FACTORS AFFECTING THE PROCUREMENT PROCESS IN GOVERNMENT MINISTRIES: A CASE STUDY OF MINISTRY OF ROADS, MECHANICAL AND TRANSPORT DEPARTMENT

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ABSTRACT

Given the impact of procurement activities on the operation and effectiveness of public sectors in Kenya among many other developing countries, it is essential that these activities be performed by qualified staff with high professional and ethical standards and using sound procedures anchored in appropriate policies and regulations. The study targeted a population of 464 management employees working at the Mechanical and Transport department, Ministry of Roads. Regression models were used to determine the relative importance of each of the four variables in relation to the study which sought to establish the factors affecting the procurement
process in government ministries in Kenya. Descriptive statistics and inferential data analysis method was to analyze the gathered data. The findings indicated that accountability, bidding, lead time, and internal processes affected procurement process in government ministries in Kenya.

Key Words: Procurement process, government ministries, operation and effectiveness

INTRODUCTION

Procurement process is the successive stages in the procurement cycle including planning, choice of procedure, means to solicit offers from bidders, examination and evaluation of those offers, award of contract and contract management. 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 (Dyckhoff, 2004). 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 (Dyckhoff, 2004).

Public procurement is the acquisition of goods and services at the best possible total cost of ownership, in the right quantity and quality, at the right time, in the right place and from the right source for the direct benefit or use of corporations, or individuals, generally by contract, (Breitman & Lucas, 1987). Procurement of vehicle and plants spare parts decisions include factors such as quality, delivery, handling, marginal benefit, and price fluctuations. Procurement generally involves making buying decisions under conditions of scarcity. If good data is
available, it is good practice to make use of economic analysis methods such as cost-benefit analysis or cost-utility analysis. An important distinction is made between analysis without risk and those with risk. Where risk is involved, either in the costs or in the benefits, the concept of expected value may be employed. Procurement is the acquisition of goods or commodities by a company, organization, institution, or a person. This simply means the purchase of goods from suppliers at the lowest possible cost (Cooper & Ellram, 1993). The best way to do this is to let the suppliers compete with each other thereby keeping the expenses of the buyer at a minimum. Procurement of goods and services spare parts and other items usually involves a bidding process in which the bidders or sellers quote their prices and the buyer accepts the lowest possible bid. This is the most efficient and cost effective method of procuring goods or services if the quality of the goods meets the buyers' requirement (Cooper & Ellram, 1993).

**STATEMENT OF THE PROBLEM**

Public Sector procurement is an instrument of Government policy. The setting of new policies to serve socio-economic objectives, the changed environment, and good governance require a review of the detail of the procurement system. If this is not done, new policies will not be able to produce the desired results. At the same time, government needs to be able to govern in an efficient and effective manner. Procurement should facilitate and not frustrate organs of State in their functioning and the discharge of their obligations (Daniels, 1994).

According to UN report (2011), The UN purchased over 822 different categories of goods and services for a total value of US$ 891,854,689 millions in 2003. The tables below show the top
twenty, by volume, of goods and services purchased in 2003. Air transportation Services, Chemical & Petroleum Products, EDP Equipment and Services, Food Rations, Telecommunication Equipment & Services and Motor vehicles/parts & transportation equipment top the list in dollar terms, at some 54.8% of the total volume spent on procurement. The range of goods and services that are required in support of peacekeeping missions, which are purchased from commercial sources include food rations/catering services; accommodation units; communication equipment; and civil engineering services (Daniels, 1994).

The validity of current public procurement practices needs to be examined, and certain practices need to be revised. Some housekeeping is necessary and issues which have never been satisfactorily resolved need to be addressed to ensure government bodies are able to fulfill their mandates. All government ministries, departments and state corporations apply the Public Procurement and Disposal Act 2005 during their procurement and disposal proceedings. Mechanical and Transport, one of the departments in the Ministry of Roads, has the responsibility of commercially maintaining and competitively hiring out a fleet of vehicles, plants and equipment to other government bodies and the general public. The department can only compete with the private sector if maintenance and repairs to its vehicles, plants and equipment is done quickly, efficiently and at minimum cost. One of the major requirement for this to happen is the timely availability of quality spare parts at competitive prices, through the procurement process. The spare parts are obviously available in the market; since other non-government competitors in the sector are able acquire them within a more reasonable time, cost and quality than the department. The shortcomings in the timely, economical and efficient acquisition of vehicle and plant spare parts in the department must therefore be as a result of the performance of the procurement process. It is therefore necessary to research into the possible
factors that may affect the performance of the procurement process with the aim of establishing whether, they in any way contribute to the problems experienced presently in the acquisition of the spare parts (Daniels, 1994).

Local studies had been done on procurement which include, Rwoti (2005) who conducted a study on procurement performance measurement systems in a survey of large manufacturing companies in Nairobi, Obiero (2008) did a study on the challenges in the implementation of the 2005 procurement act on the Kenyan Ministry of Higher Education, Science and Technology while Wambui (2008) conducted a study on the factors influencing the implementation of E-procurement among firms listed on the Nairobi Stock Exchange. There is limited research that has been carried out in public sector especially Ministry of Roads with respect to Mechanical and Transport Department especially in the field of procurement of spare parts. This study, therefore sought to bridge this knowledge gap by establishing the factors affecting the procurement process of spare parts at the Ministry of Roads, Mechanical and Transport Department.

**RESEARCH OBJECTIVES**

**General Objective**

To establish the factors affecting the procurement process in government ministries being a case of the Ministry of Roads, Mechanical and Transport Department.
LITERATURE REVIEW

Principal-Agent Theory

The principal-agent theory is an agency model developed by economists that deals with situations in which the principal is in position to induce the agent, to perform some task in the principal’s interest, but not necessarily the agent’s (Health and Norman, 2004). Donahue, (1989) explains that procurement managers including all civil servants concerned with public procurement must play the agent role of appointed representatives. As cited by Krawiec (2003), compliance may represent a principal-agent problem (Langevoort, 2002). Festinger (1957) proposed the theory of cognitive dissonance. This theory led to a number of derivations about opinion change following forced compliance. From this theory, it is inferred that when someone is forced comply, dissonance is created between their cognition and their behaviour. Forced public procurement law compliance can therefore culminate into cognitive dissonance. The above theory instigated the first research question: To what extent does accountability affect the procurement process in government ministries as observed at the Ministry of Roads, Mechanical and Transport Department?

The Institutional Theory

The institutional theory is the traditional approach that is used to examine elements of public procurement (Obanda, 2010). Scott (2004) identifies three pillars of institutions as regulatory,
normative and cultural cognitive. The regulatory pillar emphasizes the use of rules, laws and sanctions as enforcement mechanism, with expedience as basis for compliance. According to Scott (2004), institutions are composed of cultural-cognitive and regulative elements that, together with associated activities and resources give meaning to life. The author explains the three pillars of institutions as regulatory, normative and cultural cognitive. The regulatory pillar emphasizes the use of rules, laws and sanctions as enforcement mechanism, with expedience as basis for compliance. The normative pillar refers to norms (how things should be done) and values (the preferred or desirable), social obligation being the basis of compliance. The cultural-cognitive pillar rests on shared understanding (common beliefs, symbols, shared understanding).

In Kenya, public procurement has is guided by the PPDA Act 2005, regulations and guidelines which are from time to time issued by the Public Procurement Oversight Authority only and which must complied with to the latter by all the public entities and providers.

The principal agent theory as advocated by Donahue, (1989) explains that procurement managers in public sector play a relationship role. But his findings are based on the buyer/supplier relationship and the need of the buyer, as the principal, to minimize the risks posed by the agent. The author argued that procurement managers including all civil servants concerned with public procurement must play the agent role. Therefore procurement managers take on the role of agent for elected representatives. The principal-agency theory holds that sabotage is likely to occur when there is some disagreement between policy makers and the bureaucracy. The democratic perspective focuses on responsiveness to citizens and their representatives (Lee et al 2003).

The normative pillar refers to norms and values with social obligation as the basis of compliance. The cultural-cognitive pillar rests on shared understanding (common beliefs, symbols, shared
understanding). Borrowing from this theory, public institutions in Kenya are guided by rules and regulations with the PPDA Act (2005), Public procurement regulations (2006) and guidelines directing procurement activities. From the three pillars of institutions propounded by Scott (2004), organizational culture, social influence, organizational incentives and enforcement are identified as antecedents of compliance to procurement rules. This theory instigates the second research question: What are the effects of competitive bidding on the procurement process in government ministries as observed at the Ministry of Roads, Mechanical and Transport Department?

The E Technology Perspective Theory of Procurement

E-procurement lacks an overarching definition and encompasses a wide range of business activities. For example, Chopra et al. (2001) state that e-procurement remains a first generation concept aimed at buyers, which should progress into e-sourcing and ultimately into e-collaboration. E-collaboration allows customers and suppliers to increase coordination through the internet in terms of inventory management, demand management and production planning (Lee & Whang, 2001). This facilitates the so-called frictionless commerce paradigm (Barratt & Rosdahl, 2002). This research recognizes the extensive nature of e-procurement and uses the definition provided by Min and Galle (2003,) where e-procurement is a business-to-business (B2B) purchasing practice that utilizes electronic commerce to identify potential sources of supply, to purchase goods and service, to transfer payment, and to interact with suppliers. The authors believe that this definition provides the scope to investigate the basic level of e-procurement in the Irish ICT manufacturing sector.
The internet has been widely adopted by companies with the aim of improving performances both in internal processes and in processes going beyond their boundaries (Bartezzaghi & Ronchi, 2005). Despite the fact that business-to-business (B2B) trade has enjoyed a quieter existence online than business-to-consumer (B2C) (Barratt & Rosdahl, 2002) the benefits of e-procurement in a B2B setting are significant (Min & Galle, 2003). Indeed it has been claimed that e-procurement has become the catalyst that allows companies to finally integrate their supply chains from end-to-end, from supplier to the end user, with shared pricing, availability and performance data that allows buyers and suppliers to work to optimum and mutually beneficial prices and schedules (Neef, 2001).

Usually companies adopt e-procurement systems to manage the purchase of low criticality products and services (Bartezzaghi and Ronchi, 2005). In summation it is noted that the extent of e-procurement adoption remains in a formative stage, falling short of the type of e-sourcing and e-collaboration suggested by Bartezzaghi and Ronchi (2005). Common e-procurement tools are online catalogues and direct auctions, where reverse auctions remain unpopular with sellers (Bartezzaghi & Ronchi, 2005). E-procurement implementation is characterized by the direct and indirect procurement divide, where firms tend to use online systems for uncritical items (Min and Galle, 2003; Bartezzaghi and Ronchi, 2005). The transition to modern e-procurement calls for strategic adaptation. It is one strategy, though, that requires much organizational change (MacGregor & Vrazalic, 2005). The above theory instigated the third research question: How does lead time affect the procurement process in government ministries as observed at the Ministry of Roads, Mechanical and Transport Department?
EMPIRICAL REVIEW

Accountability is government's obligation to demonstrate effectiveness in carrying out goals and producing the types of services that the public wants and needs (Trepte, 2004). Lack of accountability creates opportunities for corruption. Bolton (2006) identifies three key components of accountability, including the measurement of goals and results, the justification or explanation of those results to internal or external monitors, and punishment or sanctions for non-performance or corrupt behaviour.

According to Lee, and Billington, 1992), accountability is a process of holding an individual or an organization fully responsible for all aspects of the procurement process over which they exert authority; strengthen the perception of transparency and fairness and reducing the incidence of corruption. A process that conforms to the expected standards of accountability is one in which clear procedures are established, understood and observed from the outset. These procedures need to be consistent with the legitimate interests of tenderers and the Government's policies and legislation as specified. All potential tenderers must be treated consistently and equitably in accordance with these procedures, (Trepte, 2004). Accountability management aims to: minimize conflicts/problems and the potential for litigation; avoid the potential for corrupt practices to occur; produce better outcomes against stated objectives; and maintain public sector integrity. Ways of maintaining accountability in the procurement process include the separation of duties and responsibilities. Accountability and transparency are fundamental to the work of public sector organizations and public officials. Accountability is the obligation to account for
the way particular duties have been performed. Accountability for outcomes in procurement is being able to explain how the procurement has achieved its anticipated outcomes.

Good procurement follows the principles of economy (best value for money), efficiency (does not delay the project), fairness (does not discriminate against bidders on the basis of nationality, for example) and transparency (what is involved, how it is done, and the results are public). A system that encourages as many qualified firms as possible to compete on the basis of price, while insuring quality objectives are met, is most likely to satisfy these principles. Business decisions are dominantly competitive in orientation. Consequently, the executive needs an understanding of the structure of competition in the industry. Although there is no substitute for the intimate knowledge of competitors ways that is acquired by a battle - hardened executive, economic analysis of the anatomy of the types of competition can shortcut the process of understanding an individual competitive framework. And can provide insight into probable behaviour patterns (Arnold, 2002).

Lead time in procurement refers to the interval in between the initiation of procurement action and receipt into the supply system of the production model (excludes prototypes) purchased as the result of such actions. It also refers to the point in time when the approved document requesting procurement and citing funds is forwarded to the procuring activity. It is composed of two elements, production lead time and administrative lead time. In order to shorten lead times, the distribution of products should be planned ahead of time, preferably delivered directly to beneficiaries, if possible (European Commission, 2006). The processing dimension of procurement is found to be an important predictor of contract compliance. The significance of this dimension emphasizes the importance of developing a system that is perceived by users to
be efficient in working through an order process and identifying mandated contracts. Given that performance deliverables such as lead time, order accuracy and on time delivery are included within the processing dimension, it can be concluded that users may choose suppliers outside mandated contracts if they are perceived to perform better in these areas. The significance of the processing dimension also suggests that if users perceive the e-procurement system as unable to deal with complex areas of procurement, they are likely to become non-compliant, (Hendrick and Ruch, 1988). The lead time involved in global supply chains may also create problems with respect to supplying replacement and spare parts.

Public procurement has, for long, been overshadowed with inefficiency, corruption and disregard of fundamental "value for money" considerations. This has adversely impacted the rate and quality of progress in realizing the objectives of national development, especially in developing and transition countries (Weiss & Thurbon, 2006). Public service is a public trust. For the individual public servant, at all levels of government from the executive, agency head, manager, and supervisor to the most junior staff person, that means placing professional and job-related responsibilities before personal gain and individual interest.

CRITICAL REVIEW

According to Blechinger (2005) to enhance accountability and eliminate public procurement fraud and corruption in political parties, institutional redesign is important. Reforms have to address the governing regime with which parties interact as well as internal party government (In addition, party laws are crucial in framing the context in which political parties operate. Party
laws regularly cover registration, finance, and general operation. They provide legitimacy to party activities while at the same time, defining party responsibilities and introducing government bodies empowered with oversight and enforcement. The establishment of national anti-corruption strategies is seen to be a key component for effective combat of public procurement fraud and corruption. KACA was already in the process of establishing such a strategy. However, the degree of attention paid to fraud and corruption in public procurement in recent years is extraordinary. These measures have not served the public procurement any justice as public procurement has been filled with corruption hence lack of transparency. This calls for more extensive research to address the vice.

According to Kelman, S. 1990, competition is usually efficient to curb public procurement fraud and corruption in procurement. Monopoly suppliers are one element, but also monopoly providers of public services can be problematic. In a given example where the office issuing drivers licenses frequently demands bribes, even when one have all papers in perfect order, a solution could be to establish other public offices with the same authority so as to provide the client with an alternative. That way one could address the office which doesn't add the extra price the bribe money incurs. Competition in the provision of public services has in some cases been forwarded as a possible solution. When significant problems arise during execution, a committee should respond, and not just one official. However, the views that the introduction of competitive bidding in public procurement will better the process do not hold. This is because they have not brought enough sanity in the procurement process.

According to Uyarra and Flanagan (2010) utilizing postponement strategies, lean procurement solutions provide a more responsive supply chain. Under the restricted practice the contracting
authority will select, from among the interested parties, those who may submit tenders. With the normal restricted practices, a prescribed minimum period is set aside from the date of dispatch of the tender notice to give interested supplies sufficient time to respond. Under the normal restricted practices, using the normal time scale, tenders are given a minimum of 40 calendar days from the date of dispatch of the tender document in which to complete and return procurements where an indicative notice under the pre-information practice has been used. However this view stands to be challenged in that Planning for procurements requires effective management of the processes, from initiation of procurement requirements to contract award. If these timelines are not planned and managed well, then it results in unnecessary delay.

According to Ndirangu, (2007), ethics are the moral principles or values that guide officials in all aspects of their work. Ethical behaviour encompasses the concepts of honesty, integrity, probity, diligence, fairness, trust, respect and consistency. Ethical behaviour includes avoiding conflicts of interest, and not making improper use of an individual's position. Ethical behaviour is important in public procurement as it involves the expenditure of public money, and is subject to public scrutiny. Public officials should always behave ethically and fairly, including in their business undertakings. Ethical behaviour supports openness and accountability in a procurement process and gives suppliers confidence to participate in the Government marketplace. Ethical behavior can also reduce the cost of managing risks associated with fraud, theft, corruption, and other improper behavior; and enhance confidence in public administration. However, this view of practicing ethical behaviour in public procurement has not helped fight the vices of fraud as Suppliers and purchasers still continue to engage in practice which distorts or is likely to distort fair and open competition.
RESEARCH GAPS

The problems associated with the internal factors affecting procurement process presented above each suggest a need for enhancing procurement capacity. To address these needs a comprehensive understanding of the underlying explanatory factors is required. While the present review has significantly contributed to such an understanding, further in-depth analysis in some areas is required to ensure that bureaucratic tendencies are eliminated, competitiveness enhanced, accountability upheld, and operating procedures adopted for effective and efficient procurement process.

METHODOLOGY

The study adopted a descriptive survey research design. A descriptive study is concerned with establishing the what, where and how of a phenomenon (Cooper & Schindler, 2003). The study population constituted 464 management employees working at the Mechanical and Transport department, Ministry of Roads. The primary research data was collected from the employees using a questionnaire. Data analysis was done with the help of software programme SPSS version 21 which is the most current version in the market and microsoft excel to generate quantitative reports.

RESULTS AND FINDINGS

Accountability
The study found indicated that accountability affected procurement of spare parts at the Ministry of Roads, Mechanical and Transport department to a great extent. Punishment or sanctions for non-performance or corrupt behavior affected procurement of spare parts and equipment at the Ministry of Roads, Transport and Mechanical Department to a moderate extent, the measurement of goals and results affected procurement of spare parts and equipment at the Ministry of Roads, Transport and Mechanical Department to a moderate extent and the justification or explanation of those results to internal or external monitors affected procurement of spare parts and equipment at the Ministry of Roads, Transport and Mechanical Department to little extent. These findings are in line with the literature review where according to Lee, and Billington, 1992), accountability is a process of holding an individual or an organization fully responsible for all aspects of the procurement process over which they exert authority; strengthen the perception of transparency and fairness and reducing the incidence of corruption.
Bidding

The study found that competitive bidding affected procurement of spare parts and equipment at the Ministry of Roads, Transport and Mechanical Department to a moderate extent. The respondents were neutral that in the department, decisions are dominantly competitive in orientation, the respondents were neutral that in the departments, there is a system that encourages as many qualified firms as possible to compete on the basis of price, while ensuring quality objectives are met, the respondents were neutral that competitive bidding procedures do not allow for the amount of flexibility available in real competitive markets, the respondents were neutral that there are directives in the departments that require the use of competitive bidding procedures aimed at selecting the winning bidder on the basis of stated criteria without the need for additional personal communication and the respondents were neutral that there is a general prohibition against discussions with tenderers, and bidders are not allowed to modify their bids after submission.

These findings relate with the literature review where Arnold (2002) indicates that Good procurement follows the principles of economy (best value for money), efficiency (does not delay the project), fairness (does not discriminate against bidders on the basis of nationality, for example) and transparency (what is involved, how it is done, and the results are public).

Lead Time

Moreover, the study found out that lead times in execution affected procurement of spare parts at the Ministry of Roads Mechanical and Transport Department to a very great extent. The
respondents were neutral that the time needed to prepare bids, the time required to make an award and place an order, the time required to receive the delivery, and the time between receipt and payment are all efficient in the department, the respondents disagreed that shorter lead times are preferred but must be appropriate for the specific context as shown by a mean of 1.6 and the respondents disagreed that an unpredictable lead time contributes to stock-outs hence paralyzing the departments operations.

These findings relate with the literature review where Hendrick and Ruch (1988) argues that performance deliverables such as lead time, order accuracy and on time delivery are included within the processing dimension, it can be concluded that users may choose suppliers outside mandated contracts if they are perceived to perform better in these areas.

**Internal Processes**

Finally, the study found out that internal processes affected procurement of spare parts at the Ministry of Roads Mechanical and Transport Department to a very great extent. The respondents were neutral that tender bids evaluation take longer than expected because the Kenyan tender committee is investigated for allegations of corruption, the respondents were neutral that internal financial malpractices also occur at any stage of the process and influence decisions on the model of procurement (direct rather than competitive), on the type and volume of procured supplies, and on specifications and selection criteria ultimately compromising access to essential quality medicines.
These findings relate with the literature review where Wood (1995), argues that public service is a public trust. For the individual public servant, at all levels of government from the executive, agency head, manager, and supervisor to the most junior staff person, that means placing professional and job-related responsibilities before personal gain and individual interest. Employees may neither engage in, nor give the appearance of engaging in, dishonest or unethical actions. Both are injurious to the public’s perception of honest government.

Regression Analysis

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.867a</td>
<td>.885</td>
<td>.657</td>
<td>.2543</td>
</tr>
</tbody>
</table>

Coefficient of determination explains the extent to which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable (Procurement process) that is explained by all the four independent variables (Technology, bidding, lead time and internal processes).

The four independent variables that were studied, explain only 88.5% of the Procurement process as represented by the $R^2$. This therefore means that other factors not studied in this research contribute 11.5% of the procurement. Therefore, further research should be conducted to investigate the other factors (11.5%) affecting Procurement process.
Table 4. 1: ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>43.872</td>
<td>5</td>
<td>12.675</td>
<td>62.675</td>
<td>.000&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td>Residual</td>
<td>23.234</td>
<td>100</td>
<td>.127</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>67.106</td>
<td>105</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: The study, 2012

The significance value is .000 which is less that 0.05 thus the model is statistically significant in predicting (Technology, bidding, lead time and internal processes) The F critical at 5% level of significance was 4.32. Since F calculated is greater than the F critical (value = 62.675), this shows that the overall model was significant.
The researcher conducted a multiple regression analysis so as to determine the factors affecting Procurement process and the four variables. As per the SPSS generated table 4.8, the equation \( Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon \) becomes:

\[
Y = 2.253 + 3.211X_1 + 2.798X_2 + 3.886X_3 + 2.458X_4 + \varepsilon
\]

Where \( Y \) is the dependent variable (procurement), \( X_1 \) is the Accountability variable, \( X_2 \) is Bidding variable, \( X_3 \) is Lead time variable and \( X_4 \) is Internal processes variable.

According to the regression equation established, taking all factors into account (Technology, bidding, lead time and internal processes) constant at zero, procurement will be 2.253. The data findings analyzed also show that taking all other independent variables at zero, a unit increase in
Accountability will lead to a 3.211 increase in procurement; a unit increase in Bidding will lead to a 2.798 increase in procurement, a unit increase in lead time will lead to a 3.886 increase in procurement, a unit increase in Internal processes will lead to a 2.458 increase in procurement. This infers that lead time is the most significant factor is planning.

At 5% level of significance and 95% level of confidence, Accountability had a 0.003 level of significance; Bidding showed a 0.004 level of significant, lead time showed a 0.001 level of significant, internal processes had a 0.002 level of significant; hence the most significant factor is lead time.

CONCLUSIONS

The study concludes that accountability affected procurement of spare parts at the Ministry of Roads, Mechanical and Transport department to a great extent. Punishment or sanctions for non-performance or corrupt behavior affected procurement of spare parts at the Ministry of Roads, Transport and Mechanical Department. The measurement of goals and results affected procurement of spare parts at the Ministry of Roads, Transport and Mechanical Department. Government officials use discretion to license and accredit facilities, providers, services and products, opening risk of abuse of power and misuse of resources. Sanctions for poor performance helped to increase accountability at the Ministry of Roads, Mechanical and Transport and Mechanical Department.

The study concludes that competitive bidding affected procurement of spare parts at the Ministry of Roads, Transport and Mechanical Department. In the department, procurement decisions are
dominantly competitive in orientation. Also in the departments, there is a system that encourages as many qualified firms as possible to compete on the basis of price, while ensuring quality objectives are met. Competitive bidding procedures do not allow for the amount of flexibility available in real competitive markets. There are directives in the departments that require the use of competitive bidding procedures aimed at selecting the winning bidder on the basis of stated criteria without the need for additional personal communication. There is a general prohibition against discussions with tenderers, and bidders are not allowed to modify their bids after submission.

The study concludes that lead times in execution affected procurement of spare parts at the Ministry of Roads Mechanical and Transport Department to a very great extent. The time needed to prepare bids, the time required to make an award and place an order, the time required to receive the delivery, and the time between receipt and payment are all efficient in the department.

The study concludes that internal processes affected procurement of spare parts at the Ministry of Roads Mechanical and Transport Department to a very great extent. Tender bids evaluation take longer than expected because the tender committee is wary of investigations for allegations of corruption. Internal financial malpractices may occur at some stage and influence decisions on the mode of procurement (to be direct rather than competitive), on the type and volume of procured supplies, and on specifications and selection criteria ultimately compromising access to essential quality spares parts.
RECOMMENDATIONS

The study recommends the Ministry to encourage accountability especially in procurement of spare parts. The staffs that do not perform or are corrupt need to be punished to discourage others. The ministry needs to come up with a good way of measuring performance in procurement department. Discretion to license and accredit facilities, providers, services and products, should not be used since they open risk of abuse of power and misuse of resources. Sanctions for poor performance need to be put in place.

The study recommends the ministry to use decisions which are dominantly competitive in orientation. A system that encourages as many qualified firms as possible to compete on the basis of price, while ensuring quality objectives are met need to be adopted. The current bidding procedures do not allow for the amount of flexibility available in real competitive markets. Discussions with tenderers should not be allowed.

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Public Procurement and Disposal of Assets Act of 2005


