.6.3.1.1. Market Enquiry

The process of inviting and evaluating tenders or quotations will vary depending upon an organization's own internal procedures. Nevertheless, the following are considered 'best practices', according to Shaw (2010).

2.6.3.1.2. Inviting and receiving quotations

- A limited number of vendors are invited to bid for supply of products/services.
- Bids are returned within a specified deadline.
- Receiving sealed bids depending on the limits provided by the organization.
- Use of locked box or lock fax machine for receipt of bids

2.6.3.1.3. Inviting and receiving tenders

- Advertising in local and international channels.
- Setting deadline for response.
- Receiving sealed bids.
- Opening and registering receipt of the tenders.
- Use of locked box or lock fax machine for receipt of bids.

2.6.3.1.4. Evaluation and Awarding

The evaluation of tenders and awarding of contracts to suppliers is an important phase of the procurement process. It is the process that determines the actual quality, reliability, delivery, etc. of the goods and services.

2.6.3.1.5. The procurement department coordinates the following

- Analyzing and evaluating the bids against set criteria, specification requirements and presenting the analysis to an procurement appointed committee
- Verification of supplier capability and quality control / assurance processes
- Reviewing product inspection results where necessary

- Verification of technical evaluation reports where applicable
- Negotiates with vendors where it is recommended by the committee
- Placing orders and expediting the delivery.

In addition, Shaw (2010) contended that it is very important for the procurement department to assess and consult on any big price variations, to avoid potential conflict of interest, undue influence, price fixing and favoritism, and to ensure consultative decision making and sharing of responsibilities. Also, the tender box should not be opened by one person only, and the criteria used to evaluate bids should be tested and validated by the committee before reception of bids.

2.6.3.1.6. Placing Orders and Contracting

After evaluating and awarding of tender, the next step in the process involves placing orders for the goods or services with the supplier, or establishing contracts which need to be sent to suppliers. In emergency situations the approval levels and limits are adjusted, based on an approved process, to speed up the process of acquiring goods and services. Under normal circumstances, the approval processes may be more elaborate. The orders establish contractual relationships between the organization and the supplier (Shaw, 2010).

Important features of a contract or agreement include cost, specification/description, quantity, lead time/delivery time, date of issue, and terms and conditions (including penalties for breach of contract). Place of delivery should also be indicated on the contract (Shaw, 2010).

2.6.3.1.7. Progressing/Expediting

Once the order is placed and the supplier has confirmed receipt and agreed to the contract terms and conditions, the role and the amount of work that staff in procurement have to undertake

will be affected by the performance of the suppliers (Bovis, 2007). It is necessary therefore, for the procurement staff to monitor the progress of orders and the performance of the suppliers. Supplier performance will determine the amount of time and money that has to be spent in expediting orders and the managing of suppliers.

To ensure an uninterrupted flow of goods and services, expediting should be a continuous process, especially in emergencies. The continuous monitoring enables the organization to pick out break-down points in the system and quickly identify solutions (Shaw, 2010).

2.6.3.1.8. Delivery and Inspection

Lewis and Roehrich (2009) argue that procurement only facilitates delivery through expediting for timely delivery and trouble-shooting returns. The physical receipt and inspection of goods takes place at the delivery point. Procurement only needs to know that delivery has taken place and that the supplier has delivered in accordance with the purchase order and complied with delivery contract requirements.

In addition, whoever is responsible for accepting delivery and inspecting the goods should understand the procedure to follow in the event that there are any problems or discrepancies. For certain goods or commodities an independent inspection company may be used to check the quality of the goods (Shaw, 2010).

2.6.3.1.9. Payment

When goods or services are received and accepted into stock, procurement then facilitates payment of the supplier by providing necessary documentation to Finance Department. Orders are normally generated in procurement, as the goods are delivered in the warehouses and transported to final

distribution points; additional documents are generated in the process to support transactions. All these documents are finally consolidated to support vendor payments (Shaw, 2010).

2.7. Challenges in Procurement in the Public Sector

Public procurement is an important function of government. However, a number of challenges are faced (Shaw, 2010).

Firstly, the sheer magnitude of procurement outlays has a great impact on the economy and needs to be well managed. Indeed, in all countries in the world, estimates of the financial activities of government procurement managers are believed to be in the order of 10-30 % of GNP (Caldwell et al, 2009). Efficiently handling this size of procurement outlays has been a policy and management concern as well as a challenge for public procurement practitioners.

Secondly, public procurement has been utilized as an important tool for achieving economic, social and other objectives (Arrow smith and Trbus, 2008; Shaw, 2010).

Therefore, a need to comply with a numerous of legislations and guidelines and this presents a challenge.

Also, The World Bank specifies the following four major concerns or objectives of public procurement for projects funded by its loans;

- Ensuring that the loan is used to buy only those goods and services needed for the project,
- Ensuring fair competition for all qualified bidders from the World Bank's eligible countries,
- Promoting transparency or integrity, and
- Encouraging development of indigenous contractors and manufacturers by allowing local buyers to build in a margin of preference for local contractors and manufacturers (Maurer, 2004).

2.8. Procurement Methods

A procurement method is the technique that public body uses to acquire goods, works and services. The procurement methods are applicable to the procurement of goods, works and services (consultancy and non-consultancy). The method selected depends on a number of factors including the type of goods or service being procured, the value of the good or service being procured. (PPM –MOFED, 2011)

According to Ethiopian public procurement proclamation 649-2009 article 39, the following six methods shall be used in public procurement:

1. Open Bidding;
2. Request for Proposals;
3. Two stage Tendering;
4. Restricted Tendering;
5. Request for Quotation;
6. Direct Procurement.

The following sections describe the choice of procurement methods.

2.8.1. Open Bidding Method

Open tendering is a formal single-stage procurement method in which any interested company, without any pre-selection, may submit a bid; bids are usually made against detailed government specifications, and the award is usually made to the bidder offering the lowest price. This method allows maximum transparency and competition, for it generally requires a public notice advertising the contract opportunity, exhaustive technical specifications and contractual terms, a public opening of tenders and the absence of the possibility to negotiate the contract. In general, a procuring entity must use this procurement method unless the use of alternative methods is justified. Selection of tenderers, In the case of single-stage procedures, such as open procedures, the assessment as to whether tenderers satisfy the set selection (qualification) criteria is normally carried out soon after the formal compliance check has been performed. Under open bidding method, all interested firms bidders are given adequate notification of contract requirements and all eligible bidders are given an equal opportunity to submit a tender. The public body must give sufficient public notification of bidding opportunities to potential bidders to determine their interest and prepare bid documents. The Open Bidding Method is the preferred method of procurement of goods, works and services (Consultancy and Non Consultancy). (PPM –MOFED,2011).

2.8.2. Request for Proposal

Public bodies may engage in procurement by means of request for proposals when it seeks to obtain consultancy services or contracts for which the component of consultancy services represents more than 50% of the amount of the contract. The selection of candidates for consultancy services above a threshold to be determined by a directive shall be made after

inviting candidates to submit expression of interest. The public body may negotiate with the first ranked candidate with respect to the nature, volume and organization of the services included in their proposals.

2.8.3. Two-Stage Bidding Method

A two-stage bidding method is used when the procurement process is split into two phases. The first phase identifies suitable candidates, who are then invited in the second phase to submit their firm bids. A public body may use the Two-Stage Bidding Method in the case of large or complex contracts of goods and related services and/or works and physical services, such as design, construction, installation of equipment and commissioning of a new factory, industrial plants or the procurement of major computer and communications systems or construction and commissioning of a public institution.

Under this method, Public bodies may engage in procurement by means of two-stage bidding:

- ✓ when it is not feasible for the public body to formulate detailed specifications for the goods or works and in the case of services, to identify their characteristics and, in order to obtain the most satisfactory solution to its procurement needs;
- ✓ when the public body seeks to enter into a contract for the purpose of research, experiment, study or development, except where the contract includes the production of goods in quantities sufficient to establish their commercial viability or to recover research and development costs;
- ✓ where bid proceedings are initiated but no bids are submitted as a result of the nature of the object of procurement not being clearly described or where all bids are rejected due to failure on the part of the public body concerned to draw up a clear and complete specification;
- ✓ because of the technical character of the required goods or works, or because of the nature of the consultancy or other services it is necessary for the public body to negotiate with the suppliers.

2.8.4. Restricted Bidding Method

The restricted bidding procedure is a two-stage procedure where bidders express their interest following publication of a procurement notice, but only those invited by the public body may submit bids after a screening process. Thus the restricted procedure consists of two distinct stages - selection of suitable bidders and evaluation of bids. At the first stage, the only criteria

which may be used to select prospective bidders are economic and financial standing or technical knowledge or capability of carrying out a specific assignment. The restricted procedure works best where the public body is clear at the start of the process as to what it wants to procure, in terms of pricing and other award criteria.

A public body may undertake procurement by the Restricted Bidding Method:

- When goods and related services and works and physical services, because of their specialized nature, are available only from a limited number of Suppliers or Contractors.
- Where a repeated advertisement of the invitation to bid fails to attract bidders in respect of a procurement subject.
- When the cost of procurement does not exceed:-
 - for procurement of works Birr 6,000,000.00;
 - for procurement of goods Birr 1,500,000.00;
 - for procurement of consultancy services Birr 900,000.00;
 - for procurement of services Birr1, 200,000.00. (MOFED,2010)

2.8.5. Request for Quotations Method

Sometimes referred to as shopping, request for quotations method is used to buy items of low value. A public body may undertake procurement by means of a Request for Quotations (RFQ) in accordance with the requirements set out in Proclamation and Directive for the purchase of readily available, standard off the shelf goods or for procurement of works or services for which there is an established market, so long as the estimated value of such procurement shall not exceed the prescribed amount. A decision to use the Request for Quotation Method shall be approved in writing by the head of a public body, or an officer authorized by him/her.

There is a risk of abuse in procurement under RFQ. The use of this method shall be restricted to cases when the justification for it cannot be disputed. Public bodies may not use RFQ as a means to either by-pass more competitive methods of bidding or split large procurements into smaller ones solely to allow the use of RFQ.

Public bodies may apply request for quotation to procure goods, works or services the need of which can not be foreseen, or which can not be included in the Public Body's bulk purchase of needed items, or which are needed for immediate use and the estimated value of which is within the specified amount .

- When the cost of procurement does not exceed:-
 - for procurement of works Birr 500,000.00;
 - for procurement of goods Birr 200,000.00;
 - for procurement of consultancy services Birr 120,000.00;
 - for procurement of services Birr 150,000.00. (MOFED,2010)

2.8.6. Direct Procurement Method

Direct procurement happens when the public body, for some justified reasons, procures goods, works or services from only one source. A public body may use Direct Procurement Method for procuring goods and related services, works and physical services and intellectual and professional services directly from one single source without going through all the requirements of a full bidding process. However, this method shall under no circumstances be used as a means of avoiding competition or for favoring any one particular Bidder/Consultant or for creating any scope of discrimination among Bidders/Consultants.

The conditions for use of direct procurement may be summarized as: i) small value contract, ii) availability of only one single source, iii) extension of existing contract; iv) for compatibility reasons; v) and emergency situations;

public bodies may carry out directly from any supplier, procurement of goods or services not included in their procurement plan, or goods or services necessary to solve problems encountered during travel the value of which doesn't exceed Birr 5,000 . however, the total value of such small procurements within a fiscal year shall not exceed birr 75,000.00 (MOFED,2010)

2.9. Award criteria

To minimize corruption and ensure appropriate competition, the award of a public contract should be made only based on pre disclosed criteria. It may be either the lowest price or a combination of the price with other criteria, such as the most advantageous or best value tender.

Award criteria should be drafted in an objective way to ensure fair, impartial and non-discriminatory application. The weighting between criteria, and the manner of application for the criteria, must be set out in the tender documents, and non-price related criteria, such as time for delivery and extension of the minimum warranty period should be quantifiable, so that they can be assessed objectively and transparently.

2.10. Empirical Related Literature

Empirically, application of procurement rules appears to reduce prices by around 30 percent because effective public sector procurement contract system hinges on a desired degree of transparency, integrity, competence, competition, and value for money (Adegbola, Akpan, Eniaiyejuni, Alagbe and Kappo,2006). Public sector employees are generally not familiar with the provisions and principles of the ethical code and its supporting documents. What remains a matter of concern is the lack of independent control mechanisms to regulate and cover this area. There also remains a special problem with regard to integrity in public procurement as there are no mechanisms in place to prevent related persons from participating in them, so tenders are sometimes awarded to people who are related to the representatives of the contracting authority through family or other ties (Divjak, Nebojsa, Aleksandra, Svetlana, Slavica, Igor, Vera., Alma,2013). According to a study by Tesfaye (2007), and the Amhara Ethics and Anti-Corruption Commission report (2012/13), it is found that public procurement is the most corruption prone areas in the public service. Furthermore, According to Corruption Perception Index scores of 2013 Ethiopia rank 111th of the perceived levels of public sector corruption in 177 countries/territories around the world and scores 33/100. Of Sub-Saharan Africa 90% Score below 50/100. Top: Botswana and Bottom: Somali 69 % the percentage of countries worldwide that score less than 50 indicating a serious corruption problem. Therefore, procurement has been one of corruption prone area, which faces to corruption since above 70% of the budget go to public procurement (Transparency International, 2013). In addition, a study by Abeje (2015), and Abebe (n.d), indicated that, public procurement ethics in public procurement had a positive and significant association with effective public procurement implementation. This implies procurement people who avoid the intent and appearance of unethical or compromising practice in relationships, actions and communications will contribute for the effectiveness of public procurement implementation. Whereas many previous research for example (Getnet,2014; Mekonnen and Shimeles, 2012; Tesfahun, 2011), has focused on identifying ethical practices based on only the functional objectives of public procurement; which means the primary objectives of public procurement is the purchase on competitive terms of a product or service meeting a particular functional need.

CHAPTER THREE

RESERARCH DESIGN AND METHODOLOGY

Introduction

This chapter presents an outline of the research design and methodology that was used in the study. The plans of the research and detail techniques that facilitated to answer the research questions and arrive at conclusions are presented as follow.

3.1. The research design

The researcher was used both approaches to research, qualitative and quantitative. The study adopted descriptive research techniques/ method that were used primarily to discuss and interpret data gathered through questionnaire and analyzed quantitatively and interview analyzed qualitatively.

3.2. Survey population

To conduct this research, the survey population was staff members of public procurement and property disposal service and concerned employees of selected government institutions. Therefore , the target population were 15 staffs of the PPDS working on procurement core process who are facilitate federal public bodies common user goods and services through framework contract and , 9 individual staffs working in each federal public bodies who are the major user of central public procurement service, The composition of the target group are :-

	<u>PPPDS</u>	<u>FBPIDI</u>	<u>MIDI</u>	<u>CCIIDI</u>
Procurement core process owner/ head;	1	1	1	1
Senor procurement experts;	12	-	-	-
procurement approving Committees;	1	1	1	1
End users of different departments.	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total	<u>15</u>	<u>3</u>	<u>3</u>	<u>3</u>

3.3 Sampling Techniques

The sampling technique employed in this study were judgmental sampling, in order to select the samples from the population because the researcher chooses only those samples which he feels to be the best representative of the population with regard to the attributes or characteristics under investigation.

the population of the study were grouped in to two major target groups , The first group were from public procurement and disposal service staffs who are dealing with central procurement and facilitate procurement of common users items for federal government institutions . The other groups are the selected federal government Institutions which are the major user of central public procurement service.

3.4 Sample size

The samples are 24 eligible employees and management who are directly or indirectly work on procurement process or users of public procurement service who are selected by judgmental sampling techniques . 15 of them who are working in PPPDS assigned to answer the questioner and the other 9 employees from selected government Institutions participated on Interview questions .

3.5 Source of Data

There are two kinds of data for the research to be undertaken, primary and secondary data. Accordingly, the researcher has been used both qualitative and quantitative data collection techniques. In order to present a wide range of information, both primary and secondary data sources have been investigated.

Primary data were collected using both qualitative and quantitative data collection methods such as, questionnaires, interviews and document review. Both techniques were used to enable the researcher to present numerical as well as qualitative information in depth.

The secondary data has been gathered from Government procurement proclamation No.649/2009, procurement directives and manuals, procurement bidding document, and public procurement agency report.

3.6 Data Collection tools

In line with the objective of the study, the researcher developed close-ended and open-ended questionnaires. The questionnaires have four sections:

- ✓ Section One deals with the profile of respondents,
- ✓ Section Two deals with the procurement planning practice and its implementation effectiveness,
- ✓ Section Three will cover completeness of bid process,
- ✓ Section Four Interview questions for users of public procurement service.

3.7 Data Analysis

After collecting and sorting all relevant data using the data collection tools, quantitative response were sorted using Microsoft office excel and statistical techniques such as frequency, percentage, figures and tabulations were used to investigate data. The data collected are presented using tables and figures. The analysis of data followed, by descriptive interpretation of findings. On the other hand, data that were collected through interview, the researcher has taken note of important and central part of interview and summarized it to present through descriptive report particularly, the challenges of procurement plan and its implementation practice within the case of selected government institutions.

3.8 Ethical Consideration

To confirm ethical issues, respondents are informed about the purpose of study, not to mention their name in responding questions and to get the response result or the copy of study, to answer the questions fully or partially. Therefore, confidentiality of personal data was kept accordingly.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

Introduction

This chapter deals with data analysis, presentation and interpretation of the findings. The information's made available for this purpose were collected using questioners and interview. Besides, some secondary sources were also accessed. The data presented includes response rate of respondents, profile of the respondents, presentation of findings and interpretations. The data analyzed and presented are based on the responses to the items in the questionnaires and interview.

4.1 Response rate

In the course of conducting the study, the researcher distributed 15 questionnaires for concerned PPDS staff members who are working under Procurement core process. Out of the 15 questionnaires distributed, 14 questioners were successfully filled and returned, which result in a response rate of 93% and considered as favorable and adequately represents the target population.

4.2 Brief Background of the Public Procurement and Disposal Service

The Federal public procurement and property disposal service has been established by regulation No. 184/2010 of the council of Ministers and has been executing its services since October 2010. The Main objectives of Public Procurement and Property Disposal Service are : To enable the timely Supply of goods and Services which are Commonly used by Public bodies , in the desired quality and at prices attributable to economies of scale resulting from bulk purchases; To enable the speedy disposal by sale of properties of public bodies at fair prices and To assist public enterprises in the procurement of goods and services and disposal of assets.

The mission of public procurement and property disposal service is to perform procurement of public organization common user items and nationally strategic utilities; render efficient and

effective property disposal service; including support for the private sector. Its vision is to be an outstanding and preferred procurement and property disposal rendering service in the country. Basically, the services provide procurement service to all federal public bodies and universities. In EFY 2008 public procurement and property disposal Service had completed framework contract process and signed 46 contracts with 35 suppliers for the amount of 1.3 billion birr and it has been communicated to all federal public bodies (end users) to get service on time and to have call off contract with suppliers. Currently the service is providing procurement service for 168 federal public bodies with in three year construct extension period (PPDS, 2016).

4.3 Data Presentation and Analysis

4.3.1 Background Information of Respondents

The researcher analyzed the background of the respondents of the questionnaires using different parameters; respondents were those staff working under procurement core process of PPDS, particularly working on procurement of common user goods and Services through framework contract and others from selected government institutions. The results are summarized and presented as follows.

Table 4.1: Gender proportion of respondents

Gender	Frequency	Cumulative Frequency	Percentage
Male	12	12	86%
Female	2	14	14%
Total	14	14	100%

Source: Survey Questioner, 2017

4.3.1.1 Gender of the Respondents

The respondents were asked to mention their gender in the questionnaire and interview. Accordingly 86% of the respondents were male and 14% were females as shown in table 4.1. These implies that majority of respondents were male and the response of respondents are dominated by male respondents and also show the majority of staffs working procurement activities are male dominant.

Table: 4.2 Ages of Respondents

Age Category	Frequency	Cumulative Frequency	Percentage
18-25 years	3	3	21%
26-35 years	9	12	64%
36-45 years	1	13	7%
46-55 years	1	14	7%
Above 55 years	0	14	0%
Total	14	14	100%

Source: Survey Questioner, 2017

4.3.1.2 Age Category of Respondents

The age of the respondents is important in research as people who are mature in age may have different opinion than young people and also have varying ideas about certain issues due to experience gained through time. As a result, the respondents were asked to indicate the age category in the questionnaires. The finding reveals that, the majority 64% of the respondents were aged between 26 to 35 years, 21% between 18 to 25 years, 7% of respondents aged between 36 to 45 and remaining 7% aged between 46 to 55 years as depicted in the Table 4.2 above . This implies that the majority of respondents are aged between 26 to 35 years and they are at productive age. It also indicates that respondents had practical experience and knowledge to undertake procurement planning and implementation.

Table: 4.3 Academic Qualifications

Level of Education	Frequency	Cumulative Frequency	Percentage
High school complete	0	0	0%
Certificate holder	0	0	0%
Diploma	0	0	0%
Bachelor degree	10	10	71%
Masters and above	4	14	29%
Total	14	14	100%

Source: Survey Questioner, 2017

4.3.1.3 Academic Qualification of Respondents

The educational levels of respondents have an impact on the responses to different issues. As a result, respondents were asked to indicate their level of academic qualification in the questionnaires. The finding reveals that the majorities, 71% of the respondents had Bachelor 31 degree and the remaining 29% of respondents were holder of master degree and above as

depicted in the Table 4.3. These imply that the majority of respondents were holder of bachelor degree and most of them are qualified to handle and discharge their responsibility, able to learn their environment.

Table: 4.4 Professions of Respondents

Profession	Frequency	Cumulative Frequency	Percentage
Management	3	3	21%
Economics	0	3	0%
Engineering	0	3	0%
Procurement	10	13	71%
Other specify	1	14	7%
Total	14	14	100%

Source: Survey Questioner, 2017

4.3.1.4 Profession of Respondents

The professions of the respondent also have importance in research as people who have different profession may have varying ideas about certain issues. Thus, the respondents were asked to indicate their profession and the result shows 21% of respondents were management in profession, 71% were Procurement and the remaining 7% were other (public relation) in profession. None of the respondents are economics and engineering in profession as indicate in table 4.4 above. This shows that majority of respondents are procurement in profession and shows existence of opportunity to better handle public procurement planning and implementation and they can lead procurement professionally and as procurement require multi profession but it lacks different specialized qualification like economics, engineering as procurement require different discipline

Table: 4.5 Qualifications in Procurement

Qualification	Frequency	Cumulative Frequency	Percentage
None	1	1	7%
Certificate	0	1	0%
Diploma	0	1	0%
Bachelor degree	11	12	79%
Masters and above	2	14	14%
Total	14	14	100%

Source: Survey Questioner, 2017

4.3.1.5 Qualification in Public Procurement

The qualifications in the area of public procurement were found important as people having qualification in public procurement may have varying ideas and efficiency in providing and achieving effectiveness in public procurement service. As a result respondents were asked to indicate level of qualification in public procurement and the result shows that 79% of respondents were Bachelor degree in procurement, 14% were holder of master degree and only 7% of the respondents were not qualifies in procurement as indicated in table 4.5 above. It also indicate of the procurement staffs are qualified in procurement and professional staffs are handling procurement.

Table: 4.6 Overall experiences of respondents

Over all Experience	Frequency	Cumulative Frequency	Percentage
Less than 2 years	3	3	21%
3-5 years	7	10	50%
6-10 years	2	12	14%
11-15 years	0	12	0%
16-20 years	1	13	7%
21 and above years	1	14	7%
Total	14	14	100%

Source: Survey Questioner, 2017

4.3.1.6 Overall Work Experience of Respondents

The overall work experiences of respondents were also found helpful as people having long experiences may gain varying skill and knowledge in doing things differently. So, respondents were asked to specify their overall experience and the finding reveals that 50% of respondents had experience between 3-5 years, 21% had less than two years, 14% of respondents had experience between 6 to 10 years, 7% between 16 to 20 years and the remaining 7% have experience of more than 21 and above years as depicted in Table 4.6 above. This shows majority of respondents have overall experience 3 to 5 year and had limited practical experience and only few had better experience.

Table: 4.7 Current Position of respondents

Position	Frequency	Cumulative Frequency	Percentage
Process owner	1	1	7%
Senior Procurement officer	3	4	21%
Procurement expert II	6	10	43%
Procurement expert I	3	13	21%
Other specify	1	14	7%
Total	14	14	100%

Source: Survey Questioner, 2017

4.3.1.7 Current Position of Respondents

The positions of the respondents were important as people in different position may have varying level of access to information and experience in different issues. So, respondents were asked to specify their current positions in the organization and the finding reveals that 43% of the respondents were procurement expert II, 21% were Senior procurement officer level, 21% in procurement expert I level, 7% were process owner level and the remaining 7% are in other (public relation) position level as shown in table 4.7 above. This shows the majority of respondents are procurement expert II who possibility have better understanding of procurement process. It implies that responses are more of professional and based on practical experience.

Table: 4.8 Procurement related experience

Experience	Frequency	Cumulative Frequency	Percentage
0-2 years	5	5	36%
3-4 years	1	6	7%
5-6 years	7	13	50%
7 and above years	1	14	7%
Total	14	14	100%

Source: Survey Questioner, 2017

4.3.1.8 Procurement Related Experience of Respondents

The experience of working as procurement expert were helpful because one gain experience about the public procurement and able to understand how public procurement works and operates. So, respondents were asked to specify procurement related experience and the finding

34 reveals that 50% of respondents had experience of 5 to 6 years, 36 % of them had less than 2 years, 7% of them had 3 to 4 years and the remaining 7% of the respondents had experience of more than 7 and above years as depicted in the Table 4.8 above. This implies the majority of respondents had more than 5 years of experience working as procurement.

Table: 4.9 Procurement training of respondents

	Frequency	Cumulative Frequency	Percentage
No	1	1	7%
Yes, but I need more training	13	14	93%
Yes, It was sufficient training	0	14	0%
I do not need training	0	14	0%
Total	14	14	100%

Source: Survey Questioner, 2017

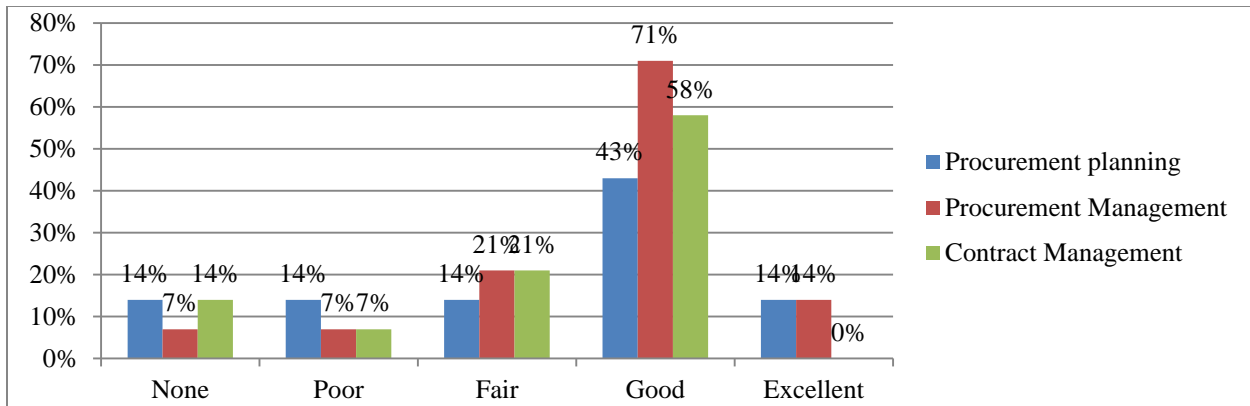
4.3.1.9 Procurement Training of Respondents

Training is an important aspect to improve efficiency and effectiveness in public procurement as people having various training related to area of responsibility may gain various skill and knowledge to improve effectiveness of his activities and discharge their responsibility to the required level. So, respondents were asked whether they require training in various aspect of public procurement and the finding reveals that the majority 93% of respondents had taken training in public procurement but they still need more training and only 7% of the respondents were not taken any procurement training and none of the respondents had taken sufficient training in public procurement as shown in table 4.9 above. These show the majority of respondents need more training in procurement.

4.3.2 Quality of Procurement Training Respondents Received

The qualities of procurement training have important implication on the effective performance of each millstone of procurement activities. So, respondents were asked to specify the quality of training they received on procurement planning, procurement management, contract management, preparation of bidding documents, evaluation of bid for goods, works and consultancy service proposal, and drafting of procurement contract.

Figure 4.1. Quality of procurement training received

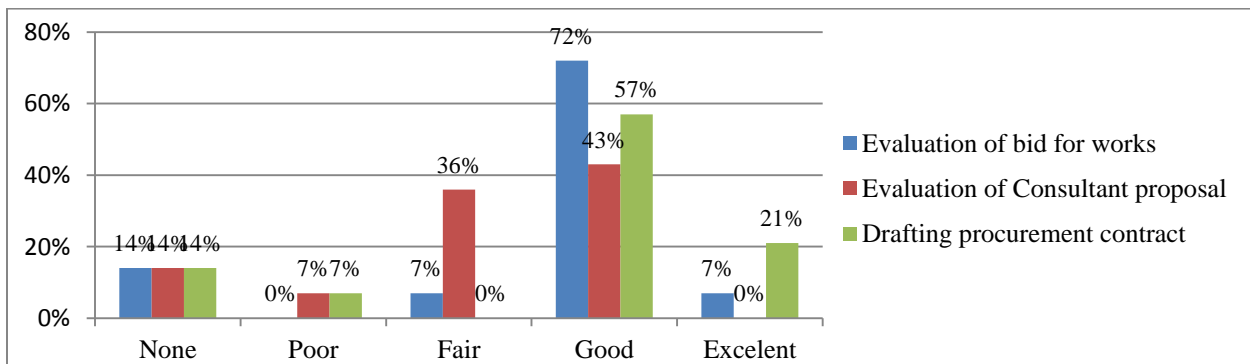


Source: Survey Questioner, 2017

4.3.2.1 Quality of procurement training received on planning

According to figure 4.1 above, regarding quality of procurement training received on planning, the finding reveals that 43% respondents rated good, 14 % of them rated excellent, 14% rated fair , 14% rated poor and the remaining 14% of respondents were not received training in procurement planning as . Regarding training on procurement management 71 % of respondents rated training received as good, 21% rated as fair, and 7% rated poor, 14% rated as excellent and the remaining 7% of respondents rated as none as they were not involved in training of procurement management. Regarding contract management training received by respondents, 57% of respondents rated the training received as good, 21% of them rated as fair, 7% of them rated as poor and the remaining 14% of respondents were not involved in contract management training.

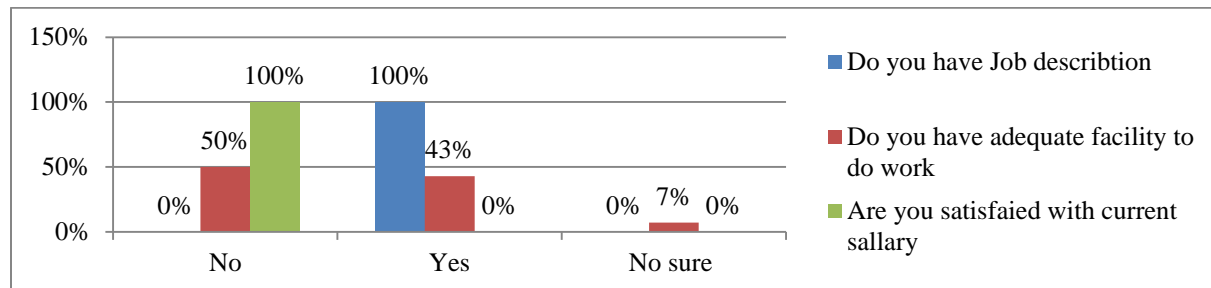
Figure 4.2 Quality bid Preparation and evaluation



Source: Survey Questioner, 2017

Regarding training received by respondents on evaluation of bids for works (figure 4.2), 72% of respondents rated received training as good, 7% of them rated as excellent, 7% rated as fair and the remaining 14% of respondents were not taken the training on bid evaluation of works. Concerning the training received on evaluation of consultant proposal, 43% of respondents rated the quality as good, 36% rated as fair, 7% rated as poor and the remaining 14% rated as non as they were not received training on consultant proposal evaluation. This implies good quality of training has been taken by procurement staff of the PPDS according to majority response on planning and management of procurement process; however, there is gap in contract management. Concerning training on preparing bidding document (figure 4.2), 57% of respondents had received a good quality training, 21% rated excellent quality, 7% rated as poor and 14% of respondents were not participated in training on preparation of bidding documents. About training on evaluation of bid for goods, 50% of respondents training received as good quality, 14% rated as excellent quality, 14% rated as fair, 7% rated as poor and 14% of respondents were not taken training on the topic and rated as non. This indicates that there is training gap on preparation of bidding document which is determinant of procurement process quality.

Figure: 4.3 Adequacy of Procurement unit staffing, facility & remuneration



Source: Survey Questioner, 2017

4.3.2.2 Adequacy of Staffing, Facility and Remuneration of Procurement Unit

The effectiveness in public procurement is highly depends on adequacy of staffing, facility and remuneration of procurement unit. So, respondents were asked to specify existence of job description, adequacy of facility do their works. The finding reveals that 100% respondents had job description which is very important aspect. Regarding existence of adequate facility to do

their work, 50% respondents indicated there was no adequate facility, 43% indicated as adequate and the remaining 7% of respondents were not sure about adequacy of existing facility (see fig 4.3), this implies existence of facility gap for the unit. Regarding to their satisfaction 100% of respondents indicated they were not satisfied with their salary as depicted on figure 4.3 above.

4.3.3 Practice of Public Procurement Planning

Public procurement planning practice is a very important activity for effective public procurement because it indicate procuring entities of what, how and when to procure in particular financial year. It also clarify what is needed and when it is needed to both user and procuring entities. Furthermore, it facilitates early and smooth procurement process. Effective planning of procurements helps to avoid emergency procurement enables the organization and its staff work smoothly to achieve goals with the right quality and quantity of inputs in place, to obtain value for money and reduce procurement cost. Effective practice of public procurements is essential to optimize the contribution of procurement function toward achieving goals through reduction in delay in procurement process and timely delivery. Public procurement planning of PPDS for common user items starts with identification of items. Pursuant proclamation article 61.2 (a) and article 27.3(a) of directive FPPPAA mandated to identify common user items and issue list of such items and communicate the same to PPDS and all public bodies. On the basis of the list public bodies are required to submit their annual procurement requirement to PPDS within the timeframe set for this purpose. Then PPDS prepares a comprehensive procurement plan on the basis of the requirements it receives from various public bodies and communicates such plan to FPPPAA.

Table: 4.10 Involvement in procurement planning

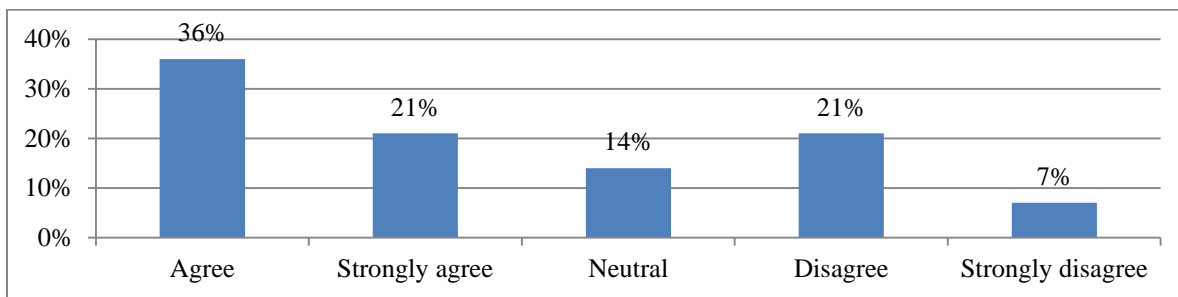
	Frequency	Cumulative Frequency	Percentage
Yes	8	8	57%
No	6	14	43%
Total	14	14	100%

Source; Survey Questioner,2017

4.3.3.1 Involvement in Procurement planning

The research attempted to determine whether respondents were involved in procurement planning, the respondents were asked their involvement in preparation of procurement planning for central procurement of common user items in particular. The finding indicates that 57% of respondents were involved in public procurement planning and the remaining 43% of respondents were not involved in preparation of public procurement planning. This implies that, majority of them are involved in procurement planning process.

Figure 4.4. Existence of Dedicated staff for procurement type



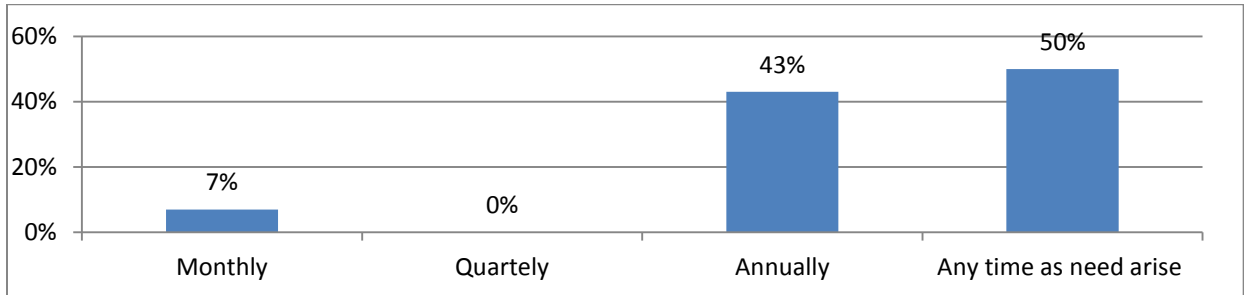
Source: Survey Questioner, 2017

4.3.3.2 Availability of Dedicated Staffs for Procurement of Goods, Works and Services

In order to improve efficiency and effectiveness of specific tasks, specialization in certain area is imperative. As a result, assigning a procurement staff to perform procurement tasks related to particular type of procurement enables the staffs to have practical experience and specialist knowledge and also enable them to achieve greater efficiency, best output, and productivity. Thus, dedicated staffs are those who are assigned to perform specific tasks related to procurement of goods or works or services to enable them became expert in assigned area. As a result, the researcher had explore existence of staff dedicated for planning of good, works and service procurement because specialization may have impact on effectiveness. As a result respondents were asked to indicate their level of agreement on existence of staff dedicated for procurement planning of Work, Goods and Service at procurement unit of PPDS. As indicated in fig 4.4 above, the finding reveals that 36% of the respondents were agree on existence of the staff dedicated for procurement planning of works , goods and service, 21% strongly agree, 14% are natural, 21% disagree and the rest 7% of respondents are strongly disagree on existence of

dedicated staffs for specific type of procurement. This implies that, according to majority PPDS have dedicated / specialized procurement staffs in planning of Goods, Service and Work procurement.

Figure 4.5. Procurement requirements submission



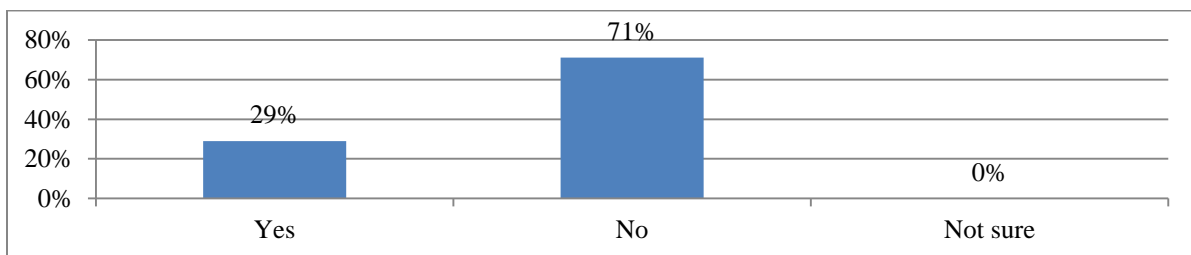
Source : Survey Questioner ,2017

4.3.3.3 Procurement requirements submission

The researcher wanted to find out the frequency at which public bodies submit their requirement for procurement of common user items through framework agreement, because it has an impact on timely delivery of procurement services. As a result, respondents were asked to indicate the time frame at which public bodies’ submits their requirements and the findings are shown in the fig 4.5. above.

The finding indicate that, the majority 50% of the respondents were indicated, public bodies submit their requirement at any time as need arise particularly for strategic procurement noted by respondents , 43% of respondents indicate requirements were received annually from end users and the remaining 7% indicated requirements were received monthly. These imply that, the end users submit their requirement annually for common user items.

Figure 4.6 Procurement units staffing



Source; Survey Questioner,2017

4.3.3.4 Procurement Unit Staffing

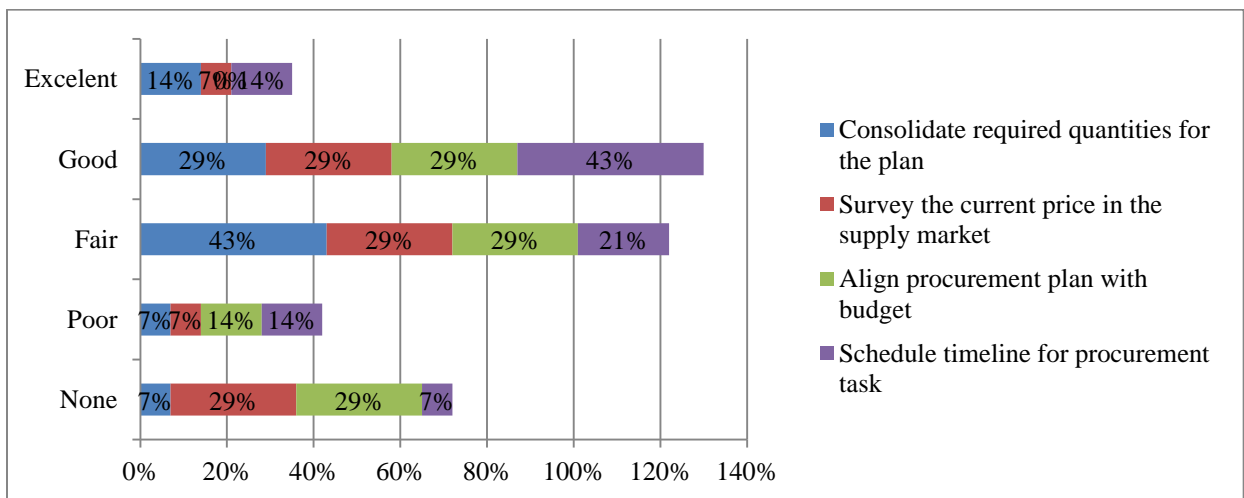
The researcher had explored the adequacy of procurement unit staff of PPDS, because the efficiency and effectiveness of procurement service depends on procurement units staffs. So respondents were asked to specify whether procurement unit of the service adequately staffed. The finding shown in fig 4.6 above.

The finding indicates that, 71% of respondents state that the procurement unit had not adequately staffed and 29% of respondents stated the procurement unit of their organization had adequately staffed (see fig 4.6). This implies according to majority of respondents procurement unit of the PPDS had no adequately staffed.

4.3.3.5 Level of Experience in Performing Planning Activities

The researcher wanted to find out level of experience to perform activities in procurement planning stage such as consolidation of requirements of public bodies for procurement planning, conducting of survey of current price in the supply market, align procurement plan with budget, and schedule timelines for procurement task. Because these activities are determinant to achieve best value for money, timely delivery of procurement at right cost. So respondents were asked to indicate their level of experience in performing the stated activities of procurement planning. The findings are as indicated in fig 4.7 below.

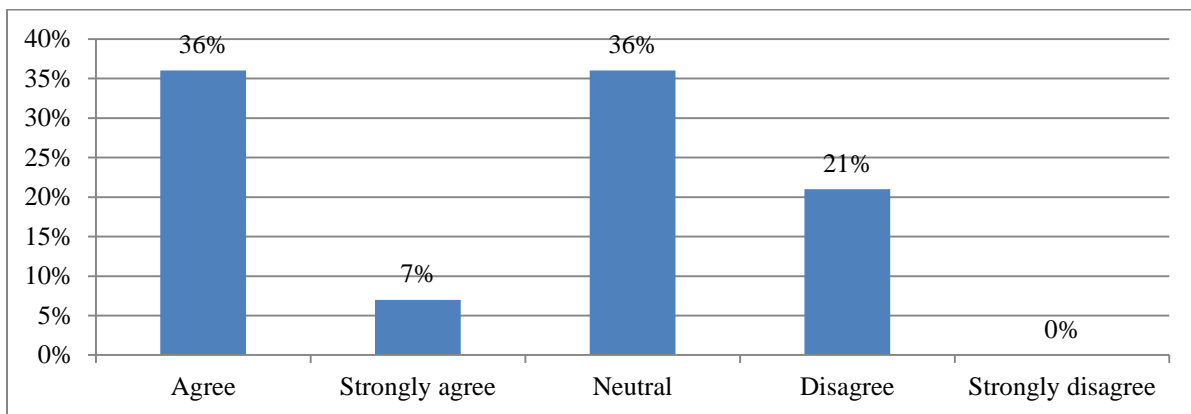
Figure 4.7 level of experience in Performing Planning Activities



Source; Survey Questioner,2017

The finding reveals that, regarding experience in consolidating required quantities for procurement planning, 43% of respondents had fair level of experience in consolidating requirement, 29% of respondent had good experience, 14% of the respondents had excellent experience, 7% of respondents had poor experience and the remaining 7% had no experience in consolidating required quantities for procurement plan. This implies that, the majority of staffs had fair level of experience. However, still significant portion of the staffs had limited experience in consolidating requirement for procurement planning. Regarding experience in conducting survey of current price in the supply market, 7% of respondents had excellent experience, 29% had good experience, 29% of respondents had fair level of experience, 7% had poor level of experience and 29% of the respondents had no experience. This implies that the service had adequate level of experience in conducting market survey but not adequate due limited skill and practice in conducting market survey. Regarding experience on aligning procurement plan with budget, 29% of respondents had good level of experience, 29% had fair level of experience, 14% had poor level of experience, and another 29% had no experience. These imply that majority of staffs had adequate level of experience. About level of experience on preparing schedule timeline for procurement tasks, 14% of respondents had excellent level of experience, 43% had good level of experience, 21% of respondents had fair level of experience, 14% had poor level of experience and 7% of respondents had no experience. These imply that major of staffs had adequate level of experience but require more practical experience in estimating timelines for major activities.

Figure 4.8 determining lead time of procurement

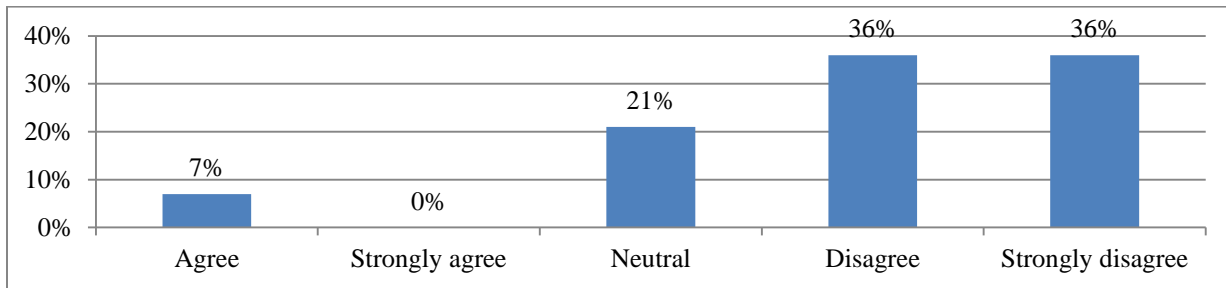


Source ;Survey Questioner,2017

4.3.3.6 Determining lead time of procurement stage during planning process

About whether technical issues , financial and implementation constraints are taken in to account in determining lead time for each millstones of procurement stage during procurement planning, 36% respondents agree, 7% of respondents strongly agree and 36% respondents are neutral and 21% of respondents are disagree on consideration of such constraints during procurement planning process. These imply that the weak practice of taking in to account such important containments, which could result in unrealistic time schedule of activities.

Figure 4.9 Submission of requirements for common users items

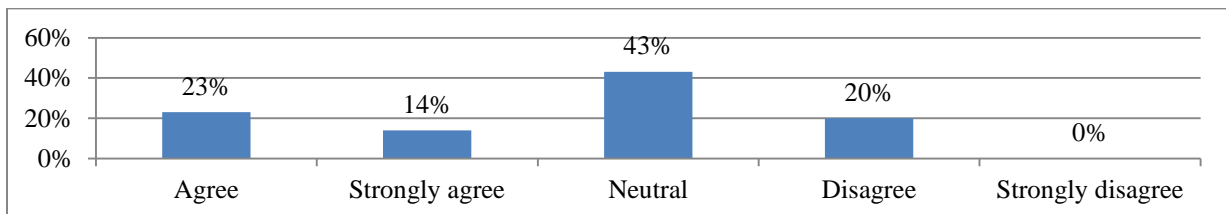


Source ;Survey Questioner,2017

4.3.3.7 Submission of requirements for common users items

Regarding whether requirement of common user items are submitted on time by public bodies, only 7% of respondents are agree, 21% of respondents are neutral, 36% of respondents disagree and another 36% of respondents strongly disagree on the timely submission of requirement by public bodies. These entail, according to majorities response requirements were not submitted on time which need important attention for improvement and the findings are shown in the fig 4.9 above.

Figure 4.10 Circulation of approved of consolidated procurement plan

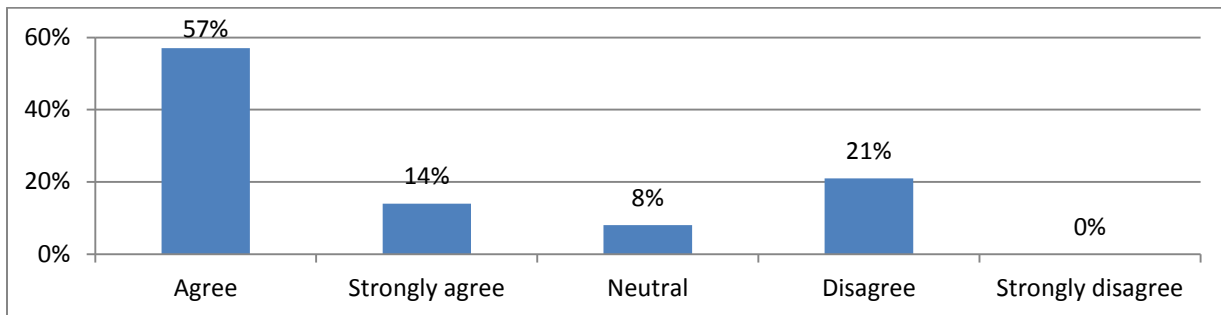


Source ;Survey Questioner,2017

4.3.3.8 Circulation of approved consolidated procurement plan to public bodies

The circulation of approved consolidated procurement plan, 23% of respondents agree on its circulation to all public bodies, 14% of respondents strongly agree, 43% of respondents were neutral and 20% of respondents disagree on circulation of approved consolidated procurement plan to public bodies. These imply that PP of the service not shared to public bodies.

Figure 4.11 The help of procurement planning



Source ;Survey Questioner,2017

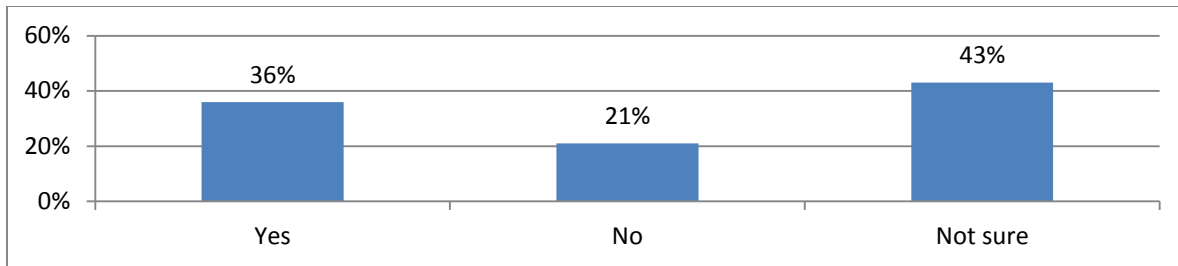
4.3.3.9 The help of procurement planning in achieving maximum value for Expenditure

Regarding whether procurement planning helps to achieve maximum value for expenditures, in identifying and addressing all relevant issues in procurements, 57% of respondents agree, 14% of respondents strongly agree, 43% of respondents were neutral and 21% of respondents were disagree on whether procurement planning helps them to achieve maximum value for money and 7% of respondents were strongly disagree. These imply that the majority of the staffs have understanding importance of procurement plan.

4.3.3.10 Use of Procurement Plan as Management and Monitoring Tools

The researcher explored whether procurement plan used as management and monitoring tools because procurement plan is an important instrument to monitor progress of procurement activities which lead to effectiveness of public procurement. So, respondents were asked to indicate the procurement core process unit use procurement plan as management and monitoring tools regularly. The finding indicated in fig 4.12 below.

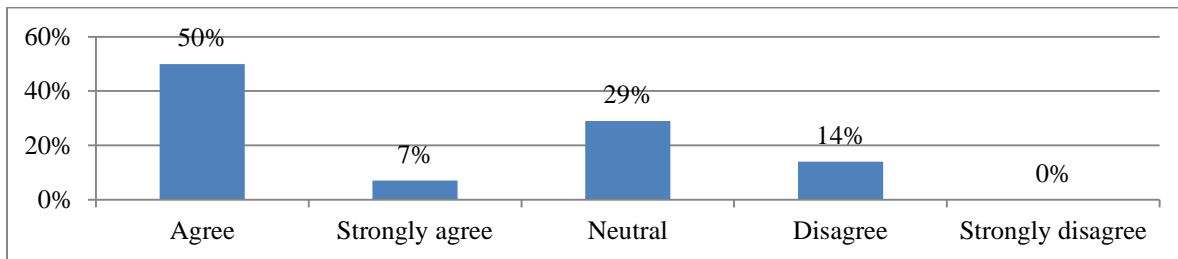
Figure 4.12 Use of procurement planning as Management and Monitoring tools



Source: Survey Questioner,2017

The finding reveals that 36% of respondents indicated procurement plan is used as management and monitoring tools, 21% of respondents indicated procurement plan had not been used as monitoring and management tools and 43% respondents were not sure whether procurement plan had been used as management and monitoring tools by procurement unit of the PPDS. These imply that procurement plan had been used as monitoring and management tools.

Figure: 4.13 Procurement planning in relation to compliance to set procedure



Source ;Survey Questioner,2017

4.3.3.11 procurement planning result in compliance to set procedure

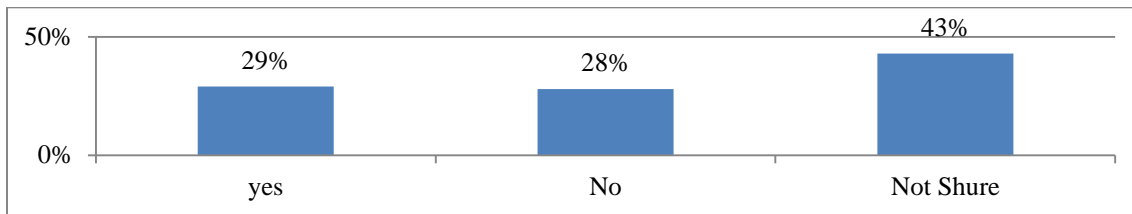
Concerning whether procurement planning result in compliance to set procedure, 50% of respondents agree, 7% of respondents strongly agree,29% of respondents are neutral, 14% of respondents disagree procurement planning enforce or result in compliance to set procedure. These imply, proper procurement planning helps to comply with procedures.

4.3.3.12 Announcement of PP, Unplanned Procurement, Evaluation of Effectiveness

Among the major challenges that affect effectiveness of public procurement are: inadequate procurement planning which result in emergency procurement, lack of advertising annual procurement plan before the actual start of procurement process and lack of evaluating

procurement planning effectiveness regularly are some. As a result the research wanted to find out whether procurement plan is announced to the public as required, whether unplanned procurement challenges the procurement process, and existence of trend of evaluating effectiveness of procurement planning because as it is important to improve competition, unplanned procurement have impact on effectiveness of procurement service and evaluating effectiveness helps to identify weakness and strength of procurement service. So respondents were asked in questionnaire,

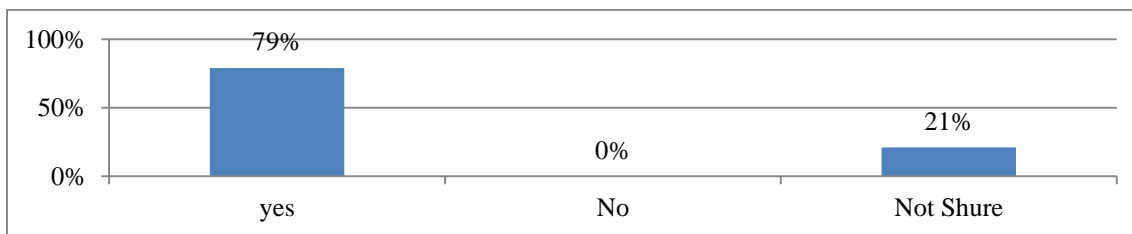
Figure : 4.14 Announcement of annual procurement plan as required on appropriate media



Source ; Survey Questioner,2017

About announcement of procurement plan to the public, 43% of respondents were not sure, 29% indicated it is announced to the public, and another 28% of respondents indicated it is not announced to the public. These imply limitation in announcing annual Procurement Plan, which could have important implication on improving competitiveness if done properly.

Figure : 4.15 Urgent or unplanned procurement requirement is a major challenge of actual procurement process

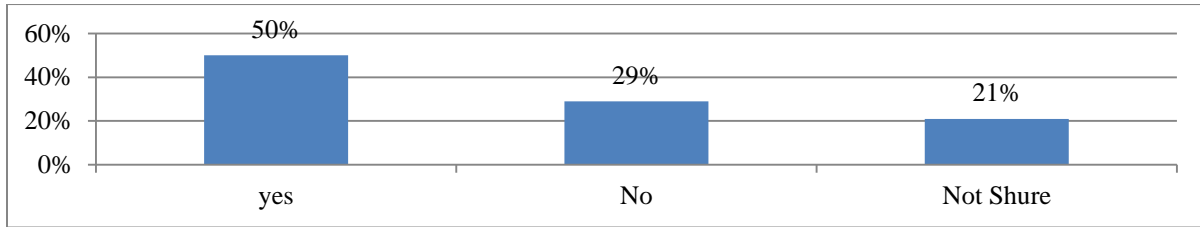


Source ;Survey Questioner,2017

Concerning whether unplanned procurements are identified as a major challenge of procurement process, 79% of respondents state that unplanned procurement is a major challenge, 21% respondents are not sure whether it is challenge or not. These imply that unplanned procurements

are the major challenge and shows procurement plan for common user items have limitation in comprehensiveness.

Figure 4.16 Trend of evaluating effectiveness of procurement planning



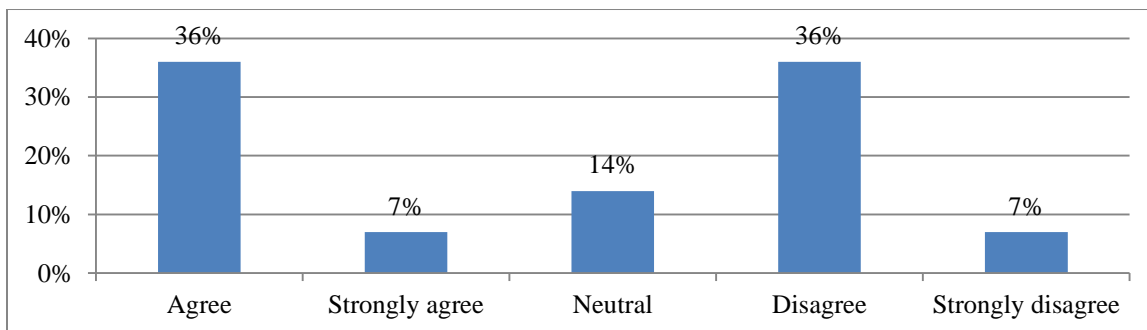
Source ;Survey Questioner,2017

The finding indicate that regarding trend of evaluating effectiveness of procurement planning in terms of enabling to achieve goals, procurement methods used, and delivery time cost, cost saving, and meeting milestone date in procurement plan, 50% of respondents indicated there is trend of evaluating effectiveness, 29% respondents indicated there were no trends of evaluating effectiveness and 21% of respondents were neutral. These imply that effectiveness evaluation being done by service, however most staff lacks information regarding its implementation.

4.3.3.13 Submission of Specification, TOR and Statement of Work

As timely submitting of required specification for procurement of goods, term of reference for selection of consultant for consultancy service and statement of work for procurement of work for all procurement requirements is important for early start of procurement activities. So, respondents were asked in the questionnaire.

Figure 4.17 Timely submitting of specification and TOR



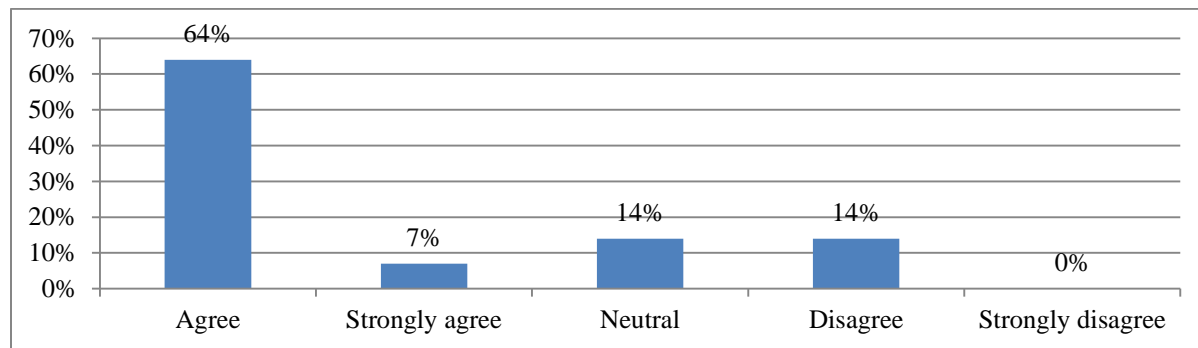
Source : Survey Questioner , 2017

As indicated in fig 4.17 above, the finding reveals that 36% of respondents agree, 7% strongly agree, 14% are neutral, 36% of respondents disagree and 7% of respondents strongly disagree on timely submission of specification ; term of reference and statement of work for by public bodies /end user. Further respondents were asked to indicate whether obtaining standard specification, TOR, and SOW are challenges to procurement implementation.

4.3.3.14 Clarifying and verifying the requirements by Procurement unit

Respondents were asked whether procurement units have a process to clarify and verify the requirement and specification of procurement submitted by public bodies to ensure any potential constrains are adequately addressed. The finding indicated in fig 4.18 below

Figure 4.18 Review of requirement by procurement unit



Source; Survey questioner ,2017

The finding reveals that, 64% of respondents agree, 7% strongly agree, 14% are neutral, and another 14% of respondents disagree on existence of process of clarifying and verifying the requirement and specification. These imply according to the majority that, in the procurement unit there exists a procedure to clarify specification or TOR or SOW before embarking to procurement process.

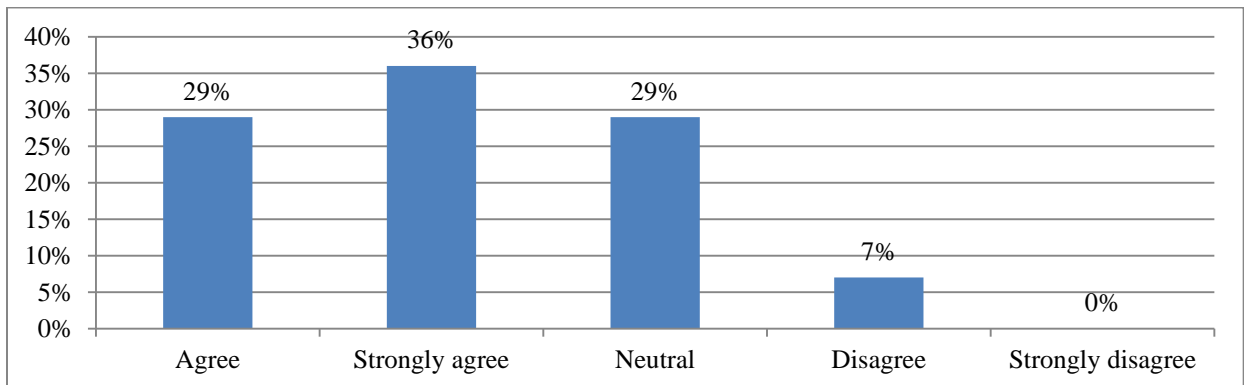
4.3.4 Implementation of Public Procurement and its Effectiveness

The researcher wanted to find out effectiveness of implementation of public procurement. So, various questioners were asked to assess the effectiveness of public procurement implementation.

4.3.4.1. Preparation of Bidding Document for Procurement

The bidding document is a document used to request potential suppliers to offer a quotation to provide the required goods, services or works. It is the document through which potential supplier get information to prepare responsive bids and ensure level playing field for all suppliers by allowing the same chances to receive contract award. Thus, the researcher wanted to find out capacity of procurement unit in preparing bidding document, because the quality bidding documents that provide sufficient information's bidders are imperative and determine level of competition as it is required to provide equal information for potential bidders. So that respondents were asked to determine existence of capable staffs for preparation of bidding document for goods and non-consultancy services and request for proposal for selection of consultant for consultancy services. The finding indicated in fig 4.19 below.

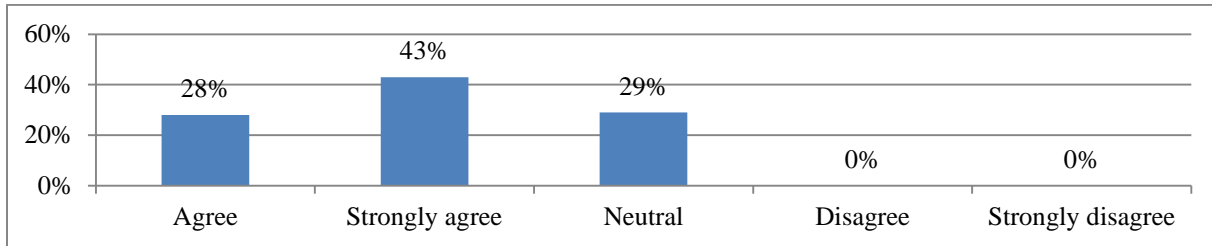
Figure 4.19 Capacity to prepare Bidding Document



Source: Survey Questioner, 2017

As indicate in fig 4.19 the finding reveals that, 36% of respondents strongly agree, 29% agree, 29% of respondents are neutral and 7% of respondents disagree on existence of sufficient capacity of procurement unit in preparing biding document of procurement. These implies that there exist sufficient capacity for preparation quality bidding documents but still require capacity building training on bid document preparation as it determines effectiveness of implementation.

Figure 4.20 Information on bidding document



Source: Survey Questioner, 2017

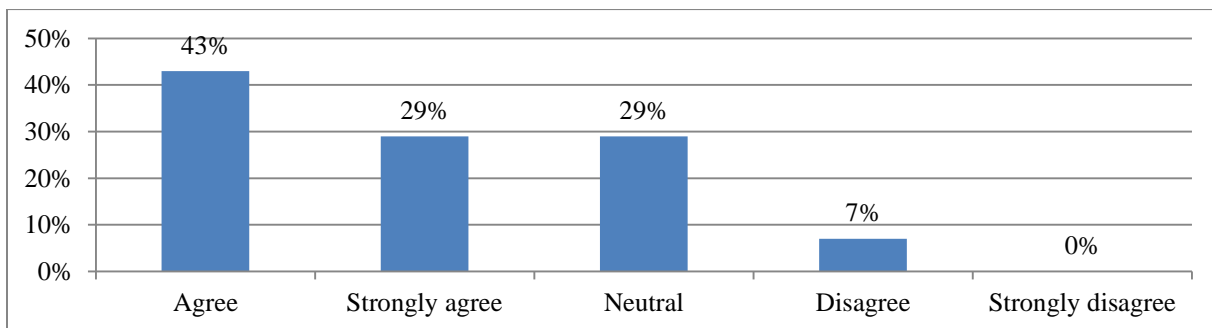
4.3.4.2. Preparation of bidding document with necessary information.

Concerning, whether bidding document contains necessary information that helps potential supplier to prepare responsive bid and clearly understandable evaluation criteria in consistent way to ensure level playing fields and the finding reveals that, 43% of respondents were strongly agree, 29% of respondents were neutral and 28% of respondents were agree on information contained necessary information and clear evaluation criteria that create level playing field for all bidders. These imply that bidding document for procurement provide sufficient information for bidder and clearly communicate the evaluation criteria in selecting suppliers for all at the same time.

4.3.4.3. Preparation of appropriate qualification criteria

Regarding to quality of technical requirement such as specification for goods, statement of works for works and term of reference for selection of consultant, clarity, neutrality and accuracy verified before initiating procurement process by procurement unit. The finding indicate in fig 4.21

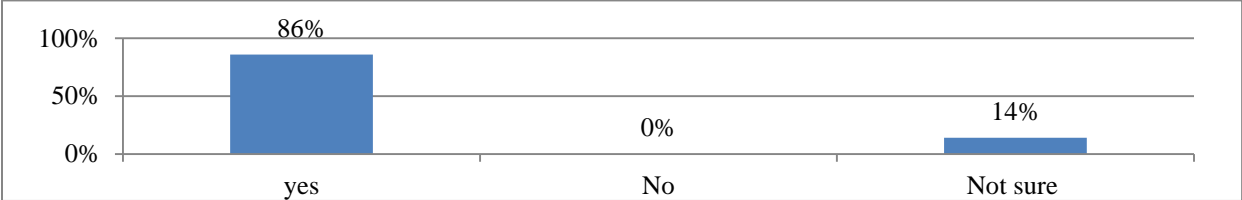
Figure 4.21 Quality of Technical Requirement



Source: Survey Questioner, 2017

The finding reveals that, 43% of respondents agree, 29% strongly agree, 21% neutral and 7% of respondents disagree on the quality of technical requirement received from public bodies. These imply that, technical requirement received from user are mostly adequate however, it requires special attention because it determines the quality of product and services.

Figure : 4.22 Sufficient time allowed to bidders



Source: Survey Questioner, 2017

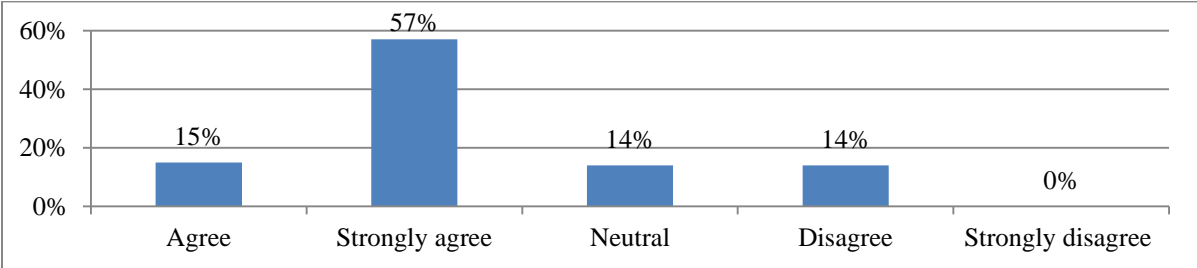
4.3.4.4. Sufficient time for preparing responsive bids

Respondents were asked about whether sufficient time allowed to bidders to obtain bid document and prepare responsive bid 86 % of respondents’ state that sufficient time is allowed to bidder to obtain and prepare responsive bids and 14% are not sure. These show the lead time given potential bidders to prepare responsive bids are adequate.

4.3.4.5. Clarification to Bidders

Providing clarification to bidder is vital and critical because if information provided based on clarification request from particular bidder not communicated to all, it may affect competitions and bidders may not be treated equally. so respondents were asked to indicate whether request for clarification from bidders answered promptly and completely in written form and communicated to all prospective bidders with sufficient time and at the same time. The finding is shown in fig 4.23 below

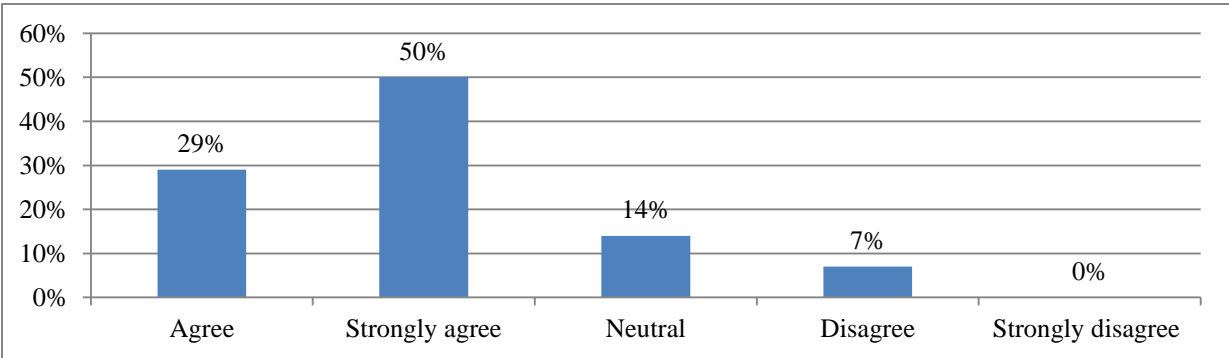
Figure 4.23 Response to Clarification request by Bidder



Source: Survey Questioner, 2017

The finding reveals that, 57% of respondents were strongly agree on timely response to clarification in written form and communicated to all at same time with sufficient time, 15% of respondents replay agree, 14% of respondents were neutral and another 14% of respondents disagree on the statement. These show that there exist practices of providing clarification to all bidders on time and at the same time, however, as response for clarification very critical, because some important information may be shared to certain bidders to give them competitive advantage over other bidders.

Figure 4.24 Bid Opening



Source: Survey Questioner, 2017

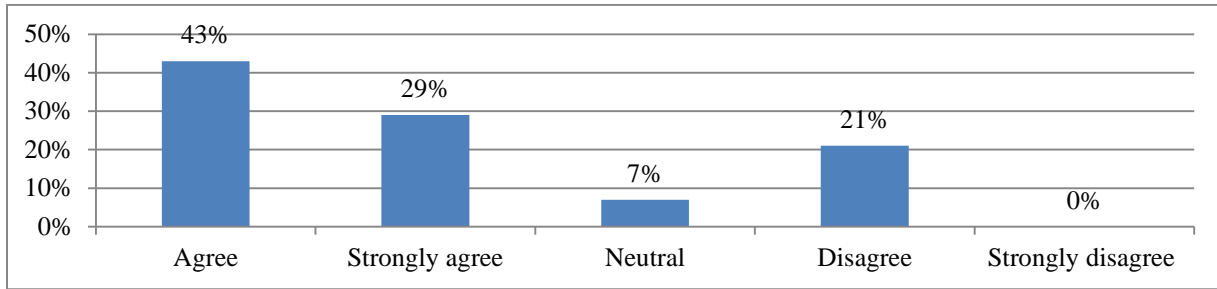
4.3.4.6. Public Procurement Bid Opening

Public opening of bids for any procurements are very important to improve transparency and accountability. So, respondents were asked to indicate the practice of bid opening. As indicated in fig 4.24 the finding reveals that, 50% of respondents strongly agree on public opening of bids , 29% agree, 7% of respondents disagree and rest 14% of respondents are neutral. These imply that there exists an adequate practice of public bid opening.

4.3.4.7.Public Procurement Bid Evaluation

The quality of bid evaluation depends on level of qualification of bid evaluation committee and clarity of bid evaluation criteria. As a result respondents were asked to indicate their level of agreement in assigning qualified evaluation committee of the bid and whether bids are evaluated based on pre-defined criteria.

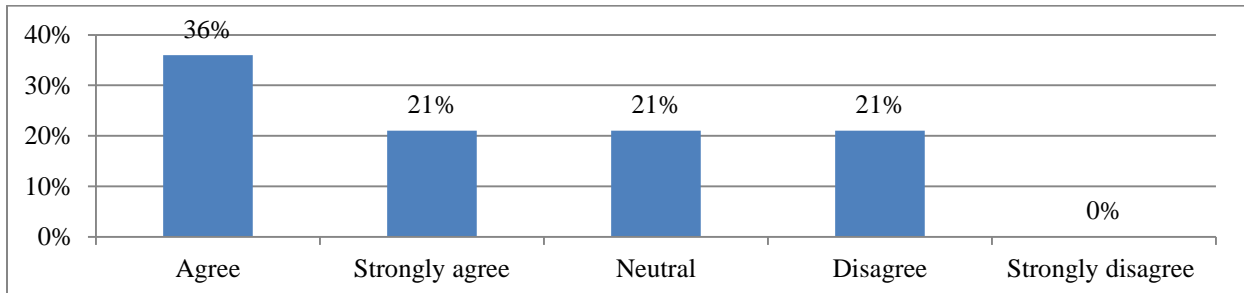
Figure 4.25 Qualified bid evaluation committee



Source: Survey Questioner, 2017

As depicted in the fig 4.25 above, the finding indicate that, regarding whether qualified evaluating committee appointed to conduct technical evaluation for each procurement bid, 43% of respondents were agree on the statement, 29% of respondents were strongly agree, 7% of respondents were neutral and rest of respondents 21% were disagree . These imply that the entity had good practice of assigning appropriate and qualified technical evaluation committee for each bid.

Figure 4.26 evaluation criteria and documentary requirement specified

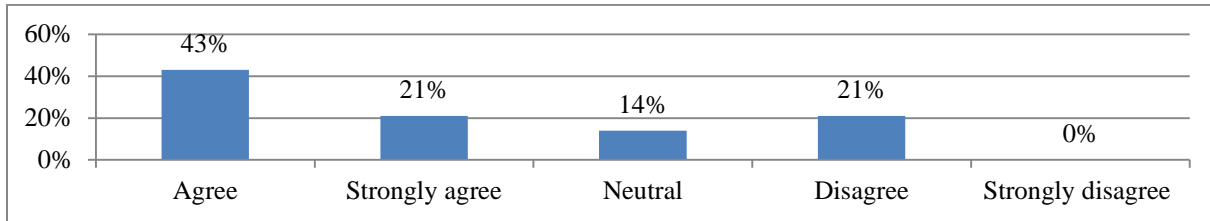


Source: Survey Questioner, 2017

4.3.4.8. Conducting evaluation based on pre-defined criteria

About whether evaluation carried out thoroughly and on the basis of the evaluation criteria and documentary requirement specified in the bidding documents, 36% of respondents were agree on the statement, 21% were strongly agree, another 21% of respondents were neutral and the rest 21% of respondents disagree on the statement. These implies that there were good trend of conducting evaluation based on pre-defined criteria although some respondents indicated gap in using pre-defined evaluation criteria.

Figure 4.27 Preparation of evaluation report



Source: Survey Questioner, 2017

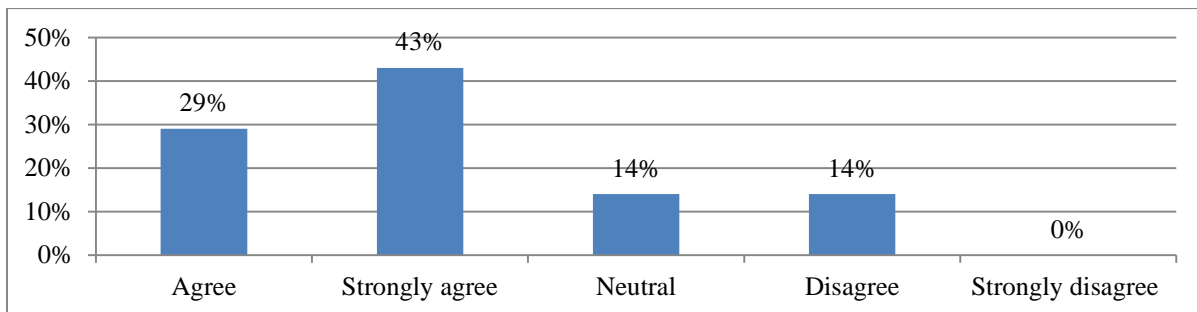
4.3.4.9. Preparation of bid evaluation report

Concerning whether bid evaluation report prepared containing all information such as clear and complete description of evaluation process, reason for rejection of any bid as non-responsive (if any), how the stated evaluation criteria were applied and how post qualification were done for successful bidder, 43% of respondents were agree on the statement, 21% were strongly agree, 14% of respondents were neutral and the rest 21% of respondents were disagree on the statement. These imply that better experience in this regard and practice of conducting post qualification before award.

4.3.4.10. Contract Award and Post Qualification

Contract award is the decision to establish a contract with a successful supplier. It marks the successful completion of procurement process. Thus, the researcher wanted to find out whether contracts are awarded to the lowest evaluated responsive bidders and whether post qualification determined to perform the contract satisfactory. So, respondents were asked to indicate their level of agreement. The finding is indicated in fig 4.28

Figure 4.28 Contract Award and Post qualification



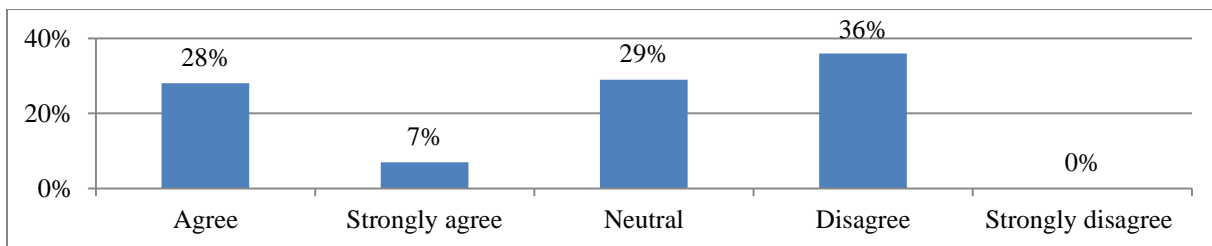
Source: Survey Questioner, 2017

About whether the Contract Award carried out thoroughly and on the basis of the Post qualification , 29% of respondents were agree on the post qualification, 43% were strongly agree, another 14% of respondents were neutral and the rest 14% of respondents disagree on the post qualification. These imply that there were good trend of Preparing Contract Award based on post qualification.

4.3.4.11. Contract Completion as per Contract Term

The researcher wanted to find out whether procurement contracts are generally completed on schedule and within the originally approved contract price and cost and time. So respondents were asked to indicate their level of agreement on the statement. The finding indicated in fig 4.29 below.

Figure 4.29 Procurement Contract Completions



Source: Survey Questioner, 2017

The finding reveals that 28% of respondents agree on the statement, 7% of respondents strongly agree, 29% of respondents are neutral, and 36% of respondents disagree that whether contracts are completed on schedule, within approved contract price and time. These imply that contracts are not mostly completed on schedule, contract price and time.

4.3.5. Analysis of Interview Result from users of public procurement service side:

To have opinion from the end user side on central procurement of goods and services, the researcher has conducted interviews with nine federal government institution’s procurement process owners, senior procurement experts and bid approval committee members three from each public body. The public bodies considered as sample are Metal Industry development Institution (MIDI), Food beverage & pharmaceutical Industry development Institute (FBPIDI), Chemical & Construction inputs Industry development Institute (CCIDI). The finding of

interview conducted with end user of central public procurement and property disposal service is as indicated hereunder. Respondents were requested whether all procurement requirement are handled central, according to respondents not all procurements are handled centrally only those item identified as common user items are handled by central procurement, the rest is handled by their own procurement units. Regarding procurement planning starting need identification were asked, it was explained that initially the needs of each departments are collected and compared with their approved budget to reconcile with allocated budget. To make comparison of requirement with allocated budget of each departments are required to submit detail list of items for procurement along with expenditure budget code. Then once reconciliation with budget finalized, procurement plan is prepared and submitted to procurement endorsing committee for approval.

Then after procurement plan get approval from procurement endorsing committee, they send to Federal public procurement and property administration agency and public procurement and property disposal service. Those items which has been identified and communicated to them as common user item are handled by PPDS and the rest is handled by procurement unit of public bodies It was indicated by respondents that, for common user item handled by PPDs, after they complete procurement process and sign contract with supplier, they communicate the list suppliers for each item along with specification and the price of each item. Their responsibility is to issue purchase order as per procurement plan to particular supplier and distribute the item when supplied to each department according to their identified needs. Regarding specification, they indicate that there are approved specification to be used for common user items and thus they are not required to prepare specification rather it simply indicate the type of specification for planed procurement. Concerning consultation with PPDS, they indicate that there were close consultation with PPDS, normally PPDS request requirement for procurement indicating item to be handled by service during procurement planning stage. About effectiveness of central procurement all respondents stress its importance interim of time, reduction in cost of operation and items. They also indicated it helps to improve utilization of budget. About contract completion most supplier are not able to complete as scheduled time and since the price is fixed for common user item there is no cost overrun. Even though, all the respondents stressed the importance and effectiveness of central procurement they indicates some challenges that need to be improved. These are Limited capacity of supplier result in delay in delivery of items at the

required time; delay of supply beyond budget year due to critical capacity problem are some challenges. Finally, respondents suggested points for improvement, it was suggested that there must be mechanism to strengthen the capacity of supplier of common user items, especially, foreign currency problem requires attention and they need to be given priority. Also they suggest that central procurement to be strengthen more to handle all procurement requirement of public bodies.

4.3.6. Major factors Affecting Public Procurement Planning and Implementations

The factors that results in weakness of public procurement planning and implementation effectiveness are summarized based on interviews conducted and questioner's analysis.

The following are the summary of factors identified that affect public procurement in particular on framework contract for common user items are :

- ✓ Lack of timely submission of requirements and insufficient capacity of end user to accurately describe their needs up on identification of needs in the forms of specification,
- ✓ Inadequate experience, skill procurement staff in preparing planning activities i.e. consolidation of procurement, needs, packaging, setting schedule for millstone activates of procurement processing during procurement planning and Limited quality training in procurement planning activities,
- ✓ Frequent request for Unplanned or urgent procurements from public institutions due to capacity constraint in preparing compressive procurement plan,
- ✓ Limited quality of training in preparing various document of procurement for implementation i.e. bid document , setting evaluation criteria, conducting evaluation and its report, awarding notification, drafting contract and contract management ... etc
- ✓ Lack of interest by supplier to participate on open bidding , mostly similar supplier frequently participate in open bidding,
- ✓ Discontinuation of supply by supplier after signing of contract and starting supply of items, payment request from supplier before public bodies issue good receiving notes (model 19) , and request of advance payment by supplier beyond limit stated in contract agreement or framework contract, and most contracts are not completed on delivery time scheduled in the contract,

CHAPTER FIVE

SUMMARY OF MAJOR FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

In this chapter, the findings of the study are summarized and relevant conclusions are drawn from the findings. The study has also tried to forward relevant recommendations.

5. Summary of Findings and Conclusions

The main purpose of this study was to assess the practices of public procurement planning and implementation system, determine the major issues related to impediments in public procurement and implementation and also determine effectiveness of existing procurement planning and implementation of selected federal Government institution's common user items through framework contract.

5.1. Regarding Practice of Public Procurement Planning and Implementation

According to analysis made based on information obtained from questionnaire and key informants interview, the finding regarding practice of the public procurement planning and implementations are summarized as follows:

- With regard to practice of public procurement planning, the study reveals that public procurement planning process for pooled or central procurement starts with identification of common user items to be procured through framework agreement. The mandate to identify common user items has been given to federal public procurement and property administration agency. The agency then issues the list to the federal public bodies and public procurement and property disposal service. As the federal public procurement and disposal service has given a responsibility to handle procurement process for such identified common user item, the PPDS also communicate the list to all federal public bodies requesting all public bodies to submit procurement plan according to the list;
- All procurement requirements of the public bodies are not handled by central procurement rather only those identified as common user items by FPPAA procured

centrally. The rest procurement requirements are handled by finance and procurement department of each public body. The number of items included as common user items are increasing from time to time (i.e. in EFY 2006, 86 items, in EFY2007, 201 items, in EFY2008, 323 and now in the current year EFY2009 , 347 items are included as common user items, also the contract agreement period extended for 3 years);

- Regarding effectiveness of central /pool procurement all end user interviewed stated as effective and indicated their preference that all procurement to be handled centrally to save time and resource of the public;
- With regard to procurement plan preparation of end user for central procurement, the finance and procurement department of respective public bodies prepare procurement plan by collecting procurement needs of each departments and compare with their respective annual budget of each department. Then procurement plan of their organization prepared and get approval from procurement endorsing committee of respective public bodies. The approved procurement plan of the public bodies sent to FPPPAA for consolidation and PPDS for procurement of common user items. Based on submitted procurement requirement of public bodies PPDs prepare consolidated procurement plan and get approval from endorsing committee of the services.

5.2. Factors Identified that Result in Impediment of Procurement Planning Practice, study reveals that:-

- Inadequate practice of timely requirements submission by end users and insufficient capacity of end user to conduct need assessment and accurately describe their needs up on identification of needs in the forms of specification or SOW or TORs,
- Lack of adequate market survey to update market information and capable supplier to satisfy needs identified by end users,
- significant proportion of procurement staffs were not involved in the preparation of procurement plan; although adequate capacity exist in procurement planning, still there is skill gap in procurement planning; limited capacity in consolidating procurement requirement, conducting survey of price in the supply market, and scheduling timelines for procurement tasks,

- inadequate practice of review of requirement before preparation of consolidated procurement plan, lack of timely submission of procurement requirement for common user items by some public bodies,
- Limitation in comprehensiveness and level of detail for proper quantification of needs and quality product and services and works. Inadequate practice of consideration of technical and financial constraints in determining lead time for each millstones of procurement planning process. Lack of communicating consolidated procurement plan to public bodies after approval by indicating time of delivery,
- other issue related to procurement planning and implementation are : Limited awareness on importance of public procurement planning and implementation by public bodies as well as significant number of staff working on procurement,
- Limited trend of evaluating effectiveness of procurement planning for central procurement and also indicated that unplanned procurement are major challenge as procurement plan lacks comprehensiveness, lack of practice in advertising annual procurement plan to public before the procurement, which would have important implication to improve competitiveness if done properly,
- Inadequate experience, skill of procurement staff in preparing planning activities i.e. consolidation of procurement needs, packaging, setting schedule for millstone activates of procurement processing during procurement planning and Limited quality training in preparing procurement planning and implementation activities,
- Insufficient practice of using procurement plan as management and monitoring tools at each stage of procurement process and lack of practice in updating procurement plan regularly as changes are made to original procurement plan.

These are the most important challenges identified as contributing factor for impediment of public procurement planning and implementation practice.

5.3. Public Procurement Plan Implementation

Effectiveness of public procurement plan implementation is highly depends on relationship between inputs and outputs. It involves ensuring that the outputs of goods and services produced as planned and achieves the desired results. The quality of procurement implementation largely

depends on the capacity of the procurement staffs trained in all aspect of procurement process. The practice of public procurement implementations has been managed to summarize the following finding regarding procurement implementation.

- The study reveals that, majority of procurement staff of service, 71% are procurement in profession and 79% of them have bachelor degree but most of them have less or equal to five years of experience only few staff have more than 16years of overall experience. Most staffs have less than two years of experience and adequate portion of staff also have good level of experience in procurement.
- The study indicated that, majorities of staffs have taken training in procurement, but they still need more training. Regarding quality of training received, most of them have taken low quality training in procurement planning and management, preparing bidding document, evaluation of bid for works, goods and services and contract management aspect of procurement and also in drafting contract and record management.
- With regard to adequacy of staffing, facilities and remuneration, study reveals that there were no adequate facility available for procurement staffs to do their works, and all respondents indicated that they are not satisfied with their remunerations. It also reveals that procurement unit of the PPDS not staffed adequately to discharge its responsibilities.
- The procurement unit has very limited experience using goods and consultant selection methods such as CQS ,FBS,QCBS, direct/ single source (both good and Service) and have better experience in using ICB, NCB, RFQ and restricted biding methods.
- Regarding specification, TOR and SOW quality, study reveals that obtaining standard such document were identified as major challenge to procurement implementation. existence of review process of such items before incorporation to bidding document were asked , it was indicated that there is a system in place to do review the document to ensure any potential constraints.
- With regard to capacity to prepared bidding document and information content of the document, study reveals that there is sufficient capacity of preparing quality bidding document however, considerable number of staffs lacks such capacity, and indicated the adequacy of information contained by bidding document.

- With regard to the quality of technical requirement and bidder's qualification criteria are adequate. Concerning experience in preparing various documents for procurement implementation, there is better experience in preparing bidding document, setting evaluation criteria, preparing bid data sheet, receiving and opening of tender but low experience in preparing evaluation report, writing minute and contract negotiation.
- With Regard to update of supplier list and market information, there is good practice of regular update of list of qualified supplier and market information's, Regarding adequacy of time allowed to bidders to obtain documents and prepared responsive bid, it was indicated that the time is adequate. Concerning clarification information it was indicated that response to clarifications are given to all at same time.
- Lack of interest by most supplier to participate in open bidding , and sector having sufficient supplier , limited capacity of supplier to deliver items to the public bodies after signing contract and some time they discontinue supply in the middle of implementation,
- With regards to bid evaluation, study reveal that qualified technical evaluation committee are appointed for each procurement, there is also strong practice of evaluating bids according to predefined evaluation criteria, and report on evaluation contains sufficient information and based on standard format.
- Appropriate approval system for evaluation report and along with award recommendation are in place at PPDS and public bodies level , which is done by standing procurement endorsing committee established high authority.
- With regard to contract award and post qualification, award is always made to lowest evaluated responsive bidders, and post qualification is determined before award to make sure capacity to perform the contract. Regarding appropriateness of contract monitoring system in place, it was indicated as adequate although it need improvements to properly monitor delivery time, quality as per contract. Concerning timely completion, study reveal that mostly contracts are not completed on schedule. Regarding contract management experience study reveals that there is limited experience in preparing contract, managing change to contract, monitoring delivery and maintain contract records.
- Regarding practice of assessing effectiveness of implementation, study reveals, there is practice of assessing implementation effectiveness in order to identify area of weakness

and strength, although not regularly undertaken. Concerning delivery as per contract, there is limitation in delivery as per contract term,

- There is fair level of performance in achieving procurement within planned cost and low performance in achieving millstone date in procurement processes and delivery in time after contract signing with supplier.

5.4. Conclusions

The main purpose of this study was to assess the existing practice of public procurement planning and implementation, and determine major factors related to weakness of public procurement planning and implementation practice. This study tries to identify the practice and factors that affect planning and implementation.

5.4.1. Practice of Procurement Planning and its Effectiveness

- It is evident from the study that procurement planning is practiced in public procurement and property disposal service and public bodies, however, it lacks comprehensiveness and details as it does not include time schedule for each major activities of procurement process.
- It was noted that not all procurement requirement of federal public bodies are handled by central procurement through framework contract rather only those items failed under categories of common user items are procured. It also noted that although the directive require all public bodies to prepare procurement plan some are not restrict enough in preparing and submitting their plan to FPPAA and PPDS. The consolidated procurement plan of PPDS required to be communicated to all public bodies; however, there is no practice of sharing the procurement plan to public bodies.
- Although some challenges in practice of procurement planning for common user items it was suggested by most respondents as effective and advised for inclusion of more items for the fact of saving time and resource to manage independently by

each public bodies. There is no regular practice of evaluating effectiveness of procurement planning.

- Although trainings are given in various activities of public procurement planning and implementation practices , the quality and number of staffs who have taken training are very limited;
- In implementation of procurement plan there is capacity limitation in preparing various document in procurement process and limited awareness of most staffs on various documents required to be prepared in the process.
- Preparing Quality Specification, TOR and SOW is very important for effectiveness of procurement process , however , it was found that substandard quality of such documents are major challenges in implementation of procurement plan,
- It has been found that sufficient capacity exist in conducting bid evaluation; nonetheless, still there is gap in skill required by most staff that needs to be bridged. Practice of award notification has been made both to selected supplier as well as those who fail to pass the evaluation.
- Due to low capacity and experience in contract management some supplier deliver common user items after significant delay even sometime beyond budget year which result in low utilization of annual budget.

As a result of significant challenges with regard to public procurement planning and implementation discussed above concluding as effectiveness is difficult. It is the researcher position that although there exist good practice in public procurements planning, and implementation there were significant gap that need to be improved to be effective as expected, taking in to account the involvements of significant public resource. Therefore, to have effective public procurement planning and implementation practice , some important recommendations are forwarded by the researcher in the following section.

5.5.Recommendations

The following recommendations are forwarded to improve the effectiveness of public procurement planning and implementation practice:-

- The procurement unit of service who handle procurement need to be staffed with qualified and well trained staffs in all aspect of procurement process from planning to contract management to all irrespective of their position,
- To address the issue related to delay in requirement submission, enforce the end user to respect the timelines as stated in the directives and improve capacity of conducting need assessment and skill required to describe accurately the needs up on identification of need at each Public bodies' through training ;
- Promote collaborate approach with knowledge center (like university) to build the capacity procurement staffs in order to improve skills and competencies of the work force. The expertise and academic experience of knowledge center enlisted as a valuable means of expanding procurement knowledge and upholding theory and practice.
- The responsibility to update supplier list and market information need to be given to other independent organization for instance to Ministry of trade to conduct survey of price in the market ,
- All procurement unit staffs shall be given opportunity to involve in procurement planning activities, so that practical capacity to prepare procurement planning will be improved;
- Review of requirement received from public bodies shall be accomplished regularly and shall be done with qualified technical team for each type of procurement before consolidation, and mainstream procurement planning as part of budgeting process to have comprehensive procurement planning;
- Appropriate procurement planning documents and internationally accepted one need to be adopted to include important information such as schedule of major procurement activities from initiation to contract delivery and technical and consideration of constraints in setting lead time and the service should practice communication and publication of consolidated procurement plan to public bodies and public at large;
- Create awareness on how to do procurement planning and its importance shall be given to all procurement unit staff irrespective of their position in the procurement process.

- Practice of announcing detail annual procurement plan before the start of procurements need to be followed by procurement unit , as it has implication to improve competition in the market,
- Capacity building to key player in procurement process by providing training, such as officials, bidders and the media in the roles and responsibilities, evaluation of bids, contract management and preparation of responsive bids;
- Sufficient resources and facilities shall be allocated to procuring entities procurement professionals to handle their tasks to the required levels,
- Quality training on procurement planning activities and on preparation of procurement process documents at each stage of process shall be provided to all staffs,
- All procurement staff need to take training before they take on in practical application of public procurement process,
- To improve the capacity of procurement staff in preparing procurement document, detail simulated training on each part of document(i.e. bidding documents, evaluation template, drafting contract documents, and contract management) very important to develop their skill,
- To encourage and improve low interest of most supplier in open bidding and sector having more supplier, there must be consultation with available supplier to discuss the challenge that contribute to low interest in such bid and increase transparency through disclosure and enforce accountability,
- To improve the capacity of supplier there must be a mechanism to give priority in foreign currency authorization to import goods under common user items as it has significant impact on annual budget utilization of most public bodies,
- Special attention need to be given to contract management to facilitate timely supply of goods and services to the public bodies. Strong system shall be in place to enforce compliance to contract term and closely collaborate with stake holders to monitor contract implementation,
- It is recommended to strengthen central procurement of common user goods and services through inclusion of more items, which allow public bodies to focus on their area of responsibilities, and reduce administrative cost of public procurement management,

- Regular close consultation with selected common user item supplier to create awareness on importance of their contribution in providing basic service to the public,
- Apply oversight and control mechanisms to support accountability throughout public procurement cycle through ensuring chain of responsibility are clear and define authority for approval of key procurement millstones,
- Enforce submission of requirement as per timeline of directive, and
- Establish a mechanism to conduct periodic assessment and consistently the result of procurement planning, process and system.

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ANNEXES

Annex-A:

Survey Questioners

S.t Mary's University School of Graduate,

Department of MBA in General Business Administration

Questionnaire for to be filled by The Public Procurement and Property Administration Service (PPPAS) staff members.

Dear Respondent, My name is Worku Tadesse; Candidate for master's program in general business administration. I am doing a research for partial fulfillment of Master's Degree. This questionnaire is prepared to collect data for my research topic entitled "The assessment of public procurement Implementation " In the case of selected government institutions for partial fulfillment of Master's Degree in general business administration . The study will provide information on current practice of public procurement planning and implementation effectiveness to the procuring entity as well as to policy makers.

The purpose of the study is purely academic. Hence, I will assure you that it will have no any negative effect on you as an individual or on your organization. The effectiveness of the study depends on your genuine and frank response which will be kept confidential. I, therefore, request you to fill the questionnaire honestly and frankly. I would like to thank you for your kind Cooperation in advance .

- My Contact address in case you have question while completing questioners or to provide additional Information: Worku Tadesse, Mobile phone # 0910 14 98 75 or email: goldwt44@gmail.com
- General Instruction: Please circle the letter of your choice where alternative are given, in case where description response are require please write your response in space provided and also use tick mark where required. Please note that additional paper can be used where the space provided is not enough for descriptive response.

Section One:

The profile of respondents

1. Gender

- a. Male b. Female

2. Age category

- a. 18-25 years c. 36-45 years e. Above 55 years
b. 26-35 years d. 46-55 years

3. What is your highest Academic Educational qualification level?

- a. High school complete b. Certificate holder c. Diploma
d. Bachelor degree e. Masters and above

4. What is your profession?

- a. Management b. Economics c. Engineering
d. Procurement e. Other specify _____

5. What is your Professional qualification in procurement management?

- a. None b. Certificate c. Diploma d. Bachelor degree e. Masters and above

6. Your general work experiences

- a. Less than 2 years b. 3- 5 year c. 6-10 years
d. 11-15 years e. 16-20 years f. 21 and above years

7. Current Position you held

- a. Process owner b. Senior Procurement officer c. Procurement expert II
d. Procurement expert I e. Other specify _____

8. How long have you been worked as procurement professional

- a. 0-2 years
- b. 3-4 years
- c. 5 -6
- d. 7and above years

9. Have you received Procurement Training?

- a. No
- b. Yes, but I need more training
- c. Yes , It was sufficient training
- d. I do not need training

10. Rate the quality of training you received in the following area (if any)? put thick mark for your answer

	None	poor	fair	good	excellent
Procurement planning	_____	_____	_____	_____	_____
Procurement Management	_____	_____	_____	_____	_____
Contract Management	_____	_____	_____	_____	_____
Evolution of bid for Works	_____	_____	_____	_____	_____
Evaluation of Consultant proposal	_____	_____	_____	_____	_____
Drafting procurement Contract	_____	_____	_____	_____	_____

11. Please respond to the following about procurement staffing in your organization? Put tick mark on space provided.

	No	Yes	No sure
Do you have Job description?	_____	_____	_____
Do you have adequate facility to do Work?	_____	_____	_____
Are you satisfied with current salary?	_____	_____	_____

Section Two:

Procurement planning Practice and its Implementation

1. Have you ever been involved in procurement planning?

- a. Yes
- b. No

2. Does your organization have staffs dedicated in procurement planning of goods, works and service procurement?

- a. Agree
- b. Strongly agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

3. How often, do the public bodies / end user mostly sent their requirement to your organization?

- a. Monthly
- b. Quarterly
- c. Bi annually
- d. Any time as need arise

4. Is procurement unit of your organization adequately staffed?

- a. Yes
- b. No
- c. Not sure

5. Can you please indicate your level of experience to perform the following in procurement planning? put thick mark for your answer

	None	poor	fair	good	excellent
Consolidate required quantities for the plan	_____	_____	_____	_____	_____
Survey the current price in the supply market	_____	_____	_____	_____	_____
Align procurement plan with budget	_____	_____	_____	_____	_____
Schedule timeline for procurement task	_____	_____	_____	_____	_____

6. Does technical issues, financial and implementation constraints taken in to account in determining lead time for each millstones of procurement stage during procurement planning process?

- a. Agree
- b. Strongly agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

7. Does the procurement requirements of common user items are submitted on time by public bodies?

- a. Agree
- b. Strongly agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

8. Does your organization circulate approved consolidated procurement plan to all public bodies?

- a. Agree
- b. Strongly agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

9. Do you think Procurement planning helps your organization to achieve maximum value for expenditures, to identify and address all relevant issues to particular procurement?

- a. Agree
- b. Strongly agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

10. Does procurement unit of your organization regularly use the procurement plan as management and monitoring tools?

- a. Yes
- b. No
- c. Not sure

11. Does procurement planning results into compliance to set procedure?

- a. Agree
- b. Strongly agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

12. Do you announce /made public the annual procurement plan as required by directive after procurement plan is finalized on appropriate media?

- a. Yes b. No c. Not sure

13. Does the urgent or unplanned procurement requirement is a major challenge of actual procurement process?

- a. Yes b. No c. Not sure

14. Is there trend of evaluating effectiveness of your procurement planning in terms of enabling to achieve goals, procurement method used, and delivery time, cost saving, meeting milestone date in procurement plan?

- a. Yes b. No c. Not sure

15. Does the end user /public bodies or departments raise the required specification/term of reference /statement of work for their procurement request on time?

- a. Agree c. Neutral e. Strongly disagree
b. Strongly agree d. Disagree

16. Does the procurement unit have a process to clarify and verify the requirements and specifications of the procurement requisition to ensure any potential constraints are adequately addressed?

- a. Agree c. Neutral e. Strongly disagree
b. Strongly agree d. Disagree

Section Three:

Completeness of Bid Process

1. Does your organization have capable staffs for preparation of bidding documents/Request for proposal?

- a. Agree
- b. Strongly agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

2. Does the bidding documents prepared contain all necessary information that helps potential supplier to prepare responsive bid and clearly understandable evaluation criteria in consistent way to ensure level playing field?

- a. Agree
- b. Strongly agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

3. Does qualification criteria appropriate and clearly described for bidders on bidding document and appropriate care taken in setting the criteria not to discourage bidders/suppliers/Service providers?

- a. Agree
- b. Strongly agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

4. Does sufficient time allowed to bidder to obtaining bid documents and preparing responsive bids?

- a. Yes
- b. No
- c. Not sure

5. Are request for clarification from bidders answered promptly and completely in written form and communicated to all prospective bidders with sufficient time and at the same time?

- a. Agree
- b. Strongly agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

6. Does public bid opening conducted at specified place following the deadline for submission immediately after closing, read out necessary information and minute of opening prepared and kept?

- a. Agree
- b. Strongly agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

7. Does qualified evaluation committee assigned to conduct evaluation for each procurement bid?

- a. Agree
- b. Strongly agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

8. Does bid evaluation carried out thoroughly and on the basis of the evaluation criteria and documentary requirement specified in the bidding documents?

- a. Agree
- b. Strongly agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

9. Does bid evaluation report prepared containing all information such as clear and complete description of evaluation process , reason for rejection of any bid as non-responsive (if any), how the stated evaluation criteria were applied and how post qualification done for successful bidder? ?

- a. Agree
- b. Strongly agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

10. Does contracts required to be awarded to the lowest evaluated responsive bidder /Successful bidder's) qualification to perform the contract satisfactorily, determined solely on the basis of criteria stated on the bidding documents?

- a. Agree
- b. Strongly agree
- c. Neutral
- d. Disagree
- e. Strongly disagree

11. Are contracts generally completed on schedule and within the originally approved contract price or cost and time?

a. Agree

c. Neutral

e. Strongly disagree

b. Strongly agree

d. Disagree

Thank for your time and cooperation!

Annex-B:

Interview guides

Section Four

Interview questions for users of public procurement service

1. Does all procurement requirement of your organization handled centrally?

2. If no how do you handle procurement not covered under central procurement?

3. How does the procurement needs identified and communicated to public procurement property disposal service (PPDS)?

4. How does, the specifications, TORs, or Statement of Works (SOW) for procurement requirements are prepared and sent to PPDS?

5. Is there close consultation mechanism with procuring entity (in this case PPDS) during procurement planning and procurement process? At what stage do you participate?

6. How do you see the effectiveness of procurement, need identification and planning of your entities?

7. What do you think the most common challenges (if any) regarding central procurement at stage of planning, preparing and submitting requirement, procurement process, contract management and delivery ?

8. Do you think central public procurement is useful? If so in terms of what?

9. What do you suggest for further improvement and ensure effectiveness of public procurement planning and implementation in the future?

DECLARATION

I, Worku Tadesse , declares that this work entitled “ **Assessment of Public Procurement Planning & Implementation Practices in Federal Government Institutions** “ is an outcome of my own efforts and the study and that all sources of materials used for the study have been dully acknowledged. I have produced it independently except for the guidance and suggestion of the Research Advisor. This study has not been submitted for any other University, It is offered for the partial fulfillment of the requirements for the award of Degree of Masters of Business Administration (**MBA**).

Name

St. Mary’s University, Addis Ababa

Signature

May,2017

ENDORSEMENT

This thesis has been submitted to St. Mary's University, School of Graduate Studies for examination with my approval as a university advisor.

Advisor

St. Mary's University, Addis Ababa

Signature

May, 2017