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**TOPIC: AN ASSESSMENT OF PROCUREMENT PERFORMANCE IN THE PUBLIC
SECTOR: A CASE OF THE MINISTRY OF HIGHER EDUCATION**

BINDURA UNIVERSITY OF SCIENCE EDUCATION

RELEASE FORM

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THE APPROVAL FORM

The undersigned certify that they have read and recommended to the Bindura University of Science Education for acceptance a project entitled “**An Assessment of Procurement Performance in the Public Sector: A Case of the Ministry of Higher Education (2015-2016)**” submitted by Student No. B1336826 in partial fulfillment of the requirements for the degree of Bachelor of Commerce in Purchasing and Supply.

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DATE.....

DECLARATION

I Student No. B1336826 do hereby declare that this dissertation is the result of my own investigation and research. Except to the extent indicated in the acknowledgements, references and by comments included in the body of the report, that the dissertation has not been submitted in part or in full for any other degree to any other university.

DEDICATION

This research is dedicated to my husband, and my children Anesu, Tinashe, Nyasha, Kudzanayi, Wakanaka and Kudakwashe who put up with my long absence as worked to put together this document.

ABSTRACT

Procurement performance measurement is a key factor in the procurement process of any organization. Procurement improves organization efficiency and competitiveness depending on the type of business sector one is looking at. Evaluation of suppliers before selecting them into an approved supplier list “significantly improves the performance of the organization’s procurement system.” This research sought to assess procurement performance in the public sector, using the Ministry of Higher and Tertiary Education as a case study. The population used in this research consisted of the officers and the employees of the Ministry of Higher and Tertiary Education. The total number of respondents (sample size) was 53. Descriptive analysis was made use of, and this involved the use of frequencies, cumulative frequencies and percentages. This data was collected using structured questionnaires where respondents were issued with questionnaires. Tables, graphs and pie charts were used to present the data for ease of understanding and analysis. The study established that the Ministry evaluates procurement performance, tender system is used for procurement of large orders. The also established that records are properly filed in the registry department. The study further established that the Ministry of Higher and Tertiary Education has no institutionalized training in the area of procurement.

ACKNOWLEDGEMENTS

Research of this nature could never have been carried out without the help and invaluable contributions of several individuals and institutions. It is therefore prudent to acknowledge the support and assistance of the people.

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CHAPTER 1

INTRODUCTION

1.0 Introduction

The research is based on an assessment of the assessment of the procurement process in public sector entities using the Ministry of Higher and Tertiary Education as a case study. This chapter covered the background of the study, statement of the problem, aim of the study, the objectives of this proposal, the research questions, assumptions made by the researcher before he carries out the study, the significance of the study, the study's delimitations and limitations to the definition of terms and the structure of the research report.

1.1 Background of the study

The fact that Procurement in most economies accounts for 60% to 80 % of the national budget, (Uyarra and Flanagan, 2009; Tsabora 2014) makes it imperative for the need to conduct a study aimed evaluating the performance of public procurement systems in Zimbabwe. The challenges that have been confronted in procurement by public entities are the flouting of tender regulations, improper definition of specification and corruption. This has resulted in the government losing money through irregular purchases (Uyarra and Flanagan, 2009; Mahmood, 2010). Public procurement management should be the centre of the management of public finance. The whole concept should be lunged on adherence to proper processes and procedures in order to achieve efficiency and effectiveness.

The public sector in Zimbabwe consists of institutions that directly fall under government control such as the various Government Ministries and other government departments. The other government or quasi-government institutions are Parastatals. Notable Parastatals in Zimbabwe include the Zimbabwe Revenue Authority (ZIMRA), Zimbabwe Electricity Supply Authority (ZESA), Zimbabwe Electoral Commission (ZEC), Grain Marketing Board (GMB), NETONE, Telone, National Railways of Zimbabwe (NRZ), State Universities and the various local authorities such as City of Harare. Zimbabwean public sector has a decentralised procurement system in which the different government departments procures from their own departmental offices. Public procurement in Zimbabwe is regulated through the Procurement Act vol.22 No.14. The Procurement Act establishes a State Procurement Board while providing for the

functions of the Board, also provides for the procurements of goods, construction work and services by state, statutory bodies and other persons. It also provides for matters connected with or incidental to the above activities. As a public institution, the Ministry of Higher and Tertiary Education has its procurement functions regulated by the Act.

While there is need for a quick turnaround of the economy as well as saving money by government, the government is losing through procurement that always is wasteful because of purchasing of wrong merchandise, corruption and incompetent personnel. The procurement department is usually under rated in most organizations and no specific performance measures have been established to enhance the contribution of the organization to the bottom-line especially in the public sector. In most developing economies the procurement function is viewed as a junior position of nonstrategic importance yet it carries the burden for organization's financial performance and represents a greater potential for cost saving for the public sector. Sabiiti, Muhumuza and Basheka (2010) argue that increasing effectiveness, efficiency and transparency of public procurement systems has become an ongoing issue of serious concern for many governments and for international development community. In Uganda, the government as highlighted by Sabiiti, Muhumuza & Basheka (2010) implemented the reforms in public procurement which led to the enactment of the Public Procurement and Disposal of Public Assets Act 2003, and regulations. The Act established the Public Procurement and Disposal of Assets Authority (PPDA) which is the oversight board responsible for monitoring and reporting on the public procurement and disposal systems in Uganda and advise on changes that need to be effected as well as value for money purchasing (Sabiiti et al 2010). This has prompted a research to evaluate public procurement system performance with a view to improve performance and contribute to the growth of the economy.

A majority of the African countries that attended the Abidjan Conference in 1998 the majority of the African countries represented unanimously agreed that failure in individual procurement proceedings to pre-determine and disclose in advance the award criteria, that procurement rules are not always followed in practice and that the application of competitive and transparent methods of procurement needs to be broadened (Sahaydachny,1995). The government is losing a lot of revenue through corruption and lack of knowledge of procurement laws and procedures by procurement personnel (Tsabora 2014). According to Ugwumadu (2013) the South African

government has used procurement as a policy tool to achieve wealth redistribution by using procurement channel funds to discrete categories of economic actors a situation that can be likened to the awarding of tenders to indigenous groups such as “Upfumi Kuvadiki”.

1.3 Statement of the Problem

Despite a tight government budget, the government is losing revenue through corruption, wasteful and inefficient procurement by the public procurement officers in association with suppliers through inflating quotations, the flouting of tender procedures and general inefficiency by the personnel manning the procurement functions in the public sector. The OECD procurement evaluation model Pillar III which focuses on the evaluation of procurement operations and market practices will be used in the study. The aim of this operation is to assess the procurement process in public institutions using the Ministry of Higher and Tertiary Education as a case study.

1.4 Aim of the research study

This study sought to assess the procurement process in the public sector using the Ministry of Higher and Tertiary Education as a case study.

1.5 Objectives of the study

The objectives of the study were:

- i) To establish how government is losing revenue through corruption.
- ii) To establish whether there are norms for safekeeping of records, documents related to transaction and contracts.
- iii) To establish the sourcing process in use at the Ministry of Higher and Tertiary Education.
- iv) To establish variables in procurement evaluation in public procurement process.
- v) To establish ways of improving the public procurement process within the Ministry of Higher and Tertiary Education.

1.6 Research questions

The researcher sought to establish, determine and evaluate the performance of public procurement systems by answering the following questions:

- i) Which leakages are causing losses of revenue in Government?
- ii) What are the norms for safekeeping of records, documents related to transactions and contracts?
- iii) What types of sourcing processes are used by the Ministry of Higher and Tertiary Education?
- iv) What are the evaluation procurement variables in public sector procurement process?
- v) What can be done to improve the public procurement process?

1.7 Assumptions of the study

The assumptions that adopted in this research study were that;

- i) The procurement system at Ministry of Higher and Tertiary does not follow procurement procedures as regulated by the State Procurement Board.
- ii) Managers and employees of the Ministry of Higher and Tertiary Education will not volunteer to provide all the information that will be requested by the researcher.

1.8 Significance of the study

Ministry of Higher and Tertiary Education- The Ministry of Higher and Tertiary Education benefited from the results of the research which the researcher intends to handover to the organization's top executive management. The benefits are expected to accrue in the form of improved procurement processes which eliminate leakages of funds through shoddy deals.

The University- the university benefit from increased literature for academic purposes in the Library after the completion of the research. Other researchers will have access to the results of the research study. These results will assist them in future research to construct their arguments as they will be building up their literature review.

The researcher – The researcher benefited intellectually as well as academically through conducting the research and reading a variety of textbooks, online articles and peer reviewed journals as the researcher gather information for the compilation of the research report. The study also benefited the researcher through the gaining of research skills on the research process thereby appreciating the application of research procedures.

1.9 Delimitations of the study

The study only focused on procurement processes at Ministry of Higher and Tertiary Education in Harare. The study involved the employees of the Ministry in the Harare offices who buy for the organization either as customers or as suppliers (procurements officers) and management staff. The study was conducted from June 2013 to December 2015.

1.10 Limitations of the study

Limitations arise from management and employee or even supplier bias, unavailability of essential data and the allocation of resources. The researcher mitigated this limitation by assuring the respondents that the information that they supplied would be held in confidence. It is a natural limitation that information may not be gathered from all sources. Therefore, sampling was randomly done. Although there is limited literature on the subject under research in Zimbabwe, this was mitigated through the citing of sources from researches conducted in other countries where related studies were conducted.

1.11 Definition of terms

In this research, the following terms are defined:

Procurement: the act of obtaining or buying goods and services from an external source.

Outsourcing: an arrangement in which one company provides services for another company that could also be or usually have been provided in-house.

Sourcing: The number of procurement practices aimed at finding, evaluating and engaging suppliers for acquiring goods and services.

Process: a series of action or steps taken to achieve a particular objective

Researcher: means the student who will conduct the research.

Respondents: Members of the sample elements that answers questionnaire or are interviewed.

1.12 Structure of the research report

This research project covers the introduction in chapter one, literature review in chapter two, methodology in chapter three, data presentation and analysis in chapter four and finally chapter five covers the conclusion and recommendations.

1.13 Summary

This section has covered the background of the study, statement of the problem, aim of the study, the objectives of this proposal, the research questions, assumptions made by the researcher before he carries out the study, the significance of the study, the study's delimitations and limitations to the definition of terms and the structure of the research report. The next chapter looks on the literature review of the study.

CHAPTER 2

LITERATURE REVIEW

2.0 Introduction

This chapter will cover the theoretical framework, empirical evidence, gap analysis, and the sources of literature review of the study. The chapter will also dwell on the literature review, covering research that has been undertaken by others in the field of public sector procurement in relation to performance measurement and evaluation of the procurement process. Literature review is a body of text that aims to review critical points of current knowledge including substantive findings as well as theoretical and methodological contributions to a particular topic under study (Green, Johnson & Adams, 2006). The process involves reviewing and analyzing the work of literature in relation to the specified topic in research. Dellinger (2005) posits that the ultimate objective of literature review during research is to inform the researcher with the most current developments in literature. Hortovanyi (2009) defines literature review as the text written by researchers on current knowledge including substantive findings as well as theoretical methodical and contributions on particular subject or topic. The literature will be reviewed under the following heading: Public sector procurement in Zimbabwe, Public sector procurement in Zimbabwe, Strategic context of procurement improving public sector procurement, and Public sector procurement measurement.

2.1 Public Sector Procurement in Zimbabwe

Government procurement is also known as the tendering system or public sector procurement system and this refers to the procurement goods and services on behalf of the public authority such as the central government or a government agency. The State procurement board regulates the procurement systems and procedures that are used by public sector organizations in order to prevent fraud, waste, and corruption by public servants that include procurement officers and finance personnel. The Zimbabwean government uses the State Procurement Board to regulate procurement procedures and the laws of Zimbabwe requires that the procuring authority to use public tenders for procurement of goods and services. Public procurement is funded by public funds which government collects from citizens and corporate bodies through statutory levies and

taxes. Thai posits that in order to achieve transparency in public sector procurement, standard procedures are applied whose aim is to provide guidelines for public procurement decisions.

2.2 Performance Measurement

Performance measurement is viewed as a warning, diagnosis and control system, which is used to keep track of economy, efficiency, effectiveness and efficacy (Sabiiti et al, 2010). They further argued that performance management in public procurement has become a key element in modern public sector governance and this has resulted in many developing countries having to introduce it as way to measure organizational and individual efficiency to facilitate the meeting by public sector enterprises of the needs of the citizenry. Amaratunga and Baldry (2002) argue that there is a need in public sector purchasing to establish and implement coherent methods of performance measurement of the procurement system and process. Lardenoije, Van Raaij and Van Weele (2005) further argued that in an effort to measure performance of the procurement system, the organization should adopt both financial and non-financial performance measures. The research will use eight components of performance management, that is, (1) use of a balanced set of measures, (2) measure what matters to service users and other stakeholders, (3) staff involvement, (4) inclusion of both perception measures and performance indicators, (5) use a combination of outcome and process measures, (6) take account of the cost of measuring performance, (7) having clear systems for translating feedback from measures into strategy for action, and (8) measurement systems need to be focused on continuous improvement and not a blame culture (Sabiiti et al 2010).

2.3 The strategy context of public procurement

Whether drives is strategic policy or support for ongoing operations authorities must able to government procurement policy , which is to buy the goods and services that it needs to deliver word –class public service ,through a false and open procurement process . Bhat (2006) posts that the buyers in the public sector need to guard against corruption and seeking to secure value for public funds with due regard to property and regularity. The procurement process spans the whole life-cycle, from the identification of the need to purchase through supplier selection and contracting, to the delivery of the required goods and services. Its success can only be or ultimately judged or measured when the product has been disposed or when the service contract has been delivered in full.

The procurement should contain options analysis and recommendations around a range of issues depending on the precise nature of the procurement. Beer (2011) argues that for a complex procurement, it would include discussion of the contracting process itself; the number and nature of the suppliers required; the length and type of contract; contract and supplier management issues. Consideration might also be given as to whether an existing contract could be used, either one let by the authority or whether another government contract could be available for widest use. Bhat (2009) argues that this route can be effective and efficient by way of saving time and money in the procurement process.

Other strategic issues can include whether and how to use prime and contracting, whereby a lead supplier manages sub-contractors as part of the delivery chain. The advantages of this system as asserted by Bhat (2006) include clear ownership, although it requires a prime contractor who is capable of doing this effectively. Otherwise the authority can become involved in difficult arguments in the supply chain long-term operation service contracts will require strategies for handling the inevitable changes through the life of the contract, thus it should incorporate effective change control processes. This he argues requires supplier performance incentive mechanisms.

A majority of government activities in most cases is the achievement of policy outcomes. The policy outcomes envisaged by government are the desired deliverables among them a well-educated citizenry, safe society, provision of clean drinking water and a well-developed infrastructure. Government then develops policies to achieve the policy outcomes as the state will have outlined. Procurement contributes critically towards the achievement of government's policy outcomes although the contribution by procurement is not always obvious. Sometimes the procurement is of the actual development or the policy outcomes although at times it may be as indirect as in the purchasing of stationery. Kakwezi and Nyeko (2005) posit that often procurement is only one of a number of mechanisms or ways that government can rely on to deliver government policy.

Contractual relationships play a central role and fundamental role in the delivery of public sector services and touch the lives of every Zimbabwean. Supplier's actions are often ethically important, and when things go wrong, the failure can be expensive in human, financial and reputational terms (Morgan 2010). He further argues that good management of the operational

phase of the sourcing process is thus a key aspect to successful service delivery. Contract management activities can be broadly grouped into three areas European Inc., 2008, European Commission, 2010 thus:

Service Delivery Management: This ensures that the food or services are being delivered as agreed, to the required level of performance and quality, and are supporting the business and operational need for the contract.

Relationship Management: The argument here is that it keeps the relationship between the two parties, that is the supplier and the customer open and constructive and aims to resolve or ease tensions and identify problems easily.

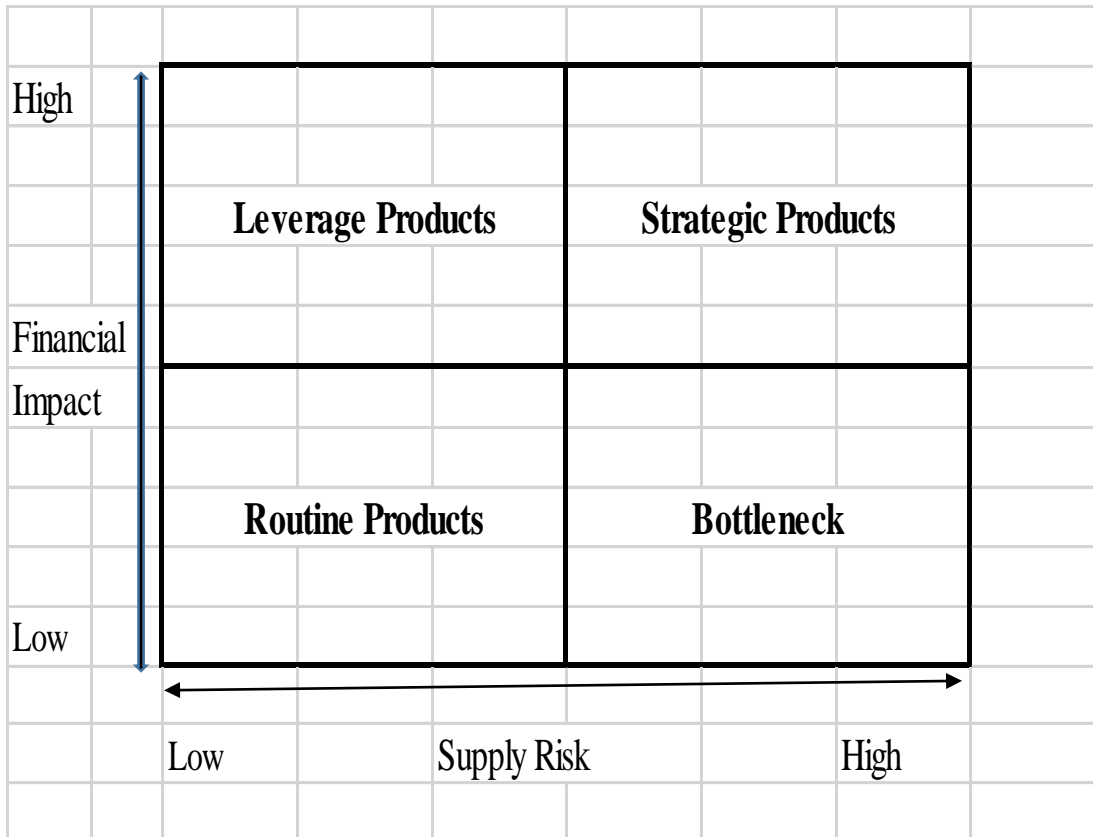
Contract Administration and change Management: This one handles the formal governance of the contract and changes to the contract documents.

The analysis of the three broad groups above makes it evident that there is a dared link between service delivery, relationship management and contract administration. The researcher agrees to a large extent with the categorization of the contract activities to enable proper focusing of the procurement sourcing function towards effective and efficient procurement for the public sector especially in the Ministry of Higher and Tertiary Education. The government manages public funds and hence effective procurement improves its performance in that respect. Deployment of supplier and contract management resource with the right technical commercial skills should be considered throughout the procurement life cycle (Duggan 2010). Continuous improvement in performance and Value for Money (VFM) is necessary to generate benefits for both the client and the supplier. Merely aiming to maintain performance is the equivalent of standing still (Halme and Kotilainen, 2008).

2.4 Theories and Models

2.4.1 Kraljic's Matrix

Van Weele (2005) posit that the Kraljic Model is one of the commonly used procurement model when working with strategies in the area of procurement. The Kraljic matrix has four quadrants, in which commodities and supplies are categorized relative to their financial impact on the organization, and supply risk. The matrix is as follows;



Based on Van Weele (2005) the four classes of the Kraljic Matrix:

Usage of the Kraljic Matrix used to:

- Analyse purchasing portfolio
- Determine tool for a purchasing department or purchaser to define priorities
- Decision tool on strategy to follow for a product or product category
- Outsourcing of non-critical items and leverage items.

Steps in the Kraljic model, process:

1. Decide on the products, product categories to analyse
2. Determine criteria for financial impact and supply.

3. Decide the detail level of the portfolio analysis – article or article group level? for department, business units or entire corporation?
4. Fill in the Krajlic Matrix to make objective make several people score financial impact and supply risk.
5. Analyse and discuss the results.
6. Define purchasing portfolio strategy and improvement actions per quadrant of the Krajlic framework.
7. Implement and monitor strategy.

Strength of Krajlic, benefits

The strength of a Krajlic diagram is that it gives in a relative simple way a result from which a clear purchasing can be set up. The combined Krajlic with the five forces of Porter to get more insight and detail. Combined the two mentioned analyses are referred to as Dutch Windmill (Van Weele, 2005). This gives the matching between your strategy and the strategy of the supplier towards you. It is always interesting to look into the mirror and analyze your attractiveness for the years.

Leverage Products – consist of products with high financial impact but low supply risk. The company can source these products usually through competitive bidding.

Strategic Products – are those products whose financial impact is high as well as high supply risk. The strategic products are usually sourced through partnerships.

Routine Products – are the products low financial impact coupled with supply risk. The effort applied in the sourcing process for the routine products are to source the products while expending as few man-hours as possible. This may be achieved through automated systems.

Bottleneck Products – are products with high supply risk but with low financial impact. The commonly used strategies for these types of products are to secure the supply.

Kraljic matrix is a tool that assist the procurement personnel in making the procurement process easier and smarter. The benefits of this model is that it minimizes vulnerability while

maximizing at the same time buyer power. MHTESD by adopting the Kraljic matrix, can better understand the profit potential relative to the weaknesses and vulnerabilities of the supply chain. Awareness of the four quadrants helps purchasing managers with the knowledge that makes it easier to deal with their procurement processes. Better strategy decisions can be made by MHTESD, and single out items of lesser importance and those that they can find alternative sourcing or outsource (Van Weele, 2005).

2.5 Empirical Review

A sizeable number of researchers have conducted researches have conducted research in the area of procurement performance and measurement in the public sector. Different models have been used such as the Kraljic matrix, the Dupont model and others. In a research conducted by Maki (2012) it was concluded that when measuring procurement effectiveness, it was essential to include a wide range of factors. Maki (2012) proposed the inclusion of the “strategic and financial influence, quality of people and skills level and transactional versus value added activity.”

Another study conducted in Kenyan Public sector by Chimwani, Iravo and Tirimba (2014) concluded that all the departments which formed part of the research were performing on the negative all the five determinants of public procurement performance studied as they all recorded negative mean scores. They concluded that “overall records management was the most essential driver in procurement performance followed by procurement procedures, procurement staff qualifications and ICT,” Chimwani et al (2014) concluded that having motivated and well qualified staff and effective records management systems are Key performance enhances in public sector procurement. They recommended enhanced records management to enhance procurement performance.

Oyando, Kibet and Musiange (2014) conducted a similar research in the Kenyan although without specifically focusing on the public sector. The findings of these researchers were that the reliability of suppliers had a positive effect on government suppliers. They concluded that constant supplier evaluation improved supplier performance and hence the procurement performance the other finding revealed through this research was that quality management had a positive impact on procurement performance.

The study conducted in Ghana by Clover (2014) revealed that corruption and ignoring the national procurement laws were the main challenges to public sector procurement. Clover (2014) suggested that suppliers with political connections also compromise public sector procurement performance.

2.6 Managing Competition Issues through Better Procurement

The cornerstone in public sector procurement is competition which underpins the pillars of fairness and transparency (Houston and Hutchens, 2009; Duggan, 2010) and it is the primary driver of value for money (VFM) in virtually all procurements. They further argue that in situations where a competitive procurement is selected as the right strategy, there is therefore a need to understand the Commercial drivers for suppliers; competition issues and the marketplace. This can be summarized well by the following tabulation of key competitive factors. Although the public sector by its nature does not engage in competitive buying, the factors identified and discussed in the table remain relevant to every buying organization. The public sector usually engage in tenders which are also covered in the key factors for competition. Closer strategic relationships therefor benefit public sector procurement because of the usual complex nature of procurement processes and contracts.

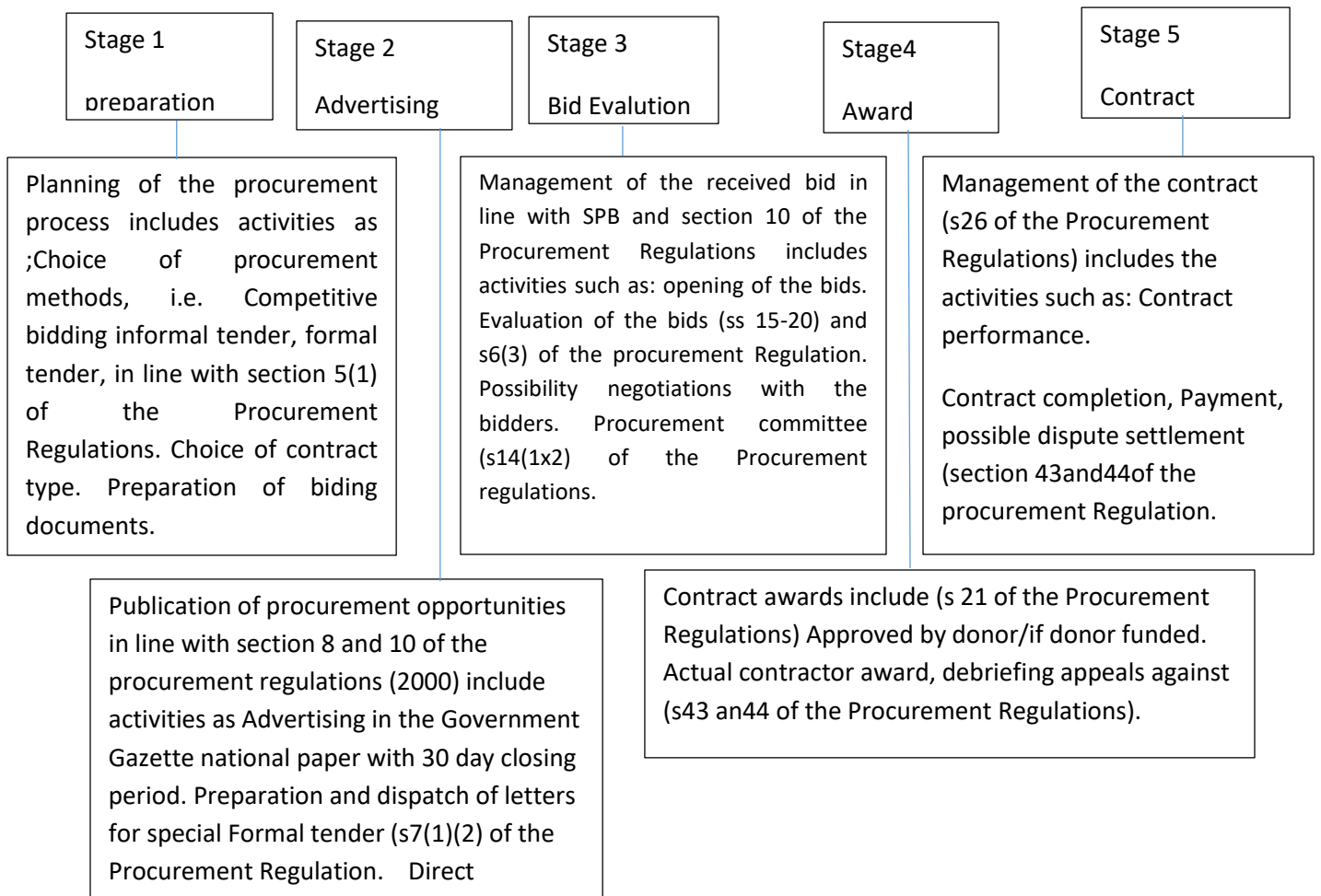


Figure 2.1: Adapted from The Procurement Act chapter2 2:14, Act No 2 of 1999 (Zimbabwe 1999)

The Procurement Act (Chapter 22:14), (Act No 2 of 1999) (Zimbabwe Government 1999) and the procurement Regulations, Statutory Instrument 171 of 2002(Zimbabwe Government 2002) constitute the legal frame work for public procurement in Zimbabwe. The SPB, the regulatory body for public procurement in Zimbabwe was established in terms of S4 of the procurement Act and was gazed in 2002. The procurement Regulations Statutory Instrument 171 of 2002 (Zimbabwe government 2002) were passed by parliament and approved by the president in 2002. These documents outline the public procurement procedures to be used in government including the different procurement methods, the procurement cycles and other procedural requirements.

2.7 Policy Framework

Since 1980, Zimbabwe has not drafted any White Paper on Public Procurement. This implies that to date, there is no official Procurement Policy framework (Kakwezi and Nyeko, 2005) that lays down the major pillars and technical features of Public Procurement. A White Paper on Public Procurement could have gone a long way towards guiding and influencing most fiscal and monetary statements. Indeed, such formal document could easily have defined the public sector procurement parameters. As a result of this state of affairs, the government has consistently failed to appreciate for the promotion of efficiency in public purchasing practices or an improvement of the ethical framework especially in view of the wide-scale, corruption and flouting of ethics in government (Musanzikwa, 2013) including the Minister of Higher and Tertiary Education. The lack of a formal procurement policy as argued by Tsabora (2014) has not deferred the government from following particular, albeit rough approaches to Public Procurement.

2.8 Legal Framework for Public Procurement

2.8.1 The Constitution

Tsabora (2014) highlights that the Zimbabwean Constitution goes some distance towards the determination of Public Procurement objectives which the public sector in Zimbabwe should strive to achieve. Section 9 of the Constitution of Zimbabwe mandatorily calls for government to adopt and implement policies and legislation aimed at the development of efficient, competent, accountable, transparent, personal integrity and financial probity. However, it should be argued that on the basis of Section 9 alone government procurement policies that stifle a competitive and robust regime, that fails to promote financial probity, fairness or accountability, falls foul of the constitution.

2.8.2 The Procurement Act

The Procurement Act predates the Zimbabwean Constitution, having been promulgated in 1999. However, its focus and philosophy can easily relate to the economic principles and values that are provided in the Constitution. This Act applies to all procurement entities, which are defined in Section 1 as including (a) the State Procurement Board, or (b) (i) a Ministry, department or

other division of the Government; or (ii) Statutory body that engages in procurement; or (c) any local authority or person declared under Subsection 2 to be procuring entity.

2.8.3 Functions and Composition of the State Procurement Board

The Procurement Act clearly spells out the functions of the State Procurement Board. The Act provides these as (a) Conducting procurement on behalf of procuring entities; (b) Supervision of procurement proceedings conducted by procuring entities, to ensure compliance with the Act, (c) investigations in terms of Section 46, and (d) performance of another Act conferred or imposed on the State Procurement Board by the Act or any other law (Tsabora, 2014). The functions of the State Procurement Board (SPB) are in essence of a commercial nature. The Act provides that three members to the SPB shall be appointed from a list that is submitted by recognized chambers of business, industry, commerce and other profession. According to Chowa and Mukuware (2013), the Act does not specify the exact business or commercial qualifications and experience needed for a member to be appointed to this Board. They further argue that the fact, that recognized chambers of business or commerce are required to nominate persons does not imply that such persons will be able to fully and completely discharge the duties and responsibilities stated in the Act. These persons may fail to handle procedures due partly to the huge amounts to money involved and extensive contracts such as those known as Public Sector Investment in Zimbabwe. Members of the State Procurement Board are appointed by the President who also determines conditions of service and has discretion to renew the contracts of, or re-appoint, members. Apart from the ordinary members, the President directly appoints the Chairperson and Vice Chairperson.

2.9 Procurement Process

The terms “sourcing”, “purchasing” and “procurement” are often interchangeably within discussions about the buying activities of companies (Chowa and Makuware, 2013). Chowa and Makuware (2013) defined procurement as the application of the transactional function of buying products and services at the lowest possible price. The process involves the material management of goods and services in addition to the management of purchasing transactions. In their contribution to the field of procurement, Bodnar and Hopewood (2008) defined procurement as “the business process of selecting a source, ordering and acquiring goods and services. They suggested the general procurement steps as, including (a) requirements determination, (b) source selection, (c) request for quotation, (d) selection of the vendor, (e) the issuance of the purchase

order, (f) receipt of the goods, (g) invoice verification and vendor payment. These steps can be flow charted as follows:

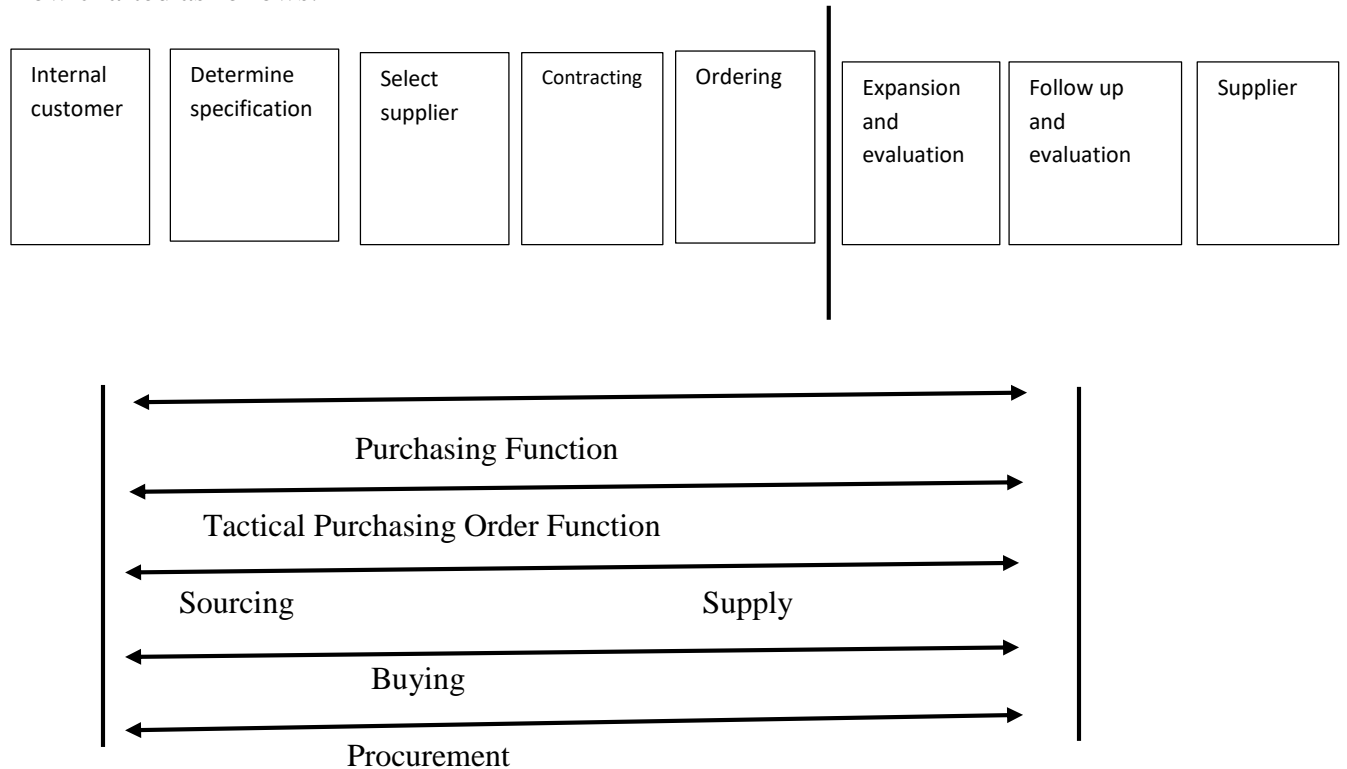


Figure 2.2: Procurement Process Model

Source: Bakar (2013)

2.9.1 Requirement Determination

Bakar (2013) posit that requirement determination is the procurement process that involves requesting goods or services that are required by users within the purchasing organization. Normally, a purchase requisition is an internal document whose creation is aimed at the procurement of goods and services, in order to ensure the availability of products at a certain point in time. The purchase requisition needs approval by the senior purchasing official. The purchase quantity must be within the cost units established by a manager or senior buying officer.

2.9.2 Supplier Selection

Source selection is the process of assigning a source of supply to the purchasing requisition. This procurement process is designed to verify the source regarding whether a contract exists with a supplier to supply the product that is requisitioned. If a contract exists, then the appropriate purchase amount request will be proposed. Where no contract exists, then a request for quotation document is prepared to request products from a chosen supplier.

2.9.3 Request for Quotation

The request for quotation is sent to the chosen supplier. The request for quotation is normally prepared for high-cost items or services such as raw materials, for which bids are required for quotation and the purchase requisition usually contains the same data; the difference between the two being that the request for quotation specifies both closing dates for the application and the bid submission guidelines.

2.9.4 Selection of Vendor

The qualified supplier is chosen based on the criteria need to be considered when selecting the right supplier, including the delivery record of past orders, level of service, and quality of the products. Wickramasinghe, Bali and Tathall (2009) suggests that reliability should also be considered as a vendor selection variable. Their arguments were that delivery service level and quality would be insufficient if products and delivery are unreliable.

2.9.5 Issuance of Purchase Order

Wickramasinghe et al (2009) explain that a purchase order is a document that the organization, that is, private or public prepare in order to confirm the goods ordered, including their quality, price, delivery date, terms of delivery and terms of payment. By issuing a purchase order to a supplier, an agreement is made to conduct business by both parties that is, the purchaser (who is the government) and the supplier, which gives rise to a contract. The contract outlines the agreement in which a supplier undertakes to provide materials within a certain period of time.

2.9.6 Receipt of Goods

Receiving of goods is prepared for when the supplier makes the pre-arranged delivery. The delivered goods can also form an in-house source, while they can also be transferred or moved from one location to another. This stage also involves the inspection of the goods received.

2.9.7 Invoice Verification

In the sourcing of products for use by the Ministry of Government, an invoice is usually included with the goods when they are delivered. Invoice verification is the process used to verify that the delivered goods concur with the goods requested by the purchaser before payment. Invoice verification as argued by Bof and Previtali (2007) ensures that required costs and quality requirements have been fulfilled.

2.9.8 Vendor Payment

The final stage in the procurement process is the payment made to the supplier according to the payment terms and condition specified in the purchase order. Payment is only made when the invoice verification is approved.

According to Presutti (2009), cited in Bakar (2013), the procurement process should include the assessment of user satisfaction and supplier performance. He further argues that this ensures the goods or services provided arrived on schedule and met user's needs. Bakar (2013) stated that the purchasing process can include strategic buying, transactional buying and spot buying. He explains that the main objective of strategic buying is to establish long-term relationships between customers and suppliers, which requires careful supplier selection and long-term agreement in regard to supply management. Transactional buying implies repetitive purchasing from the same supplier based on yearly blanket orders or outlined agreements. Spot buying refers to a response to a situation where urgent requests suddenly arise, and all pre-qualified suppliers are not capable of fulfilling them.

As a basis of the procurement process model developed by Van Wheel (2000), further research has been conducted in order to explore the concept of procurement as a strategy for doing successful business. The outcome of this research was that a new and improved procurement model was developed. The new model is explained as an extension of the procurement process in the way that it becomes part of a business strategy. The revised procurement process later became divided into two parts: strategic procurement and operational procurement.

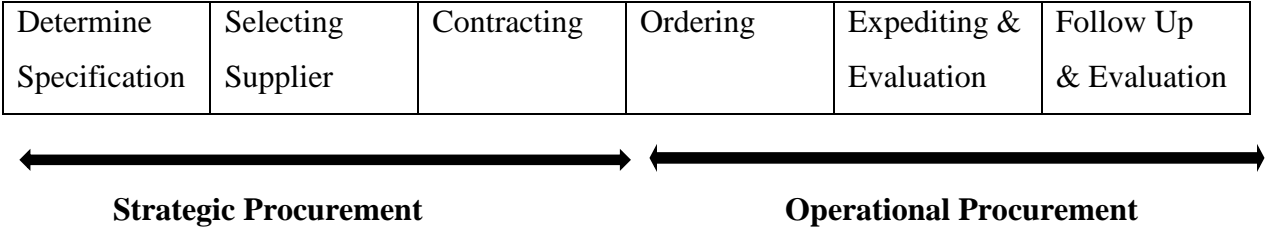


Figure 2.3: Procurement Process Model

Source: Van Wheel (2005)

Purchasing managers in organizations need to spend more time and effort on upstream procurement activities such as qualifying suppliers, negotiating prices and terms, building rapport with strategic suppliers and conducting supplier evaluation and certification (Matthews, 2005 ; Bakar 2013). This point to the fact that procurement is a core activity in a business.

2.10 Sourcing as a Strategy

Sourcing has over the years meant primarily procurement, and it was considered as a peripheral function in the corporation with less or no strategic importance (Mookherjee, 2009). However, strategic procurement has opened a whole new world of knowledge regarding how sourcing can be used as a source of competitive advantage. When sourcing is upgraded to the high levels of significance, the top management and the decision making level, the function becomes part of the organisations strategic tool. Mookherjee (2009), posits that sourcing is no longer optional but it has become a strategic option for the company including public sector. It has become a pre-condition for business success, and in some industry it is a prerequisite for survival. The only challenges as argued by Mookherjee (2009) for modern organisations is to establish how to

integrate sourcing as a key part of the business strategy. The public sector can make savings if it considers sourcing as a strategic tool for the various institutions of government.

In other words, procurement in the strategic sense now refers to incorporating decisions into the operating strategy of the public sector institution as opposed to just reference to getting materials at desired prices. In this case, procurement will serve to support and even to improve the competitive advantage by the public sector (Chipiro, 2009). The public sector has choices on how to integrate the suppliers into their procurement procedures, either through systematic sourcing or spot sourcing. According to Monczka and Morgan (2010) systematic sourcing involves negotiated contracts and a long-term relationship between buyers and sellers. He further differentiate this from spot sourcing which addresses a buyer's objectives to fulfill an immediate need at the lowest possible cost; therefore, it does not require any long-term relationship between a buyer and seller. The public sector may have to consider adopting systematic buying with regards to its size. Corruption may become a major problem if spot sourcing is adopted. However, as argued by Zeng (2000 in Chipiro 2009) combinations of these approaches, in the form of strategic sourcing, can lead to sound relationships with suppliers that can provide improvements in the performance of the public sector, in many areas such as total cost reduction, better product quality and faster service delivery.

2.11 Procurement Planning

Farhan Daud (2013) proposes the drafting of a procurement plan for a public institute to enhance follow up and control of the process. He proposed seven key steps that should from the procurement plan all of which details into one another.

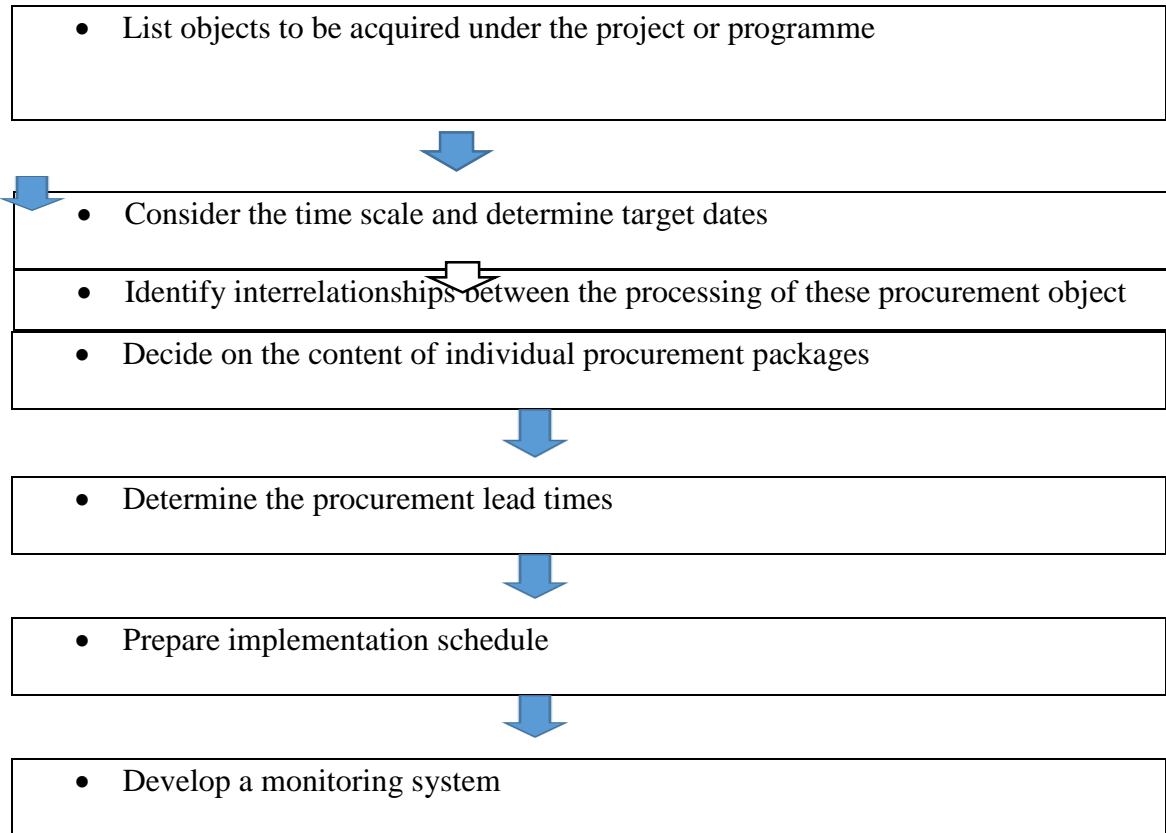


Figure 2.4: The Procurement Process

Source:Farhan Daud (2013)

Farhan Daud (2013) further proposed three distinct streams of approval which he tabulated as follows:

Table 1.1: Approval Process

Approval Stream 1	Ministry-Division-Department-Directorate
	Approving Authorities are: Secretary, Project Director (PD), Project Manager (PM), Approving Officer (AO), Ministry, Cabinet Committee for Government Purchase (CCGP)
Approval Stream 2	Corporation, Autonomous Body, Semi-Autonomous Body
Approval Stream 3	Companies

Source: Farhan Daud (2013)

The approval process for the procurement for Ministry – Division – Department – Directorate – is shown below as suggested by Farhan Daud (2013):

Approval of Tender or Proposal

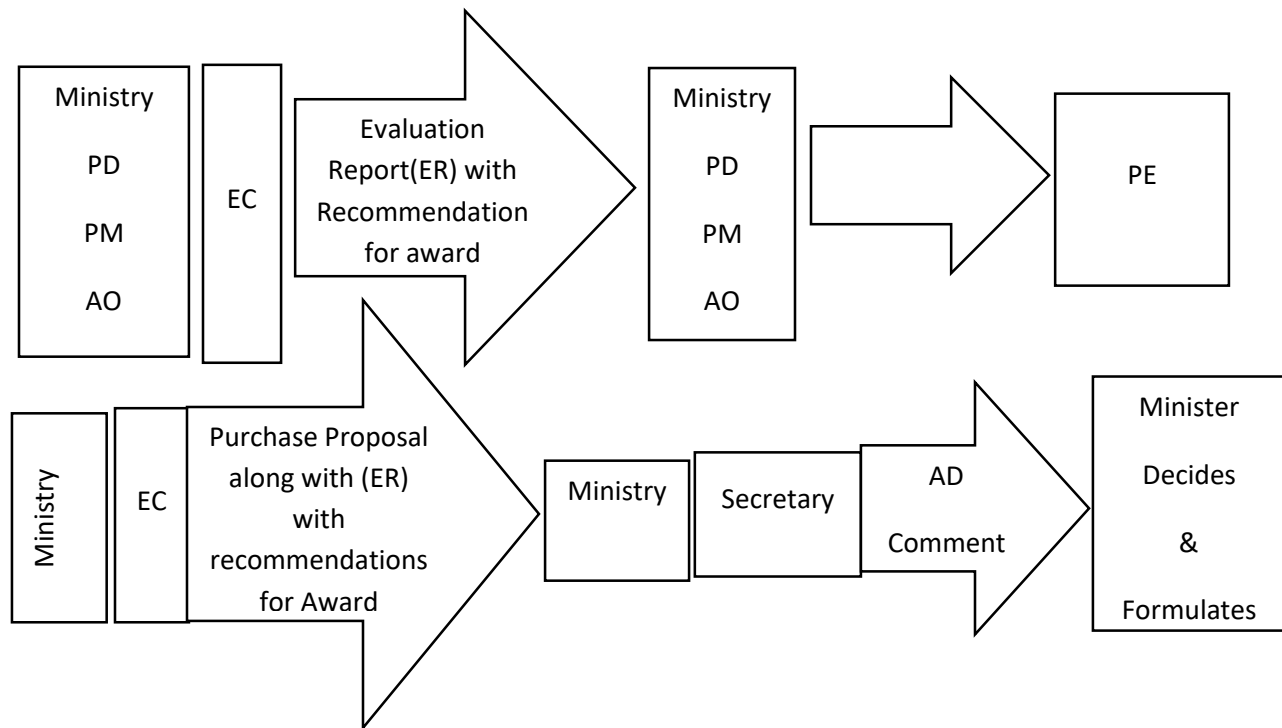


Figure 2.5: Approval of Tender or proposal where Approving Authority is a Ministry
 Source: Farhan Daud (2013)

Approval of Tender or Proposal

Ministry/Division/Department/Directorate

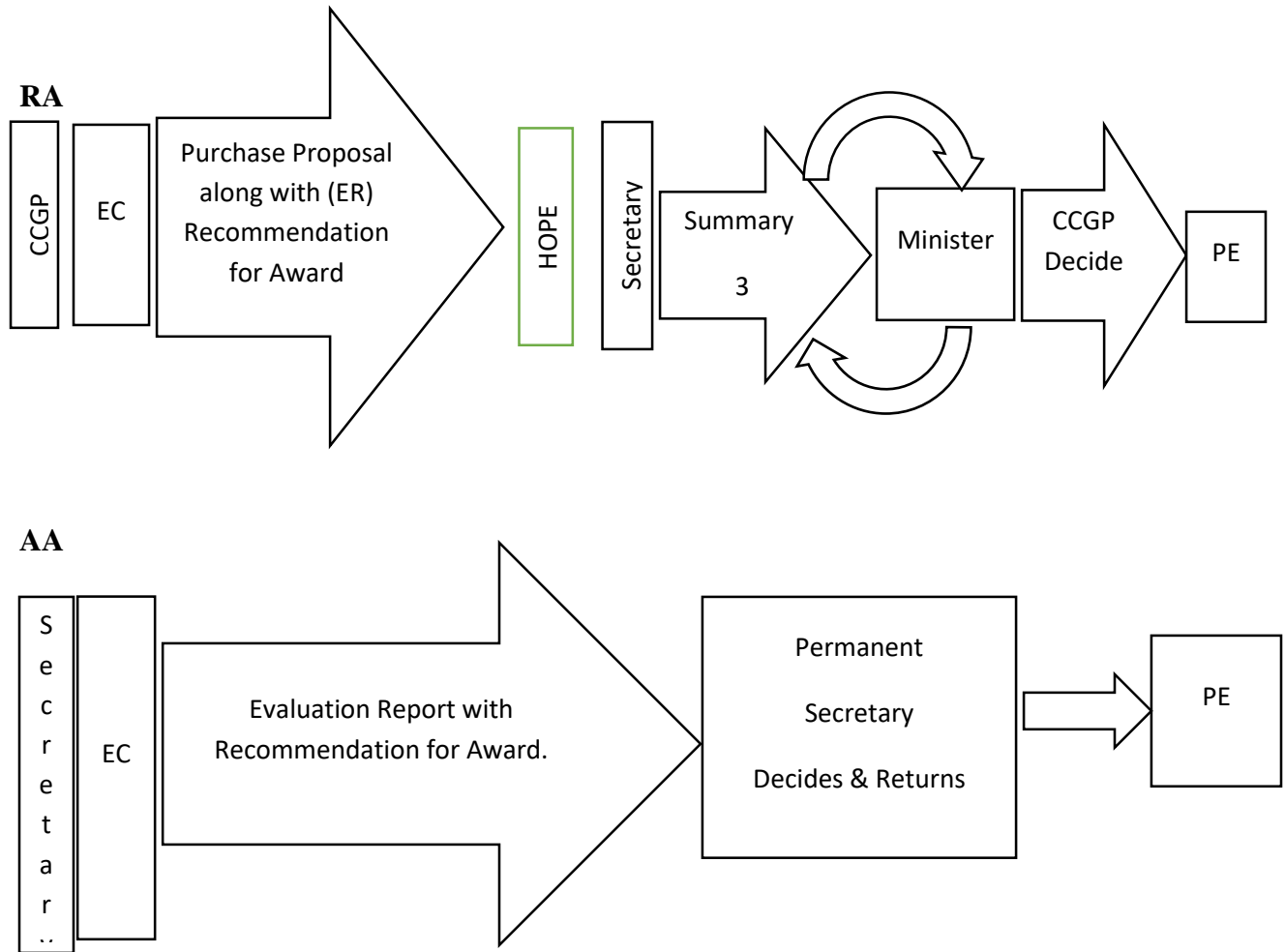


Figure 2.6: Approval of Tender or Proposal where RA is a Central Committee on Government Purchase (CCGP)

Source: Farhan Daud (2013)

Pre-qualification is crucial to submission of tenders with necessary experience and financial and technical capabilities to undertake the works. Pre-qualification as argued by Farhan Daud (2013) protects the procuring entity from Tenders submitted by unqualified Tenderers, expedites PE’s task of evaluating Tenders by limiting invitations to tenders to capable tenderers only. It also provides an indication of whether there are adequate number of Tenderers and it saves unqualified applicants from the costs of tendering.

2.12 Summary

This chapter focused on the literature that has been compiled by other researchers and authors on the topic under research. The literature review in this chapter covers public sector procurement in Zimbabwe, performance measurement, the strategy context of public procurement, managing competition, the policy framework, legal framework for public procurement, functions and completion of the State Procurement Board (SPB), the procurement process, sourcing as a strategy, procurement planning and the chapter summary. The next chapter, however, focuses on the research methodology, which outlines the research design, research instruments, data collection procedure, data presentation and analysis and the chapter summary.

CHAPTER 3

RESEARCH METHODOLOGY

3.1. Introduction

This chapter explains how data was collected and analysed. It focuses on the research design that was used, the population, the research instruments, data collection methods/tools, the validity of data and data presentation.

3.2. Research Design

For the purposes of this study the researcher used a quantitative research design method as the data produced are always numerical and they are analysed using mathematical and statistical methods. Anderson (2006), cited that, Quantitative Research options are predetermined. By definition, measurement must be objective, quantitative and statistically valid. The research adopted a descriptive survey research design as it aims to present current facts relating to the procurement performance in the public sector (Ebrahim, Ahmed and Taha, 2008).

3.3. Population

Leedy and Ormrod (2010) define a population as a complete set of all those elements such as people or institutions that have at least one characteristic in common. It is further defined as a group of people, items, or units under investigation (Coldwell and Herbst, 2004; Cooper and Schindler, 2011). In most cases, populations from which inferences must be made are quite large, a situation that makes it inaccessible. For this reason, a sample has to be selected to make the population physically accessible (Zikmund, 2003; Alreck and Settle, 1998). The population used for this study constituted of Ministry of Higher and Tertiary Education management and employees drawn from the Harare Government Complex offices. The Population consisted of 95 employees of the Ministry of Higher and Tertiary Education and (eight) 8 Managers all of them totalling 103.

3.4 Sample Size and Sampling Procedure

A sample will be drawn from the population to enable the researcher to draw an inference. Sampling is the process of selecting a representative portion of the population aimed at determining characteristics of the population as a whole (Coldwell and Herbst, 2004; Zikmund, 2003). The researcher used simple random in order to give each employee and officer of the Ministry of Higher and Tertiary Education an equal chance of being selected. Sampling is preferred instead of using the whole population for the reasons that sampling offers economy and timeliness.

3.4.1 Sample Size

Respondents were chosen from the management of the Ministry of Higher and tertiary education and the employees of the Ministry from the New Government Complex in Harare. The sample size consisted of forty five (45) respondents consisting of eight (8) management staff, fifty three (53) employees.

Table 3.1: Population and Sample Characteristics

Respondent Category	Population	Sample Size
Employees	95	45
Managers	8	8
Total	103	53

3.4.2 Sampling Techniques

The researcher will use simple random sampling since the nature of the study aims at obtaining information from as representative a sample as possible.

3.5 Research Instruments

The researcher collected data for the study using questionnaires and personal interviews. Research instruments are the tools that the researcher uses to collect research data that include questionnaires, observation, survey and interviewing techniques (Geiger, 2007). The tools used in the research were: (1) the questionnaire, (2) personal interviews and (3) secondary data that is company records were studied where these were available to the researcher. The advantages and disadvantages of each tool are discussed below.

3.5.1 Questionnaires

The researcher used a structured questionnaire as a tool for collecting data from the respondents who constitute the sample from employees of the Ministry of Higher and Tertiary Education. This instrument was administered to respondents to solicit information in order to make an influence. The questionnaire consisted of a set of questions presented to respondents for their answers. The fact that the questionnaire is flexible, has made the questionnaire by far the most common instrument used to collect primary data. Questionnaires need to be carefully developed, tested and debugged before they are administered on a large scale. A questionnaire has the strengths that it is very flexible in its use and application. However, a questionnaire's response rate is influenced by the questions asked as well as the educational backgrounds of the respondents. Questionnaire copies are sometimes not returned if they are mailed to the intended people. The researcher used questionnaires to collect data and the questionnaires were distributed to the target group physically and collected on an agreed date. A research assistant was engaged and trained on how to administer the questionnaire and collect them. A total of 45 questionnaires were dispatched to the employees, 8 questionnaires were dispatched to the managers of the Ministry of Higher and Tertiary.

3.6 Data Collection Procedure

Questionnaires were distributed to all the respondents. Respondents were accorded enough time of about two weeks to answer the questionnaires. Personal interviews were conducted with management staff. Eight members of management of the Ministry were interviewed. The objective was to understand the objectives, vision, strategies and plans of the Ministry. The questionnaire was designed to assess employees' understanding of their own company's scope of operations, objectives and the importance of effective and efficient procurement. It also sought to establish the benefits to staff of effective procurement in the performance of the organization.

3.7 Validation and Reliability of Data

The researcher improved validity of the research through the use of a reliable questionnaire and by selecting a representative sample. Triangulation with interviews helped to validate the results as unclear responses were followed up for clarification. No assumptions were made in cases of unclear responses. The researcher intended to improve validity of the research through the use of a reliable questionnaire and by selecting a representative sample. The content validity of a measuring instrument is the extent to which it provides adequate coverage of the investigative questions guiding the study. If the instrument constraints a representative sample of the universe of the subject matter of interest, then content validity will be good (Cooper and Schindler, 2011). Criterion-related validity reflects the success of measures used for prediction or estimation. On the other hand Kerlinger (2009) supported by Cooper and Schindler (2011) posit that construct validity entails the consideration by the research of both theory and the measuring instrument being used.

Andrich (2009) defined reliability as the dependability of a data collection tool and the consistency of the responses obtained from a measure or assessment over time and in different settings and conditions. When the tool is reliable chances that the responses obtained were due to random factors and measurement errors were reduced. Anastasi & Urbina (2008) argue that a data collection instrument is deemed to be reliable if it measures what it is supposed to measure. Kerlinger (2009) argued that reliability is a necessary contributor to validity but it is

not a sufficient condition for validity. Reliability is concerned with estimates of the degree to which a measure is free of random or unstable error. A measure is reliable to the degree that it supplies consistent results. The debugging of the questionnaires improved the reliability of the results.

3.8 Ethical Considerations

Ethical issues fall into categories of protection from harm, informed consent, right to privacy and dishonesty with professional colleagues. The research participants should not risk losing their life and that they should not be at any time subjected to situations of unusual stress, embarrassment or loss of self-esteem.

The general ethical issues that were considered in carrying out this research include the following issues.

- **Privacy of the participants** – no participant was required to identify themselves on the questionnaire hence the responses remained anonymous thereby ensuring that the respondent's confidentiality was maintained;
- The voluntary nature of the participation communicated to actual and potential participants including the right to withdraw partially or completely from the research process- participants were made to volunteer information without any pressure having been exerted on them to provide information;
- Consent and possible deception from participants-the researcher requested participants to be as honest as possible when providing data;
- Maintenance of the confidentiality of data provided by individuals or identifiable participants and their anonymity- this was guaranteed by the researcher to the respondents at the time of distributing the questionnaires. They were given an assurance that their responses will not be used without their permission;
- Reactions of participants to the way in which the researcher sought to collect data, including embarrassment, stress, discomfort, pain and harm-No force or intimidation was used during the data collection process; and

- **Behaviour and objectivity of the researcher**-The researcher through-out the data collection process remained calm without demanding responses.

3.9 Data analysis and Presentation

The researcher used a computer packages called MS Excel for the analysis of data and used graphs, tables and pie charts for data presentations. The data collected from the field was checked for completeness, accuracy, consistency and relevance to the research problems of this research study. Trends which emerged from the analysed data were taken note of and serious consideration was given to these trends when the data was being organized. Answers to the research problems/sub-problems were built from these trends and presented. The data from the questionnaires, interviews and other secondary sources were rearranged after being analysed into a manageable form, which was user friendly. Responses from various respondents were compared for purposes of obtaining a clear picture of the problems of the organization. Patterns of responses to clear questions were identified by this researcher, and this was noted in the presentation of data and the discussion. The data was summarized in a variety of ways and these included tables, graphs, statistical forms and selected quotes from respondents were used where necessary. Data related to the research question/sub-problems were presented under the corresponding sub-problems headings where this was appropriate. The edited data was then analysed by computer using simple statistical methods like averages, percentage and frequencies. This involved coding and grouping data into different tabulated categories.

3.10 Summary

This chapter described the research methodology. It also specified the area of the research study, the sample, the instruments used in data collection and methods of analysis. Topics such as research design/plan, research subjects, research instruments, data collection procedures, data presentation and analysis were discussed. The following chapter will cover the data presentation and discussion. Specific items that will be covered in Chapter 4 include data presentation process.

CHAPTER 4

DATA PRESENTATION AND DISCUSSION

4.0 Introduction

This Chapter presents collected data including analysed data which is meant to establish the findings of the study. Collected data was analysed using Excel to determine the trends of the responses and other variables such as the mean and frequencies. Data was presented in the form of tables, pie charts, bar graphs and narrations. The presentation of data focused on the problems and sub-problems stated in Chapter 1. A response rate of 69.8% was achieved for all the questionnaires distributed.

4.1 Data Presentation and Analysis of Response Rate

Table 4.1: Response Rate

Category of Response	Questionnaire Distributed	Questionnaire Returned	Response Rate (%)
Employees	45	29	64.4
Managers	8	8	100.0
Total	53	37	69.8

Source: Primary Data

A response rate of 64.4% was achieved for employees, 100.0% was achieved for managers while Overallly 37 questionnaires were returned out of a possible 53 resulting in a return rate of 69.8%. The results indicated that managers were more responsive to the questionnaire than employees. This would further authenticate the results since managers are the policy makers.

4.2 Data Presentation and Analysis of Section A: On Demographics

Table 4.2: Frequency Distribution by Gender

Age	Frequency	Response Rate (%)
Less than 25 years	10	27.1
25 years < 35 years	14	37.8
35 years < 50 years	9	24.3
50 years and more	4	10.8
Total	37	100.0

Source: Primary Data

The majority of respondents, 37.8% were in the 25 to 35 years age group, 24.3% were in the 35 years < 50 years age group, 24.3% were in the category less than 25 years while 10.8% fell in the category of 50 years and above. The results may be indicating that the majority of the participants in the purchasing operations in the Ministry of Higher and Tertiary Education fall in the age range of 25 years to 50 years with a combined total response rate of 92.4%.

Table 4.3: What is the highest Qualification?

Category of Response	Frequency	Response Rate (%)
College Certificate	15	40.5
College Diploma	11	29.7
Bachelors' Degree	5	13.5
Masters	3	8.1
Doctorate	3	8.1
Total	37	100.0

Source: Primary Data

The results reflected that 40.5% of the respondents have college certificates, 29.7% have diplomas, 13.5% were holders of bachelors' degrees, and 8,1% had masters' degrees while 8.1% a doctorate degree. The results show a normal trend which relate well with the results on positions in the organisation in which clerks are the majority as well as the other lower level positions. The majority of the respondents college graduates with qualifications ranging from certificate level to a bachelors' degree.

What is your position in the organisation?

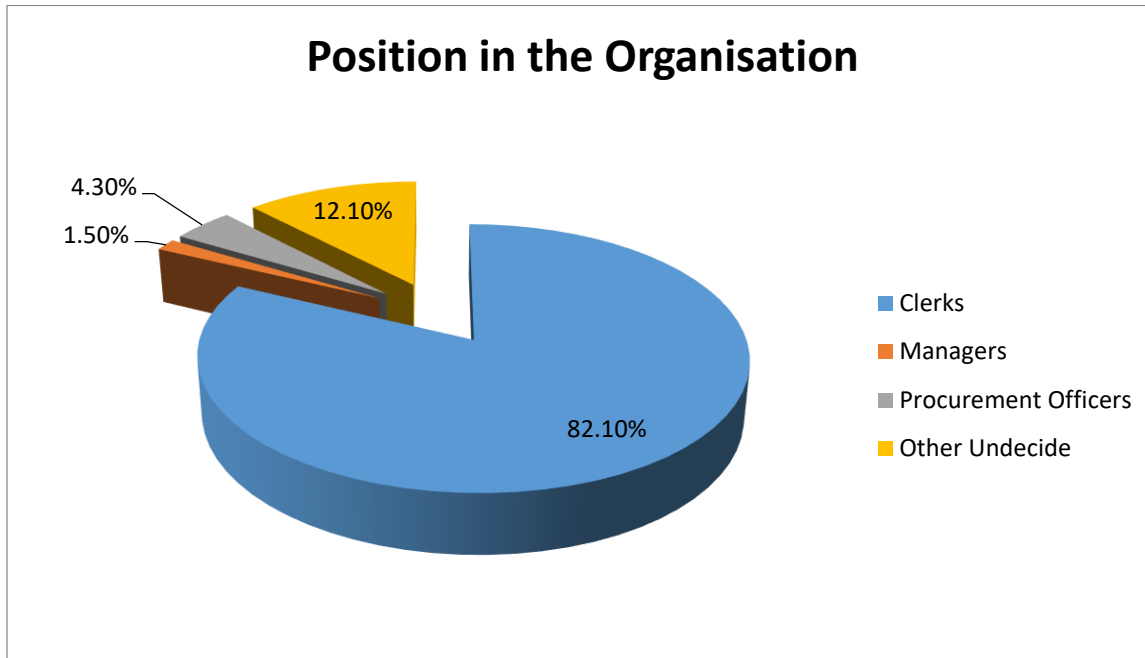


Figure 4.1: Position in the organisation

Source: Primary Data

An analysis of results reflect that 82.1% of the respondents were Clerks, 4.3% of the respondents were Procurement Officers, 1.5% were managers while 12.1% belonged to the different positions ranging from cleaners, office orderlies and typists. The results seem to show quite a balanced representativesample of all employees of the organisation. The results agrees well with Cooper and Schindler (2011) that a random sample is one where each member of the population has an equal chance of being selected. All categories of staff are represented in the sample.

4.3 Data Presentation and Analysis for Section B: Assessing the Procurement Process at the Ministry of Higher and Tertiary Education.

Knowledge of the Procurement Process

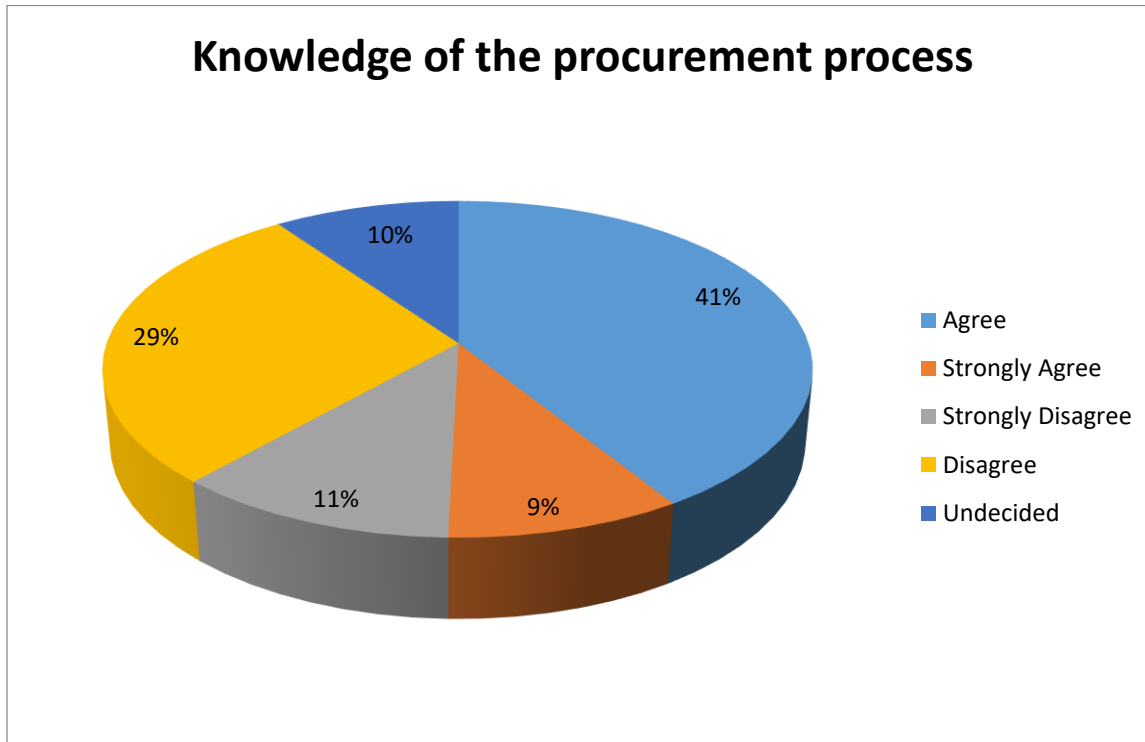


Figure 4.2: Knowledge of the Procurement Process

Source: Primary Data

An analysis of the results reflected that 41.1% of the respondents agreed while 9.3% strongly agreed with the statement that employees of the Ministry of Higher and Tertiary Education know the procurement process in the organisation, 28.6% disagree with the statement, 11.2% strongly disagreed while 9.8% of the respondents were undecided. The results agree well with Tsabora (2014) that the employee of the organization have to have a good working knowledge of the procurement process in the organization. Performance of the organization will improve significantly where they are aware of the procurement processes in their organization.

Procurement at the Ministry is centralized

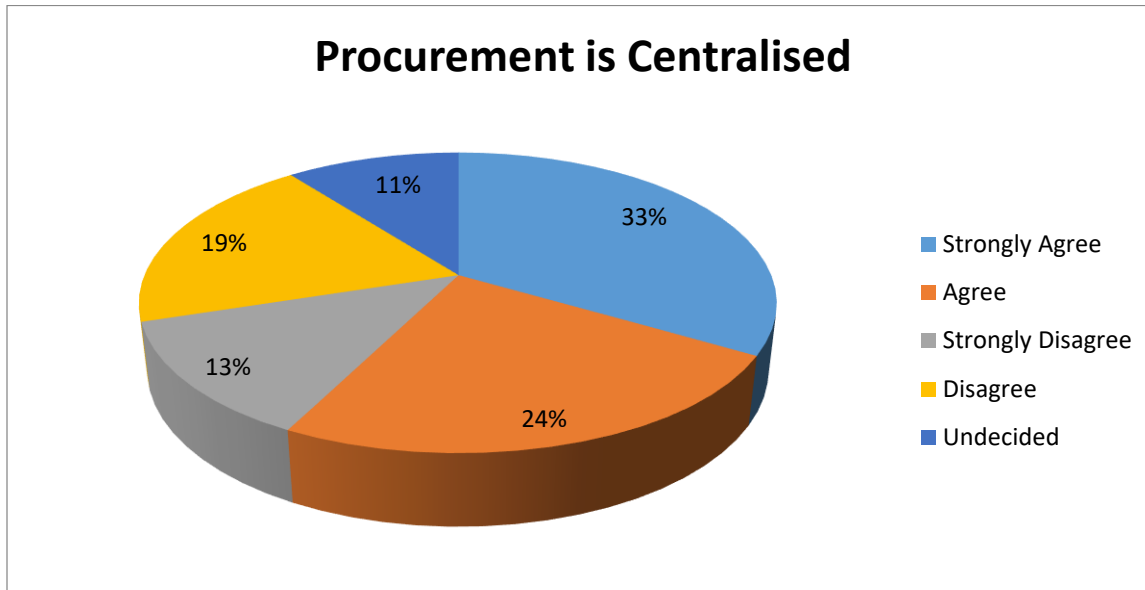


Figure 4.3: Procurement is centralized

Source: Primary Data

There are two forms in which procurement can be set up in an organisation, that is, either it can be centralized or decentralized (Mookherjee, 2009). The results analysed indicated that 33.4% strongly agree, 24.1% agree while 19.4% disagree and 12.6% strongly disagree with the statement that procurement in the Ministry is centralized. The remaining 10.5% were undecided. Centralization of the procurement function facilitates easy of coordination of the procurement process and sometimes work is executed fast enough (Mookherjee, 2009).

Procurement Personnel are trained on the Procurement Process

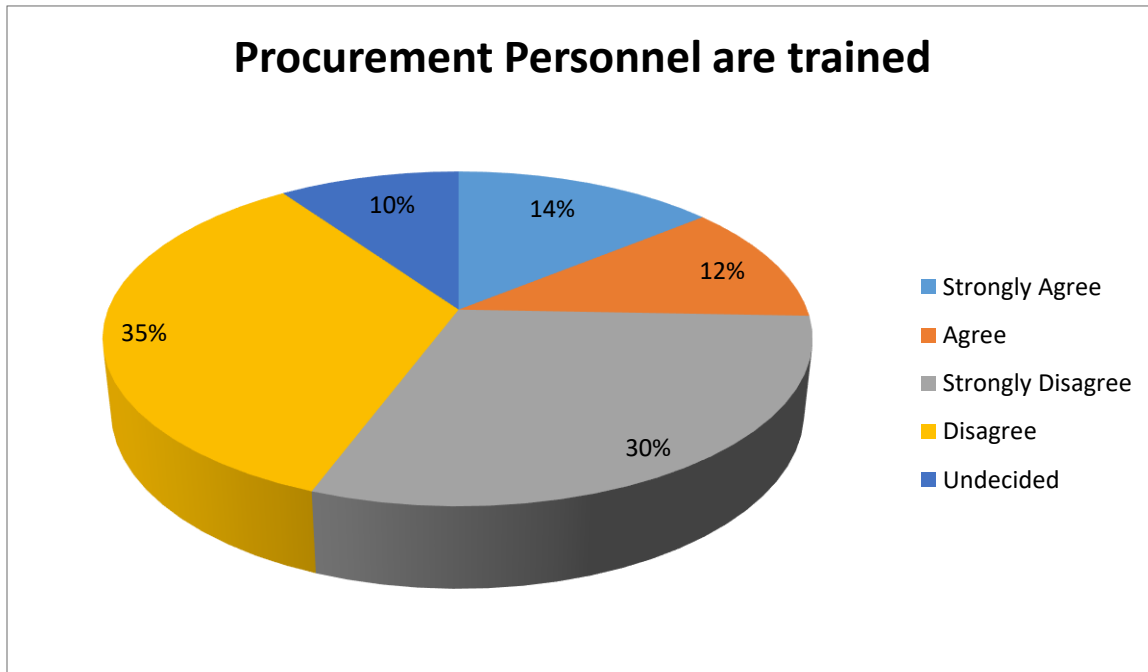


Figure 4.4: Procurement Personnel are trained

Source: Primary Data

When the results were analysed regarding the statement that procurement personnel are trained on procurement, the results reflected that 14.1% strongly agreed, 11.5% agreed, 34.6% disagreed with statement, while 30.1% disagreed and the remaining 9.7% were undecided. Overallly 64.7%, the results were skewed towards no training for procurement personnel. The results contradicts the assertions of Beer (2011) that training procurement personnel enhances the performance of the personnel and most importantly that of the organization.

4.4 Key Variables in Procurement

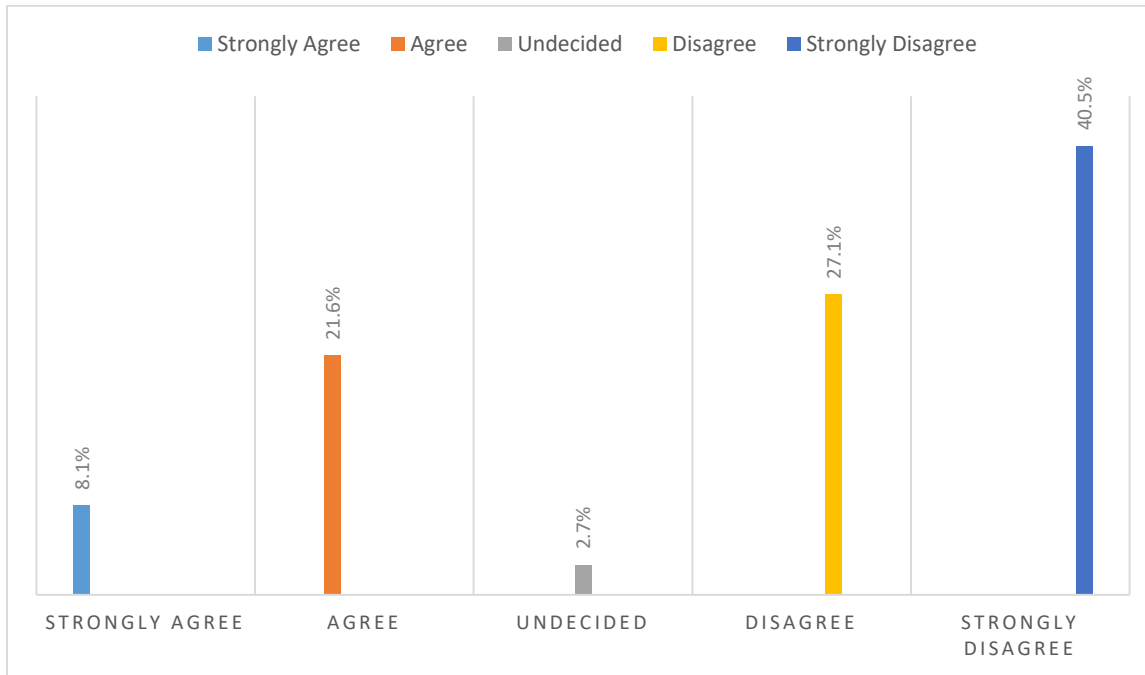


Table 4.5: Key Variables in Procurement

Source: Primary Data

The results after analysis reflected that 40.5% strongly disagreed, 27.1% disagreed resulting in the total 67.6% disagree and strongly disagreeing with the statement that procurement performance is not evaluated at the Ministry. The other respondents reflected that 21.6% agree while 8.1% strongly agree that procurement performance is evaluated and 2.7% were undecided. This result contradicts the assertions of Bakar (2013) supported by Bof and Previtali (2007) that procurement performance should regularly be evaluated to facilitate continuous improvement. The management are the one charged with the monitoring of the performance of the procurement function (Bof and Previtali, 2007).

I know the key procurement evaluation variables used by the Procurement Department

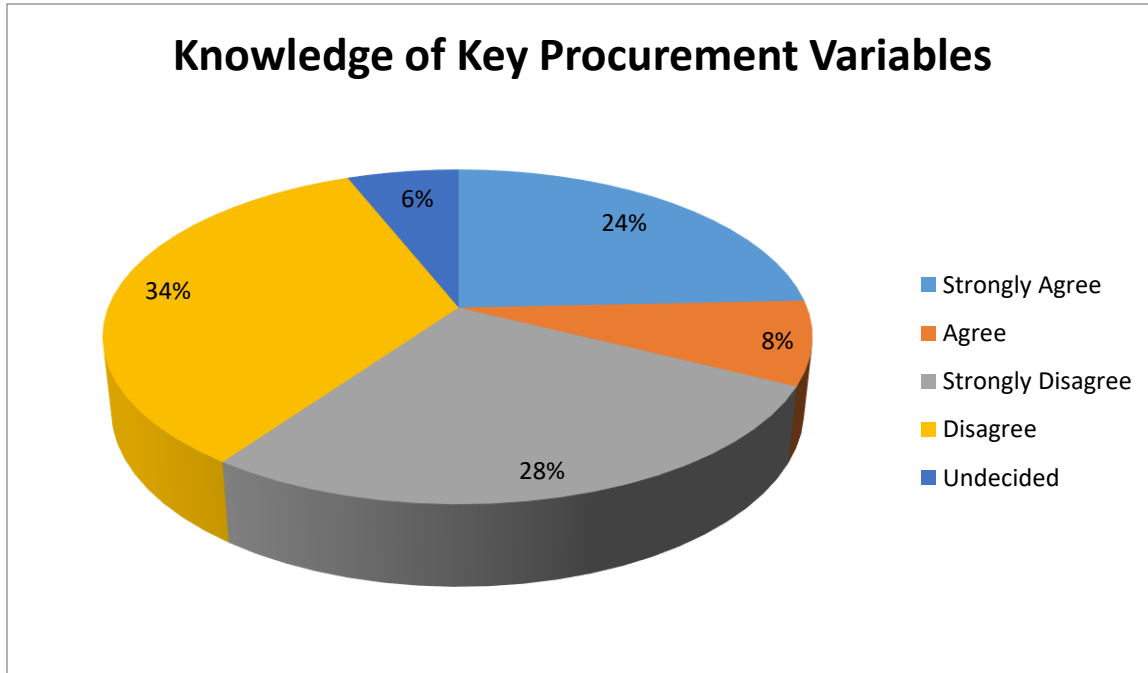


Figure 4.5: Knowledge of Key Procurement Variables

Source: Primary Data

Procurement evaluation is based on measurable variables with specified measures. This is a process of procurement function appraisal (Bof and Previtali, 2007). The reflected that 34.2% of the respondents disagreed, 27.4% strongly disagreed (overall, 61.6%) with the statement that procurement variables are known by the respondents. The other 24.3% strongly disagreed, 8.1% agreed with the statement while the remaining 6.0% were undecided. The results were skewed towards customers being unaware of the procurement evaluation variable.

4.5 Records and Documents Safekeeping

Procurement Records are kept at the Ministry of Higher and Tertiary Education.

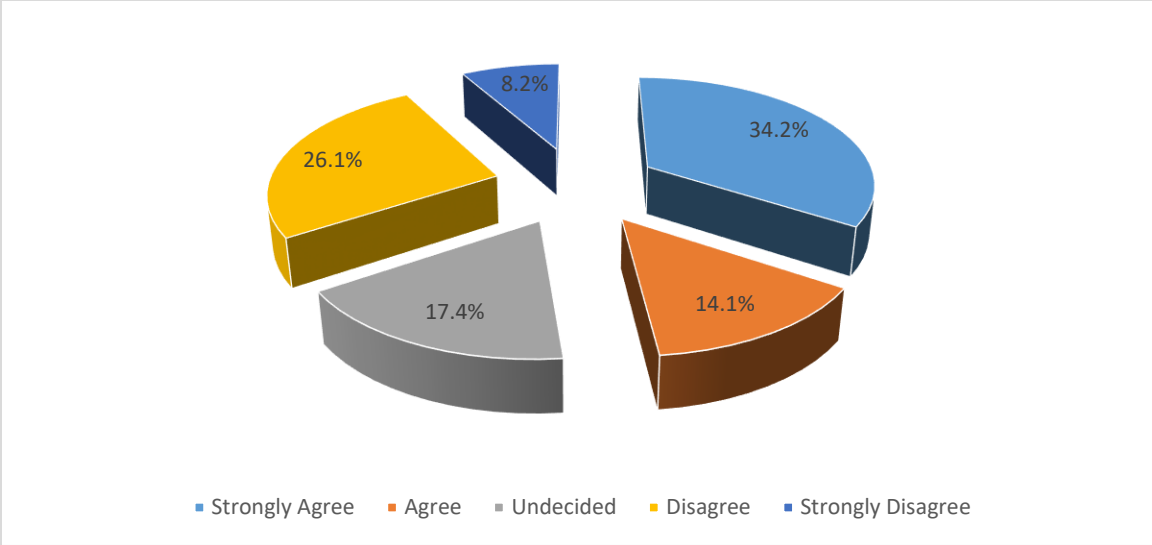


Figure 4.7: Procurement Records are kept

Source: Primary Data

After analyzing the results, the outcome reflected that 34.2% of the respondents strongly agreed, 14.1% agreed with the statement that records and documents are kept safely for future reference and for audit purposes. The other portion of the results reflected that 26.1% disagreed, 8.2% strongly disagreed with the statement. The remaining 17.4% were undecided as to whether records and documents are kept safely. Although the results are inconclusive as to whether documents are safely kept, their results seem to strongly weigh in favour no records and documents being kept. The Ministry of Higher and Tertiary Education does not keep transaction records which poses problems for auditors and even compilation of information for vendor assessment purposes. Bakar (2013) suggests in this respect that transactional buying implies repetitive purchasing from the same supplier which can well be guided by keeping of records of previous transactions.

Procurement documents are audited to eliminate or detect fraud

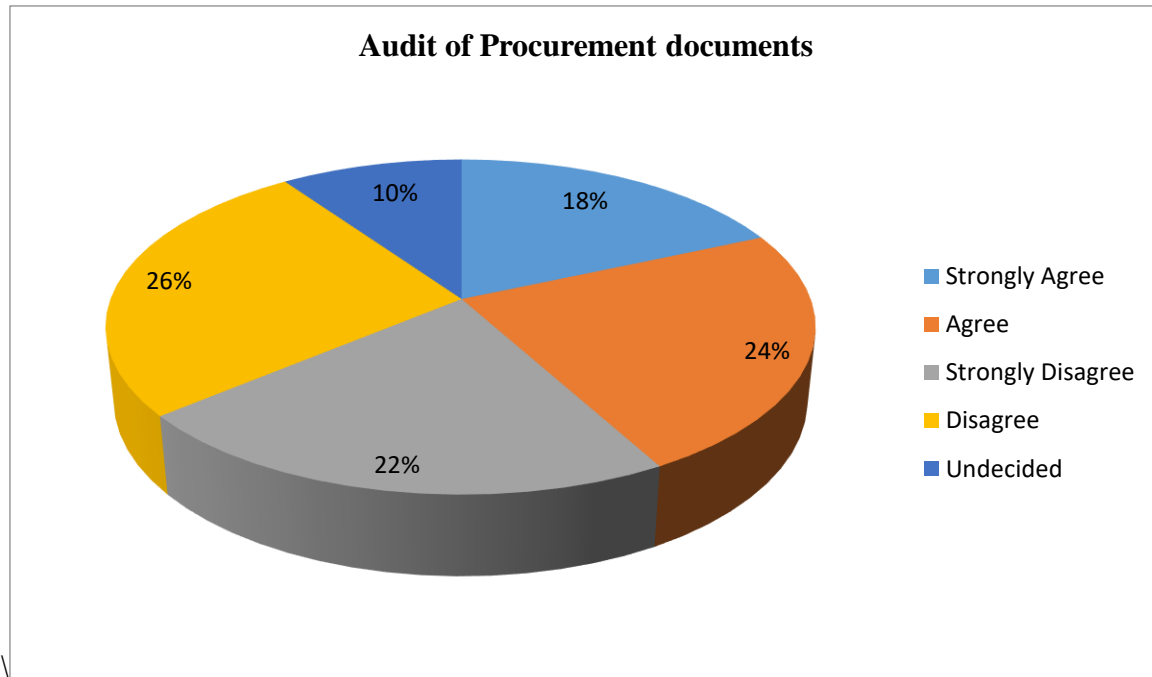


Figure 4.8: Audit of Procurement documents
Source: Primary Data

The results reflected that 23.6% agree while 18.4% strongly agree, 26% disagree and 21.9% strongly disagree with the statement that procurement documents are audited to minimize fraud. The remaining 9.7% were undecided. Overall a total of 48.3% responded negatively about the statement, while 42.0% were positive about the fact that procurement documents are audited. The result in this analysis agrees well with the result in figure 4.7 above that records are not kept. Auditing of record minimizes fraud and corrupt tendencies. Bakar (2013) suggests that records from transactions need to be safely kept for a defined period of time for reference and verification purposes. This is not the case at the Ministry of Higher and Tertiary Education.

4.6 Improvement of Public Procurement

Suppliers are assessed and evaluated four times per year.

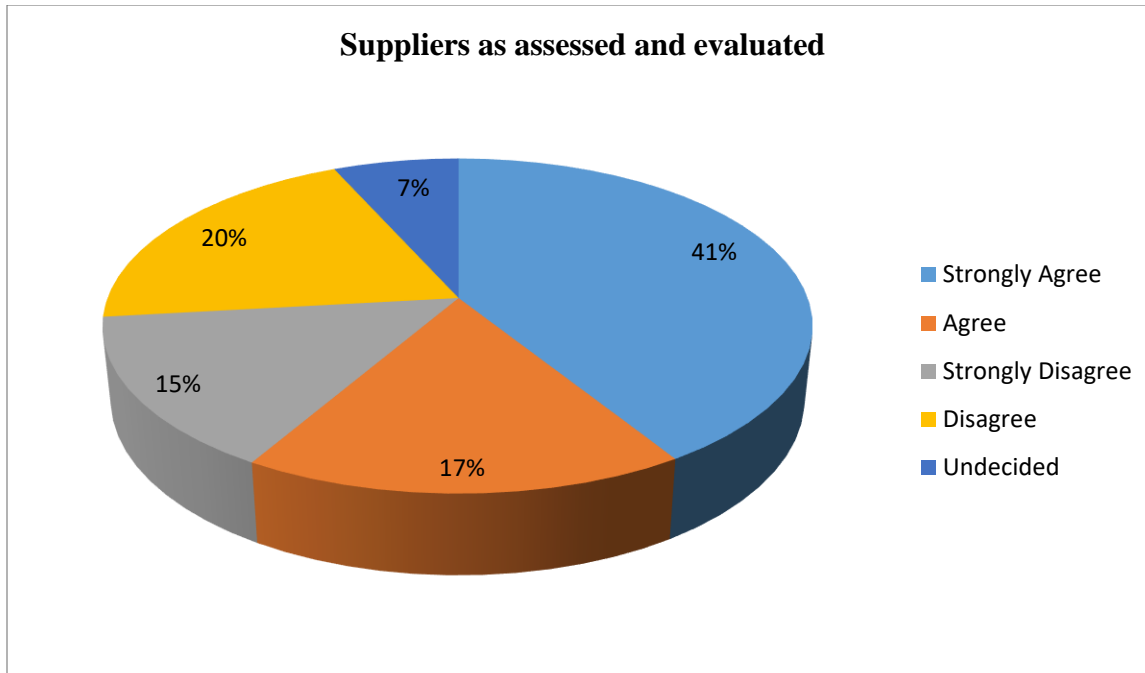


Figure 4.9: Suppliers assessed and evaluated

Source: Primary Data

When analyzing results, they indicated that 41.1% strongly agreed, 17.3% agreed, 20.1% of the respondents disagreed, 14.8% of the respondents strongly disagreed, while 6.7% were undecided regarding the statement that suppliers as assessed and evaluated by the Ministry. A summary of these results indicated that 58.4% were positive regarding the statement that suppliers are assessed and evaluated while 34.9% were positive with the remainder being undecided. The results agreed well with the assertions of Bakar (2013) that supplier performance is enhanced by regular vendor appraisal. He further recommends that the procurement department should conduct vendor appraisal at least two times in a year.

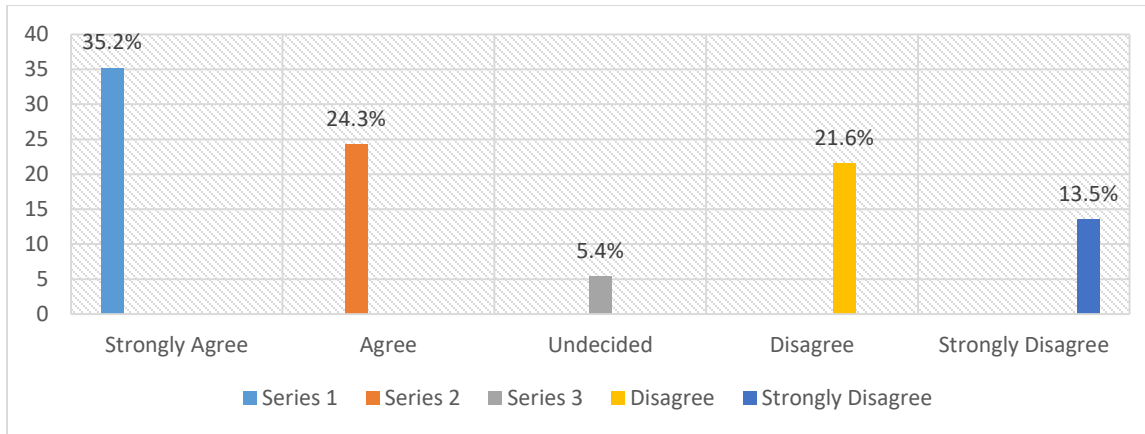


Figure 4.10: The Ministry of Higher Education has a procurement committee
Source: Primary Data

The data analysed reflected that 35.2% strongly agreed, 24.3% agreed, 5.4% were undecided, while the remaining 21.6% and 13.5% disagreed and strongly disagreed respectively. The purpose of a purchasing committee as argued by Bodnar and Hopewood (2008) is to provide transparency in tender adjudication and policy formulation and adoption.

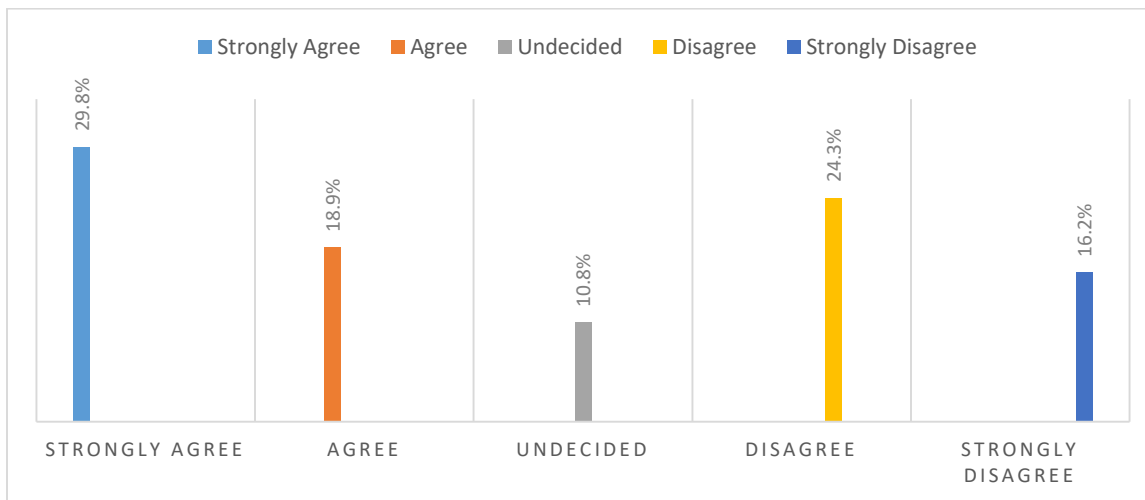


Figure 4.11: Procurement Planning, resource allocation, staff competency and contracts affect procurement efficiency
Source: Primary Data

The results from data analysed reflected that 29.8% of the respondents strongly agreed, while 18.9% agreed with the statement making a total of 48.7% (strongly agreed and agreed). On the other hand, 24.3% and 16.2% disagreed and strongly disagreed with the statement reflect in the table 4.6 above all totaling to 40.5% of the respondents. The remaining 10.8% were undecided. The result contradicts with the Duggan's suggestions that by improving the efficiency in purchasing, the company can be able to reduce costs by a substantial amount. The Ministry of Higher and Tertiary Education is not planning its procurement which can result in leakages and losses to the public entity.

4.7 Summary

The Chapter presented the research findings of the study. Data was presented in this chapter in the form of tables, pie charts, graphs and narrations. The presentation of data focused on the problems and sub-problems of the research study. The following chapter focuses on the summary, conclusions drawn based on the findings in relation the objectives stated in Chapter 1, and recommendations made based on the conclusions.

CHAPTER 5

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

The chapter covered the summary, conclusions and recommendations of the researcher derived from the previous chapters. The conclusions and recommendations are based on the results and data analysis of the research study.

5.1 Summary

The study assessed the procurement performance in the public sector using the Ministry of Higher and Tertiary Education as a case study. The study was guided by the objectives of establishing how the government is losing revenue through corruption and other vices; whether there are norms regarding the safekeeping of records, documents relates to transactions and contacts; establishing the sourcing process used by the Ministry of Higher and Tertiary Education, variables used to evaluate procurement and establishing ways of improving public procurement process at the Ministry of Higher and Tertiary Education. The findings of the research study were that generally procurement performance in the public sector is low with results showing that respondents were not very knowledgeable about procurement evaluation variables used by their procurement office (Overally 61.6%, strongly disagreed and disagreed); the results also reflected poor internal controls while at the same time showing that the Ministry conducts vendor appraisal. The results also reflected that records are not safely kept in the purchasing department, while procurement personnel does not receive frequent training to improve their skills. Since the company does not have purchasing records for auditing purpose then corruption is expected to be rife within the Ministry.

5.2 Conclusions

The following conclusions were drawn from the research findings in relation to the research questions.

5.2.1 What type of public sourcing processes are used by the Ministry of Higher and Tertiary Education?

The Ministry of Higher and Tertiary Education uses a procurement committee tender system for major procurement decisions. However, routine purchases are conducted by the procurement officers without seeking committee decision. The quotation system is used.

5.2.2 What are the sourcing evaluation methods used at the Ministry of Higher and Tertiary Education?

The Ministry evaluates sourcing performance by way of a number of wrong purchases, wrong specifications to suppliers.

5.2.3 What are the key variables and problems in the public sector sourcing process?

The sourcing variables used in the public sector evaluation are reliability, price, delivery and quality of the products purchased. The problems however are that the employees of the Ministry of Higher and Tertiary Education are unaware of these procurement evaluation variables as the majority of respondents were not aware.

5.2.4 How are the records and documents related to transactions and contract management kept?

Records and documents are filed in the archive for minimum period of five (5) years before they are disposed of. One of the locations cited by respondents for the safekeeping of documents was the documents registry. This reflected knowledge about the process of record keeping.

5.2.5 How can the Public Procurement process performance be improved at the Ministry of Higher and Tertiary Education?

There is no institutionalized training of procurement personnel. The organization has no deliberate training regime for procurement personnel even awareness training programmes. Training, where it is properly conducted can improve organizational performance in general and procurement performance in particular.

5.3 Recommendations

The Ministry of Higher and Tertiary Education must improve procurement performance in order to save taxpayers' money and also improve service delivery to its stakeholders. The researcher recommends the following actions to the management of the Ministry of Higher and Tertiary Education and any other public sector organisation.

5.3.1 Train Procurement Personnel

The management of the Ministry of Higher and Tertiary Education must train procurement officers to improve procurement performance. Training of the procurement personnel is lagging behind.

5.3.2 Auditing of Purchasing System

The Ministry of Higher and Tertiary Education's management must set up an internal audit team to ensure that ministry's systems and procurement documentation. It is also part of procurement performance evaluation.

5.3.3 Awareness training in Procurement Evaluation Variables

The employees in the Ministry of Higher and Tertiary Education must be trained to improve the awareness and knowledge regarding procurement evaluation techniques and the variables used in for procurement performance evaluation.

5.4 Areas of further study

Further research is recommended in establishing the effect of procurement practices in Parastatals in Zimbabwe. The proposed topic is; "Investigating the factors that affect procurement practices in Zimbabwean Parastatal Organisations."

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APPENDIX 1-LETTER OF INTRODUCTION

9100/23 New Canaan
Highfield
Harare

14 October 2015

Dear Valued Respondent

I am a final year Bachelor of Commerce Purchasing and Supply degree student with Bindura University of Science Education. I am conducting a research project (dissertation) in line with the program requirements.

My research topic is **“An Assessment of the Procurement Performance in the Public Sector: A Case of the Ministry of Higher and Tertiary Education”**.

Therefore, I am requesting your assistance by way of completing this questionnaire as objectively as you can. Remain anonymous by not writing your name or otherwise on any part of this questionnaire. Kindly may you attempt all questions? Tick the appropriate box where there are options and where the question(s) is/are open ended, be as objective as possible.

Yours faithfully

Mrs Tabeth Rwizi
Cell: 0772440237/0712876582
Email: tabrwizi@gmail.com

APPENDIX 2: QUESTIONNAIRE

Section A: General Demographic Information

The following questions are for analytical purposes only and will not be used for individual identification.

A1. What is your gender? Male Female

A2. What is your Age?

Under 21 years 35- 44 years 55 – 64years

21 – 34 years 45 – 54 years over 64 years

A3. What is your highest level of Education?

'A' Level College Certificate College Diploma

College Diploma Bachelor's Degree Master's Degree

Doctorate

Main Field of study or training, if applicable

A4. What is your position in the organisation?

Manager Supervisor Engineer

Other

A5. How long have you been in the firm?

- Less than 2 years 6 – 8 years 12 – 15 years
 3 – 5 years 9- 11 years more than 15 years

Section B: Assessing the procurement process at the Ministry of Higher and Tertiary Education.

Please indicate to what extent the following procurement process variables affect your company. Use the scale 1- 5 where:

- 1 = Strongly Disagree 2 = Disagree 3 =Undecided
 4 = Agree 5 = Strongly Agree

A	Sourcing Process in use at the Ministry of Higher and Tertiary Education	1	2	3	4	5
1	The procurement process at the Ministry of Higher and Tertiary Education clearly understood.					
2	Procurement Process at the Ministry of Higher and Tertiary Education is centralized.					
3	Procurement personnel are awareof the procurement process.					
B	Key Variables in Procurement					
1	Procurement performance is evaluated at the Ministry of Higher and Tertiary Education.					

2	I know the key procurement evaluation variables used by the procurement department.					
3	Procurement planning, resource allocation, staff competency and contracts management affect procurement efficiency.					
C	Records and Documents safekeeping					
1	Procurement records are kept at the Ministry of Higher and Tertiary Education.					
2	I am aware of the procurement records kept by my organization.					
3	Procurements document are audited to eliminate or detect fraud.					
D	Improvement of Public Procurement					
1	Suppliers are assessed and evaluated four times per year.					
2	Procurement staff are trained regularly to improve their sourcing skills.					
3	The Ministry of Higher and tertiary Education has a procurement Committee in place.					

Any other Comments

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