



ST. MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

**FACTORS DETERMINING PROCUREMENT PERFORMANCE: THE
CASE OF ADDIS ABABA POLICE COMMISSION**

BY

GETENET ABERA GEMEDA

June, 2019

ADDIS ABABA, ETHIOPIA

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**A THESIS SUBMITTED TO ST.MARY'S UNIVERSITY COLLEGE,
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DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of **Getenet Abera**. All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

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June, 2019

ENDORSEMENT

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

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Advisor

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Signature

June, 2019

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ACRONYMS AND ABBREVIATIONS

FPPAA Federal Public Procurement and Property Administration Agency

MOFED Ministry of Finance and Economic Development

AAPC Addis Ababa Police Commission

PPA Public Procurement and Property Administration Agency

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ABSTRACT

The study sought to examine Factors Determining Procurement Performance and how procurement is currently undertaken and whether the department is effective in discharging its procurement responsibilities to the police service. Addis Ababa Police Commission typically are responsible for maintaining public order and safety, enforcing law, and preventing, detecting, and investigating criminal and traffic related issues. To conduct this study descriptive and explanatory research design was adopted where the primary instrument for data collection was the questionnaire.³⁴⁶ Addis Ababa City Administration Police Commission head office different staffs and procurement officers were chosen using stratified random for staffs and purposive for higher officers and inferential statistics was used Descriptive statistics were used to analyze the demographic data which was then presented in tables and figures. The main findings of the study were: procurement the goods/services or works not being procured on time and poor quality of goods purchased because the safety and security affected by procurement planning i.e. incomplete procurement plan and urgent/unplanned procurement requisitions, unrealistic budgets and inadequacy of skills of procurement staff are influenced the procurement performance of AAPC. The study concludes that procurement planning, staff qualification; procurement procedures, market condition and tender processing positively affect procurement performance at AAPC. The most important factor was found to be procurement planning followed by procurement procedures as pointed out by statistical result. Based on these findings, the researcher recommended that The procurement process should be administered by qualified and experienced procurement professionals and also the procurement unit of AAPC shall sort out frequently requested items and handle them separately; the purchasing unit establish long term mutually benefiting relationship with reliable suppliers since this will reduce suppliers cheating problem, to a certain extent tackle low quality purchases, delayed deliveries and minimize the purchasing quantity approval period, establishing systematic ways of expediting and follow up of the purchasing process.

Key Words: *public procurement, procurement Performance, procurement procedures, procurement planning, Addis Ababa Police Commission,*

CHAPTER ONE

INTRODUCTION

This chapter shows a general introduction and back ground of the study area. Further, the statement of research problem, objectives, research questions, significance, and limitations are addressed. Finally, organization of the paper is incorporated.

1.1 Background of the study

Globally, Procurement function is a crucial activity for all organization and has to conduct effectively and efficiently. Huge amount of budget is spent on purchase of material and services to accomplish and support the organization's goal. Organizations use different method and policy to maximize the efficiency and minimize the risks and cost of purchase. The word procurement is used interchangeably but it has a broader sense. (Alijan, 1973)

The Ethiopian Federal Government Procurement and Property administration Proclamation No.649/2009 Article 3(2) (b) stated that "Public procurement is a central instrument to ensure an efficient management of public resources. Promoting good governance in public acquisition system aims at providing best value to its citizens through processes that are transparent and results-oriented". Procurement is a vital element of equitable access to police service. It can be defined as "the acquisition of property, plant and/or equipment, goods, services through purchase, hire, lease, rental or exchange" and is taken to include" all actions from planning and forecasting, identification of needs, sourcing and solicitation of offers, evaluation of offers, review and award of contracts, contracting and all phases of contract administration until delivery of goods, the end of a contract, or the useful life of an asset."(UNOPS Procurement manual, 2010). Procurement activity for police service is not only the matter of acquisition goods and service to do something but also it has highly related to saving life and their property, it has highly related to human right of the person who are living under the control of police.

The goal of public procurement is to award timely and cost-effective contracts to qualified contractors, suppliers and service providers for the provision of goods, work and services to support government and public services operations, in accordance with principles and procedures

Anne-Marie Slaughter,2017 Anne-Marie Slaughter,2017established in the public procurement rules.

Several studies have been conducted by different authors nationally and internationally in relation to procurement. Among these, a study was conducted by Cyrus S.(2015) on Challenges Affecting Public Procurement Performance Process in Kenya. The study indicates that the most prevalent challenges in the public procurement process is the selection of the most suitable procurement methods, with appropriate justifications, record keeping is also a major challenge in the sense that very few public entities have designated records management officers.

Mamiro (2010)states in his findings that one of the major hindrances in public procurement is poor procurement planning and management of the procurement process which include needs that are not well identified and estimated, unrealistic budgets and inadequacy of skills of procurement staff responsible for procurement. The basic reason of these problems are lack of attention because public procurement has not been consider as having a strategic impact on the management of public resource ,just this activity looked a rotten activity because of this most of the time assigned nonprofessionals. But now a day this thinking started to change and many developing countries understand the importance of procurement for achieving organizational objectives (Hunja, R.,2009).

According to Callender and Mathews,(2000) Each country's country has its own economic, social, cultural and political ,environment and employees who work on public procurement have and will face always many challenges. Some of them are lack of employee's competency in the area of procurement profession, lack of skill using IT in procurement activities, and preparing procurement plan is very poor.

The ability to realize procurement goals is influenced by internal forces and external forces. Interactions between various elements, professionalism, staffing levels and budget resources, organizational structure whether centralized or decentralized, procurement regulations, rules, guidelines, and internal control policies, all need attention and influence the performance of the procurement function (Gattiker, and Carter, 2000).

Another research was studied by Musanzikwa M. 2013 on Public procurement system challenges in developing countries with reference to Zimbabwe. The findings from the study suggest that professional procurement practices must be adopted in Public institutions for the benefit of the country. Coming to the public procurement in Ethiopian Context, Baynesagn A. and Telgen J. 2017 studied on the practice of performance-based contracting in developing countries' public procurement. The research indicated that the majority of public organizations have not yet used PBC even though it is allowed by the law. This is due partly to lack of clarity in the procurement laws and lack of capacity to use PBC.

Developing countries like Ethiopia, the provision of goods and services to the citizen is one of the central functions of government. The government or the state plays an important role in maintaining peace law and order with in the economy through effective administrative system. The state runs defense, police and court to maintain peace and order both externally and internally (Anne-Marie Slaughter, 2017)

Police service is essential to keep peace and security of the society particularly crime and traffic accident prevention as well as crime investigation. To fully realize its objective, public procurement is very important it's in providing services which meet the standard of the best quality, but at the same time with the minimum cost, the government in Ethiopia. However, to the extent of the researchers' knowledge, there is lack of empirical studies correlation on security services. Considering this gap, this research was intended to analyze the factors determining procurement performance: the case of Addis Ababa Police Commission.

1.2 Statement of the Problem

Public procurement is an important function of government for achieving economic, social and other objectives (Arrowsmith, 1998; Thai, 2001). The government expenditure on public procurement take the lion share from the annual Government budget; 64% of the Annual budget, 14% of the GDP up to 64% allocate for procurement purpose. Addis Ababa Police Commission is one of the big budget allocated office in Addis Ababa City Administration, based on its objective and organization mission. As everybody can agree the organization activity cannot be substitute by others because AAPC has responsibility to keep peace and security of a society, without peace no body consider development even no more guaranty to live. To achieve this big

objective procurement function has big role on supporting crime and accident prevention and investigation activities. Under Addis Ababa Police Commission Main office, there are ten sub cities and 54 Police stations. Addis Ababa City Administration allocates huge budget for security purpose for main office and for ten sub cities only police stations don't make any procurement activity even small amount of money. Strategically important procurement items goods like Police Uniforms, Medicine for police members, police vehicles, construction buildings, fuel, police equipment (firearms, anti-riot materials, police Handcuffs, batons, police communication radio),service such as utilities and energy, insurance, consultancy, training purchasing processes are made centrally through the department of procurement but other office equipment ,stationery items, electronic items , printing materials, cleaning materials And other small materials is procuring in each main office and sub cities police department.

Addis Ababa Police Commission is operating in dynamic environment, always the number of crime and traffic accidents alarmingly increase to mitigate this basic problem procurement department should play an important role to mitigate these problems. According Baily, (2004) stated that one of the basic guidelines of procurement is that in the end, it is important to think in terms of the total cost of ownership. This includes not only the purchase price, but also time and resources that are expended in the pursuit of the ownership. By understanding the steps involved with procurement, it is possible to get a better understanding of the real cost involved with attaining any good or service. Many public procurement activities suffer from neglect, lack of direction, poor co-ordination, lack of open competition and transparency, and most importantly not having a cadre of trained and qualified procurement specialists, who are competent to conduct and manage such procurements, in a professional, timely and cost effective manner. The head of procurement most of the time assigned politically even the assigned person come from other disciplines or no matter if s/he is uneducated in Addis Ababa Police Commission. These things contrary the procurement law, it create inefficiency and ineffectiveness, it leads not utilize government budget properly. The consequences of these kinds of problem affect the performance of crime prevention and investigation activity. Inflexible and bureaucratic systems of procurement contribute to unacceptable contract delays, increased costs, the potential for manipulation of contract awards and lack of fair competition, all of which create the perception in the population at large, that public expenditure is slow, ineffective, expensive and often corrupt(Ngugi & Mugo , 2010) The major setbacks in public procurement is poor procurement

planning and management of the procurement process which include needs that are not well identified and estimated, unrealistic budgets and inadequacy of skills of procurement staff responsible for procurement in this research entitled the limping pillar in public Procurement and market condition especially international trade activities public procurement practitioners faces a lot of challenges like lack of foreign currency in the country and alarmingly fluctuation of foreign currency exchange rates and payment, customs regulations, lead-time, transportation. To achieve its objective there is a big challenge/hindrane on its function, it is affected on internal and external factors (Mamiro ,2010).

The recorded data from Finance, procurement and property Administration Directorate Director ,2010 shows that the procurement performance of Addis Ababa Police Commission has a number of problem in terms of the purchasing objective. From practical observation of the researcher, complaining are raised from end users with regard to quality of the purchased goods and services, and timely purchase of the required items.

Collectively, these and other problems have resulted ineffective procurement performance .If these problems are continues ultimately the overall mission and objective of the office may not be maintained. With respect to this problem, no scientific analysis has been done so far by the management.

From the above facts it can be understand that there is a need for an empirical investigation to identify the possible factors contributing for this performance related problems, so the researcher is Factors determining procurement performance in Ethiopia: the case Addis Ababa Police Commission. in AAPC as point of reference.

1.3 Basic Research Questions

On the basis of the above problems the following research questions are developed:

1. How procurement planning of users departments affect the performance of procurement department of the o Addis Ababa Police Commission?
2. What is the effect of employee competencies on procurement performance of Addis Ababa Police Commission?

3. How does procurement procedure and legal frame work influence public procurement performance in Addis Ababa Police Commission?
4. What is the effect of current market condition on procurement performance of Addis Ababa Police Commission?
5. How does Tender Processing influence public procurement performance in AAPC?

1.4 Research Objective

1.4.1 General Objective

The general objective of the study was to examine factors determining procurement performance in Ethiopian public sector with specific focus on the Addis Ababa Police Commission. It sought to examine the extent to which Procurement Planning, procurement legal framework and procedures, relevance of skills and experience, market condition and tender processing procurement performance.

1.4.2 Specific Objectives

To achieve the general objectives mentioned above the following specific objectives are set.

1. To identify the extent to which procurement planning is determine the procurement performance.
2. To identify the effect of employee competencies on procurement performance of Addis Ababa Police Commission.
3. To analyze the influence of procurement procedure and legal frame work on public procurement performance in Addis Ababa Police Commission.
4. To analyze the effect of current market condition on procurement performance of Addis Ababa Police Commission.
5. To investigate how tender processing influence public procurement performance in AAPC.

1.5 Operational Definitions and Concepts

Procurement refers to obtaining goods, works, consultancy or other services through purchasing, hiring or obtaining by any other contractual means.(Dobler,1998)

Procurement means “obtaining goods, works, consultancy or other services through purchasing, hiring or obtaining by any other contractual means.” Ethiopian Public Procurement Proclamation (No 649/2009)

“Procurement Directive” means the directive to be issued by the minister of Finance and Economic development in accordance with proclamation.

“Procedure” means the mandatory procurement implementation requirements framed and issued by the PPA that will ensure proper compliance with the Proclamation and Directive by public bodies, Applicants, Bidders, Suppliers, Contractors and Consultants. (Shaw, 2010).

Tendering defined as a purchasing procedure whereby potential suppliers are invited to make a firm and unequivocal offer of the price and terms, which on acceptance shall be the basis of the subsequent contract. (Lysons ,2006)

Procurement Planning is an annual event integrates procurement proposal with the budget estimates in the context of long-term strategic development plans and multi-year demand planning. It is a critical element in the procurement process that is specifically designed to assure that funds are available for the procurement and the proper method of procurement is undertaken where the type of contract chosen ensured for its suitability for the particular procurement of goods and services. (Industry Manual, 2008)

Procurement Performance covers a number of quality and quantity-enhancing benchmarks, which narrows down transaction costs, time spent, and the quality and quantity of goods delivered. Based on their analysis" procurement performance entails high returns on investment (ROI), reduced transactional costs, faster delivery of services and supplies, delivery of high quality purchases, and streamlined supply chains (Odhiambo&Kamau,2003).

Employee Competencies are those required traits, skills or attributes of employees need to perform their jobs most effectively.

Procurement process is each step followed or undertaken to purchase any kind of items starting from the request of items till delivery of items.

Outsourcing is the complete transfer of a business process that has been traditionally operated and managed internally to an independently owned external service provider (Benton, 2010)

1.6 Significance of the Study

The importance of this research is unquestionable the reasons behind Addis Ababa police Commission's inefficient purchasing practices and the implications on accomplishment of its mission. If the procurement department do not perform procurement activity efficiently and effectively and supply on time for crime and accident prevention and investigation department, the police cannot respond on time for emergency request.it cannot collect technical evidences the result of this criminals may make crime and will escape so the city may lose many people lives and their properties, the society may lose their confidence on police. Because of the Milestone Activities is reason this research properly assesses the factors determining procurement performance and challenges and suggests best solutions.

This study will helps to improve the performance of procurement process by applying the recommendations, which would help to provide goods and services on time, to save significant amount of public resource otherwise, the police commission will not achieve its objective.

This research provides references to those other researcher on this field; it helps to procurement directorate or top management of the organization.

1.7 Limitation and Scope of the Study

1.7.1 Limitations of the Study

The some respondents were not punctual in returning the questionnaires, unwillingness and carelessness of some respondents while filling the questionnaires during data collection were considered as a major constraint to the study. Some respondents were reluctant in giving information for fear of victimization. In such cases, some logical deductions were made on that particular questions were rejected and some respondents were not punctual in returning the questionnaires. The researcher has managed all these limitations by explaining the goal and the expected outcome of the survey to the respondents.

1.7.2 Scope of the Study

The applicability of the outcome of the study limited to AAPC and focused on factors which affect procurement performance of Addis Ababa Police Commission. Methodologically, this study has utilized both primary as well as secondary data types from their respective sources

Geographically, the scope of this study was limited to Addis Ababa Police Commission procurement activities. The data set was obtained from a sample selection of procurement officers and internal customers of the organization. Conceptually, purchasing performance may be determined by many forces. However, this study is delimited to the factors mentioned in the specific objectives.

1.8 Organization of the Paper

The paper is organized in to five chapters. The first chapter deals with the introduction of the study, The second chapter focuses on the review of the related literature, The third chapter deals with the methodology, The fourth chapter presents the data analysis and results of the findings and Finally chapter five, deals with the Conclusion and Recommendation parts of the study undertake.

CHAPTER TWO

REVIEW OF THE RELATED LITERATURE

Introduction

The purpose of this chapter, relevant literature that is related and consistent with the objectives of the study were reviewed. It is to give a general theoretical framework about the topic; it also aims to examine and to determine the present general facts related to assessment of public procurement and its challenges globally that will be researched.

2.1. Theoretical Review of the Related Literatures

2.1.1. Meaning of Procurement

According to the Ethiopian Public Procurement Proclamation (No 649/2009), procurement means "obtaining goods, works, consultancy or other services through purchasing, hiring or obtaining by any other contractual means." From the above definitions, the overall tasks of procurement is to obtain goods, works, consultancy services and other services at the right quality, in the right quantity, from the right sources, at the right time, place and price to achieve an organizational objectives.

“Public procurement” is a central instrument to ensure an efficient management of public resources. Promoting good governance in public acquisition system aims at providing best value to it is citizens through process that are transparent and results oriented. (Basheka,2010)

“Procurement Directive” means the directive to be issued by the minister of Finance and Economic development in accordance with proclamation. (Basheka,2010)

2.1.2. The Meaning of Public Procurement

Public procurement is the process by which government departments or agencies purchase goods and services from the private sector. It takes place at both a national and regional level, and the process will usually be subject to specific rules and policies covering how the relevant decisions are made. Depending on local laws, the relevant government officials will have to follow a set of system for procurement .This system could cover the way they advertise for suppliers , the grounds on which they choose a supplier, and the way in which they measure and enforce the

requirements they put on the supplier. The usual aims of such a system will be to take advantage of competition between suppliers and to reduce the risk of corruption.(Bolton,P,2010)

Public Procurement comprises of the whole process of acquiring property and/or services. It begins when an agency has identified a need and decided on its procurement requirement. In addition, Procurement function continues through the processes of risk assessment, identifying and evaluating alternative solutions, contract award, delivery of and payment for the property and/or services and, where relevant, the ongoing management of a contract and consideration of options related to the contract. And finally, it also extends to the ultimate disposal of property at the end of its useful life Waters (2004).

According to Thai (2001), the basic principles of good public procurement practices include accountability, where effective mechanisms must be in place in order to enable procuring entities spend the limited resources carefully, knowing clearly that they are accountable to members of the public; competitive supply, which requires the procurement be carried out by competition unless there are convincing reasons for single sourcing; and consistency, which emphasizes the equal treatment of all bidders irrespective of race, nationality or political affiliation. The process should also uphold integrity by ensuring that there are no malpractices; informed decision-making, which requires public bodies to base decisions on accurate information and ensure that requirements are being met.

In general, from the above discussion points, we can understand that having an effective public procurement practices are among the essential elements in public institutions in order to optimally utilizes public resources and to avoid loophole through which public resources are misappropriated

2.1.3. Public Procurement and Private Procurement

According to Larson (2009) there are two types procurements: Public Procurement and Private Procurement. Public sector is governed by legislative bodies, laws and untold numbers of state and federal regulations and the budget allocate by government .The private is guided by business owners, boards of directors, business plans and the organization's purchase policies. The source of fund from owner equities and liabilities and also through sale of goods and services.

❖ **Private Procurement versus Public Procurement**

In terms Of Contrasting Interests

Private organizations are profit-oriented and mainly focus on increasing returns for company owners or shareholders. Their procurement activities are confidential they operate in a competitive business environment, where sharing trading intelligence with competitors isn't advisable. On the other hand, public organizations have to assure citizens that public money is spent wisely and transparently. To achieve this, public organizations must spend more funds conducting regular internal audits to enhance regulatory compliance. Public organizations in the same industry also commonly share procurement information, such as suppliers with reliable services. Additionally, the public sector sometimes outplays the private sector when it comes to employee compensation. (Chimwani,D.A.,2014)

In terms Of Getting Value

Private and public organizations share a similar objective in getting value for money in all procurement activities. They focus on purchasing goods and services at the right prices and often engage in cost-reduction negotiations with suppliers. Secondly, organizations in the public and private sectors serve the public -- but differently. Public entities serve the public through provision of free or low-cost services, while private organizations do so by selling products and services at higher rates based on competition, which can lead to superior service. (Bovis,C.H,(2017),

2.1.4. The contribution of public procurement

As it was mentioned above, Public Procurement is the act of acquiring, buying goods, services or works from an external source, often via a tendering or bid process in public institution. It is favorable that the goods, services or works are appropriate and that they are procured at the best possible cost to meet the needs of the acquirer in terms of quality and quantity, time, and location. There for, in these connection, it has the following benefits in terms of social, environmental and economic benefits; (Bovis, C.H,(2017),

a) Social Benefits.

1. An effective public procurement might contribute to social sustainability on a national as well as an international level, since meeting social requirements are very relevant for an effective and sustainable public procurement.
2. Nationally it might lead to an improved labor market through requirements on employment and social integration.
3. Public procurement might also improve situations abroad, especially concerning production in a third country, through requirements on working conditions.
4. Sustainable public procurement might lead to increased equality, which means through social requirements in public procurement one can make sure that the public sector acquires goods and services produced ethically through using requirements on non-discrimination between sexes or differences in ethnic and/or cultural background.

b) Economic benefits.

1. An effective public procurement might lead to savings for both procuring entities. This means, an effective public procurement might lead to savings for both procuring entities and for society at large if one applies a life-cycle costing mindset. For example, in the case of operation and maintenance costs, when including all costs emerging during a product/service's life cycle and not only looking at purchasing price, one can reduce the total cost.

Specifically best example, for this is, procuring energy efficient IT where money can be saved both through lower energy usage and by simplifying reuse/recycling at end of life. In general, Goods and services with better efficiency often have a higher purchase price but will generally allow for the organization to save money in the long run. (Bovis,C.H,(2017),

2. **An effective and Sustainable public procurement might lead to innovation;** Sustainable procurement of goods and services is, in contrast to innovation procurement, not a driving force for innovation. However, it might give signals to the market on where there is a need for new solutions, which in turn might provide incentive for developing new goods and services. In general, applying sustainability to the public procurement process might lead to an important incentive for the industry to develop "green" technology and goods. (Bovis,C.H,(2017),

3. Sustainable public procurement might result in lower prices for eco-products when introducing sustainable criteria in procurement a possible outcome is to affect the market and contribute to new actors within the field of “green” technology and products. This in turn might lead to increased competition and lower prices in the long run. (Bovis,C.H,(2017),

c) Environmental

An effective and Sustainable public procurement might contribute to solve environmental issues like:

- ✓ Emissions of greenhouse gases through procuring products and services with lower environmental footprint during their life-cycle.
- ✓ Water usage through requirements on water saving HVAC-equipment.
- ✓ Energy efficiency and resource usage through procuring products based on eco-design.
- ✓ Air-, water- and soil pollution through supervising the use of chemicals and limiting the use of toxic substances.
- ✓ Waste through procuring processes or packing which generate less waste and/or putting requirements on re-usage or recycling.
- ✓ Sustainable agriculture through procuring organically produced food.
- ✓ Deforestation through procuring wood and wooden products from legally felled forestry.

Over and above, an effective and Sustainable public procurement might increase awareness of environmental issues. This might be for example by identifying the environmental impact from certain products/services during its life-cycle and highlight benefits resulting from environmentally friendly alternatives. Specifically, for instance, organically produced food is more likely to increase awareness among consumers and suppliers. (Bovis,C.H,(2017),

2.1.5. Tendering

2.1.5.1. Definition of Tendering

According to PPA 649/2009 (2009), tendering means the method of procurement whereby Suppliers, Contractors or Consultants are invited by the procuring entity to compete with each other in submitting priced tenders for goods, works or services. Tender can also be defined as a request drawn by a procuring entity for offers or quotations to be made by suppliers, service providers, contractors or asset buyers.

Nair (1990) defined 'Tender' as the process of ascertaining availability and price of materials in sealed covers which are opened and scrutinized at a predetermined time by a tender committee. He then propounded that, the tender system includes the bidders to quote the lowest price, safeguards the interests of both the buyer as well as that of the bidders, ensures impartiality and fairness.

2.1.5.2. Tendering Procedure

In public purchasing, procedures are usually codified within standing orders that usually proscribe a cash limit above which tenders must be invited, the forms of contract to be used and to whom and under what circumstance responsibility for evaluation of tenders may be delegated (Lyson et al, 2006). The following are procedures of inviting tenderers.PPA/2009. (2009)

Invitation to Tender (Advertisement)

A procurement unit wishing to commence competitive tendering proceedings shall prepare tender notice, inviting suppliers or contractors to submit price offers for supply of goods or to undertake the service or works required.

Issue of tender documents

The procuring entity shall provide tender documents immediately after first publication of the tender notice and pay the required fee, if any which a receipt shall be given.

Receipt of the Tender

The secretary of the tender board shall on request give each bidder a receipt showing the time and date that the tenders were received and any tender received after deadline shall be returned unopened to the tenderer.

Tender Opening

All tenders received before the deadline time and date submission proceedings and the tender opening shall take place at or immediately after the deadline time and date given in the tender documents for the receipt of tenders, and the names of all those present at the tender opening and the organization they represent shall be recorded by the secretary of the tender board.

Tender Evaluation

The procuring entity shall evaluate on common basis, tender that have not been rejected, in order to determine the cost to the procuring entity of each tender in a manner that permits a comparison to be made between the tenders on the basis of the evaluated cost but the lowest submitted price, may not necessarily be the basis of selection and the award of contract.

Award of Contract

After approval and recommendation, if the value is within its limit of authority, the procuring entity shall accept and award contract in the form specified in the tender document. According to PPRA (2008), the award of a contract means passing the responsibility to provide goods, construction works, and services required to satisfy certain needs, at the right time.

2.1.5.3. The Tendering Process

The tendering process contains the following major four stages;

Stage 1: Qualification and Selection

During this stage, the principal compiles a preferred tenderers list by assessing each main contractor's technical qualifications and financial ability. The principal also publishes a brief project description to its preferred tenderers, and makes enquiries about their willingness to tender. Contractors who are interested in the project respond with their expression of interest.

The principal compiles a preliminary list from contractor's qualification (technical and financial). After the preliminary query and response, the principal compiles a draft and a reserve tenderer list. According to the final confirmation of the tenderers interest, the principal compiles the final tender list. For electronic tendering, potential tenderers should be requested to make formal registration for tender.

This step is to formalize keys and communication functions for continued process. For example, a principal wants to call a tender for a project to construct a multi-level building block, and chooses to use selected tender method on an electronic tendering system. The principal will search a register of approved prospective tenderers, whose capability has been confirmed.

According to their qualification and financial ability, the principal will compile a preliminary list, and then prepare a document which briefly describes the project. The principal sends a query to all tenderers in the primary list about their willingness to tender for the project, along with the project description. On receiving the query, the tenderers will send a response to the principal as to their interest in the project.

Stage 2: Tender Invitation and Submission

During this stage, the principal publishes detailed contract terms for a project, and sends invitations to all the preferred tenderers in the compiled list. Contractors submit their offers to the principal for evaluation. Normally, there is a time gap between tender invitation and submission to allow interested parties to prepare tender documents that match the principal's requirements. This stage is the starting point of the contractual process and every step has to be evidenced and be publicly verifiable. At this stage, the principal finalizes tender query documents, issue tender invitation, organize pre-tender meetings and clarify any queries made by tenderers. Tenderers prepare their tender documents and submit within the specified time frame.

After submission and deadline, the principal will reject the late tenders, and open and record the submitted tenders. The major documents generated in this stage contain tender documents prepared by the principal, invitation, minutes of meetings, notes and reports of evaluation committee, queries of tender documents, clarification of tender documents, rejections notes, logged information and tenderer submitted documents.

Stage 3: Tender assessment

During this stage of the tendering process, the principal opens the offer (documents submitted by tenderers), and assesses each offer against the proposed quality and price. The principal will also perform post-offer open negotiations to consolidate contractual term conditions. After assessment, the principal can select a preferred tender, and next preferred tender for negotiation, the principal should negotiate with the preferred tenderer first. If the negotiation fails, it can then instigate negotiations with the next preferred tenderer.

The principal also needs to perform other activities, such as rejecting non-compliant tenders, logging activities for handling digital documents. Documents generated in this stage are rejection notices, evaluation results, recorded negotiations, and all logged information.

Stage 4: Tender Acceptance

During this stage, the principal makes a decision, and awards the contract to the winning tenderer. The principal prepares formal contract evidence to finalize the contracting process. This is the final stage of the tendering process, as well as a contracting process for selecting main contractors. Steps involved are, the principal sends formal acceptance to the winner and informs the unsuccessful tenderers.

At this stage, a successful tenderer issues an acknowledgment to the principal on receipt of the acceptance and the principal prepares a formal record of the selection of the successful tenderer, and draws formal contract evidence for both parties to sign using standard forms. Documents generated in this stage include formal acceptance notice, notification and briefing of unsuccessful tenders and signed contracts.

2.1.6. Procurement Performance

Procurement performance starts from purchasing efficiency and effectiveness in the procurement function in order to change from being reactive to being proactive to attain set performance levels in an entity. Performance provides the basis for an organization to assess how well it is progressing towards its predetermined objectives, identifies areas of strengths and weaknesses and decides on future initiatives with the goal of how to initiate performance improvements. (Cane,p.2004)

Procurement performance is not an end in itself but a means to control and monitor the procurement function. For any organization to change its focus and become more competitive, performance is a key driver to improving quality of services. Batenburg and Versendaal (2006) noted that use of inappropriate means can be a barrier to change and may lead to deterioration of procurement operations. Organizations which do not have performance means in their processes, procedures, and plans experience lower performance and higher customer dissatisfaction and employee turnover. Van Weele(2006)

Critical measures of procurement performance need to be continuously monitored. The idea of 'Key Performance Indicators' (KPI) framework suggests that whereas there are many measures of procurement performance to be deployed in an organization, only a small number of critical dimensions contribute more than proportionately to success or failure. A balanced scorecard can provide guidance on critical areas where action may be needed to ensure achievement of goals. Three key outcomes of success are: better, faster, and cheaper. The goals combine customer-based measures of performance in terms of total quality with internal measures of resource and asset utilization. Emphasis should be on search for strategies that provide superior value in the eyes of customers seeking greater responsiveness and reliability maintained that there is a link between procurement process, efficiency, effectiveness and performance. Van Weele (2006)

Measuring procurement performance yields benefits to organizations such as cost reduction, enhanced profitability, assured supplies, quality improvements and competitive advantage. Electronic processes have replaced physical and paper-based processes. Procurement moves tendering, negotiation and purchasing processes to websites. Improvement to a procurement performance can be realized through reduced costs and wider choice availed.(Cane,P.2004)

In summary, it is evident that procurement performance requires input from all key stakeholders for holistic win-win situations. Government has provided the legal framework for practice. Equally, sound RMS is a vital aspect of ensuring transparency, accountability and responsibility in the procurement process. Procurement procedures should be designed to ensure transparency, economy and effectiveness. Staff qualifications can enhance staff ability to perform. There is a link between procurement process, efficiency, effectiveness and performance. (Cane, P. 2004)

2.1.6.1. Performance Indicators of Procurement

Performance indicators enable the procurement department to measure procurement performance and to control and optimize the quantity, quality, cost, timing and sourcing of purchasing processes (Bolton,P.(2006)

1. Compliance Rate

Compliance in procurement represents the whole of basic agreements a company and a supplier lay down. It results in various requirements such as the maximum reaction time in case of any issue, the delivery time, special discount offers, etc. It is a key component in providing guidance and insights into processes, and participates in saving costs through better negotiations with suppliers

2. Number of Suppliers

Our second procurement KPI tracks the evolution of how many suppliers the company has. Relying on too few suppliers and not diversifying your sources creates a high risk of dependency, and potential further problems if one of them pulls out at the last moment. On the other hand, too many suppliers reduce the possibilities of interesting discounts. The procurement KPI aside shows the evolution of the number suppliers over the years, divided into two categories: contracted suppliers and unlisted ones. Often enough, companies prefer contracting suppliers so that they agree with their terms of compliance – but not all suppliers agree, so they are unlisted. The contracted partners can be classified as gold, silver or bronze according to certain criteria measuring the relationship through discount, reliability, etc. So, Apart from the level of dependency, the optimal number of suppliers you need should be measured using other metrics like the quantity discount they provide you with, and the defect rate of their supplies.

3. Purchase Order Cycle Time

The Purchase Order Cycle Time is procurement KPI that covers the end-to-end ordering process, from the moment a purchase order is created to the order approval, receipt, invoice and finally payment of the order. It focuses on the order and does not include the creation and delivery of the product or material itself. This is a factor to take into account when purchasing: if the order is urgent, you may need to know which supplier is able to handle it quickly. Hence, reducing your

cycle time can improve the turnaround of other key activities, and improve staff productivity and the overall cost of the procurement function

4. Supplier Availability

The supplier availability is procurement KPI that refers to the number of times goods were available on the supplier's side, or to the number of orders placed with the supplier. In an era of fast-changing consumer habits, where the lines between different channels are blurred, and where mobile-commerce, online purchases, in-store consumer-specific marketing all merge in one retail experience, it is important to manage suppliers as efficiently as possible to guarantee availability of stocks. By monitoring the evolution of your supplier's availability of stocks, you know the degree of reliability you can place in them. There for, Maintaining your supplier's availability over 90% ensures a good functioning of your supply chain and a greater level of efficiency.

5. Supplier Defect Rate

This is procurement KPI that is crucial when it comes to determining the final quality of a product. It measures the percentage of products received from suppliers that do not meet the compliance specifications and quality requirements. The Supplier Defect Rate is more critical in some industries that have high-risks and multi-tiered supplier bases like the aerospace and defense or the automotive. Tracking your different suppliers' defect rates and break it down into defect type will provide you insights on which supplier is more perform ant and reliable than other, and what type of errors are done. So, Measure and track the different defect rates amongst your suppliers and identify the ones that are performing best and that are the most reliable

6. Lead Time

Our next procurement KPI measures the interval of time between the initiation of a procurement action, and the receipt of the production model into the supply system, purchased as a result of such action. In other words, it is the latency between the initiation and the execution of a process. It is composed of production lead time and administrative lead time. For instance, the lead time between the placement of an order and the delivery of printed circuit boards from a manufacturer can span from 2 weeks to 3 months, or sometimes more. Lead time is different from purchase

order cycle time as it starts when the request is made till the final delivery and testing, while cycle time ends at the confirmation of the order. Set a target amount of days under which the lead time should stay; if you see that it repeatedly fails it over time, measures should be taken. So the idea is to reduce lead time as much as you can while keeping a good quality level

7. Cost of Purchase Order

The Cost of Purchase Order is one of the disputed procurement KPIs, as the definition and application vary. In theory, this metric represents the average costs of processing an order, from purchase creation to invoice closure. In practice, the costs to process internally the purchase order can include a staggering list of variables. So, when measuring this metric, it comes down to what you decide to consider: what is the average cost to process a purchase order, based on how long it takes to do so, by the staff directly or indirectly involved. There for, the idea is to improve the efficiency of the procure-to-pay cycle, so as to prevent errors and reduce costs

2.1.6.2. Factors Which Influenced Procurement Performance

Smith and Conway (1993) identified seven key success factors which influence procurement, namely; a clear procurement strategy, effective management information and control systems, development of expertise, a role in corporate management, an entrepreneurial and proactive approach, co-ordination and focused efforts.

An eighth is fundamental; communicate the key success factors to all levels of the organization and set out a procurement strategy to achieve continuous improvement in value for money. This should be based on total cost, quality, and enhancement of competitiveness of suppliers using best procurement practice. (Bolton,P.(2006)

Supplier performance has an impact on procurement performance. According to Leenders and Fearon (2002), decisions to buy instead of make to improve quality, lower inventories, integrate supplier and buyer systems, and create co-operative relations underline need for good supplier performance. Recent trends are to fewer suppliers; long-term contracts, procurement, and continuing improvement in quality, price, and service require closer co-ordination and communication between key procurement partners. Supplier switching for lower prices may not

result in the best long-term value. Sharing information and assisting suppliers to improve performance is a necessity for world-class performance.

There is need to have coherent methods of performance in the procurement function. Lardenoije, van Raaij and van Weele (2005) asserted that basing on financial performance and neglecting non-financial performance cannot improve the procurement operations because only partial performance is considered. Realization of procurement goals is influenced by internal and external forces.

Interactions between various elements; professionalism, staffing levels and budget resources procurement organizational structure, regulations, rules, and guidance, and internal control policies, all need attention and influence procurement performance. Christopher (2005) distinguished features of a responsive organization. Major transformations are; from functions to process, profit to performance, products to customers, inventory to information, and transactions to relationships.(Bolton,P.(2006)

2.1.6.3. Procurement Procedures and Procurement Performance

Procedures are operating instructions detailing functional duties or tasks. According to Saunders (1997), the division between public and private sectors creates two different worlds, requiring different approaches to procurement. Public ownership imposes obligations with regard to public accountability, leading to prescribed procedures and policies. All steps of the procurement cycle must be properly documented with each step being approved by the designated authority. Baily, Farmer, Jessop and Jones (2005) argued that public procurement procedures tend to be characterized by high levels of bureaucracy independent of order value; poor communications and focusing on unit price rather than long-term relations.

Procurement perceptions are affected by the existing organizational structure, quality of internal communication system, past experience and resources available. A procurement policy may define the approval process for contracts of varying cost levels and may include role of purchasing, conduct of procurement staff, buyer-seller relationships, and operational issues. Without elaborate and effective procurement procedures Government policy objectives would fail to meet the desired objectives. (Bolton, P.(2006)

Lysons (2006) defined tendering as a purchasing procedure whereby potential suppliers are invited to make a firm and unequivocal offer of the price and terms, which on acceptance shall be the basis of the subsequent contract. Organizations need standard procurement procedures which cover all aspects of the procurement cycle, including supplier selection, contract negotiations, order placement and payment. These are used to control spending activity, ensure appropriate approvals are in place and reduce the risk of overpayment. An appropriate approval process involves a separation of tasks and the involvement of senior managers for transactions that cost more than a specific price for enhanced procurement performance.

Nicholas, Michael and Simone (2008), explored whether opportunities for fraud and corruption might be reduced or increased by rules governing public procurement. They focused on specific European legislation – Procurement Directive 2004/18 on the coordination of procedures for the award of contracts for public works, public supply and public services by public bodies within all EU Member States. They concluded that fraud risks in public procurement may be summarized in terms of insider-driven specifications, low visibility of procurement processes, and ample opportunities for renegotiation of terms.

Risks may be increased by innovative procurement practices that have the effect of extending the maneuvering between tenderers and public bodies, such as competitive dialogue. In Kenya, Part V of the PPDR provides for alternative procurement procedures as restricted tendering; direct procurement; request for proposal; request for quotations; low value procurement; and use of specially permitted procedures. This gives performance room to meet needs in time during emergency, tragedy, limited sources or economic viability. (Bovis,C.H.(2007)

Burt,(2010) stated that every organization develops procedures to enable its personnel implement policies and plans; designed to meet her objectives. In Kenya, Parliament prescribes a framework within which policies relating to public procurement and asset disposal shall be implemented and may provide for preferences or sanctions against contractors failing to perform according to professionally regulated procedures, contractual agreements or legislation or persons found guilty of corrupt practices.

Jones and George (2009) postulated that bureaucratic control mechanism is control by a comprehensive system of formal rules and standard operating procedures (SOPs) that shapes and

regulates the behavior of divisions, functions and individuals. SOPs and rules allow employees to perform activities efficiently and effectively. Moncska, Handfield, Guinipero and Patterson (2010) held that the procurement function has a significant impact on corporate performance. Thus, traditional procedures are becoming obsolete in modern organizations. Procedures provide guidance that staffs follow in performing activities, put constraints on behavior and show how the procurement function should work to achieve strategic objectives.

2.1.7. Staff Competency and Procurement Performance

Saunders (1997) believed that successful functioning of organizational structures and effective operation of planning control systems is dependent on the quality and ability of staff employed. Strategic plans should include information on the acquisition, development, use and reward of human assets. Plans need to take into account the current state of development of the procurement function and the strategic direction in which its state might change. Multi-skilling provides employees with a variety of skills and should be developed extensively.

Training is beneficial and generates more than the equivalent cost in payback. To further the goals of value-based management, all employees need broad and continuous education and training. Education, training and professional development should be skill, process oriented and continuous. Leenders and Fearon (2002), noted that the large number of items, huge monetary volume involved, need for an audit trail, severe consequences of poor performance, and the potential contribution to effective organizational operations associated with the procurement function are five major reasons for developing a sound, professionally managed procurement system. They further argue that qualifications are crucial for value-based management which requires employees to assess and improve processes while contributing to team performance.

In addition, qualifications enhance staff ability to perform, enabling them to make better decisions, work as a team, and adapt to change, while increasing efficiency, quality, productivity and job satisfaction. Training is often for improving immediate work while education develops people for the long term. To enable individuals to create value consistently, both education and training are needed. (Bovis,C.H.(2007)

Cousins (2003), stressed that with the ever increasing popularity of purchasing partnership philosophy, organizations must take a closer look at the educational levels of procurement staff.

With procurement's perceived movement from a clerical service to a strategic business function, the calibre of staff in terms of training, education and skills must increase to fulfill its strategic potential. The author asserted that employees need to learn new skills for improving work performance. Procurement comprises a wide range of SC processes such as management of value analysis processes, supplier negotiations and quality certification; and supply market research as well as early supplier involvement in processes such as development of specifications and purchase of inbound transportation. This calls for higher professional skills for enhanced performance.

Baily (2005) propounded that knowledge of the mission, the existence of top-down objectives with related performance measures, and process guidelines link individual or group performance to the firm's goals and expectations of upper management require good qualifications. The use of teams, cross-functional managers, broad process and linkage oriented job responsibilities, and extensive information systems enable individuals to balance conflicting objectives and improve processes.

Professional qualifications are the fulcrum around which performance turns. Without well-motivated, able and well trained staff, even the more brilliantly conceived plans and strategies can fail. A motivated team whose members work for and with each other can beat a team of less motivated people even if they are greater in talent. To improve procurement performance, it is essential to understand the roles that are to be performed, the standards to be achieved and how performance is evaluated. (Bovis,C.H.(2007))

Understanding is what allows an employee to become an innovator, initiative taker, and creative problem solver in addition to being a good performer on the job, (Goetsch & Davis, 2006). They list benefits of training as improved productivity, quality, safety and health, communication and better teamwork. The value-based procurement management paradigm requires a rethinking of the management of human resources. Education must cross necessary boundaries and motivate procurement team performance. However, simply possessing knowledge is less important than applying it. Attention should be moved to skills of doing jobs and demonstrating competences. (Bovis,C.H.(2007))

Noble (2011) argued that all chartered bodies such as the Chartered Institute of Purchasing and Supply (CIPS) are set up for the benefit of the public, because that is what professionalism is all about. It is both recognition and an expectation that professionals, through their expertise and commitment have a beneficial impact on society and corporate life. It is about promoting best-in-class procurement in organizations, whether responsible management of environment or helping out to stamp out corruption. Meanwhile, according to Maude (2011), many procurement professionals across government lack capability and market knowledge; and process-driven.

2.1.8. Challenges In Public Procurement

(Khi V. Thai, 2001) states that in every country public procurement specialists have and will face always many challenges. These challenges may internal or external or both have impacts on public procurement performance. These are:

Internal Factors :In 2001, this author (Thai, 2001) developed a model depicting the scope of public procurement that consists of five elements: policy- making and management; authorizations and appropriations; procurement regulations; the ability of organizations to accomplish procurement objectives and policies is influenced by internal forces including organizational set ups and interactions between various elements of the system, like : Professionalism or quality of procurement workforce, Staffing levels (e.g., ratio of procurement personnel to contract actions) and budget resources, Procurement organizational structure such as the issue of centralization vs. decentralization, Procurement regulations, rules and guidance; and Internal controls and legislative oversight.

External Factors: Public procurement practitioners have always faced challenges imposed upon by a variety of environment factors including market, legal environment, political environment, organizational environment, and socio-economic and other environmental factors

Market condition: In developing country it is a captive market, which is limited in scope and competition, Unfavorable market conditions in developing countries, in the international trade activities public procurement practitioners faces a lot of challenges ,like communication, currency exchange rates and payment, customs regulations, lead-time, transportation, foreign government regulations, trade agreements, and transportation. (National Institute of Governmental Purchasing, Inc., 1999). Public procurement practitioners are torn between free

trade agreements and their countries' economic development/stabilization policies when they face a hard choice between selecting domestic or foreign firms. (Bovis,C.H.(2007)

Political Environment: Having various interests, objectives and beliefs, interest groups are involved in the procurement system in several ways such as lobbying legislative bodies to pass or alter procurement statutes, influencing implementation of these statutes, and influencing budget authorization and appropriations processes. Normally, a government program that is eventually adopted is a compromise among different views of interest groups, policy makers and management (N.K. Nair: 1990).

Legal Environment: According (Khi V. Thai, 2001) argued that “Apart from public procurement regulations and rules, the legal environment refers to a broad legal framework that governs all business activities including research and development (regulations dealing with safety and health of new products), manufacturing (safety and health regulations at workplace and pollution control), finance (regulations dealing with disclosure of information), marketing (regulations dealing with deceptive advertising, disclosure of product characteristics), personnel (regulations dealing with equal opportunity for women and minorities), and contracts. Indeed, most aspects of contracts--public or private-- such as contract requirements, disputes, and breach of contract are governed under the same contract law. In developing and particularly transitional countries, where legal systems are not comprehensive, government contracts may need detailed provisions. ”Poor contract performance by some suppliers, they became deficient in meeting their contractual agreement.

Social, Economic, and Other Environment Forces: Most governmental entities -be it a developed or developing country or federal, state, and local governments-- use their large procurement outlays for economic stabilization or development purposes by preferring national or local firms over firms from other countries or other geographic locations. Public procurement practitioners may be in a favorable economic environment or market (with many competing tenderers in their country or local areas) or an unfavorable economic environment (where competition hardly exists). This environment would have a great impact on their practices as they may face an imperfect competitive market. In addition to social and economic environment, public procurement practitioners are under other external pressures such as an environment protection movement, and foreign policy commitments. (Tirimba.O.I., 2014)

Environmental Protection Concern or Green Procurement has been present in every country developed and developing and environmentalists have placed a great deal of pressure on public procurement practitioners. (Tirimba,O.I.2014)

Other Environmental Forces: The public procurement system is also influenced by culture and technology. In a culture where giving gifts is a common public relation practice, it is difficult to distinguish between gifts and bribes. Moreover, rapidly advanced technology has forced public procurement to (a) adopt new procurement methods, such as the use of signature and purchase cards; and (b) be knowledgeable in many aspects and considerations of how to procure information technology. (Tirimba,O.I.2014)

2.1.9. Empirical Review

There have been several studies which have been conducted on factors affecting public procurement performance in the world. Kiage, (2013) Conducted an empirical research on factors affecting procurement performance in the Kenyan public sector pointed out the most important factor was found to be procurement planning followed by contract management as pointed out by most of the respondents. This was because good plans result to effectiveness and efficiency in attaining projected results. Mamiro, (2010) agrees with these findings and concludes that one of the major setbacks in public procurement is poor planning and management of the procurement process which include needs that are not well identified and estimated, unrealistic budgets and inadequacy of the skills of staff responsible for procurement. The study found out that there was poor contract management at the sector characterized by delays in payments to suppliers which hampers greatly on their service delivery, lack of proper controls in management of contracts where the user was left alone to manage and monitor own projects without involvement of procurement function. Similarly, the study found out that were no project progress reports filed with management.

Saunders (1997) argued that successful functioning of organizational structures and effective operation of planning control systems is dependent on the quality and ability of staff employed. Strategic plans should include information on the acquisition, development, use and reward of human assets. Plans need to take into account the current state of development of the procurement function and the strategic direction in which its state might change. Multi-skilling

provides employees with a variety of skills and should be developed extensively. Training is beneficial and generates more than the equivalent cost in payback. To further the goals of value-based management, all employees need broad and continuous education and training. Education, training and professional development should be skill, process oriented and continuous.

Boniface (2014) Conducted an empirical research on factors influencing public procurement performance in the Kenyan public sector and pointed out that the Management of procurement life cycle in Kenyan public sector was the main dimension enhancing positive procurement performance and the use of open tendering as the most preferred method of procurement.

The Ethiopian Federal Government Procurement and Property administration Proclamation No.649/2009 Article 3(2) (b) stated that “Public procurement is a central instrument to ensure an efficient management of public resources. Promoting good governance in public acquisition system aims at providing best value to its citizens through processes that are transparent and results-oriented”. Procurement is a vital element of equitable access to police service. It can be defined as “the acquisition of property, plant and/or equipment, goods, services through purchase, hire, lease, rental or exchange” and is taken to include” all actions from planning and forecasting, identification of needs, sourcing and solicitation of offers, evaluation of offers, review and award of contracts, contracting and all phases of contract administration until delivery of goods, the end of a contract, or the useful life of an asset.”(UNOPS Procurement manual, 2010)

Source has studied on factors influencing procurement performance in Kenyan public sector with specific focus on the State Law Office. In his findings the extent to which records management systems, procurement procedures, information communications technology and staff qualifications influence procurement performance.

Agreeably Mamiro (2010) in his findings emphasizes these facts and concludes that one of the major setbacks in public procurement is poor procurement planning and management of the procurement process which include needs that are not well identified and estimated, unrealistic budgets and inadequacy of skills of procurement staff responsible for procurement. Similarly, Kakwezi and Nyeko (2010) argue that procurement performance is not usually measured in most PEs as compared with the human resource and finance functions. They conclude in their

findings that failure to establish performance of the procurement function can lead to irregular and biased decisions that have costly consequences to any public procuring entity. Therefore, this study was conceived by the limited scientific literature documenting the relationship between procurement performance and factors such planning, resource allocations, staff competency and contract management more specifically at Addis Ababa Police Commission.

2.1.10. Conceptual Framework

Conceptual framework assesses the research variables derived from literature to test whether there are significant relationships between the independent variables and dependent variable. According to Bogdan and Biklen (2003) a conceptual framework is a basic structure that consists of certain abstract blocks which represent the observational, the experimental and the analytical/synthetically aspects of a process or system being conceived. The interconnection of these blocks completes the framework for certain expected outcomes. A variable is a measurable characteristic that assumes different values among subjects. Independent Variables are changes that occur in an experiment that are directly caused by the experimenter. The independent variables in this study are procurement related procurement planning, staff competency, procurement procedures, and utilization of information communications technology. Procurement performance is a function of several variables is presented in dependent variable. Both independent variable and dependent variable are depicted in figure 2.1 below:

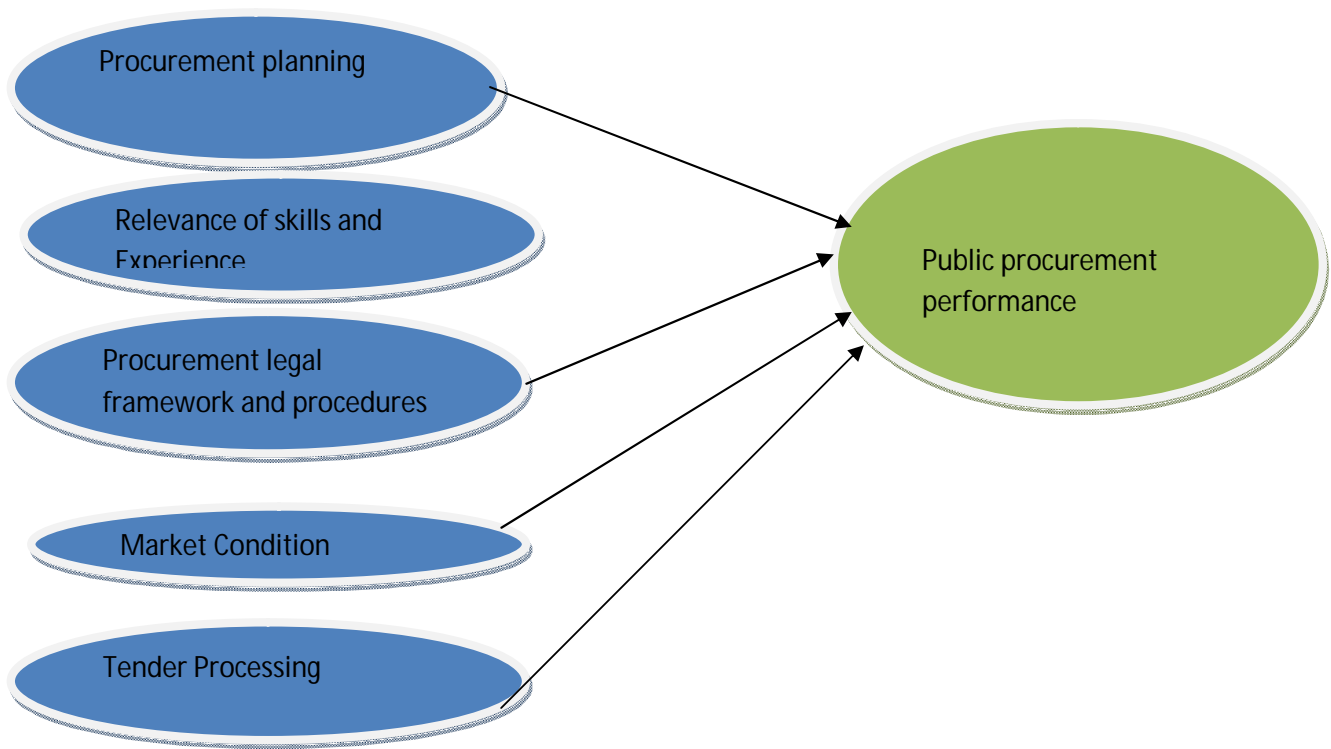


Figure 2.1 Conceptual Framework

Source: this model is adapted and modified from Kiage, J. O.(2013)

From The Conceptual framework above diagram a conceptual framework is a basic structure that consists of certain abstract blocks which represent the observational, the experimental and the analytical/synthetically aspects of a process or system being conceived (Bogdan and Biklen, 2003). The independent variables in this study are procurement planning, staff competency, procurement procedures and market condition. Procurement performance is a function of several variables is presented in dependent variable. Once the determinants are identified it will be easier to direct them into appropriate functional use so as to attain high levels of performance in an organization.

CHAPTER THREE

3. RESEARCH METHODOLOGY

This section covers the following sub sections: the research design, the target population, sample design which contains sampling techniques, sampling size, and data collection instruments and data analysis and presentation technique.

3.1. Research Design

Kothari (2004) stated that the research design is the conceptual arrangement within which the research conducted; it constitutes the blueprint for the collection, measurement and analysis of data. According to Kothari (2005) research design is broadly classified as Exploratory, Descriptive and explanatory. Considering the research objective, this study is made based on descriptive to describe and summarize the characteristics of respondent and explanatory research design to create a cause and effect relationship between the dependent variable – procurement performance and the independent variables proposed by the researcher. .

3.2. Research Approach

The approach that was followed for this research is a mixed approach where both qualitative and quantitative methods are used. Qualitative approach is employed to describe the actual practices of procurement that exists in Addis Ababa police commission and the quantitative one to analyze the quantitative data using possible statistical tools and explain the relationship and effect of the required variables accordingly. According to (Creswell, 1994), qualitative research approach is fundamentally interpretive which means the collected data are described qualitatively using narrative statement.

3.3. Target Population, Sample size and Sampling Technique

3.3.1. Target Population

According to Saunders, (2007) population is the whole set of the universe from which a sample taken. Target population refers to the larger population to which the researcher ultimately would like to generalize the results of the study (Mugenda, 2003). The target population of this research was all employees (members Addis Ababa polices) who are working at Addis Ababa

Police Commission in different departments and are directly and indirectly involved in procurement and those employees only working in procurement processes under the suppliers office by taking the data from their respective Human Resources and procurement Departments (i.e., 3000).

Table 3.1: Sampling Frame

Descriptions	Number	Percent
Both Managerial /supervisory level/ and non-managerial staff in the commission	2490	83%
Staff under the suppliers and bidders who are working activities related with procurements (both managerial and non-managerial)	510	17%
Total	3000	100%

Source: HR and procurement directorate supplier list and Data Base

The sample frame of this study was both Managerial And Non-Managerial employees who involved in procurement processes directly or indirectly and also those employees of suppliers and participant bidders working with the commission and only found in Addis Ababa where included in the sampling frame of this study.

3.3.2. Sample Size and Sampling Technique

Sampling as part of the statistical practice concerned with the selection of individuals intended to yield some knowledge about a population of the concern, especially for the purposes of statistical inferences. In connection to this determining a sample size is very complex as it depends on other factors such as margins for errors, degree of certainty and statistical technique Corbetta, (2003). A general rule, one can say that the sample must be of an optimum size i.e., it should neither be excessively large nor too small (Kothari, 2004).

Hence, to these effects a sample size of 346 was determined using a sample table formula which is commonly used and helps to indicate or select the right sample size in line with the respective population. In order to select the respective participants to be included in the sample size, the research has used both probability as well as non-probability sampling technique. For the

probability one, stratified random sampling technique has been used, since the population that is considered is homogenous in terms of their job nature, responsibilities and their service year. From the non-probability techniques, purposive sampling technique has been used to select those participants for interview on the basis of their degree of knowledge and skills on the subject matter, their seniority and their levels of responsibility that they assume.

Table 3.2: Number of respondent

Descriptions	Number	Percent
Managerial /supervisory level/ staff in the commission	95	28%
Non managerial/supervisory level / staff in the commission	192	55%
Staff under the supply and bidders who are working activities related with procurements (both managerial and non-managerial)	59	17%
Total	346	100%

3.4. Sources and types of Data

For this research both the primary as well as the secondary sources has been utilized to have their respective data types. There are two types of data, namely primary and secondary data. Researcher might use either both or one of the types of data depending on the research type and data collect by researcher Saunders et.al, (2007).

For this research, researcher has used both primary and secondary data. Primary data were collected through distributing standardize questionnaire to the respective participants. Primary data are originated by a researcher for the specific purpose of addressing the problem at hand Malhotra and Birks, (2006).

For secondary data, manuals, directives, proclamation, annual reports and articles related to procurement activities were used. This data served as reference and guide the focus of clarify research questions.

3.5. Methods of Data Collection

To gather the required data from the aforementioned sources different tools were used. Mainly questionnaires are developed from the reviewed scientific literature and previously conducted researches on similar area. The questionnaire consists of items measured in 5-points Likert type of scale: strongly disagree, disagree, neutral, agree, and strongly agree. These questionnaires were distributed to the respective participants of the study. In this connection, the questionnaires were administered using a drop and pick later method.

The Secondary data were extracted from internal documents such as public procurement manuals and reports of pervious researches. Finally this secondary data were integrated with the primary data in such a way that the researcher is to becomes more accurate and reliable..

3.6. Methods of Data Analysis

The successful data collection led to the data analysis process. Data analysis tool is dependent on the type of data to be analyzed. According to Kombo and Tromp, (2011), the data analysis procedure includes the process of packaging the collected information putting in order and structuring its main components in a way that the findings can be communicated easily and effectively.

The data gathered through the questionnaire consists of two types, i.e., demographic data and data related to the subject matter organized into five variables. Once these data are feed into SPSS software, the demographic data were analyzed using simple descriptive analysis techniques such as frequency and percentage in tabular manner. The data related to the variables of the study are summarized Mean Score and Standard Deviation and finally correlation and regression analysis was conducted. The correlation was used to measure the existence and strength the relationship among the variables of interest and regression analysis to see how much the variance of the procurement performance explained by the independent variables. Finally, the statistical outputs were supported by narrative explanations.

3.7. Ethical Consideration

Ethics in research refers to the appropriateness of one's conduct in connection to the privileges of the individuals who turn to the subject of one's work, or are affected by it. Cooper and Schindler (2011) contended that research ethics is the right behavior in research where the researchers will expect to conduct research in amoral and responsible way. The behavior of the researcher is not only moral but also relate to the use of the correct methodology. Researcher will maintain high levels of ethics when conducting the study and in their general relationship with the sponsor, respondents as well as the organizations they visit to interview.

The researcher upheld ethical consideration in the process of the study and assured the respondents that confidentiality is observed. The researcher obtained informed consent from every respondent in the study and ensure that they responded voluntarily. Thus, the ethical considerations for the study will anonymity, confidentiality, informed consent and voluntary participation in the data collection process of the study.

3.8. Validity and Reliability

3.8.1. Validity

According to Mugenda and Mugenda(2003) stated that the accuracy of data to be collect largely depend on the data collection instruments in terms of validity and reliability.

Validity of Research Instrument: Patton, (2001) defined it as the best available approximation to the truth or falsity of a given inference, proposition or conclusion. Content validity which will employ by this study will measure of the extent to which information gather utilizing a specific instrument speaks to a specific domain or content of a particular concept.

To ensure that the research instrument will be measuring what it intend to measure. the researcher sought guidance from the university supervisor and some workers engaged in the research are contacted to seek their practical idea on the issue. This helped to improve and make fundamental amendment and adjustment of the instrument. .

3.8.2. Reliability of Data:

The Cronbach alpha was used to measure the reliability of the data. The alpha value ranges between 0 and 1 with reliability increasing with the increase in value. The coefficient of 0.7 is a commonly accepted rule of thumb that indicates acceptable reliability (Mugenda & Mugenda, 2003). The reliability of the was measured using SPSS. The cronbach Alpha for the study variables establish at 0.75 which will deemed acceptable for research. The data from the pilot study will not incorporate in to the study. The cronbach Alpha for each variable is summarized in the following table:

Table 1 Results of Reliability Test

The reliability of Major causes of road traffic accident was 0.89, Major causes of road traffic congestion 0.88, Types of ICT adopted for enhancing traffic monitoring 0.71, The role of ICT in enhancing good governance in road traffic management is 0.70, The availability of traffic management system in response to road safety towards minimizing traffic injuries and congestion 0.7 and challenges of adoption of ICT in road traffic management is 0.84. This is deemed acceptable for research. The data from the pilot study was not incorporated to the study.

The reliability of Procurement planning was 0.89, Tender Processing 0.71, Staff competency 0.70, The Procurement legal framework and procedures is 0.84 and the Market condition 0.76. This is deemed acceptable for research. The data from the pilot study was not incorporated to the study.

Table 3.3: Reliability test table:

Variables	Over all Mean	No of items	Cronbach's Alpha score
Procurement planning	2.29	13	0.89
Tender Processing	2.22	9	0.71
Staff competency	1.73	7	0.70
Procurement legal framework and procedures	2.16	10	0.84
Market condition	2.19	7	0.76

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

Introduction

The main objective of this study was to examine factors affecting public procurement performance in Addis Ababa Police Commission. The questionnaire was designed in line with the objectives of the study. To enhance quality of data obtained, likert type questions were included whereby respondents indicated the level of agreement to which the variables were practiced in a five point likert scale and open ended questions. Finally Coded responses were entered into Statistical Package for the Social Sciences (SPSS) version 20, for data analysis. The data have been presented by tabulation, and some related figures. This chapter covers respondents' general information based on demographic information and findings based on how the identified variables affect procurement performance in Addis Ababa Police Commission and the results are presented and interpreted.

Questioners Response Rate

The total questionnaire distributed were 346 to the respective respondents who included in the sample size which are located only in A.A who are working in Addis Ababa police commission and suppliers and a total of 298 were properly filled and returned representing 86% response rate of return.

Table 4.1 Response Rate

Description	Frequency	
	Number	Percent
Returned	298	86%
Not returned	48	14%
Total distributed	346	100%

4.1. Back Ground Information of the Respondents

In this section, the researcher analyzed and discussed demographic information of the respondents which are relevant to the study was summarized on the table here below and the frequencies and percentages are calculated and described.

Table 4.2 General information of respondents

No	Question	Description	Frequency	Percent	Cumulative percent	
					Count	Percent
1	Educational Status of Respondents	Diploma	67	22%	67	22.4%
		First degree	223	75%	290	89%
		Second degree	8	3%	298	100%
		Others	0	0	0	
		Total	298	100%		
2	Relevant work experience	Description	Frequency	Percent	Cumulative percent	
					Count	Percent
		Less than 2 years	9	3%	9	3%
		2-4 years	77	26%	86	29%
		4-6 years	72	24%	158	53%
		6 year and above	140	47%	298	100%
Total	298	100%				
3	Position of respondents	Description	Frequency	Percent	Cumulative percent	
					Count	Percent
		Head of department/unit/division /directorate	75	25%	75	25%
		Expert and senior expert	148	50%	223	75%
		Junior procurement officers	75	25%	298	100%
		Others	-	-		
Total	298	100%				

Source: own survey result, 2019

When we see the table 4.2 above, as to the level of education of the respondents, it indicates that 22% (67) were diploma holders, 75% (223), were first degree holders, and the remaining 3% (8) were second degree holders. As to the work experiences of the respondents, it indicates that 47% (140) of the respondents have got six years and above of work experience, 26%

(77) of the respondents have got between 2 & 4 years, 24% (72) of the respondents have got between 4 & 6 years while the remaining 3% (9) of the respondents have less than 2 years. As to the position of the respondents, 50% (148) were senior experts and experts, 25% (75) of the respondents were Head of department and Junior procurement Officers each respectively.

Hence, From these analysis results, when we see them in combination, we can say that the majority of respondents were well educated, have got reasonably well work experience and the required positions in the ladder of the structure of the organization, so that, they could have the desired capacity to understand those questions that were included in the questionnaire easily and give the pertinent information accordingly, Since they could have the required knowledge and skills as to the concepts of the subject matter of the phenomenon

4.2. Analysis of Factors Which Procurement Performance In AAPC

The researcher identified the major factors of procurement performance by ranking the mean value and standard deviation of the respondents. The overall ranking of factors that affect the performance of procurement have been summarized as shown in table 4.3

Table 4.3 factors which affect procurement performance in AAPC

Variable which have effect on procurement performance	N	Mean Score	Sd Score	Ranking
End users in AAPC adequately plan their budget for the procurement items	298	4	1.2	1
End users are raised their procurement needs on time	298	4.6	1.3	2
In AAPC the procurement activity is conducted by competent procurement staffs	298	5.1	1.4	3
Procurement staffs have ability to process and evaluate bidding document	298	5.6	1.6	4
The office has clear and understandable Procurement Procedure	298	5.9	1.7	5
Inadequate monitoring and evaluation of procurement performance	298	6.3	1.8	6
survey is adequately conducted by the office ahead of the procurement	298	6.7	1.9	7
Tender evaluation conducted according to predetermined set criteria in the bid document	298	7.2	2.1	8

Source: own survey result, 2019

Based on the data listed above, a total of eight factors that contributed to affect the performance of procurement were identified, ranked and analyzed. The low mean indicated in the above table having the greatest influence on the performance of public procurement in AAPC.

From the above factors, two factors i.e. End users in AAPC adequately plan their budget for the procurement items and End users are raised their procurement needs on time are related with procurement planning . Two factors i.e., In AAPC the procurement activity is conducted by competent procurement staffs, and Procurement staffs have ability to process and evaluate bidding document are related with staff competency. Similarly two factors i.e., The office has clear and understandable Procurement Procedure and Inadequate monitoring and evaluation of procurement performance are related with procurement procedures and the rest two factors i.e., survey is adequately conducted by the office ahead of the procurement and Tender evaluation conducted according to predetermined set criteria in the bid document are related with market condition and tendering respectively.

4.2.1. Procurement planning and its effect on procurement performance

Procurement planning is the future needs to procure goods and services for the organization to meet its strategic goals, thus, performing the procurement plan should be proactive; failure to request the required goods or services early will bring to postpone the work program to subsequent years, it is also a means for under and over -utilization of the budget. As procurement is a long and time-consuming process, contract planning should “begin as soon as the agency need is identified, preferably well in advance of the fiscal year in which contract award is necessary” Thai, 2009).

Table 4.4 summary of responses related with procurement planning

NO	Questions		Frequency	%	Cumulative		Mean
					Count	%	
1	End users in AAPC adequately plan their budget for the procurement items	Strongly agree	0	0	0	0	2.34
		Agree	3	1%	3	1%	
		Neutral	33	11%	36	12%	
		Dis agree	208	70%	244	82%	
		Strongly disagree	54	18%	298	100%	
		Total	298	100%	298	100%	
2	The procurement department develops a procurement plan each year	Scales	Frequency	%	Cumulative		2.36
					Count	%	
		Strongly agree	18	6%			
		Agree	170	57%	18	6%	
		Neutral	24	8%	74	25%	
		Dias agree	86	29%	244	82%	
		Strongly dis agree	0	0	298	100%	
Total	298	100%	298	100%			
3.	End users are raised their procurement needs on time	Scales	Frequency	%	Cumulative		2.13
					Count	%	
		Strongly agree	0	0	0	0	
		Agree	18	6%	18	6%	
		Neutral	54	18%	72	24%	
		Dis agree	172	58%	244	82%	
		Strongly dis agree	54	18%	298	100	
Total	298	100	298	100			
4.	User units provide clear specification for the needed items cured	Scales	Frequency	%	Cumulative		2.24
					Count	%	
		Strongly agree	0	0	0	0	
		Agree	39	13%	39	13%	
		Neutral	48	16%	87	29%	
		Dis agree	157	53%	244	82%	
		Strongly dis agree	54	18%	298	100	
Total	298	100	298	100			
5.	End users requisitions are	Scales	Frequency	%	Cumulative		Mean

	planned and programmed				Count	%	2.38
		Strongly agree	0	0	0	0	
		Agree	30	10%	30	10%	
		Neutral	57	19%	87	29%	
		Dis agree	208	70%	295	99%	
		Strongly disagree	3	1%	298	100%	
		Total	298	100%	298	100%	
6	procurement plan of the commission is prepared through involvement and participating of all end users	Scales	Frequency	%	Cumulative		Mean 2.29
					Count	%	
		Strongly agree	0	0	0	0	
		Agree	24	8%	24	8%	
		Neutral	74	25%	98	34%	
		Dis agree	164	54%	262	88%	
		Strongly disagree	36	12%	298	100%	
Total	298	100%	298	100%			

Source: own survey result, 2019

As we can see from the above table 4.3, it shows that the percentage and distribution of the respondents' reply for procurement planning factors which of procurement performance. It is taken in to account that numbers 1, 2, 3, 4 and 5 represent far strongly disagree, disagree, neutral, agree and strongly agree respectively. The subsequent analyses were conducted based on table 4.4 above. The mean value 2 and less, indicated high factors of procurement performance, mean value greater than 2 and less than 3 indicate moderate factors of procurement performance, mean value greater than 3 indicate low factors of procurement performance related with procurement planning.

Therefore, in this connection, about 88 % (262) of the respondents disagree and strongly disagree, in cumulative term ,that in AAPC end users adequately plan their budget for the procurement items that are going to be procured, 11% (33) of the respondents neutral, 1% (3) of the respondents agree and none of the respondent strongly agree. This shows that more than half of the respondents disagreed that end users adequately plan their budget for the procurement items that are going to be procured. In addition, In AAPC end users adequately plan their budget for the procurement items that are going to be procured, as indicated above the mean value is

2.34.This indicates that the end users do not adequately plan their budget for the procurement items that are going to be procured.

Also about 8% (24) of the respondents strongly agree as to the procurement plan made on a yearly basis , 57% (170) were agree ,6% (18) were neutral and the remaining 29% (86) were disagree .This indicates that even though majority of the respondents believes that as to the existence of making a plan on yearly basis ,still there is a gap in communicating and participating the concerned AAPC employees in conducting annual plan each year, the plan which is prepared on each year since the number of respondents that gave their negative feedbacks can't be undermined . Likewise, when we see above the mean value of it is 2.36.This indicates that the plan is not adequately planed on yearly basis.

Also About 18% (54) of the respondents strongly disagree that end users are raised their need on time, 58% (172) of the respondents disagree, 18% (54) of the respondents neutral, 6% (18) of the respondents agree and none of the respondent agree strongly . This indicates that more than half of the respondents felt disagreement that end users are raised their need on time. And this implies that the plan can be affected negatively or leads to underutilization of the planed resources. In the same way, when we look at the mean value of 'End users are raised their need on time 'it indicated a mean of 2.13.This implies that in AAPC end users not raised their need on time.

About 18% (54) of the respondents strongly disagree that user units provide clear specification for the procurement items that are going to be procured, 53% (157) of the respondents disagree, 16% (48) of the respondents neutral, 13% (39) of the respondents agree and none of the respondent strongly agree. This shows that more than half of the respondents disagreed that user units provide clear specification for the procurement items that are going to be procured. Likewise, when we see the mean value of it, it is 2.24.This indicates that the user unit provides unclear specification for the procurement items that are going to be procured.

About 1% (3) of the respondents strongly disagree that End users requisitions are planned and programmed, 70% (208) of the respondents disagree, 19% (57) of the respondents neutral, 10% (30) of the respondents agree and none of the respondent strongly agree. This shows that more than half of the respondents dis-agreed that End users requisitions are planned and programmed.

In the same way, its mean value is 2.38 and this indicates that end users requisitions are not planned and programmed.

About 12% (36) of the respondents strongly disagree that In AAPC procurement plan prepared through involvement and participating of all end users, 54 % (164) of the respondents disagree, 25% (74) of the respondents neutral, 8% (24) of the respondent agree and none of strongly agree. This shows that more than half of the respondents disagreed that In AAPC, procurement plan is prepared through involvement and participating of all end users. Likewise, when we look at its mean value it is 2.29. This indicates that in AAPC procurement plan is made without the involvement of all users.

In general, from the analysis all of the respondents agreed that factors related with procurement planning have great effects on public procurement performance in AAPC, because as the above table indicates that all mean value is far less than 3. This indicated that the lowest mean values and it means that public sector not provides clear specification for the procurement items that are going to be procured and also end users requisitions are not planned and programmed but they are the major factors which affect procurement performance in AAPC . Agreeably, Mamiro (2010) in his findings underscores these facts and concludes that one of the major setbacks in public procurement is poor procurement planning and management of the procurement process which include needs that are not well identified and estimated, unrealistic budgets and inadequacy of skills of procurement staff responsible for procurement.

Basheka, (2008) agreeably concludes that planning is a process that consists of many steps and the bottom line is that planning is not concerned with future decisions but rather with the future impact of decisions made today. The results further revealed that the departments prepared annual procurement plans and that the procurement plans were prepared and the goals set participatory. Procurement plans therefore influence procurement performance in the sense that they provide focused and efficient utilization of available resources, help in budgeting and planning and therefore, with adequate provision of funds using appropriate procurement plans, performance can be assured.

Finally the findings are concluded with Thai (2004) that there cannot be a good procurement budget without a plan, and there can be no procurement without a budget to fund it .

Table 4.4.1 summary of responses related with procurement planning

7	procurement plan is developed collaborate with user departments	Scales	Frequency	%	Cumulative		Mean
					Count	%	
		Strongly agree		0			
		Agree	30	10%	30	10%	
		Neutral	57	19%	87	29%	
		Dis agree	161	54%	248	83%	
		Strongly disagree	50	17%	298	100%	
		Total	298	100%	298	100%	2.13
8	procurement plan is developed based internal materials availability	Scales	Frequency	%	Cumulative		Mean
					Count	%	
		Strongly agree	15	5%	15	5%	
		Agree	15	5%	30	10%	
		Neutral	57	19%	87	29%	
		Dis agree	154	52%	117	81%	
		Strongly disagree	57	19%	241	100%	
		Total	298	100%	298	100%	2.11
9	A limited number of vendors are invited to bid for supply of products /services.	Scales	Frequency	%	Cumulative		Mean
					Count	%	
		Strongly agree	57	19%	57	19	
		Agree	161	54%	218	73	
		Neutral	50	17%	268	90	
		Dis agree	30	10%	298	10	
		Strongly disagree	0	0	0	0	
		Total	298	100%	298	100%	2.13
10	The procurement plan is comprehensive that considers operational scope of the office.	Scales	Frequency	%	Cumulative		Mean
					Count	%	
		Strongly agree	9	3%	9	3%	
		Agree	24	8%	33	11%	
		Neutral	57	19%	90	30%	
		Dis agree	158	53%	248	83%	
		Strongly disagree	50	17%	298	100%	
		Total	298	100%	298	100%	2.10
11	the department's procurement function/unit organized well	Scales	Frequency	%	Cumulative		Mean
					Count	%	
		Strongly agree		0			

		Agree	30	10%	30	10		
		Neutral	57	19%	87	29		
		Dis agree	161	54%	248	83		
		Strongly disagree	50	17%	298	100		
		Total	298	100%	298	100%	2.13	
12	The budget allocated for each client is balanced with the current market condition	Scales	Frequency	%	Cumulative		Mean	
					Count	%		
		Strongly agree		0				
		Agree	15	5%	15	5%		
		Neutral	60	20%	75	25%		
		Dis agree	148	50%	223	75%		
		Strongly disagree	75	25%	298	100%		
		Total	298	100%	298	100%		2.15
13	The requested budget for procurement is released on time	Scales	Frequency	%	Cumulative		Mean	
					Count	%		
		Strongly agree	15	5%	15	5%		
		Agree	15	5%	30	10%		
		Neutral	56	19%	86	29%		
		Dis agree	155	52%	241	81%		
		Strongly disagree	57	19%	298	100%		
		Total	298	100%	298	100%		2.11

Source: own survey result, 2019

When we look at the above table 4.4.1 on the variable of procurement plan is developed in collaboration with user departments, about 71% (211) of the respondents disagree and strongly disagree, in cumulative term, 19% (57) of the respondents neutral and the rest 10% (30) of the respondents agree and none of the respondent strongly agree. This shows that more than half of the respondents disagreed that procurement plan is developed in collaboration with user departments. In addition, In AAPC, as indicated above the mean value is 2.13. This indicates that the procurement plan is not developed in collaboration with user departments.

Also about 5% (15) of the respondents strongly agree and agree that procurement plan is developed based internal materials availability respectively. While 19% (57) were neutral and the remaining 71% (211) in cumulative terms strongly disagree and disagree respectively. This indicates that there is a mismatch between what the AAPC have at its premise and what it is

planning for which leads to an erroneous planning that is not feasible. Likewise, when we see above the mean value of it is 2.11. This indicates that the plan is not considering the availability of internal materials.

Also About 54% (161) of the respondents agree that a limited number of vendors are invited to bid for supply of products/services, 19% (57) of the respondents strongly agree, 17% (50) of the respondents neutral, 10% (30) of the respondents disagree and none of the respondent strongly disagree. This indicates that the supply of products/services to the AAPC with respect to quality and cost might be compromised because the option for choosing from a range of vendors is limited. In the same way, when we look at the mean value it indicated a mean of 2.13. This also implies that a limited number of vendors are invited to bid for supply of products/services.

When we look at the variable on whether the procurement plan is comprehensive that considers operational scope of the office, about 17% (50) of the respondents strongly disagree, 53% (158) of the respondents disagree, 19% (57) of the respondents neutral, 8% (24) of the respondents agree and the rest 3% (9) strongly agree. This shows that more than half of the respondents disagreed that the procurement plan is comprehensive that considers operational scope of the office. Likewise, when we see the mean value of it, it is 2.10. This also indicates that the procurement plan is not comprehensive and does not considered operational scope of the office.

About 17% (50) of the respondents strongly disagree on the issue of the department's procurement function/unit is well organized, 54% (161) of the respondents disagree, 19% (57) of the respondents neutral, 10% (30) of the respondents agree and none of the respondent strongly agree. This shows that there is a lack of organization amongst the procurement department of AAPC. In the same way, its mean value is 2.13 which supports the above analysis.

With regards to whether the budget allocated for each client is balanced with the current market condition, about 25% (75) of the respondents strongly disagree, 50% (148) of the respondents disagree, 20% (60) of the respondents neutral, 5% (15) of the respondent agree and none of strongly agree. This shows that more than half of the respondents disagreed that In AAPC, the budget allocated for each client is balanced with the current market condition. Likewise, when we look at its mean value it is 2.15. This indicates that in AAPC budget allocation for each client is not balanced with the current market condition.

About 19% (57) of the respondents strongly disagree on the issue of the requested budget for procurement is released on time, 52% (155) of the respondents disagree, and 19% (56) of the respondent's neutral, 5% (30) of the respondents agree and strongly agree respectively. It indicates that meeting the resource need of the AAPC is very much challenging and it greatly affects the execution of the planning because the market price of goods/services fluctuate as the time elapses. In the same way, its mean value is 2.11 which supports the above analysis.

4.3. Staff Competency and Its Effect on Procurement Performance

The performance of the procurement function in any organization requires that the individuals handling the procurement activity should have the necessary professional qualifications and employee level of skill influences the procurement performance (Samuel &Njeru, 2014).

Table 4. 5 Response summary on Staff Competency

NO.	Questions	Scales	Frequencies	%	Cumulative		Mean
					Count	%	
1	In AAPC the procurement activity is conducted by competent procurement staffs	Strongly agree	0	0	0	0	2.32
		Agree	45	15%	45	15%	
		Neutral	77	26%	122	41%	
		Dis agree	134	45%	256	86%	
		Strongly disagree	42	14%	298	100%	
		Total	298	100%	298	100%	
2	Procurement staffs have ability to process and evaluate bidding document	Scales	Frequency	%	Cumulative		2.22
					Count	%	
		Strongly agree	0	0	0	0	
		Agree	27	9%	27	9%	
		Neutral	24	8%	51	17%	
		Dias agree	185	62%	236	79%	
		Strongly dis agree	62	21%	298	100%	
Total	298	100%	298	100%			
3.	Procurement staffs have the ability to	Scales	Frequency	%	Cumulative		2.13
					Count	%	
		Strongly	0	0	0	0	

	negotiate with users and suppliers	agree					
		Agree	48	16%	48	16%	
		Neutral	60	20%	108	36%	
		Dis agree	160	54%	268	90%	
		Strongly dis agree	30	10%	298	100	
		Total	298	100	298	100	
4.	Procurement staff have scientific knowledge and experience on the procurement process.	Scales	Frequency	%	Cumulative		Mean
					Count	%	2.23
		Strongly agree	0	0	0	0	
		Agree	48	16%	48	16%	
		Neutral	66	22%	114	38%	
		Disagree	146	49%	260	87%	
		Strongly disagreed	38	13%	298	100%	
Total	298	100%	298	100%			
5.	Procurement staff have the ability to understand users need, market environment and suppliers capacity	Scales	Frequency	%	Cumulative		Mean
			Frequency	%	Count	%	2.18
		Strongly agree	0	0	0	0	
		Agree	48	16%	48	16%	
		Neutral	66	22%	114	38%	
		Dis agree	184	62%	298	100%	
		Strongly disagree	0	0	298	100%	
Total	298	100%	298	100%			
6	Procurement staffs of the office are continuously given training to improve their potential	Scales	Frequency	%	Cumulative		Mean
					Count	%	2.29
		Strongly agree	0	0	0	0	
		Agree	24	8%	24	8%	
		Neutral	74	25%	98	34%	
		Dis agree	164	54%	262	88%	
		Strongly disagree	36	12%	298	100%	
Total	298	100%	298	100%			

Source: own survey result, 2019

Table 4.4 shows the percentage and distribution of the respondents reply for staff competency factors of procurement performance. It is taken in to account that numbers 1, 2, 3, 4 and 5

represent far strongly disagree, disagree, neutral, agree and strongly agree respectively. The subsequent analyses were conducted based on table 4.5 above.

The mean value 2 and less indicated high factors of procurement performance, mean value greater than 2 and less than 3 indicate moderate factors of procurement performance, mean value greater than 3 indicate low factors of procurement performance related with staff competency.

About 14 % (42) of the respondents strongly disagree that In AAPC the procurement activity is conducted by competent procurement staffs, 45% (134) of the respondents were disagree , 26% (77) of the respondents neutral, 15% (45) of the respondents agree and none of the respondent strongly agree. This shows that more than half of the respondents disagreed that In AAPC the procurement activity is conducted by competent procurement staffs. Similarly in AAPC ,as to the question of the procurement activity is conducted by competent procurement staffs, it indicated a mean value of 2.32.This indicates also that In AAPC the procurement activity is not conducted by competent procurement staffs.

Also about 21% (62) of the respondents strongly disagree that Procurement staffs have ability to apply public procurement principles and evaluate bidding document, 62% (185) of the respondents disagree, 8% (24) of the respondent's neutral, 9% (27) of the respondents agree and none of the respondent strongly agree. This shows that more than half of the respondents disagreed that the Procurement staffs have ability to apply public procurement principles and evaluate bidding document. Similarly, as the mean result in the above table has indicated, i.e., 2.22, in relation to question 'Procurement staffs have ability to apply public procurement principles and evaluate bidding document' it also indicated that the Procurement staff have no the desired ability to apply public procurement principles and evaluate bidding document.

Also about 10 % (30) of the respondents strongly disagree that Procurement staffs have the ability to negotiate with users and suppliers, 54% (160) of the respondents disagree, 20% (60) of the respondents neutral, 16 % (48) of the respondents agree and none of the respondent strongly agree This shows that more than half of the respondents disagreed that PPPDS Procurement staffs have the ability to negotiate with users and suppliers. As to the mean result "Procurement staffs have no the ability to negotiate with users and suppliers" as indicated a mean of 2.13. This indicates that the Procurement staffs have no the ability to negotiate with users and suppliers.

Also about 13% (38) of the respondents strongly disagree that AAPC Procurement staff have scientific knowledge and experience on the procurement process. 49% (146) of the respondents disagree, 22% (66) of the respondents neutral, 16% (48) of the respondents agree and none of the respondent strongly agrees. This shows that more than half (59%) of the respondents, in cumulative, disagreed that AAPC Procurement staffs have scientific knowledge and experience on the procurement process. Likewise ,AAPC procurement staff have scientific knowledge and experience on the procurement process , as indicated a mean of 2.23, and his indicates that AAPC procurement staff have no the necessary scientific knowledge and experience on the procurement process to handle complex and strategic procurement items.

Again when we look at the above table , about 62% (184) of the respondents were disagree that Procurement staff have the ability to understand users need, market environment and suppliers capacity, 22% (66) of the respondents were neutral, 16% (48) of the respondents agree and none of the respondent were strongly agree and disagree . This shows that more than half of the respondents disagreed that Procurement staffs have the ability to understand users need market environment and suppliers capacity. Similarly, related with such matter, as indicated a mean of 2.18, this indicates that Procurement staff have no the ability to understand users need, market environment and suppliers capacity.

About 12% (36) of the respondents strongly disagree that Procurement staffs of the office are continuously given training to improve their potential, 54% (164) of the respondents disagree, 25% (74) of the respondents neutral, 8% (24) of the respondents agree and none of the respondent strongly agree. This shows that more than half of the respondents disagreed that Procurement staffs of the office are continuously given training to improve their potential. Similarly, mean value of 2.29 supports the above analysis.

In general, from the analysis all of the respondents agreed that factors related with staff competency have the great effects on public procurement performance in AAPC , because as the above table indicates that all mean value is less than 3.This indicated that the lowest mean values are procurement staff have on the ability to apply public procurement principles and evaluate bidding document and the procurement activity is not conducted by competent procurement staff are the major factors which determine procurement performance in AAPC. This means that the level of knowledge of AAPC employees who are participated in the public procurement process

needs improvement. Competent staff can ensure that items services are procured as and when the need is expected. In this connection Gillingham, (2003) confirms that procurement personnel should be equipped with the necessary knowledge and skills as to the overall practices and processes of procurement so as to achieve an effective practices of procurement in the achievement of the over goals of the AAPC and also specifically to secure value for money for their employers and there by play their role of intermediaries between the user and the supplier effectively.

4.4. Procurement procedures and its effect on procurement performance

Procurement encompasses the whole process of acquiring property and/or services. It begins when an agency has identified a need and decided on its procurement requirement. Procurement continues through the processes of risk assessment, seeking and evaluating alternative solutions, contract award, delivery of and payment for the property and/or services and, where relevant, the ongoing management of a contract and consideration of options related to the contract (Waters 2004).

Table 4.6 Response summary on procurement procedures

1	The office has	Scales	Frequency	%	Cumulative	Mean
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	clear and understandable Procurement Procedure				Count	%	2.10
		Strongly agree	0	0	0	0	
		Agree	9	3%	9	3%	
		Neutral	57	19%	66	22%	
		Dis agree	190	64%	256	86%	
		Strongly dis agree	42	14%	298	100	
		Total	298	100	298	100	
2	That procurement procedure makes all the participants accountable in their area	Scales	Frequency	%	Cumulative Count	%	Mean 2.14
		Strongly agree	0	0	0	0	
		Agree	12	4%	12	4%	
		Neutral	48	16%	114	20%	
		Disagree	146	49%	260	69%	
		Strongly disagreed	92	31%	298	100%	
		Total	298	100%	298	100%	
3	Inadequate monitoring and evaluation of procurement performance	Scales	Frequency	%	Cumulative Count	%	Mean 2.23
			48	16%			
		Strongly agree	143	48%	48	16%	
		Agree	89	30%	191	64%	
		Neutral	18	6%	280	94%	
		Dis agree	0	0	298	100%	
		Strongly disagree	298	100%	298	100%	
		Total	298	100%	298	100%	
4	In AAPC the office applies consistent and sustainable procurement procedure for better performance ,	Scales	Frequency	%	Cumulative Count	%	Mean 2.15
			0				
		Strongly agree	18	0	0	0	
		Agree	48	6%	18	6%	
		Neutral	202	16%	66	22%	
		Dis agree	30	68%	268	90%	
		Strongly disagree	298	10%	298	100%	
					298	100%	

Source: own survey result, 2019

Table 4.6 shows the percentage and distribution of the respondents' reply for procurement procedures factors of procurement performance. It is taken in to account that numbers 1, 2, 3, 4

and 5 represent far strongly disagree, disagree, neutral, agree and strongly agree respectively. The subsequent analyses were conducted based on table 4.6 above. The mean value 2 and less indicated high factors of procurement performance, mean value greater than 2 and less than 3 indicate moderate factors of procurement performance, mean value greater than 3 indicate low factors of procurement performance related with procurement procedures.

About 14% (42) of the respondents strongly disagree that the office has clear and understandable Procurement Procedure, 64% (190) of the respondents disagree, 19 % (57) of the respondent's neutral, 3% (9) of the respondents agree and none of the respondent strongly agree. This shows that more than half of the respondents disagreed that the office has clear and understandable Procurement Procedure. Similarly, when we look at the mean value in the table above, it indicated a mean of 2.10. This indicates that in AAPC, the office has no clear and understandable Procurement Procedure.

About 31% (92) of the respondents strongly disagree that procurement procedure makes all the participants accountable in their area , 49% (146) of the respondents disagree, 16% (48) of the respondents neutral, 4% (12) of the respondents agree and none of the respondent strongly agree. This shows majority of the respondents disagreed that procurement procedure makes all the participants accountable in their area. Likewise, mean results of which indicated that, it is 2.14. This indicates that In AAPC, the procurement procedure doesn't make all the participants accountable in their area.

Also about 16% (48) of the respondents strongly agree that, inadequate monitoring and evaluation of procurement performance 48% (143) of the respondents agree, 30% (89) of the respondents neutral, 6% (18) of the respondents disagree and none of the respondent strongly disagree. This shows majority of the respondents agreed that in AAPC there is inadequate monitoring and evaluation of procurement performance. In the same way, as indicated in the above table, the mean value is 2.23. This indicates that in AAPC there is inadequate monitoring and evaluation of procurement performance.

Also about 10% (30) of the respondents strongly disagree in AAPC the office applies consistent and sustainable procurement procedure for better performance, 68% (202) of the respondents disagree, 16% (48) of the respondents neutral, 6% (18) of the respondents agree and none of the

respondent strongly agrees. This shows that more than half of the respondents disagreed that in AAPC the office applies consistent and sustainable procurement procedure for better procurement performance. Likewise, as indicated in a table above a mean is 2.15. This indicates that in AAPC the office doesn't apply consistent and sustainable procurement procedure.

In general, from the analysis all of the respondents agreed that factors related with procurement procedures having great effects on public procurement performance in AAPC, because as the above table indicates that all mean value is less than 3. This indicated that the lowest mean values are meant, the existence clear and understandable Procurement Procedure in office, the degree of procurement procedure that makes all the participants accountable in their area, adequate monitoring and evaluation of procurement performance and the application of consistent and sustainable procurement procedure for better performance are the major factors of procurement performance in AAPC. This is also confirmed by Thai (2001), Inflexible and inadequate procedures of procurement contribute to unacceptable contract delays, increased costs, and the potential for manipulation of contract public expenditure is slow, ineffective, expensive and often corrupt.

Table 4.6.1 Response summary on procurement procedures

5.	Public procurement law of the nation is	Scales	Frequency	%	Cumulative		Mean
					Count	%	
	Strongly		0	0	0	0	2.11

	enforceable in the office	agree					
		Agree	12	4%	12	4%	
		Neutral	54	18%	66	22%	
		Dis agree	202	68%	268	90%	
		Strongly dis agree	30	10%	298	100	
		Total	298	100	298	100	
6	Ethical guidelines for public procurement are respected in the office	Scales	Frequency	%	Cumulative		Mean
					Count	%	2.13
		Strongly agree	0	0	0	0	
		Agree	18	6%	18	6%	
		Neutral	48	16%	66	22%	
		Disagree	143	48%	209	70%	
		Strongly disagreed	89	30%	298	100%	
		Total	298	100%	298	100%	
7	Procurement decisions are made based on the legal framework of the office	Scales	Frequency		Cumulative		Mean
			Frequency	%	Count	%	2.12
		Strongly agree	48	16%	48	16%	
		Agree	143	48%	191	64%	
		Neutral	89	30%	280	94%	
		Dis agree	18	6%	298	100%	
		Strongly disagree	0	0	298	100%	
		Total	298	100%	298	100%	
8	Illegal procurement practices are promptly diagnosed and detected	Scales	Frequency	%	Cumulative		Mean
					Count	%	2.15
		Strongly agree	0	0	0	0	
		Agree	18	6%	18	6%	
		Neutral	48	16%	66	22%	
		Dis agree	202	68%	268	90%	
		Strongly disagree	30	10%	298	100%	
		Total	298	100%	298	100%	
9	The office applies regular reviews and analysis of the performance of the	Scales	Frequency		Cumulative		Mean
			Count	%	Count	%	2.14
		Strongly Agree					
		Agree	12	4%	12	4%	

	procurement function	Neutral	48	16%	60	20%	
		Disagree	146	49%	206	69%	
		Strongly disagree	92	31%	298	100%	
		Total	298	100	298	100	
10	The procurement rules, regulation and procedure especially threshold does not affect the procurement performance	Scales	Frequency		Cumulative		Mean
			Count	%	Count	%	
		Strongly agree	-				
		Agree	-				
		Neutral	30	10%	30	10%	
		Dis agree	209	70%	239	80%	
		Strongly disagree	59	20%	298	100%	
		Total	298	100%	298	100%	2.09

Source: own survey result, 2019

Table 4.6.1 shows the percentage and distribution of the respondents' reply for procurement procedures factors of procurement performance. It is taken in to account that numbers 1, 2, 3, 4 and 5 represent far strongly disagree, disagree, neutral, agree and strongly agree respectively. The subsequent analyses were conducted based on table 4.6 above. The mean value 2 and less indicated high factors of procurement performance, mean value greater than 2 and less than 3 indicate moderate factors of procurement performance, mean value greater than 3 indicate low factors of procurement performance related with procurement procedures.

About 10% (30) of the respondents strongly disagree that Public procurement law of the nation is enforceable in the office, 68% (202) of the respondents disagree, 18% (54) of the respondent's neutral, 4% (12) of the respondents agree and none of the respondent strongly agree. This shows that more than half of the respondents disagreed that Public procurement law of the nation is enforceable in the office. Similarly, when we look at the mean value in the table above, it indicated a mean of 2.11. This indicates that in AAPC, Public procurement law of the nation is enforceable in the office.

About 30% (89) of the respondents strongly disagree that Ethical guidelines for public procurement are respected in the office, 48% (143) of the respondents disagree, 16% (48) of the

respondent's neutral, 6% (18) of the respondents agree and none of the respondent strongly agree. This shows majority of the respondents disagreed that Ethical guidelines for public procurement are respected in the office .Likewise, mean results of which indicated that, it is 2.13. This indicates that In AAPC, the procurement procedure doesn't make all the participants accountable in their area.

Also about 16% (48) of the respondents strongly agree that, Procurement decisions are made based on the legal framework of the office 48% (143) of the respondents agree, 30% (89) of the respondents neutral, 6% (18) of the respondents disagree and none of the respondent strongly disagree. This shows majority of the respondents agreed that in AAPC, Procurement decisions are made based on the legal framework of the office 4. In the same way, as indicated in the above table, the mean value is 2.23.This indicates that in AAPC, Procurement decisions are made based on the legal framework of the office.

Also about 10% (30) of the respondents strongly disagree in AAPC Illegal procurement practices are promptly diagnosed and detected , 68%(202) of the respondents disagree, 16% (48) of the respondents neutral, 6% (18) of the respondents agree and none of the respondent strongly agree. This shows that more than half of the respondents disagreed that in AAPC Illegal procurement practices are promptly diagnosed and detected. Likewise, as indicated in a table above a mean is 2.15.This indicates that in AAPC Illegal procurement practices are promptly diagnosed and detected.

Also about 31% (92) of the respondents strongly disagree in AAPC The office applies regular reviews and analysis of the performance of the procurement function, 49% (202) of the respondents disagree, 16% (48) of the respondents neutral, 4% (12) of the respondents agree and none of the respondent strongly agree. This shows that more than half of the respondents disagreed that in AAPC the office applies regular reviews and analysis of the performance of the procurement function. Likewise, as indicated in a table above a mean is 2.14.This indicates that in AAPC, The office does not applies regular reviews and analysis of the performance of the procurement function.

Also about 20% (59) of the respondents strongly disagree in AAPC that the procurement rules, regulation and procedure especially threshold does not affect the procurement performance, 70% (209) of the respondents disagree, 10% (30) of the respondents neutral, none of the respondent agree and strongly agree. This shows that more than half of the respondents disagreed that in

AAPC that the procurement rules, regulation and procedure especially threshold does not affect the procurement performance. Likewise, as indicated in a table above a mean is 2.09. This indicates that in AAPC the procurement rules, regulation and procedure especially threshold affect the procurement performance.

Table 4.7 Summary of responses related with Market Condition

1.	Market survey is adequately conducted by the office ahead of the procurement	Scales	Frequency	%	Cumulative		Mean
					Count	%	
		Strongly agree	0	0	0	0	2.12
		Agree	42	14%	42	14%	
		Neutral	63	21%	105	35%	
		Disagree	184	62%	289	97%	
		Strongly disagreed	9	3%	298	100%	
Total	298	100%	298	100%			
2.	There are adequate and competent suppliers in the market for frequently requested items y	Scales	Frequency	%	Cumulative		Mean
					Count	%	
		Strongly agree	0	0	0	0	2.18
		Agree	48	16%	48	16%	
		Neutral	66	22%	114	38%	
		Dis agree	184	62%	298	100%	
		Strongly disagree	0	0	298	100%	
Total	298	100%	298	100%			
3.	The current market is stable that enable suppliers to meet their agreement	Scales	Frequency	%	Cumulative		Mean
					Count	%	
		Strongly agree	0	0	0	0	2.23
		Agree	48	16%	48	16%	
		Neutral	66	22%	98	38%	
		Dis agree	146	49%	262	87%	
		Strongly disagree	38	13%	298	100%	
Total	298	100%	298	100%			

Source: own survey result, 2019

Table 4.7 shows the percentage and distribution of the respondents' reply for market condition factors of procurement performance. It is taken in to account that numbers 1, 2, 3, 4 and 5 represent far strongly disagree, disagree, neutral, agree and strongly agree respectively. The

Subsequent analyses were conducted based on table 4.6 above. The mean value 2 and less indicated high factors of procurement performance, mean value greater than 2 and less than 3

indicate moderate factors of procurement performance, mean value greater than 3 indicate low factors of procurement performance related with market condition.

As we can see from the table 4.7, about 3% (9) of the respondents strongly disagree that Market survey is adequately conducted by the office ahead of the procurement, 62% (184) of the respondents disagree, 21% (63) of the respondents neutral, 14% (42) of the respondents agree and none of the respondent strongly agree. This shows that more than half of the respondents disagreed that Market survey is adequately conducted by the office ahead of the procurement. Similarly, when we look at the mean value in the table above, it indicated a mean of 2.12. This indicates that in AAPC, Market survey is not adequately conducted by the office ahead of the procurement.

Again when we look at the above table , about 62% (184) of the respondents were disagree that there are adequate and competent suppliers in the market for frequently requested items , 22% (66) of the respondents were neutral, 16% (48) of the respondents agree and none of the respondent were strongly agree and disagree . This shows that more than half of the respondents disagreed there are adequate and competent suppliers in the market for frequently requested items. Similarly, related with such matter, as indicated a mean of 2.18, this indicates that there are no adequate and competent suppliers in the market for frequently requested items.

Also about 13% (38) of the respondents strongly disagree that the current market is stable that enable suppliers to meet their agreement, 49% (146) of the respondents disagree, 22% (66) of the respondents neutral, 16% (48) of the respondents agree and none of the respondent strongly agree. This shows that more than half (59%) of the respondents, in cumulative, disagreed that the current market is stable that enable suppliers to meet their agreement. Likewise, as to “The current market is stable so that enable suppliers to meet their agreement”, as indicated a mean of 2.23, and this indicates that the current market is not stable so that enable suppliers to meet their agreement.

4.7.1 Summary of responses of the respondents as to the market condition

4 .	Information about the market is Adequate supplied by	Scales	Frequency	%	Cumulative		Mean
					Count	%	
		Strongly agree	0	0	0	0	2.10
		Agree	9	3%	9	3%	

	procurement unit	Neutral	57	19%	66	22%	
		Dis agree	190	64%	256	86%	
		Strongly dis agree	42	14%	298	100	
		Total	298	100	298	100	
5	All the requested items are accessible in the local market	Scales	Frequency	%	Cumulative		Mean 2.14
					Count	%	
		Strongly agree	0	0	0	0	
		Agree	12	4%	12	4%	
		Neutral	48	16%	114	20%	
		Disagree	146	49%	260	69%	
		Strongly disagreed	92	31%	298	100%	
		Total	298	100%	298	100%	
6	The price of the required items by the office are continuously increasing	Scales	Frequency		Cumulative		Mean 2.23
			Frequency	%	Count	%	
		Strongly agree	48	16%	48	16%	
		Agree	143	48%	191	64%	
		Neutral	89	30%	280	94%	
		Dis agree	18	6%	298	100%	
		Strongly disagree	0	0	298	100%	
		Total	298	100%	298	100%	
7	Suppliers of the requested items are able to deliver the order at the specified lead-time	Scales	Frequency	%	Cumulative		Mean 2.15
					Count	%	
		Strongly agree	0	0	0	0	
		Agree	18	6%	18	6%	
		Neutral	48	16%	66	22%	
		Dis agree	202	68%	268	90%	
		Strongly disagree	30	10%	298	100%	
Total	298	100%	298	100%			

Source: own survey result, 2019

Table 4.7.1 shows the percentage and distribution of the respondents' reply for procurement procedures factors of procurement performance. It is taken in to account that numbers 1, 2, 3, 4 and 5 represent far strongly disagree, disagree, neutral, agree and strongly agree respectively. The subsequent analyses were conducted based on table 4.6 above. The mean value 2 and less indicated high factors of procurement performance, mean value greater than 2 and less than 3

indicate moderate factors of procurement performance, mean value greater than 3 indicate low factors of procurement performance related with market condition.

About 14% (42) of the respondents strongly disagree that Information about the market is Adequate supplied by procurement unit, 64% (190) of the respondents disagree, 19% (57) of the respondent's neutral, 3% (9) of the respondents agree and none of the respondent strongly agree. This shows that more than half of the respondents disagreed that Information about the market is Adequate supplied by procurement unit. Similarly, when we look at the mean value in the table above, it indicated a mean of 2.10. This indicates that in AAPC, Information about the market is not adequately supplied by procurement unit.

About 31% (92) of the respondents strongly disagree that all the requested items are accessible in the local market, 49% (146) of the respondents disagree, 16% (48) of the respondent's neutral, 4% (12) of the respondents agree and none of the respondent strongly agree. This shows majority of the respondents disagreed that all the requested items are accessible in the local market .likewise, mean results of which indicated that, it is 2.14. This indicates that In AAPC, All the requested items are not accessible in the local market.

Also about 16% (48) of the respondents strongly agree that, The price of the required items by the office are continuously increasing , 48% (143) of the respondents agree, 30% (89) of the respondents neutral, 6% (18) of the respondents disagree and none of the respondent strongly disagree. This shows majority of the respondents agreed that in AAPC The price of the required items by the office are continuously increasing. In the same way, as indicated in the above table, the mean value is 2.23.This indicates that in AAPC The price of the required items by the office are continuously increasing.

Also about 10% (30) of the respondents strongly disagree that in AAPC Suppliers of the requested items are able to deliver the order at the specified lead-time, 68% (202) of the respondents disagree, 16% (48) of the respondents neutral, 6% (18) of the respondents agree and none of the respondent strongly agree. This shows that more than half of the respondents disagreed that in AAPC Suppliers of the requested items are able to deliver the order at the specified lead-time. Likewise, as indicated in a table above a mean is 2.15.This indicates that in AAPC Suppliers of the requested items are not able to deliver the order at the specified lead-time

In general, from the analysis all of the respondents agreed that factors related with market condition having great effects on public procurement performance in AAPC , because as the above table indicates that all mean value is less than 3.This indicated that the lowest mean values are meant , Information about the market is Adequate supplied by procurement unit , All the requested items are accessible in the local market , The price of the required items by the office are continuously increasing and the Suppliers of the requested items are able to deliver the order at the specified lead-time clear , are the major factors which affect procurement performance in AAPC .

4.5. Tender Processing Related Questions

Procurement encompasses the whole process of acquiring property and/or services. It begins when an agency has identified a need and decided on its procurement requirement. Procurement continues through the processes of risk assessment, seeking and evaluating alternative solutions, contract award, delivery of and payment for the property and/or services and, where relevant, the ongoing management of a contract and consideration of options related to the contract (Waters 2004)

Table 4.8. Summary of Responses of Respondents Related With Tender

NO.	Questions	Scales	Frequencies	%	Cumulative		Mean
					Count	%	
1	Tender evaluation conducted	Strongly agree	0	0	0	0	2.10
		Agree	9	3%	9	3%	

	according to predetermined set by the office	Neutral	57	19%	66	22&	
		Dis agree	190	64%	256	86%	
		Strongly disagree	42	14%	298	100%	
		Total	298	100%	298	100%	
2	Delivered items are inspected their quality against the intended purpose before they are delivered to the user	Scales	Frequency	%	Cumulative		Mean
					Count	%	
		Strongly agree	0	0	0	0	
		Agree	48	16%	48	9%	
		Neutral	89	30%	137	17%	
		Dias agree	143	48%	280	79%	
		Strongly dis agree	18	6%	298	100%	
		Total	298	100%	298	100%	

Source: own survey result, 2019

Table 4.8 shows the percentage and distribution of the respondents' reply for Tender Processing Related Questions for procurement performance. It is taken in to account that numbers 1, 2, 3, 4 and 5 represent far strongly disagree, disagree, neutral, agree and strongly agree respectively. The subsequent analyses were conducted based on table 4.5 above. The mean value 2 and less indicated high factors of procurement performance, mean value greater than 2 and less than 3 indicate moderate factors of procurement performance, mean value greater than 3 indicate low factors of procurement performance related with Tender Processing Related Questions procurement procedures.

About 14 % (42) of the respondents strongly disagree that tender evaluation conducted according to predetermined set criteria in the bid document, 64% (190) of the respondents disagree, 19%

(57) of the respondents neutral, 3% (9) of the respondents agree and none of the respondent strongly agree. This shows that more than half of the respondents disagreed that Tender evaluation conducted according to predetermined set criteria in the bid document. Tender evaluation conducted according to predetermined set criteria in the bid document, as indicated a mean of 2.10. This indicates that in AAPC tender evaluation does not conducted according to predetermined set criteria in the bid document.

Also about 16% (48) of the respondents strongly disagree that, Delivered items are inspected their quality against the intended purpose before they are delivered to the user, 48% (143) of the respondents disagree, 30% (89) of the respondents neutral, 6% (18) of the respondents agree and none of the respondent strongly agree. This shows majority of the respondents disagreed that in AAPC items are not tested and inspected accordingly before delivery. Similarly, Items are tested and inspected accordingly before delivery, as indicated a mean of 2.23. This indicates that in AAPC items are not tested and inspected accordingly before delivery.

In general, from the analysis all of the respondents agreed that factors related with Tender Processing in procurement procedures have the great effects on public procurement performance in AAPC, because as the above table indicates that all mean value is less than 3. This indicated that the lowest mean values is ‘Tender evaluation conducted according to predetermined set criteria in the bid document are the major factor of procurement performance in AAPC. This is also confirmed by Thai (2001), Inflexible and bureaucratic systems of procurement contribute to unacceptable contract delays, increased costs, and the potential for manipulation of contract public expenditure is slow, ineffective, expensive and often corrupt.

4.5.1. summery of respondent’s response as to Tendering process

3	The office uses the tender procedure of the government properly	Scales	Frequency	%	Cumulative		Mean
					Count	%	
		Strongly agree		0			
		Agree	30	10%	30	10%	
		Neutral	57	19%	87	29%	
		Dis agree	161	54%	248	83%	
		Strongly	50	17%	298	100%	

		disagree					
		Total	298	100%	298	100%	2.13
4	There is adequate tenderers in the market	Scales	Frequency	%	Cumulative		Mean
					Count	%	
		Strongly agree	15	5%	15	5%	
		Agree	15	5%	30	10%	
		Neutral	57	19%	87	29%	
		Dis agree	154	52%	117	81%	
		Strongly disagree	57	19%	241	100%	
		Total	298	100%	298	100%	2.11
5	All the requested items are accessible in the local market				Count	%	
		Strongly agree	57	19%	57	19	
		Agree	161	54%	218	73	
		Neutral	50	17%	268	90	
		Dis agree	30	10%	298	10	
		Strongly disagree	0	0	0	0	
				Total	298	100%	
6	The tendering process is accomplished based on the nations' tender procedure	Scales	Frequency	%	Cumulative		Mean
					Count	%	
		Strongly agree	9	3%	9	3%	
		Agree	24	8%	33	11%	
		Neutral	57	19%	90	30%	
		Dis agree	158	53%	248	83%	
		Strongly disagree	50	17%	298	100%	
		Total	298	100%	298	100%	2.10
7	Tender announcement is made before adequate time so that adequate number of tenderers will be invited	Scales	Frequency	%	Cumulative		Mean
					Count	%	
		Strongly agree			0		
		Agree	30	10%	30	10	
		Neutral	57	19%	87	29	
		Dis agree	161	54%	248	83	
		Strongly disagree	50	17%	298	100	
		Total	298	100%	298	100%	2.13
8	The tender process is accomplished transparently	Scales	Frequency	%	Cumulative		Mean
					Count	%	
		Strongly agree		0			

		Agree	15	5%	15	5%	
		Neutral	60	20%	75	25%	
		Dis agree	148	50%	223	75%	
		Strongly disagree	75	25%	298	100%	
		Total	298	100%	298	100%	2.15
9	Delivered items are counted for their quantity	Scales	Frequency	%	Cumulative		Mean
					Count	%	
		Strongly agree	15	5%		5%	
		Agree	15	5%		10%	
		Neutral	57	19%		29%	
		Dis agree	154	52%		81%	
		Strongly disagree	57	19%		100%	
		Total	298	100%	298	100%	

Source: own survey result, 2019

When we look at the above table on the variable of the office uses the tender procedure of the government properly, about 71% (211) of the respondents disagree and strongly disagree, in cumulative term, 19% (57) of the respondents neutral and the rest 10% (30) of the respondents agree and none of the respondent strongly agree. This shows that more than half of the respondents disagreed that procurement plan is developed in collaboration with user departments. In addition, In AAPC, as indicated above the mean value is 2.13. This indicates that the office uses the tender procedure of the government properly.

Also about 5% (30) of the respondents strongly agree and agree that there is adequate tenderers in the market respectively. While 19% (57) were neutral and the remaining 71% (211) in cumulative terms strongly disagree and disagree respectively. Likewise, when we see the above the mean value of it is 2.11. This indicates that there is no adequate tenderers in the market.

Also About 8% (24) of the respondents agree that the tendering process is accomplished based on the nations' tender procedure , 3% (9) of the respondents strongly agree, 19% (57) of the respondents neutral, 53% (158) of the respondents disagree and 17% (50) of the respondent strongly disagree. This indicates that the tendering process is accomplished based on the nations' tender procedure. In the same way, when we look at the mean value it indicated a mean of

2.13.This also implies that the tendering process is accomplished based on the nations' tender procedure.

About 17% (50) of the respondents strongly disagree on the issue of the tender announcement is made before adequate time so that adequate number of tenderers will be invited, 54% (161) of the respondents disagree, 19% (57) of the respondents neutral, 10% (30) of the respondents agree and none of the respondent strongly agree. This shows that there is a lack of tender announcement is made before adequate time so that adequate number of tenderers will be invited in AAPC. In the same way, its mean value is 2.13 which supports the above analysis.

With regards to the tender process is accomplished transparently, about 25% (75) of the respondents strongly disagree, 50 % (148) of the respondents disagree, 20% (60) of the respondents neutral, 5% (15) of the respondent agree and none of strongly agree. This shows that more than half of the respondents disagreed that In AAPC, The tender process is accomplished transparently. Likewise, when we look at its mean value it is 2.15. This indicates that in AAPC the tender process is not accomplished transparently.

About 19% (57) of the respondents strongly disagree on the issue of the Delivered items are counted for their quantity requested budget for procurement is released on time, 52% (154) of the respondents disagree, and 19% (57) of the respondent's neutral, 5% (15) of the respondents agree and strongly agree respectively. It indicates that delivered items are not counted for their quantity. In the same way, its mean value is 2.11 which supports the above analysis.

Table 4.9 summary of variables in terms of their mean value and standard deviation

Number	Variables	Mean value	standard deviation
1	Procurement planning	2.25	.768
2	Staff competency	2.22	.734
3	Procurement procedures	2.13	.674

4	Market condition	2.18	.681
5	Procurement performance	2.11	.554

Source: own survey result, 2019

From the above table we can see that, the variables, i.e. Procurement planning, staff competency, procurement procedures and market condition are related or influenced procurement performance.

PART II Procurement Performance

The researcher was evaluated AAPC procurement performance by five rights of Purchasing Table 4.9 AAPC's Procurement performance Descriptive Statistics

S.No.	Procurement performance Rating	Mean	St deviation
1.1	With Right Quality	1.89	.789
2.2	At Right Time	1.77	.810
8.3	At Right Price	2.32	.678
8.4	From the Right Source	2.24	.674
8.5	Right Quantity	2.46	.550

Source: own survey result, 2019

As indicated in the above descriptive statistics table, AAPC procurement process team is working at the right quality with a mean value of 1.89, at the right time with mean value of 1.77, at the right price with a mean value of 2.32, from the right source with a mean value of 2.24 and at the right quantity with a mean value of 2.46. Therefore, from the result above, one can conclude that the procurement performance is very poor because, with right quality, in timely delivery, at the right price and quantity of materials purchased which is below average point. It is favorable that the goods and services are appropriate and that they are procured at the best possible cost to meet the needs of the purchaser in terms of quality and quantity, time, and with specified amount. Procurement performance has been described as the degree of achievement of

certain effort or undertaking. It relates to the prescribed goals or objectives which form the project parameters and is all about meeting or exceeding stake holders' needs and expectations from a project. It invariably involves placing consideration on following major procurement elements i.e. time, cost, quality, quantity and source Aldhfayan, (2008)

4.6. Inferential Statistics

4.6.1. Correlation Analysis

The correlation of the variable is measured by Pearson correlation coefficient. The result of the Pearson correlation is presented in the following table and interpreted by the guide line suggested by Field (2006); he mentioned that the Pearson correlation coefficient shows the relationship and direction between the predictor and outcome variable. Accordingly, if the relationship is measured in the range of 0.1 to 0.29 it is a weak relationship, 0.30 to 0.49 is moderate, above 0.50 shows strong relationship; while the positive and negative sign tell us the direction of their relationship.

Table 4.10 Pearson Correlation Information

		Procurement planning	Staff Competency	Procurement procedures	Market condition	Tendering Process	Procurement performance
Procurement planning	Pearson Correlation Sig(2 tailed) N	1	.124* .001	.321* .000	.487* .000	.347 .000	.689* .000

		.214	298	298	298	298	298
		298	298	298	298	298	298
Staff Competency	Pearson Correlation Sig (2 tailed) N		1	.331* .002	.387* .001	.543 .000	.589* .000
			298	298	298	298	298
Procurement procedures	Pearson Correlation Sig (2tailed) N			1	.387* .001	.623 .000	.737* .000
				298	298	298	298
Market condition	Pearson Correlation Sig (2 tailed) N				1 298	.453 .000	.651 .000
						298	298
Tendering Process	Pearson Correlation Sig (2 tailed) N					1 .000	.567 .000
						298	298
Procurement performance	Pearson Correlation Sig (2tailed) N					.531 .000	1 .001
						298	298

Source: own survey result, 2019

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

The above correlation table shows that the correlation relationship between predictor variables (i.e. Procurement planning, Staff Competency, Procurement procedure, Market Condition and dependent variable (Procurement Performance). Accordingly, procurement performance has strong and positive correlation with all procurement factors at Pearson correlation (r) value of 0.689, 0.589, 0.737 and 0.651 respectively as Procurement planning, Staff Competency, Procurement procedure, market condition with significant value of $P < 0.01$.

4.6.2. Regression Analysis

4.6.2.1. Assumption Tests

In this part the researcher has used the various tests of Multiple regression model including normality, autocorrelation and multi co-linearity in order to determine the fitness of data for analysis. The data were sorted to group questions according to applicable constructs under test. Finally correlation and standard multiple regression analysis were performed. Tests and analysis of the data are presented below:

I. Normality Test

Frequency distributions come in many different shapes and sizes. It is quite important, therefore, to have some general descriptions for common types of distributions. In an ideal world, our data would be distributed symmetrically around the center of all scores. As such, if we drew a vertical line through the center of the distribution, then it should look the same on both sides. This is known as a normal distribution and is characterized by the bell-shaped curve. This shape basically implies that the majority of scores lie around the center of the distribution (so the largest bars on the histogram are all around the central value.

In a normal distribution, the values of skew ness are 0. If a distribution has values of skew above or below 0 then this indicates a deviation from normal (Field, 2009). As we have seen from the below table, the skew ness approaches or around to Zero and normal distribution, as the figure below also indicated the data are almost normally distributed .

Table 4.11 Tests of normality Procurement performance

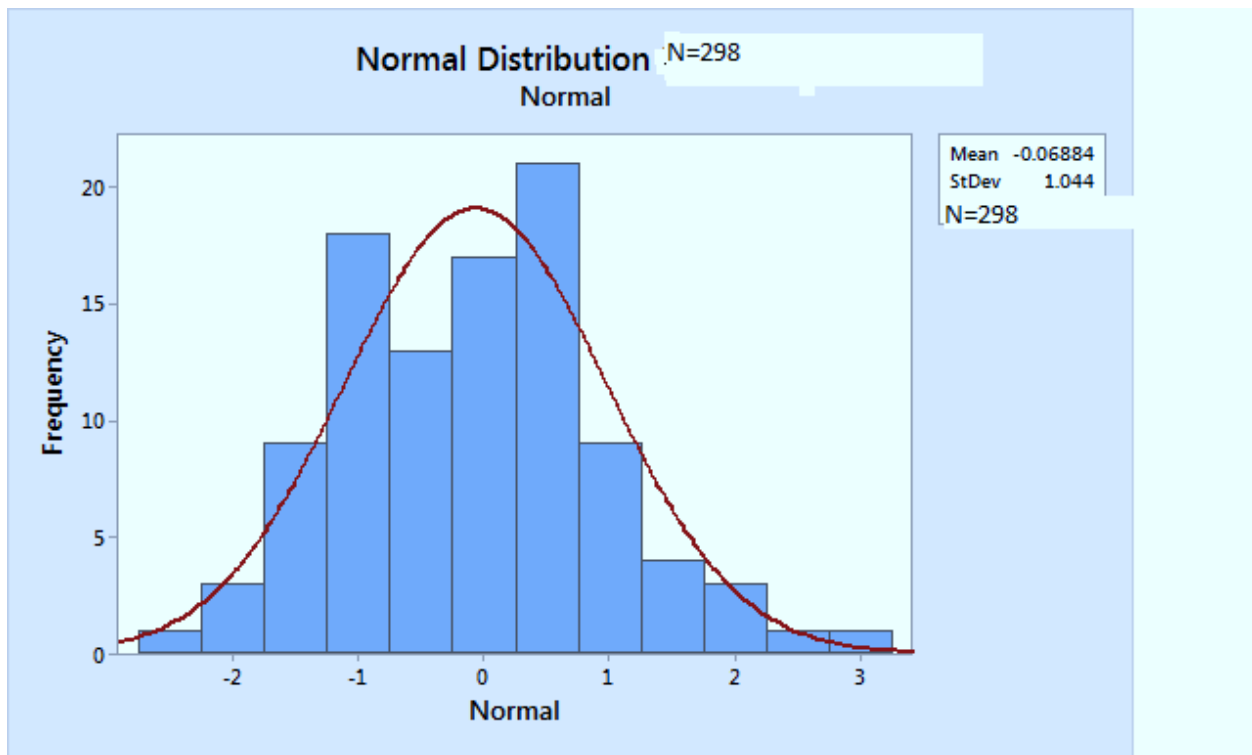
Description	Procurement planning	Staff competency	Procurement procedures	Market condition	Procurement performance
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Skewness	.511	.423	.513	.605	.187
Std. Error of Skewness	.218	.218	.218	.218	.218

Source: own survey result, 2019

Skewed distributions are not symmetrical and instead the most frequent scores (the tall bars on the graph) are clustered at one end of the scale. A skewed distribution can be either positively skewed (the frequent scores are clustered at the lower end and the tail points towards the higher or more positive scores) or negatively skewed (the frequent scores are clustered at the higher end of and the tail points towards the lower more negative scores) (Field, 2009).

Figure 4.1 Normal distribution of the data
Dependent variable: PPE



Where; PPE =Procurement Performance

II. Multi collinearity Assumption

Multi collinearity exists when there is a strong correlation between two or more predictors in a regression model Saunders et.al, (2009). There should be no perfect linear relationship between two or more of the predictors. So the predictor variables should not correlate too highly (Ho, 2006). If there is perfect collinearity between predictors, it becomes impossible to obtain unique estimates of the regression coefficients because there are an infinite number of combinations of coefficients that would work equally well.

To check the multi collinearity assumption, statistics value of Tolerance and Variance Inflation Factor /VIF proposed by (Field, 2006) was used. The Tolerance column value below 0.02 and VIF value above 10 pose a multi collinearity problem. Having this, the Tolerance and VIF value is shown in the table 4.9.4.below and the analysis indicates that there is the minimum tolerance value of 0.632 which is above 0.02 and the maximum VIF value is 1.411 which is below 10. Therefore, the predictors' don't highly correlate with each other; so, there is no multi collinearity problem

Table 4.12 Collinearity statistics value

	Collilnearity Statistics	
	Tolerance	VIF
Procurement Planning	.731	1.234
Staff Competency	.813	1.145
Procurement Procedures	.632	1.321
Market Condition	.711	1.411
Tendering Process	.645	1.342

Source: own survey result, 2019

III. Auto-correlation Assumption /Durbin–Watson test/

It is the assumption of independent error tenable or reasonable test. Durbin-Watson used to test for serial correlation between errors. The test statistic can vary between 0 and 4, with a value of 2 meaning the residuals are uncorrelated Field, (2006). A value greater than 2 indicates a negative correlation between adjacent residuals, whereas a value below 2 indicates a positive correlation. Similarly, Ott and Longnecker (2001) defines when there is no serial correlation, the expected

value of the Durbin–Watson test statistic d is approximately 2.0; positive serial correlation makes $d < 2.0$ and negative serial correlation makes $d > 2.0$. Although, values of d less than approximately 1.5 (or greater than approximately 2.5) lead one to suspect positive (or negative) serial correlation.

Table 4.13 Durbin–Watson test

Model	R	R square	Adjusted R Square	Std. Error of the Estimate	Durbin Watson
1	.917	.842	.833	.24193	1.864

Source: own survey result, 2019

a. Predictors (in Dependent Variable): (Constant), Procurement planning, Staff Competency, Procurement procedure, Market Condition

b. Dependent Variable: Procurement performance Indicators

If serial correlation is suspected, then the proposed multiple regression models are inappropriate and some alternative must be sought. Referring this and the model summary in the above table 4.13; the Durbin-Watson value of this research is 1.832. Therefore, the auto-correlation assumption has almost certainly met, since it falls between 1.5 and 2.5. Furthermore, the correlation relation between the variables also is positive correlation since Durbin-Watson value below 2.0 Ott and Longnecker, (2001).

4.6.2.2. Analysis of Regression Results

Table: 4.14 Model Summary

Model	R	R square	Adjusted R Square	Std. Error of the Estimate	Durbin Watson
1	.917	.842	.833	.24193	1.864

Source: own survey result, 2019

Table 4.14. describes the Model summary that measures the extent to which the independent variables are predicting dependent variable. It gives a value of R square, which measures how much of the variability in the outcome is accounted for the predictors.

R Square is any value between 0 and 1, and it measures the proportion of the variation in a dependent variable that can be explained statistically by the independent variable(s) (Saunders et al., 2012). R square tells us how much of the variance in dependent variable is accounted for by the regression model from our sample, the adjusted value tells us how much variance in dependent variable would be accounted for if the model had been derived from the population from which the sample was taken (Field, 2006). Regression coefficients (R) and R Square of the research are discussed below

The coefficient of determination, R square is interpreted as 84.2% of the variation in the dependent variable procurement performance is explained by the independent variables (i.e. Procurement planning, Staff Competency, Procurement procedure, Market Condition and the remaining percent (15.8%) is explained by other dimensions

4.6.2.3. Analysis of Variance /ANOVA/ Test

ANOVA tests indicate that whether the model is significantly better at predicting the outcome than using the mean as a „best guess’ (Field, 2008). ANOVA model is more likely to be significant, indicating that at least one group mean is different from another group mean. ANOVA is the appropriate statistical technique to examine the effect of a less-than interval independent variable on an at-least interval dependent variable. If the F test result is not significant, the model should be dismissed and there is no need to proceed to further steps (William and Barry, 2010). On the other hand, regarding to ANOVA test Saunders et al., (2014) discussed that a very low significance value (usually less than 0.05) means that your coefficient is unlikely to have occurred by chance alone. A value greater than 0.05 means you can conclude that your coefficient of determinations could have occurred by chance alone. Therefore, the ANOVA table and test result is presented and discussed below.

Table 4.15 ANOVA table

Model	Sum of Squares	Df	Mean Square	F	SIG.
Regression	34.879	4	8.799	12.494	.000
Residual	4.857	84	0.054		
Total	39.736	88			

Source: own survey result, 2019

Dependent Variable: Procurement performance b. Predictors: (Constant), Procurement planning, Staff Competency, Procurement procedure, market condition.

The ANOVA test result of procurement performance is indicated on above table 4.15, it is noticed that F value 14.494 is significant at $P < 0.001$ levels. Therefore, from the result, it can be concluded that with 87.5% of the variance (R square) in procurement performance is significant and the model appropriately measure the dependent variables. Furthermore, the significant value P is very low or less than 0.01 means that the coefficient value is unlikely to have occurred by chance alone

4.7. Regression Coefficients

Standardized regression coefficient (Beta) is the estimated coefficient indicating the strength of the effect that each independent variable has on dependent variable expressed on a standardized scale where higher absolute values indicate stronger relationships (range is from -1 to 1) William and Barry, (2010)

Table 4.16 Regression Standardized Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients t	T	Sig
	B	Std. Error	Beta		
1 constant	-.351	.111		-3.204	.002
PP	.301	.034	0.347	8.102	.000
SC	.261	.032	0.311	7.543	.000
PPR	.274	.041	0.319	6.973	.000
MC	.261	.038	0.314	6.911	.000
TP	.251	.032	0.309	7.532	.000

Source: own survey result, 2019

Based on multiple linear regression analysis, the above table 4.11, Beta weight reveals that the effect of Procurement planning, Staff Competency, Procurement procedure and market condition on procurement performance are 0.347, 0.311, 0.319 and 0.314 respectively. This informs that the predicted change or any improvement in the dependent variable for every unit increase in the predictor, while other variables being held constant. By examining the standardized regression coefficient (β) for each of the predictor variables, the result found that Procurement planning ($\beta = 0.347, p < 0.05$), Staff Competency $\beta = 0.311, p < 0.05$), Procurement procedure ($\beta = 0.319, p < 0.05$), Market Condition ($\beta = 0.314, p < 0.05$) and Tendering process ($B=.309, P<.05$) show significant positive effect on procurement performance.

The multiple regression equation (Ho, 2006):

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \dots + \beta_n X_n$$

Where: Y = dependent variable β_0 = constant β_n = Unstandardized regression coefficient X = Value of the predicted coefficient Y (PRPR) = $\beta_0 + (\beta_1) PP + (\beta_2) SC + (\beta_3) PPR + (\beta_4) MC + (\beta_5) TP$

Where: PP=0.347, SC=0.311, PPR=0.319 and MC=0.314 TP=.309

PRPR = Procurement Performance

PP = Procurement Planning

SC=Staff Competency

PPR = Procurement Procedure

MC = Market Condition

TP=Tendering process

Y (PRPR) = $-.351 + 0.347 PP + 0.311 SC + 0.319 PPR + 0.314 MC + .309 TP$ By examining the unstandardized regression coefficient (β) for each of the predictor variables, the result found that procurement planning ($\beta = 0.347, p < 0.05$), staff qualification ($\beta = 0.311, p < 0.05$), procurement procedures ($\beta = 0.319, p < 0.05$), Market Condition ($\beta 0.314 =, p < 0.05$) and tendering process ($B.309 =, P < .05$) show significant positive effect on procurement performance.

So, there is a positive and significant effect of the predictors (Procurement planning, staff competency, procurement procedures , market condition and Tendering process) on outcome (procurement performance) since the value of beta coefficient is positive.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

Introduction

In this chapter the summary of the findings are provided, and conclusions are drawn in light of the objectives of the study. The researcher then presents recommendations for both the research and for improvement by the organization under study. Finally, it highlights suggestion for further study by other researchers in the future.

5.1. Summary of Major Findings

The research aims at assessing of factors that affect public procurement performance in Ethiopia: the case of AAPC. Accordingly to meet this objective, the researcher has developed a questionnaire from the relevant literature to collect and analyze the opinions of the study sample. The following findings are obtained;

5.1.1 Procurement Planning

- More than half (50%) of the respondents have witnessed that procurement plan is not developed in collaboration with user departments.
- There is a mismatch between what the AAPC have at its premise and what it is planning for which leads to an erroneous planning that is not feasible. And also the plan is not considered the availability of internal materials.
- The supply of products/services to the AAPC with respect to quality and cost might be compromised because the option for choosing from a range of vendors is limited.
- More than 50% of the procurement plan is not comprehensive that considers operational scope of the office.
- There is a lack of organization amongst the procurement department of AAPC.
- With regards to whether the budget allocated for each client is balanced with the current market condition, more than half (50%) of the respondents disagreed that In AAPC, the budget allocated for each client is balanced with the current market condition.

- Meeting the resource needs of the AAPC is very much challenging and it greatly affects the execution of the planning.
- More than half (50%) of the respondents disagreed that In AAPC procurement plan of the commission is prepared through involvement and participating of all end users which leads to ineffectiveness of the procurement plan.
- From the findings, majority (more than 50%) of respondents indicated that procurement plans in the department impacted positively on procurement performance.
- From Pearson's correlation coefficient, there is found to be a positive correlation and significantly related between procurement performance and procurement planning with a correlation result of 0.689, $P < 0.01$.
- From regression model, a unit increase in procurement planning will lead to a 0.347 increases in procurement performance at AAPC. This implies that planning accounts for 34.7% of variations in procurement performance.
- In addition, this study found out the goods/services or works not being procured on time because the work programs affected by procurement planning i.e. incomplete procurement plan and urgent/unplanned procurement requisitions are influenced the procurement performance of AAPC.

5.1.2 Staff Competency

- From the findings, majority (more than half) of respondents indicated that Staff Competency in the department impacted positively on procurement performance.
- From Pearson's correlation coefficient, there is found to be a positive correlation and significantly related between procurement performance and staff competency with a correlation figure of 0.589, $P < 0.01$.
- From regression model, a unit increase in staff competency will lead to a 0.311 increases in procurement performance at AAPC. This implies that staff competency accounts for 31.1% of variations in procurement performance
- The respondents also indicated that effective and efficient procurement process can only be achieved by conducting proper planning with the help of competent staff else there would be flaws in the process. Competent staff would ensure that items services are procured as and when the need is expected.

- In this connection ,Lysons and Gillingham, (2003) in their findings concludes that procurement personnel should be knowledgeable about specifications so as to be able to secure value for money for their employers and play their role of intermediaries between the user and the supplier.

5.1.3 Procurement Procedures

- More than half (50%) of the respondents disagreed that Public procurement law of the nation is enforceable in the office.
- Majority of the respondents disagreed that Ethical guidelines for public procurement are respected in the office.
- Majority of the respondents agreed that in AAPC, Procurement decisions are made based on the legal framework of the office.
- More than half (50%) of the respondents disagreed that in AAPC Illegal procurement practices are promptly diagnosed and detected.
- More than half (50%) of the respondents disagreed that in AAPC I The office applies regular reviews and analysis of the performance of the procurement function.
- More than half (50%) of the respondents disagreed that in AAPC that the procurement rules, regulation and procedure especially threshold does not affect the procurement performance.
- From the findings, majority of respondents indicated that procurement procedures have a positive impact on procurement performance.
- From Pearson's correlation coefficient, it was clear that there is a positive correlation and significantly related between the procurement performance and procurement procedure as shown by a correlation figure of 0.737, $P < 0.01$.
- From regression model, a unit increase in procurement procedures will lead to a 0.319 increase in procurement performance at AAPC. This implies that procurement procedures accounts for 31.9% of variations in procurement performance.
- The results have shown that tender evaluation not conducted according to the bidding and contract document terms and conditions in technical document evaluation and has got significant on procurement performance at AAPC .

- The study found out also there was poor tender process at the AAPC characterized by inaccurate tender evaluation and lack of proper controls where the user was left alone to manage and monitor own projects without involvement of procurement function.
- In this connection, this is also confirmed by Thai (2001), Inflexible and bureaucratic systems of procurement contribute to unacceptable contract delays, increased costs, and the potential for manipulation of contract public expenditure is slow, ineffective, expensive and often corrupt.

5.1.4 Market Condition

- More than half of (50%) the respondents disagreed that Information about the market is Adequate supplied by procurement unit.
- Majority of the respondents disagreed that all the requested items are accessible in the local market.
- Majority of the respondents agreed that in AAPC The price of the required items by the office are continuously increasing.
- More than half (50%) of the respondents disagreed that in AAPC Suppliers of the requested items are able to deliver the order at the specified lead-time
- The study found out majority (more than 50%) of respondents agreed that market condition impacted positively on procurement performance.
- From Pearson's correlation coefficient, there is a positive correlation and significantly related between procurement performance and market condition with Spearman's correlation coefficient of $r = 0.651$, $P < 0.01$.
- From regression model, assessing the market condition properly will lead to a 0.314 increase in procurement performance at AAPC. This implies that market condition accounts for 31.4% of variations in procurement performance. The results as shown that lack of conducting adequate market condition assessment in procurement process is one of the great factors which affect procurement performance in the AAPC.

5.1.5 Tendering Process

- 71% in cumulative terms disagree that there is adequate tenderers in the market.
- The tendering process is not accomplished based on the nations' tender procedure.
- More than half (50%) of the respondents disagreed that the tender announcement is made before adequate time so that adequate number of tenderers will not be invited.
- There is a lack of tender announcement is made before adequate time so that adequate number of tenderers will be invited in AAPC.
- More than half (50%) of the respondents disagreed that In AAPC, The tender process is accomplished transparently.
- Majority of the respondants have witnessed that the delivered items are not counted for their quantity.
- The study found out majority (more than 50%) of respondents agreed that tender processing impacted positively on procurement performance.
- From Pearson's correlation coefficient, there is a positive correlation and significantly related between procurement performance and tendering Process with Spearman's correlation coefficient of $r = .567$, $P < 0.01$
- From regression model, assessing the tender process properly lead to a 0.309 increase in procurement performance at AAPC. This implies that tender processing accounts for 31% of variations in procurement performance. The results as shown that in AAPC tender evaluation doesn't conducted according to predetermined set criteria in the bid document .It is one of the great factor which affect procurement performance in the AAPC.

5.2. Conclusion

- The results further revealed that procurement plans therefore can influence procurement performance in the sense that they provide focused and efficient utilization of available resources, and there by performance is assured.

- In addition Procurement staff competencies affect procurement performance of AAPC in the sense that inexperienced staff carries out duties without professional manner and it increases wastage of resources.
- This study has provided empirical justification for a framework that identifies four constructs of procurement Performance and describes the relationship among these constructs and procurement performance within the context of Ethiopia in AAPC. It concludes that there is a relationship between the procurement factors (independent variables) and procurement performance (dependent variable); the correlation relation shows that they have a strong and positive correlation with all procurement factors.
- According to the five R's of purchasing (at the right time, from the right source, at the right price, at the right quality) procurement unit of AAPC is working under poor performance and providing inefficient services for end users and average terms of purchasing right quantity.
- The independent variables studied significantly and positively affect the procurement performance of AAPC. In general, the study concludes that procurement planning, staff qualification, procurement procedures and market condition positively affect procurement performance at AAPC. The most important factor was found to be procurement planning followed by procurement procedures as pointed out by statistical out.

This study concluded that the AAPC procurement directorate was performing on the negative in all the five determinants of public procurement performance studied. Overall procurement planning was the most significant driver in procurement performance followed by procurement staff qualifications, procurement procedures, market condition and tender processing; in that order. Based on the summary of findings, the following conclusions were made: having motivated and well qualified staff and effective procurement planning are crucial for enhanced public procurement performance. On the other hand, failure to follow procurement procedure and instability of market condition impacted negatively on procurement performance.

5.3. Recommendations

Based on finding of the study, conclusion drawn in line with the study objectives, the following points are suggested by the researcher in order to improve procurement performance of Addis Ababa Police Commission.

- ❖ The organization AAPC, has to work on the five purchasing factors in order to improve its procurement performance in particular and organizational performance in general.
- ❖ AAPC should evaluate bidders according to the bid document criteria,
- ❖ AAPC should put in place competent inspection team, installing effective inventory management and consistent product quality and conducting market assessment to achieve right price.
- ❖ In order to address the above factors identified as far as quality management was concern; the organization should use effective procurement automation that could enhance timely delivery.
- ❖ The researcher also recommends that procurement plans shall be prepared on time with complete information by end users. In addition, crime investigation, crime prevention and special police force and other departments shall also minimized urgent/unplanned requisitions.
- ❖ Procurement plan must be fully integrated with the strategic plan and budget of the public administration.
- ❖ Procurement plan is specifically designed: to assure that funds are available for the procurement, that the proper method of procurement is undertaken, and the type of contract chosen can be suitable for the particular procurement of goods, works, or services.
- ❖ The procurement process should be administered by qualified and experienced procurement professionals.
- ❖ The organization should enhance its employee's competence as a way of achieving service delivery as a means of improving procurement performance. This can be achieved by creating awareness through training on the following aspects of

procurement; state of the order up to date and also those employees had superior knowledge in entire procurement process.

- ❖ For the success of the contracts under execution, the management of AAPC should ensure that proper mechanisms for procurement performance such as adequate monitoring and evaluation are put in place as an input for procurement personnel and user department with progress reports that helps to take necessary action.
- ❖ The study recommends that should conduct proper assessment as to the market condition of the needed items to procure the right items from the right suppliers.
- ❖ The organization should adhere the legal tendering process and procedures effectively to enhance its procurement performance to the desired level.

5.4. Suggestion for Further Study

This research is conducted only on AAPC; therefore, the researcher recommends that other researchers include regional procurement service provider offices of Ethiopia. In addition, this study limits itself to four factors, which explain about 85.9% of the factors affecting the AAPC. That means 14.1% is explained by other factors which are not included or studied by this research. The study was limited to four attributes of procurement performance and few variables of procurement performance measures. Further research is recommended on factors such as organizational structure, resource allocation and unethical practice.

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APPENDIX I
ST. MARY’S UNIVERSITY
SCHOOL OF GRADUATE STUDIES
DEPARTMENT OF MASTERS OF BUSINESS ADMINISTRATION

Dear respondent,

My name is Getenet Abera and I am carrying out an academic research on “Factors Affecting Public Procurement Performance: the case of Addis Ababa Police Commission.

The validation of the research objectives depends on your genuine and timely response by completing the attached questionnaires. I would like to assure you that the information acquired shall be used purely for academic purpose only and will be kept strictly confidential. Please indicate your level of agreement or disagreement by using (√ or x) mark on the appropriate box given corresponding to each statement, Please state your opinion on the space provided for open question and no need of writing your name.

Your co-operation and assistance will be highly appreciated. If you need any clarification or information: Mob.0911434045 E-mail. getasebw@gmail.com

Part One: Demographic data 1.What is your Educational level? (Tick as applicable)

Diploma First Degree Second Degree others

Level 1 Level 2 Level 3 Level 4

2. Relevant work experience: Less than 2 years 2-4 years

4 -6 years 6 and above 6 years

3. Please indicate your designation/ position

- Head of /department/unit/division/directorate
- Senior expert and expert
- Junior procurement officer

- Other Please specify, if other

4. Is there any entrance exam to be a procurement officer?

Part Two: procurement related questions

What is your level of agreement with the following statements that relate to the effect of Procurement planning of other public bodies on procurement performance?

NB: AAPC - Addis Ababa Police commission

1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Disagree

S.N.	1. Procurement planning related questions	1	2	3	4	5
1.1	End users in AAPC adequately plan their budget for the procurement items					
1.2	The procurement department develops a procurement plan each year.					
1.3	procurement plan is developed collaborate with user departments					
1.4	procurement plan is developed based internal materials availability					
1.5	A limited number of vendors are invited to bid for supply of products /services.					
1.6	The procurement plan is comprehensive that considers operational scope of the office.					
1.7	End users are raised their procurement needs on time					
1.8	User units provide clear specification for the needed items cured					
1.9	End users requisitions are planned and programmed					
1.10	procurement plan of the commission is prepared through involvement and participating of all end users					
1.11	the department's procurement function/unit well organized					

1.12	The budget allocated for each client is balanced with the current market condition					
	The requested budget for procurement is released on time					
2. Staff Competency Related Questions		1	2	3	4	5
2.1	In Addis Ababa Police commission the procurement activity is conducted by competent procurement staffs					
2.2	Procurement staffs have the ability to apply public procurement principles					
2.3	Procurement staffs have ability to process and evaluate bidding document					
2.4	Procurement staffs have the ability to negotiate with users and suppliers					
2.5	Procurement staffs have scientific knowledge and experience on the procurement process.					
2.6	Procurement staffs have the ability to understand users need, market environment and suppliers capacity					
2.7	procurement staffs of the office are continuously given training to improve their potential					
3. Procurement Procedure and Legal Frame Work		1	2	3	4	5
3.1	The office has clear and understandable Procurement Procedure					
3.2	The procurement procedure makes all the participants accountable in their area					
3.3	Public procurement law of the nation is enforceable in the office					
3.4	Ethical guidelines for public procurement are respected in the office					
3.5	The office applies consistent and sustainable procurement procedure					
3.6	Procurement decisions are made based on the legal framework of the office					
3.7	Illegal procurement practices are promptly diagnosed and detected					
3.8	Inadequate monitoring and evaluation of procurement performance					
3.9	The office applies regular reviews and analysis of the performance of the procurement function					
3.10	The procurement rules, regulation and procedure especially threshold does not affect the procurement performance.					

4. Current Market Condition		1	2	3	4	5
4.1	Market survey is adequately conducted by the office ahead of the procurement					
4.2	Information about the market is Adequate supplied by procurement unit					
4.3	There are adequate and competent suppliers in the market for frequently requested items					
4.4	All the requested items are accessible in the local market					
4.5	The price of the required items by the office are continuously increasing					
4.6	Suppliers of the requested items are able to deliver the order at the specified lead-time					
4.7	The current market is stable that enable suppliers to meet their agreement					
5. Tender Processing Related Questions		1	2	3	4	5
5.1	The office uses the tender procedure of the government properly					
5.2	There is adequate tenderers in the market					
5.3	The tendering process is accomplished based on the nations' tender procedure					
5.4	The procurement office announces the tender for suppliers using accessible medias					
5.5	tender announcement is made before adequate time so that adequate number of tenderers will be invited					
5.6	tenderers are evaluated based on formal criteria set by the office					
5.7	the tender process is accomplished transparently					
5.8	Delivered items are counted for their quantity					
5.9	Delivered items are inspected their quality against the intended purpose before they are delivered to the user					

Part – III: Procurement Performance

What is your level of agreement with the following statements that relate to procurement performance of Addis Ababa Police Commission?

1 = Very poor, 2 = Poor, 3 = Neutral, 4 = Good, 5 = Very good

S.No.	Procurement performance Rating with regard to 5 R's	1	2	3	4	5
1.1	With Right Quality					
2.2	At Right Time					
8.3	At Right Price					
8.4	From the Right Source					
8.5	Right Quantity					