

BINDURA UNIVERSITY OF SCIENCE EDUCATION

FACULTY OF COMMERCE

DEPARTMENT OF ECONOMICS



TITLE

**THE ASSESSMENT OF COMPETITIVE TENDER ON SELECTING SUPPLIER. A
CASE STUDY OF HARARE CENTRAL HOSPITAL.**

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**A DISSERTATION SUBMITTED IN PARTIAL FULFILMENT OF THE
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DEDICATION

This research project is lovingly dedicated to my parents, my lover and young brother who have been my constant source of inspiration. They have given me the drive and discipline to tackle any task with passion. Without their love and support this project would not have been possible.

ABSTRACT

With the increase in number of suppliers in the market, understanding sourcing methods is of importance in order to iron out problems such as long lead time, supplier reluctant to quote and bureaucracy in sourcing. Thereby, the purpose of this research was to identify the effects of competitive tendering in sourcing of potential suppliers in public procurement. The main focus was on how competitive tendering is implemented in sourcing and how it affect purchasing decisions. A case study of Harare Central Hospital was used in the study because the researcher was involved in related studies. Both qualitative and quantitative data was collected using research instruments such as questionnaires and personal interviews and observations from both hospital staff members and hospital suppliers. A sample size of sixteen hospital staf and nine suppliers was used and data was qualitatively analyzed, presented by graphs, pie charts and in tabular form. The results show that competitive tendering is an effective method for sourcing since it encourages competition, transparency and accountability, fairness. Moreso, the study offers recommendations which can solve competitive tendering problems such as the use of technology in processing of tender documents', introducing monitoring and evaluating teams in the process, training of procurement staff as well as supplier rotation in awarding of tenders in order to maintain relationship between the buyer and suppliers

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CHAPTER 1

1.0 INTRODUCTION

The background of the study, the statement of the problem, the study's objectives, and the research questions are all introduced in this chapter. The research goes on to point out the study's limitations as well as the scope of the investigation. Furthermore the significance of the research is also revealed in this chapter, with the aim of enabling the reader for the conceptual framework of the research study. Finally, the chapter defines crucial research concepts and concludes the chapter summary.

1.1 Background of the study

Competitive bidding is most commonly employed by government agencies around the world, who are required by law to open all contracts to bid on a regular basis and award contracts to the lowest bidder. This is done to ensure objectivity in purchasing decisions. It makes it more difficult for the supplier to demonstrate value or quality benefits that could justify a higher price. To be competitively priced, the provider must attempt to foresee how competitors will bid. If there is extra capacity to be filled, the supplier may bid low, or it may bid high if it has a significant competitive advantage. Competitive bids may include a deadline and a deposit to verify the bidder's financial stability. Johan, N. (2006).

Competitive tendering is notably popular among government buyers, according to Lawai, S. (2000), with several of them instituting required bidding procedures. Government buyers are normally compelled to accept the lowest bidder, but it's vital to remember that low bids are frequently ignored if they're assessed to come up short of basic project specifications. A variety of business factors, according to experts, are boosting the necessity of competitive bidding in securing small business success. Competitive bidding in organizations primarily translates to greater and improved service delivery to customers. Competitive tendering also assists the purchaser in locating the best and most capable supplier. Tendering procedures are intended to protect both the tenderer's and the purchaser's interests, as well as to emphasize ideas such as openness and fairness.

One of the key functions of the purchasing department is to source both potential and existing suppliers. According to Van Weele (2010), competitive tendering is one of the most acceptable ways for acquiring suppliers, and it may be utilized in both private and public organizations. Competitive tendering is primarily utilized for complex items and materials that are used over a

long period of time. In addition competitive tendering it is also used when there sellers who are technically qualified and if there are numerous suppliers who wants to bid.

Competitive tendering is believed to be the most successful mode of procurement, as proven by Harare Central Hospital's procurement database and public procurement regulations. Furthermore, as stated in the Public Procurement Act and Disposal of Assets Chapter (22:23) and the Procurement Regulatory Authority of Zimbabwe (PRAZ), procurement for state-owned institutions is mostly done through tendering.

For the past few years, Harare Central Hospital has used the two primary tendering processes outlined in the Procurement Act Chapter (22:14): competitive tender and direct purchase. They also used informal tenders, which are a process in which offers are solicited without a set deadline. Offers are opened in the order in which they are received.

Bidders may be requested to increase their bids after being notified that higher bid has now been received after the initial bid deadline. On the other hand, when a crisis occurs and there is little time to obtain quotes, the direct tender process is commonly used. According to Erridge (2005) and the Procurement Regulations (2018), the Procurement Management Unit (PMU) only uses the approved vendors list to buy the materials required, such as unanticipated stock outs of critical commodities like cotton wool and lighting systems.

1.2 Statement of the problem

Despite the fact that the hospital is experiencing financial problems, the procurement mechanism at Harare Central Hospital has resulted in an artificially long lead time, which has resulted in increased periods of shortages and stock out, particularly in the case of critical medicines. This research will look into the in competitive tendering as it concerns to health care procurement.

Since the Public Procurement and Disposal of Assets Act and other Statutory Instruments regulate competitive tendering in government, procurement officers at Harare Central Hospital lack the knowledge to successfully apply such processes. Because competitive tendering at Harare Central Hospital consider low prices rather than quality, the hospital ends up going against those tendering procurement policies, resulting in the purchase of sub-standard products or services.

It is not an overstatement to say competitive tender or bidding is long and process of bureaucracy that is collapsed with problems like corruption, fraud and dishonest behavior so as to win the

competitive tender. The Procurement Management Unit (PMU) and the Procurement Tender Committee, members have varying interests among the suppliers, resulting in conflicts of interest in the competitive tendering.

It was noticed that Procurement Management Unit is finding it difficult to source about three quotations as required by the Procurement Regulations (2018). Suppliers are hesitate to submit their quotations for the offer, as a result this also extends the tendering since Procurement Management Unit (PMU) members have to source for other suppliers in order to have about three or more quotations.

1.3 Research Objectives

The main aim of this study is to assess effectiveness of competitive tender when choosing supplier in the public organisations using a case study of Harare Central Hospital. The study's specific goals were to achieve the following:

1. To find out how Harare Central Hospital has implemented the competitive tendering system in sourcing potential supplier.
2. To determine the factors that influence purchasing decisions in the competitive tendering at Harare Central Hospital.
3. To ascertain the lead time of products acquired through competitive tendering process at the Harare Central hospital.
4. To assess how suppliers respond to competitive tender invitations in public procurement.

1.4 Research Questions

1. Has Harare Central Hospital was able to establish an effective competitive tender tender system that safeguard supplier reliability?
2. What factors influence procurement decisions at Harare Central Hospital during competitive tendering procedures?
3. How long does it take for items to be ordered internally and delivered to Harare Central Hospital?
4. How are suppliers responding to invitations to participate in public procurement competitive tenders?

1.5 Assumptions

In carrying out the study, the research will be made on the following assumptions:

1. Harare Central Hospital is considering the competitive tendering method as the only effective method of purchasing materials for the hospital.
2. All of the respondents acted in good faith by answering all of the questions honestly.

1.6 Significance of the study

The following groups will benefit from the research:

1.6.1 Harare Central Hospital

The information acquired assisted in reducing uncertainties and risks associated with procurement in decision-making for the institution's long-term existence. Harare Central Hospital is well known for receiving government subsidies such as the Government of Zimbabwe fund from state budget and the Global Fund, but when measuring results, they come out negatively. As a result of this study, policymakers will be aware of how those funds are used to avoid material shortages and bring procurement transparency.

Harare Central Hospital must be competitive in its purchasing of materials, equipment, and contracting in order to provide the finest service among other health institutions. In light of this analysis, it is critical that a large-scale study be conducted so that the organization can identify and measure its weakest and strongest points in order to guide future decision making, that is, a competitive purchasing system should be developed at the hospital for cost reduction, efficiency, quality, and innovation in order to maintain excellent service delivery.

1.6.2 Bindura University of Science Education

This study can also be used as secondary data for future studies by the institution and other interested parties. It will act as a reference for students pursuing the same programme in the future. Furthermore, the research contributes to bridge the gap between college theory and the practical experience gained at Harare Central Hospital during the research time.

1.6.3 The researcher

This research is important for researchers who seek to improve and widen their knowledge of competitive tender, which is widely considered as the best approach for ensuring potential providers in procurement.

The researcher will complete the requirements for a bachelor's degree in purchasing and supply from the university while also learning more about the field. The researcher will be given a bachelor's degree in purchasing and supply after presenting the research report.

1.7 Delimitation

Harare Hospital in Harare was the site of the study. The data was gathered from a random sample, which was supposed to be representative of the whole population.

The data and information was acquired from the procurement department of Harare Central Hospital, and it is specifically limited to competitive tendering methods, demonstrating the extent to which competitive tendering can increase potential supplier sourcing.

1.8 Limitations

Access to some of the confidential information that has a direct influence on the study was denied. This limitation was solved by speaking with top executives at Harare Central Hospital, who understood a lot about the organization and were willing to share information with the researcher.

Some respondents may have been unable to provide information for a variety of reasons, including fear of victimization and also the fact that the information is critical to the company's performance. However, there were individuals who were truthful in their statements and pushed the research ahead. In certain cases, the research population's administration may have been unwilling to reveal information that they considered internal and confidential. However, the researcher had informed them that the information was only for study purposes and they agreed to give up a little, allowing the study to proceed.

The respondents did not participate fully because they were too preoccupied to answer the questionnaire's questions. Nonetheless, the researcher extended the deadline for returning surveys to allow respondents to complete them in their own time, but this causes the study to be delayed.

Resources were a key sticking point. Since the study was not sponsored, these expenses include stationery and travel expenses. However, in order to overcome this limitation, the researcher has made preparations to borrow money from family and friends to cover these expenses.

Time limit, the university requires that the research study be done and completed in the final semester while also meeting the requirements of other university modules, resulting in a time

constraint. However, with the support of his supervisor, the researcher was able to overcome this limitation and worked day in and day out.

1.9 Operational definitions

Tendering - is a purchasing technique in which possible suppliers are encouraged to submit quotations in sealed envelopes for things required, with the suppliers' firm delivering the items at the indicated or quoted rates if successful.

Tender- is a formal offer or invitation to provide products or services for a set price.

Competitive tender -is a procurement practice in which potential suppliers are asked to provide a solid and unmistakable price offer.

purchasing function- typically includes all activities associated with the buying process, such as determining the need, selecting the supplier, arriving at a proper price, specifying terms and conditions, issuing the contract or order, and ensuring proper material delivery.

Negotiation is an interactive process in which two or more parties seek to identify common ground or resolve a shared or disputed issue by reaching a mutually acceptable agreement that will be respected by all parties involved.

Potential suppliers- suppliers who have been listed but have not been vetted for the provision of essential commodities are considered

Supplier list- is a database that contains all of an organization's suppliers or clients.

1.10 Summary

To sum up, this introduction chapter outlines the significance of the study in order to advertise or analyze competitive tender so that procurement officers across the region can choose the best approach to apply. The study objectives and questions relevant to competitive tendering were discussed in this chapter so that the research could answer them at the end. The second chapter will focus on the literature review, which will include both theoretical and empirical evidence. Different theories will assist competitive tendering in procurement cycles, as well as empirical evidence from various case studies. The second chapter will focus on the literature review, which will include both theoretical and empirical evidence.

CHAPTER II

LITERATURE REVIEW

2.0 Introduction

The other writers and professionals perspectives on this study, as well as other relevant material from the Public Procurement Act and Disposal of Asset, will be shared in this chapter. This chapter again discusses topics such as public sector procurement. This chapter focused on the studys conceptual and theoretical basis. The chapter is organized as follows discuss theoretical framework, provide types of tendering, competitive tendering methods, examine tendering procedures, discuss lead time and competitive advantage, examine competitive tendering as it is used in public sector procurement and discuss empirical evidence.

2.1 Theoretical framework

According to Botha (1989) , a conceptual framework is used in research to outline potential courses of action or give a preferred approach to an idea or thinking. The most successful procurements, according to Lysons (2006), are those in which an organization prepares and organizes a competitive tendering to guarantee that it contacts potential providers.

2.2 The concept of public sector procurement.

The process by which an organization or government purchases goods, works, and services with state funds is known as public procurement.

Stuart and Barry (2008) explored procurement as part of the supply chain philosophy, claiming that procurement plays a strategic role in many firms, recognizing that purchasing provides both value for money and cost savings. It may also include all of the following aspects ,acquiring what is required by spending money outside in order to meet the needs of both internal and external customers, speeding, and giving information and services to all parties concerned. According to Dobler and Burt (1996) agreed that procurement is a process or concept that encompasses a broader range of supply activities than purchasing functions and typically includes a broader view of the traditional buying role with more buyer participation in related material activities in public sector or organizations. They went on to state that the activities include performing all purchasing functions managing investment recovery and excess activities, acquiring incoming transport, and so on.

2.3. Competitive tendering

A tender is a formal offer to supply products or services at a predetermined price. Competitive tendering is a procurement technique in which potential suppliers are invited to submit a firm and unequivocal offer of the price and terms on which they would deliver specified products and services, which, if accepted, will form the basis of a subsequent contract. Lysons and Frrington (2006).

Tenders are often based on a buyer's definition of criteria, but suppliers might also be invited to provide a solution and a price to a problem that the buyer has indicated. Since the entire process is geared at achieving the best lowest price, it's understandable that tendering is based on the values of competition, fairness and accountability, transparency and openness, and integrity and honesty. In response to the preceding assertion, Dimitri et al. (2006) stated that, while it is a competitive procurement (open tendering), it is only open to potential suppliers in order to ensure that contracts are executed properly.

2.3.1. Competitive tendering methods

Per section 35, 36, and 38, of the Public Procurement Act 663(2003) is the various methods of competitive tendering. Thus competitive tendering (National and International), two stage tendering and restricted tendering.

2.3.1.1 National competitive tendering.

This is a procurement procedure in which the procuring entity decides that only domestic suppliers or contractors are allowed to submit tenders, and then uses national competitive tendering procedures. (Section 44).

2.3.1.2 International competitive tendering.

When open or competitive tendering is employed in Ghana, the above procedure can be used because effective competition cannot be gained until international contractors are invited to tender. Then there's the case where the things to be bought are not available locally or cannot be provided due to a lack of technical and other expertise, as well as a financial constraint. . (Section 45)

2.3.1.3 Two stage tendering.

When an entity has little or no information of what it intends to acquire, it will engage in two stages of tendering, or more specifically where the entity desires to enter into a contract for research, experimentation, study, or development. (Section 36)

2.3.1.4 Restricted tendering.

A procurement entity may engage in procurement by restricted tendering for the sake of economy and efficiency, subject to the boards consent. If goods, works or services are only available from a small number of suppliers or contractors (Section 38), then there is the question of whether the time and money spent analyzing and evaluating a large number of tenders is excessive in comparison to the value of the goods, works, and services to be bought.

2.4 Types of tendering systems

According to Van Weele (2010), tendering systems include four different types of tenders that are used to source low or high value commodities. He listed them as open tender, restricted open tender, selective tender, and negotiated tender. However, according to the Chartered Institute of Purchasing Supply CIPS (2010), negotiated tenders are rarely used due to their complexity and are mostly used for project bidding.

2.4.1 Open tender

Van Weele (2010) defines an open tender as a tendering process in which potential suppliers are asked to compete for a contract that is posted in the newspaper or on the internet. CIPS (2010) also stated that the lowest priced tender is frequently accepted, despite the fact that most advertisements mention that they are not obligated to accept the lowest or any tender.

2.4.2 Restricted open tender

According to Lysons (2006), in this form of tender method, prospective suppliers are encouraged to compete for a contract that is advertised only in appropriate technical journals or local media. Restricted open tenders, as defined by Friedman and Gates (1956), are intended to target specific suppliers as a result of economic policies, such as the buy local campaign enforced under Zimbabwe's ZIMASSET plan.

2.4.3 Selective tenders

Bryden and Luther (2005), define selective tendering as inviting offers from suppliers on an approved list who have already been verified for competence and financial stability. According to deVaus (2002), the major goal of selective tender is to limit the amount of effort involved in sourcing by requiring potential suppliers to submit their firm profile before being featured in the supplier database.

2.4.4 Negotiated tenders

According to Morledge et al. (2009), negotiated tenders allow a contract to be negotiated with one or more suppliers without the need for a tender notice to be published first. On the other hand, the Central Unit Procurement (2010) argued that the negotiated procedure is only available in situations where there is no suitable supplier found through open or restricted tenders, where the required product is manufactured solely for research and development, and where there is no suitable supplier found through open or restricted tenders.

2.5 General tendering procedures

The procedure for open tenders in general entails, the issue of public request of tenders. The distribution of tender documentation to those who respond to the advertisement, which will typically include: a letter of invitation and instructions to tender, pricing document/ tender form, Specification or schedule rates, Contract conditions or conditions of purchase, any relevant supporting invitation, and a pre-addressed tender return label. Tenders received after the deadline will be excluded from the examination process, according to the documents. (2006, Lysons and Farrington)

Appointed officers from the procurement department and an external department, such as the treasures department, will be present on the date set for the opening of tenders. Tenders will be issued, listed, and placed on an analysis sheet or spreadsheet, which will include specifics such as prices, rates, carriage charges, delivery, settlement terms, and other information needed to evaluate them. Tenders will be reviewed on a predetermined basis, such as the lowest bid or the most economically advantageous tender, although the public body is not obligated to accept the lowest or any of the tenders received. Tenderers who are chosen will be notified. Unsuccessful bidders will also be contacted, but they will not be provided reasons for their tender's rejection automatically; nonetheless, this information should be available if requested.

2.6 Lead time in tendering or competitive advantage

According to Saunders et al. (2005), changes in tendering processes have impacted lead times and competitive advantages in material sourcing. E-tendering and debriefing processes in tendering are among the new advancements, according to Bryden and Luther (2005).

2.6.1 E-Tendering

E-tendering, according to Brayden and Luther (2005), entails the use of electronic communication from the advertising of needs to the placing of the contract, which includes the exchange of all

essential documentation. This is also backed by CIPS (2010), which highlighted the following benefits realized by both tender authority and contractors when implementing e-tendering.

2.6.1.1 Benefits to Tender Authorities

According to CIPS (2010), because e-tendering is done electronically, it saves money on document preparation and reproduction attracts a large number of bidders, improves communication channels, provides a consistent bid channel, and eliminates bidding errors because incomplete bids are automatically rejected by tender authorities.

2.6.1.2 Benefits to tenderers

Tenderers benefit from e-tendering, according to Bryden and Luther (2005) and CIPS (2010), because it allows for time savings in reviewing possible bid opportunities, the ability to review an expanded list of opportunities, savings in travel costs because bids are submitted from the office, bids can be efficiently resubmitted before the deadline, and automatic rejection of incomplete bids allowing for resubmission.

2.6.2 Principles considered when conducting e-tendering

The Ministry of Defense of the United Kingdom (2001) listed principles to consider while doing e-tendering. DeVaus (2005) argued that when performing an e-tendering, secrecy is the most important factor to consider in order to avoid the leakage of other bidders information, such as quoted pricing.

Furthermore, the Procurement Regulations Authority (2017) state that when implementing e-tendering, security measures should be put in place to prevent non-users, such as bogus suppliers, from accessing sensitive information, such as in the case of a selective open tender where tender information is only available to listed suppliers.

The UK Central Unit on Procurement Guidelines Note (2003) supports the views of Lysons (2006), stating that when conducting e-tendering, players should exercise equitable or transparency to avoid unfair business activities such as accepting bribes to win a tender. In essence, all bidders should have access to the same information at the same time, according to Domberger (2003). Finally, DeVaus (2002) asserts that for e-tendering to be successful, it must summarize data portability and activate flexible processes that allow for easy information exchange. In his analysis, he suggested that when designing a tender form, technical specifications for drawings should be well elaborated and not ambiguous so that tenderers can easily understand them.

2.6.3 Debriefing

Debriefing was defined by Friedman (1956) and Gates (1967) as the practice of reporting or providing feedback to unsuccessful tenderers, and the Procurement Act Chapter (22:14) emphasizes that the public sector should adopt it to support the procurement principle of promoting open and effective competition. When adopting this debriefing method, the UK Central Unit on Procurement Guideline Note (2003) advises government agencies to weigh the resource cost against the potential benefits.

According to CIPS (2010), there are two advantages to using debriefing for the buyer. These benefits include creating a reputation as a fair, honest, open, and ethical client, as well as providing tenderers with some compensation for the time and money that was spent on tender preparation.

2.7 Tendering in public sector procurement

Public sector tendering is most commonly used to ensure conformity to such principles as public accountability, openness or transparency, avoidance of a conflict of interest, and recognition that a public office is a public trust, According to Jensen and Lienbenberg (2005), with support from a study on public contracts conducted by the UK Ministry of Defence (2001). The concepts, according to Erridge (2005), apply not just to the bidding process, but also to the pre and post tendering stages. These principles go above and above to protect procurement process integrity, promote competition, and emphasize the need of proportionality.

2.7.1 The accountability principle

According to Campos and Syquia (2005), public sector procurement should encourage accountability throughout the procurement process, balancing the public and private sectors. They went on to say that accountability in the procurement process starts with a clear line of responsibility between management, budget, technical, legal, and procurement personnel, to ensure a clear and efficient decision-making process, the separation of roles and authorisation should be enforced. A dedicated procurement specialist should be in charge of overseeing the whole procurement process and acting as a point of contact for all tenderers bidding for a contract (Campos 2005).

Minimize economically unjustifiable and inappropriate purchases, according to Monczka et al (2005), a strong contract profile and procurement plan should be prepared before the competitive tendering process begins. According to Campos (2005), an unique approval process should be in

place for large value contracts, and the scope for rejecting all eligible offers should be explicitly and clearly specified.

A public procurement remedies mechanism, according to the UK Central Unit on Procurement (2003), should strike a compromise between the protection of public funds and the ability of the tenderer to seek appropriate remedy or compensation. Furthermore, an independent review body with the capacity to impose fines on parties who do not adhere to the public procurement values should be established. The review board must treat contracting entities and tenderers fairly and impartially when resolving disputes.

2.7.2 The transparency principle

According to the CIPS (2010), public procurement must be perceived as public, transparent, and objective in order to be acceptable to all stakeholders. The law should encourage the widespread use of e-procurement as one of the strategies for preventing tenderer collusion (Bryden 2005). The public sector tendering legislation should demand a single point of access for effective, official, and dependable publicizing of procurement possibilities, as well as emphasize the necessity of advance procurement and contract award notices (Bryden 2005). Moreover, according to Campos (2005), tendering regulations should require that the public procurement process be recorded, preferably through electronic means, and made freely available to the public, tenders should be opened in a public opening session shortly after the deadline for submission for all contracts finalized by the contractual organization and issue a contract award notification.

2.7.3 The integrity principle

According to Erridge (2005), the public procurement framework should promote procurement function integrity, government policy transparency, and value for money. In addition, the law should ensure that management and procurement officials' actions are in line with their organization's public purpose. At all stages of procurement purpose it should include safeguards to limit the scope for undue influence and to avoid conflict of interest. According to CIPS(2010), public investment and procurement information should be in a broad but controlled manner, and information should be provided equitably to all stakeholders involved in the process. According to the Procurement Regulation (200), the legislation shall limit the ability to negotiate or change final tenders and proposals after they have been submitted.

2.7.4 The competition principle

In public procurement, the framework for tendering should promote fair competition and prohibit discrimination, according to Domberger (2003). Tenderers of identical position should be treated equally, regardless of nationality or political affiliation. Domestic preferences should not be allowed under the law. Domberger (2003). According to Australian Tendering in Action (2000), the framework should distinguish between public procurement eligibility criteria, qualification, and technical requirements to be met by tenderers for a consistent understanding of grounds for exclusion. A solid public procurement law, according to Campos (2005), should allow for both tendering and competitive discussions, where applicable, to achieve a fit for purpose solution. The value of the tender, the characteristics of the acquisition, and the contract profile should all be considered when choosing a tender type or procedure. He comes to the conclusion that the law should also establish clear criteria for selecting a procedure, making it clear to both the contracting entity and potential tenderers what conditions may authorize exceptions from the open tender arrangement.

2.8 Empirical evidence

According to Lyson, (2006), locating actual suppliers through the competitive tendering process is the most effective and acceptable technique. According to the Zimbabwe Government Gazette from October 2010, 60 percent of sourcing in the private sector and 85 percent in the public sector is done through tendering. According to Horta et al (2013), most government institutions use tendering to source project works such as infrastructure construction, such as the recent construction of Victoria Falls Airport, and service provision, such as refuse collection by the city of California and the supply of antiretroviral drugs by the World Health Organization.

2.8.1 Thompson et al and the OJEC (2007) studies

In 2007, these two performed research with the goal of determining how automobile businesses in Japan conduct sourcing. Personal interviews were conducted with buying officers from companies such as Tokyo Japan, Kawasaki, and Toyota Motor. The survey found that most vehicle manufacturers use competitive tendering to subcontract their work. For example, Toyota subcontracts the supply of tyres to Continental Tyres.

2.8.2 Lu (2010) study

Lu (2010) conducted a similar study in China's Guangzhou province on the effects of tendering on procurement at China Harbour, a civil engineering firm. The focus groups found that

tendering for the hiring and renting of land clearing machines such as heavy duty caterpillars and earth movers is successful because it provides transparency and allows the firm to obtain the best value for money by bringing in a pool of competitive bidders. The OJEC (2007) and Lu (2010) research agreed that sourcing can be strategic only if tendering systems such as competitive bidding are used because it yields openness and invites a large number of potential suppliers.

2.8.3 The Tuck School of Business (2014) study

In March 2014, the Tuck School of Business in the United States of America (USA) conducted a survey to learn more about how high value goods are procured for various (US) processing companies. Tendering is noted as a one way sourcing strategy for processing equipment in questionnaire responses gathered from procurement officers of processing firms such as Coca-Cola, America Tobacco, and Colgate Palmolive. Furthermore, this survey concluded that e-tendering has enabled the global world, such as Germany, to submit tenders for example the bottle sterilising machine at US Coca-Cola.

2.8.4 Liza Jabbour GEP (2011) study

In a separate study conducted in 2011 in French enterprises by Liza Jabbour GEP, University of Nottingham, they attempted to determine the factors that influence sourcing in foreign or offshore markets. Foreign direct investment (FDI) and international trade are expanding faster than global GDP, according to the group, and the fall of trade barriers and transportation costs is the most visible explanation for economies' growing internationalization. In their empirical investigation, Campa and Goldberg (1997), Feenstra and Hanson (1999), and Hummelset (2001) discovered that the structure of economic activity is shifting toward vertical specialization. They were founded on testable hypotheses in three areas, material scarcity, lead time, and search costs on a global scale intra group interactions. The group also suggested that the most efficient firms organize their offshore sourcing transactions through partnerships, while the least efficient firms vertically integrate. As a result, the partnerships implement tendering procedures, allowing every bidder to participate in the game across the horizon. However, the group believes that the role of search expenses and lead time would abolish tendering in sourcing offshore markets in France because it is a lengthy paper procedure with a significant risk of errors and corruption, as supported by Grossman and Helpman (2005). The panel came to the conclusion that e-tendering can help to overcome these restrictions.

2.8.5 Abiola and Oladele (2010)

In Nigeria, Abiola and Oladele conducted study in 2010 with the goal of identifying the composition of the buying center within the industrial organizations purchase decision process. The major participants in the capital equipment acquisition decisions in manufacturing organizations in Nigeria were investigated. The data was analyzed using cross tabulations, mean, variance, and the zee test, which resulted in 400 usable questionnaires. It was discovered that about 60% of capital equipment procurement by these manufacturing enterprises goes to Indian companies. According to Erridge (2005), tendering promotes supplier integrity and allows for post tender negotiations for better rates and the production of custom-made items.

2.8.6 Shen et al (2004) study

Shen et al (2004) together with American Society of Civil Engineers attended a study in China Mainland accompanying the objective to find a correct means to assess builder competitiveness in explanation businesses. An index value was used to designate the relative meaning of differing competitiveness signs based on that key competitiveness signs (KCIs) are labeled. On their findings, the three labeled offer or command as one of the signs that acquires competitiveness in sourcing and assessing builders in the way that in probing and power installation.

2.8.7 The Taylor and Francis (2011) study

The Taylor and Francis (2011) written an connected to the internet item accompanying a survey of the acts and impacts of competitive tendering and condensing procedures in all subdivision. This survey was administered apiece 20 Industry Commission, Canberra Australia in May 2011. The survey tries the hypothetical rationale for presentation of contest in the supplying of public aids and private views on impacts of offer were assembled from procedure makers in Canberra Province. The Commission urged that offer and declining tactics produce solid cost harvests honestly area as noted by a 5 percent budget surplus in the first quarter distribution to the responsibility and procedure creators submitted that listening offer processes through independent review bulk, as former on quoted for one UK Central Unit on Procurement guarantee situation of condensing systems and tenderers in a fair and impartial habit through lowering deceptive.

2.8.8 Domberger S et al (2005) study

In another study in England, South Wales, Domberger and others (2005) examined in what way or manner offer promotes effectiveness in municipality sourcing. Results from focus groups analyses demonstrated that 75 percent of local experts' use offer for refuse collection aids in

England. The study certainly urged that offer loiter process ruled by miscellaneous rules and regulations thus it advances adept because it influences a sound contract sketch and a procurement plan that prevent economically gratuitous and avoidable purchases.

2.9 Research Gap

On the studies above, it shows clearly that most several researchers wrote about the competitive tendering on awarding contracts or choosing the capable supplier on other foreign countries for example China and UK. There no research conducted on competitive tender on selecting the preferred supplier on Harare Central Hospital in Zimbabwe. Therefore this research aims to bridge the gap by assessing competitive tender on selecting supplier in the public sector.

2.10 Summary

This chapter summarized various authors and researches attended on the impacts of competitive tender on selecting of potential suppliers. The chapter began with a theoretical review of the literature, which laid the foundation for the development of conceptual framework for tendering systems and procedures. The chapter also explained the advantages of e-tendering to bidders and bidding authorities, while also tendering principles that ensure compliance with public sector procurement. Finally, this chapter presented the findings of various experts and studies on the effects of tendering in the sourcing of genuine suppliers around the world. The research method at Harare Central Hospital will be discussed in the following chapter.

CHAPTER III

RESEARCH METHODOLOGY

3.0 Introduction

The researcher's methods and tools for collecting data for this project are also described in the chapter, as well as how the objectives were determined. The methodology section covered research design, study area, data sources, target population and sample size, sampling strategies, data collection instruments, reliability and validity, data analysis procedures, and the conclusion. It also goes into the procedures utilized by the researcher to collect data, as well as the various methodologies used to analyze the data.

3.1 Research Design

A research design, according to Cooper et al. (2005), is the plan and structure of information examination in order to obtain answers to research questions. The researchers research design was an outline or devise used to help structure and plan the activity to meet the objectives. The appropriateness and reliability of the data gathering and analysis methodologies determine the credibility of the research findings. ZiZikmund (2002). The effects of competitive tendering in locating genuine suppliers were investigated using a case study at Harare Central Hospital, which was backed by research instruments such as a questionnaire and structured interviews.

3.2.1 Descriptive research design

A descriptive research design, according to Brink (1996), is one that allows the researcher to gather descriptive data. This means that the researcher can make decisions based on the research findings using human judgment.

3.1.2 Case study

A case can be a single organization or a single occurrence, according to Allan and Emmanuel (2003). Harare Central Hospital served as the case study for this study. The study's goal was to see how effective competitive tendering was at Harare Central Hospital when it came to choosing a supplier. As a result, the researcher employed questionnaires and interviews as data gathering methods to address research questions and objectives.

3.2.3 Personal Observation

A visit to the organization provided the researcher with a general understanding of how competitive tendering procedures are carried out before contracts are given to deserving

contractors, because the researcher sought to get additional information that was not addressed in the questionnaires and could not be questioned during the informal interview, personal observation was utilized as another method of data collection.

3.3 Target Population

According to Best and Khan (2003), a target population is any group of people who have one or more traits that the researcher is interested in. This group must fulfill the parameters that the researcher is looking for (Brink 1996). As a result, four departments will be included in the target population.

Some specific departments within the organization were evaluated, whose principal operations could have a direct impact on the topic under discussion. The procurement management unit, suppliers, procurement tendering committee, and user department were all included, bringing the total sample size to twenty five (25).

3.4 Sampling and Sampling Techniques

According to Jankowicz (2000), sampling is the deliberate selection of a group of people who will supply data from which the researcher will make conclusions about broader sections of the population that these people represent. The benefit of selecting a sample from a big population was that it saved the researcher time and money compared to examining the full population, especially when visiting suppliers outside of Harare.

The researcher utilized a stratified random sample strategy to select vendors since it lowers sampling errors such as selecting suppliers from the same category. A stratum is a subset of the population with at least one thing in common. Suppliers in the same category, such as surgical and medical suppliers, hardware suppliers, stationery suppliers, and kitchen suppliers, are divided into strata by the researcher. One of the significant advantages of this technique for the researcher was that it assured that a proportionate number of people in each sample, as well as key sections of the community, such as small marginal suppliers, were represented.

3.5 Reliability and Validity

The researcher prepared the questions to suit the topic matter in order to ensure the works dependability and validity. Again, plain english language was used to create questions that ranged from closed to open ended. Closed ended inquiries, on the other hand, predominated in order to prevent overburdening and boring respondents. In addition, the researcher employed other

instruments such as personal observations and informal queries to establish the validity of this study. This, on the other hand, contributed to the validity and reliability of the responses, as well as the efficiency of the data devices used.

3.6 Sources of data

The researcher used both primary and secondary sources to gather information that was important to this project.

3.6.1 Primary data

The researcher was able to obtain firsthand information and materials on the topic under investigation due to the data from the primary source. Questionnaires, personal observation, and interviews were used to collect the primary data. Churchill(1991) defines this as information gathered from respondents expressly for the current study or project . It was gathered through discussions with various parties involved in the procurement system, with the hospital administration, accountants, medical personnel, and suppliers serving as the primary sources. Because of the increased control over data accuracy and relevance to the problem, this method was chosen, ecause it was up to date and provided a complete picture, the data obtained was relevant and valid for this study a well balanced perspective on the issue of study.

3.6.2 Secondary data

Documentary or secondary data, according to Kotler et al (1996), is information that already exists and has been acquired for other purposes. The researcher studied many texts, journals, magazines, newspapers, the internet, prior research efforts, and other publications for secondary material, which greatly aided the study work. The researcher was able to find information more rapidly and at a lower cost as a result of this. Secondary data was simple to obtain because the method did not require extensive travel or time consuming appointments with respondents. However, secondary data was insufficient alone, and primary data was required.

3.7 Research Instruments

Any measuring equipment used for the purpose of data collecting, such as questionnaires and interviews, which were utilized by the researcher to collect primary data from respondents, is referred to as an instrument of data collection.

3.7.1 Questionnaire

A questionnaire, according to Frazer and Lawley (2000), is merely a set of questions used to collect data from respondents.

The researcher distributed questionnaires to Harare Central Hospital twenty five(16) staff concerned and 9 selected suppliers. Interviews were held with the Hospital Administrator, the PMU Secretary and the others selected Procurement Management Unit (PMU) and tendering committee and stores members. Before distributing questionnaires to the sample, the researcher clarified to prospective respondents that the information obtained from them was for academic purposes only and was to be treated with strict confidence.

To achieve the best results, the researcher ensured that some of the words in the questionnaire properly defined, so that respondents could respond with a complete comprehension of each words meaning. The researcher also ensured that when the questionnaires were submitted, the respondents were urged to answer all of the questions. The researcher personally delivered questionnaires to the participants, and each was given a copy, which was acquired in three days later by the researcher to allow adequate time for each responder to attend all of the questions.

Justification for using questionnaires, the researcher picked questionnaires because they reduce time and are a low cost method of surveying. It was easier for the researcher to acquire information from the research population, and structured questions were helpful since they led the respondents. However, there was much consideration given to the danger of question misunderstanding.

3.7.2 Interviews

An interview, according to Plossy (1997), is a dialogue between two people (the interviewer and the interviewee) in which the interviewer asks questions to elicit information from the interviewee. Each of the respondents was interviewed in an organized manner by the researcher. The questions asked during the interviews were pre determined, and all of the respondents were asked the same questions. Interview aids were used by the researcher to guide the responders. The research gained a lot of value by interviewing the relevant persons who knew something about the subject. In addition, conducting interviews took more time than using questionnaires.

3.8 Data Analysis Procedures

The data was analyzed using excel. The frequency count and percentage equivalent were used to create the tables. The analyses were based on a review of the information gathered. In order to create an instructive project, data was examined both qualitatively and quantitatively. The data was presented using tables, bar charts, and pie charts.

3.9 Summary

The approach, design, target population, sample methodologies, and research tools were all discussed in this chapter. The research design section describes the case study, descriptive, and observation methods employed in the study. It also described the research instruments that were employed, which included interviews and questionnaires. The chapter came to a close by laying out the procedures for data gathering, data presentation, and data analysis. The data presentation and study outcomes from the instruments utilized will be discussed in the following chapter.

CHAPTER IV

DATA PRESENTATION, DISCUSSION AND ANALYSIS

4.0 Introduction

The raw data collected in the field is presented in this chapter, along with an analytical interpretation. Tables, charts, and graphs are used to show and evaluate data in order to achieve the goals. It includes sections on response rate, questionnaire responses, competitive tendering as practiced at the hospital, supplier evaluation determinants, processing time for competitive tender paperwork, sources of competitive tender information, reasons for suppliers not to responding to competitive tenders, challenges of tendering at Harare Central Hospital, and recommendations.

4.1 Response Rate

Table 1. 1 Questionnaire Response Rate

Target department	Target response	Actual response	Response rate(%ge)
Procurement Management Unit	9	9	100%
Suppliers	9	9	100%
User department	5	5	100%
Procurement Tender Committee member	2	2	100%
Total response	25	25	100%

Source; primary data. 2022

Of the 25 questionnaires sent to Harare Central Hospital staff and hospital suppliers, all came back completed. The questionnaire thus obtained a response rate of 100%. The hospital staff were all

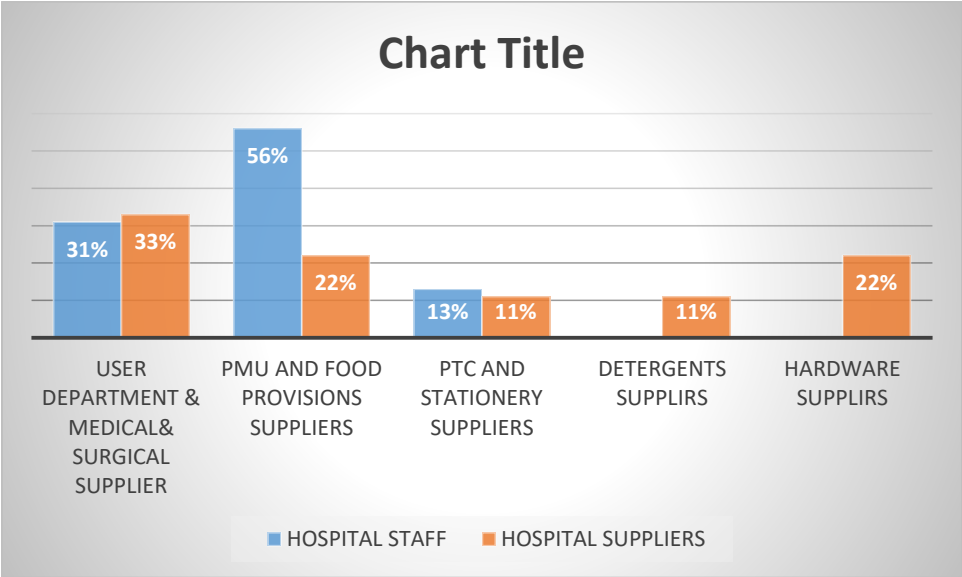
successfully interviewed and the interviews thus achieved a 100% response rate. A high response rate was achieved because the questionnaires were easy to follow with clear and concise questions for a knowledgeable and experienced target audience.

4.2 Response from the questionnaire

4.2.1 Personal Attributes

In this study respondents’ data was made up of 64% of hospital staff and 36% of hospital suppliers. Hospital staff comprises of 31% user departments, 56% PMU members, 13% PTC members and supplier category was made up of 33% from medical and surgical, 22% from food provision, 11% from stationery another 11% from detergents as well as 22% from hardware suppliers. This indicate that the sample had a greater number of the hospitals procurement team as well as the targeted suppliers respectively.

Figure :1 Composition of respondents



Raw data: 2022

One of the 16 Harare Central Hospital staff actual respondents has a 1 PhD, 5 have a first-degree, 8 have diplomas, and the other 2 have higher national diplomas, therefore the sample had an average of qualified and experienced management and procurement committee personnel, 2 of the 9 suppliers that responded have a master's degree, 3 have a bachelor's degree, and the remaining 4 are split between higher national diploma and certificate holders.

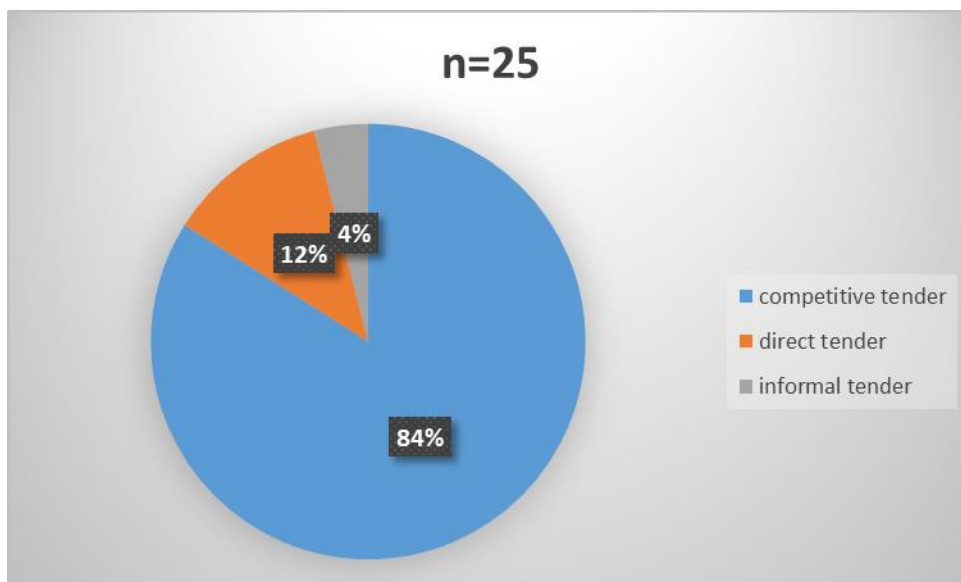
Furthermore, 14% of the respondents have worked at Harare Central Hospital for a period of over 16 years, 23% for a period between 11 and 15 years, 36% for a period between 6 and 10 years and 27% for a period between 1 and 5 years. In essence the respondents have been with the organization for the period of study and therefore their responses are valuable. In addition, of the 9 suppliers responded 2 had been supplying the hospital for a year, 2 again for the past 5 years, 3 for the past 10 years and 2 for the past 10 years and above.

The research results on age which was asked so as to determine whether the individual fell into the age range specified indicated that 27% of the respondents were in the age group above 46 years, 32% of the respondents were in the age group of 36 to 45 years, 37% was in the age group of 26 to 35 years and 4% was between 18 and 25 years. From the results it can be noted that the bulky of respondents were between 26 and 45 years. This may be because the health sector was affected by the brain drain in (2008) and also regular freezing of post in the ministry have imposed such demography of mixed old and young age.

4.3 Tendering in sourcing

Tendering is a way of sourcing potential suppliers at Harare Central Hospital, according to all respondents, who argued in their questionnaire responses that tendering included obtaining quotations from potential suppliers for the supply of essential goods, works or services.

Figure 2: sourcing methods at Harare Central Hospital



Raw data 2022

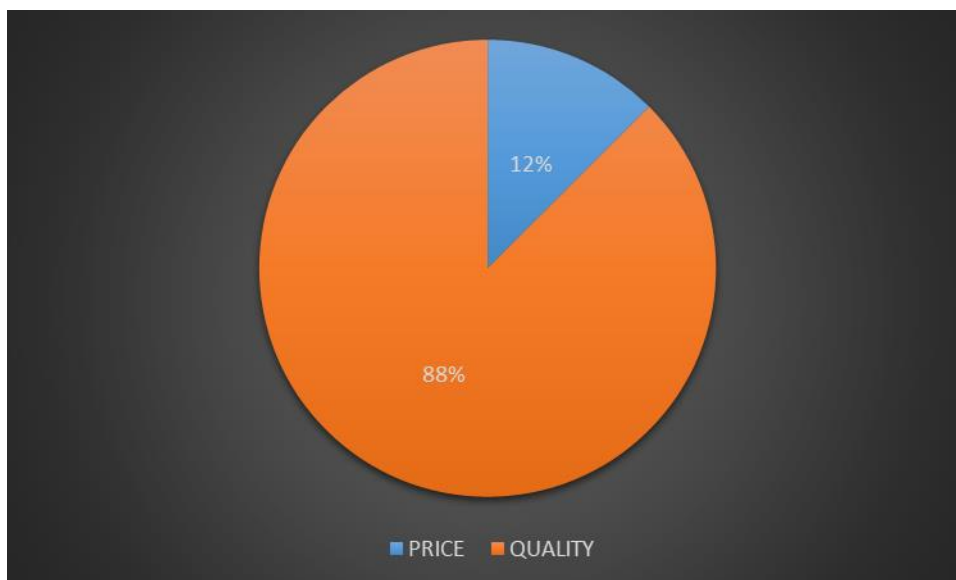
Furthermore of the 25 respondents, 21 (84%) proposed that the competitive tender is being used in sourcing; 3 (12%) suggest direct purchase and 1 (4%) suggested that informal tender is being implemented for sourcing at the hospital.

In interviews conducted, selected population outlined the tendering cycle as beginning from a request for a need from user departments and the (PMU) Procurement Management Unit source at least three quotations from potential suppliers as per approved suppliers list, they suggested that normally quotations are collected directly from suppliers, after they are received comparative schedules are completed and adjudication by the Procurement Tendering Committee is conducted awarding tenders basing on lowest prices. However the direct purchase is also used when there is an urgent need for example in cases where the hospital runs out cotton wool as well as lighting systems in admission wards or running out of drugs for patient that on critical.

According to CIPS (2010), tendering procedures entail a cycle that begins with an internal request for a product or service to be supplied and ends with a tender being given to a successful bidder. The Procurement Public Act (2018) further said that the three-quotation method in public procurement openness or transparency and accountability.

4.4 Supplier evaluation determinants

Figure 3: determinates of supplier evaluation



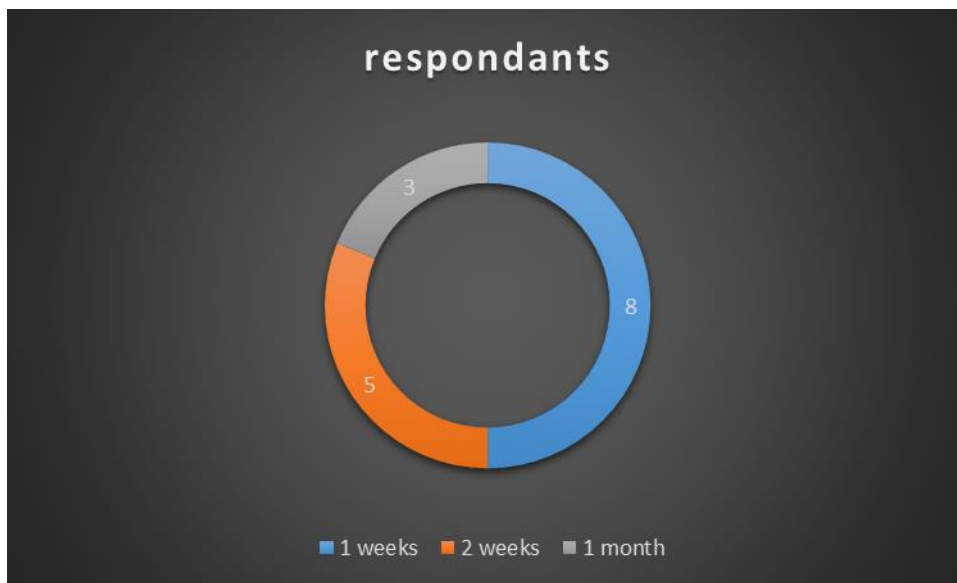
Primary Data 2022.

Figure 3 shows that 87,5% of Harare Central Hospital staff suggested that when assessing suppliers they determine or judge basing on prices only that is bidder with lowest price wins the tender whilst 12,5% suggested that they consider quality. However the criteria used left out a lot of considerations which need to be taken into account before awarding a tender and these include supplier reputation, discounts and delivery time and terms.

Moreover in an interview conducted with the Procurement Management Unit (PMU) secretary, she argued that for a supplier to be listed on the approved list of suppliers it should submit a valid business license in its area of operation, must have a Company Certificate of Incorporation, full description in writing of the company profile, VAT certificate, CR6 certificate, inclusion of three traceable references and company banking details or Statement of Financial Possession.

4.5 Period for processing tender paperwork

Figure 4: period taken to process tender papers at the hospital



Primary data 2022.

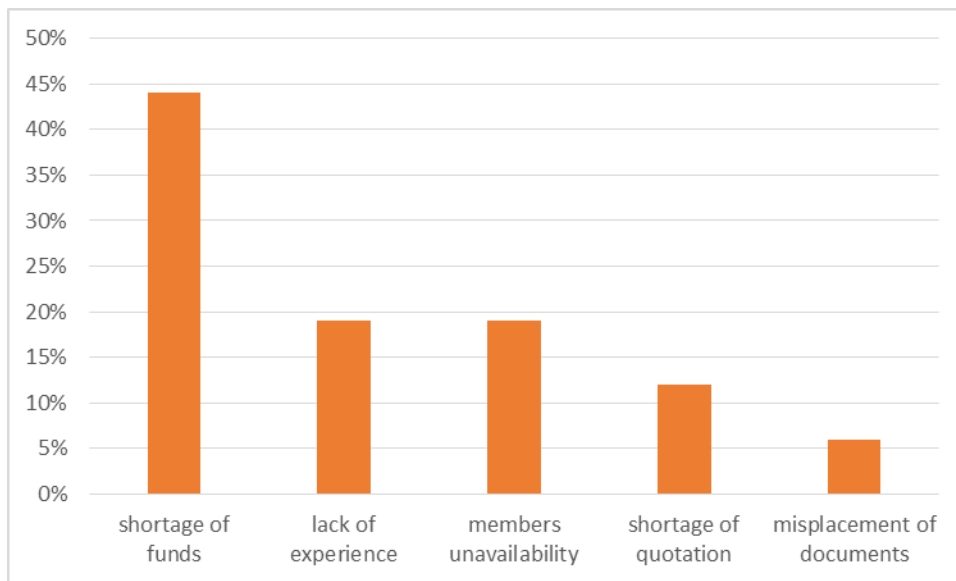
Chart above displays period taken to process competitive tender procurement paperwork at the hospital. The procedure normally involves completion of request for (RFQ), receiving and sorting of quotations, completing the comparative schedules and filling adjudication forms. The

phase in these processes also include meetings sat to facilitate procurement such as Procurement Management Unit (PMU) and Procurement Tender Committee (PTC) or Finance meetings. From the chart, 8 respondents concluded that the processing competitive tender documentation work takes less than 1 week, 5 suggested that it takes less than two weeks, 3 pointed that it takes nearly 1 month before any supply since the request day because sometimes there is misplacement of documents. According to Campos and Syquia (2005), public sector procurement should enhance accountability at all levels, and management should be handled by procurement specialists who oversee the entire process to avoid mistakes like misplacing paperwork during transactions.

Using **observation method** the observed researcher observed that the period taken to process competitive paper work was less than 1 week during the period of his attachment.

4.5.1 Main causes of delays in processing tender procurement papers

Figure5: main causes of delays in processing tender paperwork at Harare Central Hospital



Primary data 2022.

The above graph illustrates that although procurement at the hospital is mainly delayed by 44% shortage of funds but however the remaining is shared among the processing procedures of tendering. Of the respondents, 19% suggested that processing of papers is also caused by unavailability of crucial committee members such as PTC members, 6% cited that each time an internal request is sent to the Procurement Management Unit (PMU) secretary, it is misplaced

resulting in restart of processing the documentation work, 19% also argued that the procurement office is lacking public procurement expertise which is causing a lot of delays such as wrong specification writing and is also unable to implement procurement rules and regulations as per Public Procurement Act. Finally 12% of the respondents suggested that delays in processing tender papers is also caused by shortage of quotations as required since this calls for re sourcing until quotation get to the minimum number of three.

According to Tendering in Action (2008), Procurement Management Unit (PMU) and Procurement Tender Committee (PTC) meetings must be held when all committee members are available in addition to addressing receipt of quotations by signing on them, and the adjudication process should be witnessed with at least 5 members of the PTC, so if one member is not available, the meeting would not proceed, causing delays in the processing of papers. Furthermore, the Public Procurement Act (2017) mandates that at least three quotations be obtained before making a purchase for the sake of transparency.

4.5.2 E-tendering in processing procurement papers

It emerged from the interview with the Secretary of the Procurement Management Unit (PMU) that little is done in terms of electronic tendering in the context of procurement. She argued that even though the hospital has internet infrastructure on its premises, senior management is reluctant to change, for example E-sourcing or receiving quotes by email to minimize costs. In a separate interview with one of the Procurement Tender Committee (PTC) members, he suggested that e-tendering causes a lot of materiality such as fake suppliers, bribery, and also requires highly skilled personnel with information technology experience.

However, CIPS (2010) argued that e-tendering is electronically done and it result in savings in document preparation and reproduction cost, harness of a large group of bidders, improved communication channels, provide a consistent bid channel and elimination of bidding errors since incomplete bids will be rejected automatically by tender authorities. Moreover the study of The Tuck School of Business concluded that e- tendering has enabled the global world such as European countries to submit tenders instantly to American countries.

4.6 Sources of tender information

According to the researcher observations Harare Central Hospital suppliers received competitive tender information through requests for quotation especially for food provisions and tender information send through telephone calls and newspapers, mostly newspapers are used for big tenders for example big projects such as maintenance of boiler machines.

As stated in the Public Procurement Act and Disposal of Assets Chapter (22;23), tender information should be made available to all suppliers and invitation should be made through public notices or in public media such as newspapers to accommodate everyone. However in separate interviews conducted, the Procurement Tender Committee members at the hospital suggested that RFQ method is being used because it saves both time and money during sourcing.

4.7 Reasons for suppliers not responding to tenders

In answer to questionnaires, nine suppliers representing various material categories stated that they are growing hesitant to submit offers to the hospital due to a number of irregularities in the procurement process. Most vendors pointed out that using price rather than quality as a criterion for awarding tenders is effectively excluding quality-oriented providers, who then refuse the hospital's call to tender. On the other hand, some of the providers said that, despite having the best pricing, their frequency of winning tenders is so low that they only win one out of every five invitations.

Moreover, some suppliers refuse to submit their competitive tender documents because they say it's a wastage of materials and the other reason is corruption and bribes, on a questionnaire information some suppliers receive information through telephones.

4.8 Challenges of Tendering at Harare Central Hospital

Table 1. 2 : Summary of problems or challenges of competitive tender at Harare Central Hospital

Problems or challenges of tendering	Strongly disagree	Disagree	Neutral	Agreeee	Strongly agree
i. longer lead time	0	0	3	6	7

ii. poor quality material	0	0	1	4	11
iii. fraudulent or corrupted suppliers	0	3	4	3	3
iv. lack of public procurement expertise	0	0	2	6	8
v. involves a lot of paperwork	0	0	2	4	9

Case study conducted 2022

The above table shows the summary of problems or challenges of tendering at Harare Central Hospital most staff members at the hospital supported that tendering is associated with problems such as long lead time, poor quality material, fraudulent or bogus suppliers, lack of procurement expertise and also involves a lot of paperwork

Out of 16 respondents staff of Harare Central Hospital 11 of them strongly agree on poor quality material as challenge facing or problem. Almost 87 percent strongly agree with that problem this because they mostly consider about the price rather than the quality also. In addition, 7 out of 16 of the Harare Hospital strongly agreed that competitive tendering also involves a lot of paperwork. They explained that processing these papers consumes a lot of time or bureaucracy therefore lengthening period between ordering and receiving (lead time) which result in running out of stock. Supported by the study of Liza Jabbour GEP (2011), it identified that tendering in across borders consumes more of time but they however concluded that the use of internet minimise such problems and also E- competitive tendering help to reduce this problem.

Lastly but not least, about 50 percent of the respondents strongly agreed that the competitive tendering at the Harare Hospital is also affected by lack of public procurement expertise. As noted at the Harare Hospital this lack of expertise have resulted in problems such as duplication of work, wrong specifications writing and increased purchasing costs. In support of public procurement expertise, Domberger et al. (2005) suggested that tendering is a lengthy process governed by a variety of rules and regulations, which should be strictly followed by procurement professionals in order to promote efficiency that results in a sound contract profile and procurement plan that avoids economically unjustified and unnecessary purchases.

4.8.1 Benefits of tendering to Harare Central Hospital

In response to the benefits of competitive tendering, almost all of Harare Central Hospital staff members indicated that tendering involves open procedures and therefore it is open to everyone which therefore provide reliable offers from reputable suppliers. For instance the hospital send request for quotations (RFQ) to several bidders across the country for the servicing of the autoclave machine which opened opportunity for every supplier in the field and among them was the Stericlave Investments which is well known for serving the machines in different hospitals. The research of OJEC (2007) and Lu (2010) agreed that sourcing can be strategic only if competitive tendering systems such as competitive bidding are used since it yields openness.

The staff members also suggested that competitive tendering induce competition among suppliers. Since it involves all the suppliers to compete on the tender. Therefore it allows the firm to acquire goods ,works and services at lower price.

Another advantage of competitive tendering, according to the hospital, is that it facilitates supplier comparison and evaluation. Supplier information or data, such as item name, quantity, and unit pricing of items, is recorded on a comparative schedule, requiring little or no experience for comparing and granting a tender. Furthermore, if Pastel software is utilized, this procedure can be sped up because the best pricing can be picked automatically. Deleris and Erhun (2007).

Finally, staff members at Harare Central Hospital examine whether competitive tendering allows for proper specification writing, resulting in suppliers submitting realistic and excellent bids. In an interview with the PMU secretary, she explained that tendering allows user departments to collaborate on specification development, and as a result, only a small percentage of quotations are rejected because most of them follow the published specification. Furthermore, according to Jensen (2005), time should be spent creating the product or service specification because there is minimal room for debate and revision once the operation is in action.

4.9 Summary

In summary, the foregoing chapter has carried out data presentation and analysis on the findings from research instruments used in the field. Findings were represented graphically and on pie charts and brief discussion were used to give meaning to these charts and in addition literature review was also used to support these findings. Finally the chapter discusses challenges, benefits and recommendations of tendering to the hospital.

CHAPTER V

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

This includes the final chapter of this study, a section discussing a summary of the results presented in the previous chapter, and a section describing the assessment of competitive tender on the selecting for specific suppliers at Harare Central Hospital. This section concludes with a paragraph with relevance competitive tender recommendations as a supplier sourcing method.

5.1 Summary

The purpose of the study was to investigate the effects of competitive tendering in sourcing of potential suppliers at Harare Central Hospital. The research findings were gathered through questionnaires, interviews, observations and findings from the study were:

5.1.1 Management or staff perception

In conclusion, the management and staff of Harare Central Hospital suggested that they find suppliers by competitive tendering and said that the purchase was the most favorable, as the suppliers also had transparency and fairness. Competitive tender documents such as application forms, comparison and evaluation forms shows the information on how suppliers chosen. Management also responds that competitive rules and regulations should be flexible to speed up the process.

5.1.2 Variables that affect purchasing decisions

Various aspects in the competitive tendering have a significant impact on purchasing decisions, according to the study. Supplier prequalification factors such as tax clearance certificates, CR6 certificates, and government vendor numbers influence first-level decisions; second-level decisions are influenced by the minimum number of quotations required; and third-level decisions are influenced by supplier evaluation factors.

5.1.3 Lead time on delivery of materials

Tendering in government service is also marked by red tape and bureaucracy. The hospital lacks or does not practice e-procurement, which is speedier in all aspects such as sourcing, receiving, and evaluating vendors, as indicated by extended lead times in material delivery and significant delays resulting from delays in processing procurement paperwork.

5.1.4 Supplier perception

Finally, the study sought supplier feedback on the hospital's competitive tendering method, which is in use for sourcing. Suppliers concluded from their questionnaire, interview responses and observations that tendering promotes transparency and competitiveness among them, but they claimed that tenders should be cycled to maintain co-operation.

5.2 Conclusion

Competitive tendering benefits both public procurement and suppliers because it promotes procurement values including accountability, openness, honesty, competitiveness, and value of proportionality.

The researcher also concludes that competitive tendering is an effective method for sourcing suppliers at the hospital, but procurement procedures should be revisited so that the purchase PMU authority is adjusted or changed to minimize the period for processing and sourcing of quotations, therefore, if given the choice, the hospital should opt for the direct purchase authority, which does not require as much paperwork and is not effective.

5.3 Recommendations

5.3.1 Improvement on monitoring and evaluation

The hospitals' top management must form a monitoring and evaluation committee, also known as a Total Quality Management team, that would be in charge of internal auditing and monitoring of the hospital's purchasing activities. This committee will also be in charge of debriefing unsuccessful suppliers in order to maintain stronger tactical connections with them, as well as inspecting the quality of items delivered and reviewing supplier capabilities before tenders are issued.

5.3.2 Technological advancement

Since the hospital has Local Area Network (LAN) on its premises, this is advantageous to the procurement activities. I recommend that the procurement activities should be changed from manual to electronic means so as to improve communication and transactions which then reduce the lead time or delays in channels of competitive tendering process. E-tendering can be introduced at the hospital so as to speed up competitive tendering systems and procedures.

5.3.3 Need to have a permanent procurement officer

The study also suggests the ministry's organogram on delegation of power be revised, and that instead of the current administration assistant, a permanent position for an independent procurement officer be created. The Purchasing Officer is required to provide direct counsel, direction, and assistance to subordinates dealing with public procurement concerns. Alternatively, workshops could be used to train the present Procurement Management Unit (PMU) secretary so that she is well-versed in procurement rules and regulations.

5.3.4 Need to increase its sources of revenue

Finally the researcher recommends that Harare Central Hospital need to increase its revenue base. Since most of competitive tendering activities are delayed by shortage of funds for instance the purchase of incinerator, therefore sources of income should be accessed to expedite the competitive tendering. The hospital can improve revenue through engagement of debt collectors to carry out debt collection, engage the Ministry to grant permission to auction obsolete equipment such as old computer hardware equipment and old beds.

5.4 Areas of further research

Future study could be conducted to examine the effectiveness of different sourcing strategies utilized in both public and commercial procurement. In addition to this, the research might be expanded on assess the contributions of procurement laws and regulations outlined in the Public Procurement Act to supplier selection in public procurement.

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APPENDIX I

Harare Central Hospital: STAFF QUESTIONNAIRE

My name is Hamonny Tinotenda Kandenga a fourth year student from Bindura University of Science Education registration number B1747932. I am carrying out a study of the effects of tendering process in sourcing of actual suppliers at Harare Central Hospital. This is in line with the partial fulfilment of my Bachelor of Commerce Honors degree in Purchasing and Supply program. I am required to carry out a research project and currently I am undertaking a questionnaire to gather management and staff views. I am therefore requesting you to assist me by completing the questions contained in this questionnaire. All answers will be treated with confidentiality and will be used solely for the purpose of this research.

PLEASE BE ASSURED THAT YOUR RESPONSES WILL BE HELD IN STRICT CONFIDENCE. (Please do not write your name on any of the question papers)

SECTION A: Demographic data Please tick where appropriate

1. Gender: Male Female
2. Age Group: 18-25yrs 26-35yrs 36-45yrs 46yrs and above
3. What educational level have you attained?
(a) O`level (b) A`level (c) Diploma (d) First degree (e) Masters (f) others: state.....
4. Length of service at Harare Central Hospital
(a) 1-5 years (b) 6-10years (c) 11-15years (d) 16 years and above
5. What is your current position in the organization?
(a) Administration staff (b) Procurement staff (c) Environmental health staff (d) Others: state...

Section B: Tendering systems and procedures in sourcing

6. Which committee are you a member of?
(a) Procurement Management Unit (PMU) (b) Procurement Tender Committee (PTC)
(c) Department user member (e) None

7a). Do you have an understanding of the tendering process?

Yes []

No []

7b). Tendering process is all about;

[] Acquisition of goods and services using limited money resource.

[] Sourcing of quotations from potential suppliers for the supply of required goods and services

[] Delivery of goods and services at the right time, price and quantity without defects.

8. What is the main procedure of tendering being used at Harare Central Hospital?

[] Limited authority [] The purchase out to best advantage. [] The direct purchase [] Informal tender authority

9. What is main type of tendering system being used at the hospital?

[] Open tender [] Restricted open tender [] Selective tender [] Negotiated tender

10a). What do you consider first when evaluating supplier tenders?

[] Price [] Reputation [] Delivery time [] Quality [] others specify.....

11. What are the benefits of tendering in sourcing potential suppliers to Harare Central Hospital?-----

-

12. How long does it take to process tendering paperwork at the hospital?

[] <2days [] < 1 week [] < 2 week [] others specify.....

13. What are the main causes of delays in processing tendering paperwork at the hospital?

.....
.....

.....
.....
14a). Are there any challenges or problems posed by tendering in sourcing of potential suppliers in your warehouse?

Yes [] No []

14b). Using a scale below, tick against the correct answers

Strongly agree, agree, neutral, disagree, and strongly disagree

Challenges or problem of tendering	Strong disagree	disagree	Neutral	Agree	Strongly agree
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a) long lead time

b) Poor quality material

c) fraud or corrupted suppliers

d) lack of public procurement expertise

e) Involves lot of paperwork

15. Where do your suppliers get competitive tender information of the hospital?

[] newspapers [] television and radio [] request for quotation [] trade exhibitions b) Others specify.....

16. List any causes that make suppliers not to respond to invitation to tender or request for tender

17. Which other methods do you recommend to use for sourcing besides tendering and give reasons?

Method.....

Reasons.....

.....

THANK YOU FOR YOUR ATTENDANCE

APPENDIX 2

INTERVIEW GUIDE

1. Do you have an understanding of the competitive tendering system or cycle?
 2. Briefly define competitive tendering as it used at your organization.
 3. What is the minimum number of quotations that are required to make a purchase?
 4. What factors or requirements do you consider from suppliers before making a purchase?
 5. How do suppliers react to invitation to competitive tender?
 6. How long does it take between internal ordering and delivery time of materials to the hospital?
 7. Do you use any information technology in the tendering system?
 8. Does the hospital follow procurement rules and regulations in implementing tendering?
 9. Do you think adopting new strategies will improve sourcing at your organization?
- Do you have any recommendations to the hospital that can improve sourcing of suppliers?

Yes

No

Section B: Harare Central Hospital buying habits

6. What category of materials do you supply?

medical and surgical detergents food provisions stationery hardware others specify.....

7a). Where do you get competitive tender information for Harare Central Hospital?

newspapers television and radio request for quotation trade exhibitions

b) Others specify-----

8. How long have you been a supplier at Harare Central Hospital?

0 <1 year 1 <5 years 5 <10 years 10 years and above

9. On average, how often do you win a competitive tender at Harare Central Hospitals?

once per every 5 invitations twice per every five invitations thrice per every 5 invitations 4 per every five invitations
 five per every five invitations others specify.....

10. Giving reasons how long do you take to submit a quotation after a request for quotation from the hospital?

(i)Period-----days

(ii).Reasons-----

11. In your own view, what are the main problems associated with tendering as it is used for sourcing at Harare Central Hospital?

12. Which method of payment does Harare Central Hospital use?

cash on delivery prepayments bank transfer credit

others specify-----

THANK YOU FOR YOUR COOPERATION

