



UGANDA MANAGEMENT INSTITUTE

**PROCUREMENT METHODS AND QUALITY OF SERVICE DELIVERY IN LOCAL
GOVERNMENTS IN UGANDA: A CASE OF KAMPALA
CAPITAL CITY AUTHORITY (KCCA)**

BY

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**A DISSERTATION SUBMITTED TO THE SCHOOL OF MANAGEMENT SCIENCE IN
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DECLARATION

I, *Kangume Moses* hereby declare that, this is my original work and has not been presented to any university or institutions of higher learning for any academic award. Where secondary sources of information used in this work, have been acknowledged.

Date

Signed

APPROVAL

This dissertation has been written under our supervision and has been submitted for the award of the degree of Masters in Business Administration with our approval as Uganda Management Institute supervisors.

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DEDICATION

This dissertation is dedicated to my Family for having tolerated me as “an absentee Head of the Family” for the years I spent pursuing the course.

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LIST OF ACRONYMS

| | |
|------|---------------------------------------------------------------|
| ADB | African Development Bank |
| DAs | District Assemblies |
| ETCs | Entity Tender Committees |
| FA | Framework Agreement |
| GDP | Gross Domestic Product |
| HLG | Higher Local Government |
| ICT | Information and Computer Technology |
| IGG | Inspector General of Government |
| KCCA | Kampala City Council Authority Kampala Capital City Authority |
| LGA | Local Government Act |
| MDAs | Ministries, Departments, Agencies |
| MOLG | Ministry of Local Government |
| NCT | National Competitive Tendering |
| NGOs | Non-Government Organizations |
| PPA | Public Procurement Authority |
| PPDA | Public Procurement and Disposal Act |
| PQQ | Pre-Qualification Questionnaire |
| SPSS | Statistical Package for Social Sciences |
| TRB | Tender Review Boards |

ABSTRACT

This study aimed at examining the relationship between procurement methods and quality of service delivery in Kampala Capital City Authority. The study specifically aimed at: assessing the relationship between competitive tendering methods and quality of service delivery in Kampala Capital City Authority; examining the relationship between restricted tendering methods and quality of service delivery in Kampala Capital City Authority and establishing the relationship between single source procurement method and quality of service delivery in Kampala Capital City Authority. This study was guided by a correlational research design. Triangulation of research methods was adopted in this study. 68 participants formed the sampling framework and 65 of them were determined as the sample. The sample was reached at using simple random sampling techniques and purposive sampling techniques. Analysis was done using frequencies, percentages, means and Pearson correlation matrix. On the side of qualitative data, this was analyzed using Content analysis. Findings revealed that there is a significant relationship between competitive tendering and quality of service delivery at 43.7% at KCCA. On second objective, it was established that restricted tendering contributes 29.1% on quality of service delivery at KCCA. On the last objective, single source procurement was found to contribute 47.6% on quality of service delivery. It was thus concluded that procurement methods used by KCCA has positively contributed to quality of service delivery. It was thus recommended that there is a need to build the capacity of service providers in Uganda, if quality of service delivery was to improve in public entities.

CHAPTER ONE

INTRODUCTION

1.0. Introduction

The study assessed the relationship between procurement methods and quality of service delivery in local governments using a case study of Kampala Capital City Authority. In this study, procurement methods were conceived as the independent variable and quality of service delivery as the dependent variable. Procurement methods were measured in terms of competitive tendering, restricted tendering and single source procurement, while, quality of service delivery was measured in terms of timely service delivery, value for money and client satisfaction. This chapter presents the background roots in four perspectives namely, historical, theoretical, conceptual and contextual roots of the study, the theoretical basis for the study, the problem that acted as the basis for undertaking this study, the research objectives as derived from the conceptual framework, the research questions and hypotheses as guided by research objectives, the study significance and justification, the study scope and key terms as defined.

1.1. Background to the study

The background to the study comprised the historical background of the variables that is procurement methods and quality of service delivery, the theoretical background covering the theory which will guide the study, the conceptual background and contextual background.

1.2. Historical Background

Globally, procurement procedures in public organizations originally emerged as part of the public procurement reforms recommended by World Bank (World Bank, 2003) in early 2000s and have subsequently gained much attention in recent years in both developed and developing nations (Cowell, 2009). Procurement methods came as regulatory reforms to bring about adherence to proper procurement methods like competitive tendering, single source procurement and restricted

procurement methods in procurement process (Burton, 2005). In Switzerland, their Procurement Reform Programme called for the Government to adopt proper procurement methods and methods to ensure that service delivery becomes efficient and effective (Walker, 2003). In USA, procurement methods were adopted with a main aim of controlling procurement corruption that had succumbed the public sector organization (Cowell, 2009). Therefore, having competitive tendering, single source procurement and restricted procurement methods emerged into the field of procurement and service delivery (Hunja, 2003).

In Africa, following procurement procedures gained much attention since 1990s. Procurement budgets emerged mostly in early 20th century in many developing countries since they had realised that they lose over twenty percent of their funds into procurement expenditures (Mlinga, 2009). This led to a number of governments in developing nations to initiate systems of procurement intended to streamline procurement. This was done by adopting a number of institutional, regulatory and legal procurement frameworks. In countries like Ghana, the government after losing over 70% of its budget to procurement, the government adopted a number of procurement policies that were put in the PPDA Act, 2003 (Adjei, 2005). According to Adjei (2005), adopting procurement methods as part of the overall procurement reforms was thought to substantially impact on quality of service delivery in Ghana through making savings on the budget and ensure that there is efficiency in how government makes its expenditures.

In Uganda, a wave of adopting procurement methods began in 2003 as part of the procurement reforms that had been recommended by World Bank. This led to enacting of PPDA Act (2003) and associated regulations (2003) (Agaba & Shipman, 2007). Since history, Uganda operated

under the British colonial rule. The introduction of the reform was meant to ensure that procurement can be transformed from being centralised to decentralised forms. During those days, purchasing of government items was mandated to be done by the Central Tender Boards which had been placed under the Ministry of Finance. This was being guided by the procurement regulations of 1977. The Government Central Purchasing Corporation used to purchase all goods and services on behalf of Ugandan Ministries. The failure of Government Central Purchasing Corporation and Central Tender Boards led to introduction of the amendment in PPDA Act, 2003. The Government Central Purchasing Corporation and Central Tender Boards had a number of backlogs in giving out tenders and coordinating suppliers, considered procurement methods that were being used as a key obstacle to effective service delivery (Task Force on Public Procurement Reform, 1999) which led to establishment of PPDA Act, 2003. This Act provides for the usage of competitive tendering, restricted tendering, single source procurement and other procurement methods in the virtue of improving quality of services in public sector organizations including KCCA which is our case in point here. From this background, this study was conducted to assess the introduction of procurement methods to be used by public sector organizations on whether they have led to improvement in the quality of services in local governments using a case of KCCA.

1.3. Theoretical Background

This study was guided by the “institutional theory” of Meyer & Rowan (1977) and Scott (2004). Institutional theory according to Meyer and Rowan (1977) assumes that there are always a number of culturally imbedded practices that guide work being done in any organization. These culturally imbedded practices are used in the defining the process used in procurement in an organization. Scott (2004) explains that in all organizations, there are structures, work norms, schemes, schemas,

work rules, and authoritative systems of guidelines which are inculcated into the prevailing social behaviors.

Further, Scott (2004) explains that there are essentially three pillars under which each and every organization sits and these includes; regulatory pillars, normative pillars and cultural cognitive pillars. Scott argues that the regulatory element is based on the usage of prevailing rules, laws and working sanctions which are defined by the organization and all people in the organization are aware of these regulations for procurement compliance. These are used more than the prevailing regulations known by the external people. The normative element in an organization consists of the working norms and values in an organization. These define obligations that enable the organization and people to comply or not comply. Cultural-cognitive element consists of daily work cultured beliefs, work symbols and share work understanding. Cultural cognitive goes directly in the mind and thinking of people working in an organization and they work within that way. Cultural cognitive is the most determining factor for service delivery because employees rarely do things that are not guided by their cultural meanings. It is imperative that the regulatory, normative and cultural cognitive are positive and supportive of the prevailing external regulations and this will directly lead to improved service quality (Lowell, 1994).

Lowell (1994) further contends that a strength credited to institutional theory as far as this study is concerned is its potential to clarify non-choice behavior of institutions how they conform to norms without questioning them and under taking public function. Strength is in following the rules as a mechanism of improving service delivery and budget performance. According to

Williamson (2003), accepting and following procurement rules is key in ensuring that service delivery is met. The second strength of this theory is with norms (Baker et al, 2001).

Organizations like KCCA have their norms on how they do things. It is imperative that positive norms are taken and negative norms are dealt away with if service delivery timeline is to be achieved. The last strength of this theory is with cultures. Organizational culture often determines service delivery performance of an organization. The theory centres on positive organizational culture to do with doing things in the right time, following guidelines and un-sympathizing with corruption. All these lead to improved service delivery (Basheka, 2008).

In Uganda, PPDA Act (2003) guides the processes, the procedures, methods, regulations and compliance to service quality. This Act was made to apply to all government PDEs and service providers (Strom 2000; Lupia 2003). Therefore, it is likely that procurement methods can have an impact on quality of service delivery because of the institution and in this case, KCCA may fail to comply with the procurement methods as it is given in the PPDA act 2003 and as amended in 2014 that can end up affecting the quality of services delivered. Thus, the relevance of this theory in studying the relationship between procurement methods and quality of service delivery in local governments as institutions. Therefore, when it came to procurement procedure, it is likely that the organization like KCCA can chose or not choose to allow the methods as they must be and if they are to follow, they just do regardless of quality, delivery and technical competency (de Graaf, 2007).

1.4. Conceptual Background

The conceptual framework provides the relationship between concepts, in case of this study the concepts were procurement methods and Quality of service delivery (Agaba, & Shipman, (2007).

In this study, procurement methods was conceptualized to mean the prevailing ways which organizations use in acquiring goods, products, works and needed work services (Youssef et al, 2006). Procurement methods are thus comprehensive in nature since they always determine the procurement plans to be used, the bidding methods, the allocation of resources, the invitation of tenders or bids, awarding of contracts, management and administration of contracts, measurement of performance, undertaking of procurement monitoring and auditing (Agaba and Shipman, 2007).

In this study therefore, procurement method was conceptualized to mean the methods involved in the procurement process (Arrowsmith & Hartley, 2002). In this study therefore, procurement methods were used to mean competitive tendering, restricted tendering and single source procurement. Competitive procurement and tendering was used to mean the provision of a service through a competitively awarded contract, restricted procurement was used to mean the provision of a service through first screening of contractors and single source procurement; in this study, this was used to mean is the provision of a service by a single source.

On the other hand, service quality, this refers to service performance done in a form of arrangement of supplying goods in recommended time and cost. Service quality is highly defined by accessibility, reliability, tangibility, competence, and responsiveness (Carr & Pearson (2002). Helmsing (1995) further defined service quality as an obligation that is deliberate to ensure that elected staffs can fairly service the public in defined time and cost. In this study thus, quality of

service delivery was measured using, timely service delivery, value for money and client satisfaction. In this study therefore, timeliness referred to the level of promptness in completing tasks, value for money referred to the level at which the service providers are able to provide services that are relative to the funds given to them and client satisfaction referred to the extent to which customers of service providers are contented with supplies and deliveries made.

1.5. Contextual background

In Uganda, a wave of adopting procurement methods began in 2003 as part of the procurement reforms that had been recommended by World Bank. This led to enacting of PPDA Act (2003) and associated regulations (2003) (Agaba & Shipman, 2007). Since history, Uganda operated under the British colonial rule. The introduction of the reform was meant to ensure that procurement can be transformed from being centralised to decentralised forms. During those days, purchasing of government items was mandated to be done by the Central Tender Boards which had been placed under the Ministry of Finance. This was being guided by the procurement regulations of 1977. The Government Central Purchasing Corporation used to purchase all goods and services on behalf of Ugandan Ministries. The failure of Government Central Purchasing Corporation and Central Tender Boards led to introduction of the amendment in PPDA Act, 2003. The Government Central Purchasing Corporation and Central Tender Boards had a number of backlogs in giving out tenders and coordinating suppliers, considered procurement methods that were being used as a key obstacle to effective service delivery (Task Force on Public Procurement Reform, 1999) which led to establishment of PPDA Act, 2003. This Act provides for the usage of competitive tendering, restricted tendering, single source procurement and other procurement methods in the virtue of improving quality of services in public sector organizations including KCCA which is our case in point here.

Kampala Capital City Authority (KCCA) was established with a mandate to ensure that quality of service delivery improves in Kampala city. KCCA like any other local government, adopted the legal framework (amended PPDA 2014, Solicitation document, MOLG Act), the regulatory framework (IGG, Auditor General, Ministry of Public service, Central Tender Board, Public Procurement Authority, Entity Tender Committees (ETCs) and Tender Review Boards) and procurement ethics (transparency, fairness, proficiency, trust and many others) (World Bank, 2013) to ensure that service delivery is met in time, quality and cost. However, despite efforts done, quality of service delivery is still not adequate. For instance, according to KCCA annual Report (2015), Nakivubo drainage has been delayed for the last five years. A good number of roads in the city center have been delayed. For instance, roads in Kawempe division have been on standstill for the last five years and over 160billions have been reported misused. KCCA markets including Busega, Kibuye, Kabalagala markets were started on and up to now they are still on standstill. Donors are continually pulling out in funding the organizational projects and the recent one is World Bank and ADB who were supposed to fund the construction of some roads and drainage systems due to issues linked to corruption in procurement methods (Transparency international, 2016). Such loopholes in service delivery are often attributed to non-adherence to procurement methods as recommended in institutional framework of PPDA Act, 2003 in form of competitive tendering, single procurement, restricted tendering among others. This justifies the rationale of this study as well.

1.6. Statement of the problem

Service delivery driven by public procurement in the public sector is highly related to compliance to procurement methods (Thai, 2004). According to Basheka (2008), public procurement plays a significant role in ensuring that there is efficiency in usage of taxpayers' money as well as ensuring

that overall quality of services is met. It is upon this background that KCCA through its reforms like legal framework (amended PPDA 2013, Solicitation document, MOLG Act), the regulatory framework (IGG, Auditor General, Ministry of Public service, central tender board, Public Procurement authority, Entity Tender Committees (ETCs) and Tender Review Boards) and procurement ethics (transparency, fairness, proficiency, trust and many others) (World Bank, 2013) adopted procurement methods including competitive tendering, single procurement, restricted tendering. This was done to meet timely, cost-effective delivery of services in its projects as well as meeting client satisfaction.

However, service delivery in KCCA is still reportedly poorly performing. For instance, in 2015, traffic lights that were purchased totaling to UGX 56 billion failed to operate, and many of them were stolen. This led the authority to lose a lot of money (KCCA Annual Report, 2015). This was attributed to competence of contractors. KCCA Annual Report 2014/15 further indicates that failure to adhere to timelines in the procurement plan was reported at 27% of the contracts reviewed, failure to complete 21% of the sampled procurement within the contractual completion time and awarding of contracts above cost estimates without evidence of conducting market research and failure to pay providers in the contracted time was at 38% of contracts sampled. These have been attributed to the methods used in undertaking procurement. Further, according to KCCA annual Report (2016), roads in Kawempe division have been on standstill for the last five years and over 160billions have been reported misused. KCCA markets including Busega, Kibuye, Kabalagala markets were started on and up to now they are still on standstill. All these are attributed partly on non-adherence to procurement methods (Basheka, 2013). If this was not attended too, it may affect the development in the city. It was against this background that this

study was undertaken to assess the relationship between procurement methods and quality service delivery in local government using a case of Kampala Capital City Authority.

1.7. Purpose of the study

This study aimed at examining the relationship between procurement methods and quality of service delivery in local governments using a case study of Kampala City Council Authority.

1.8. Specific Objectives

The study set out to achieve three objectives;

- i) To assess the relationship between competitive tendering methods and quality of service delivery in Kampala Capital City Authority.
- ii) To examine the relationship between restricted tendering methods and quality of service delivery in Kampala Capital City Authority.
- iii) To establish the relationship between single source procurement method and quality of service delivery in Kampala Capital City Authority.

1.9. Research questions

The study sought to answer the following research questions:

- i) What is the relationship between competitive tendering methods and quality of service delivery in Kampala Capital City Authority?
- ii) What is the relationship between restricted tendering methods and quality of service delivery in Kampala Capital City Authority?

- iii) What is the relationship between single source procurement method and quality of service delivery in Kampala Capital City Authority?

1.10. Research Hypotheses

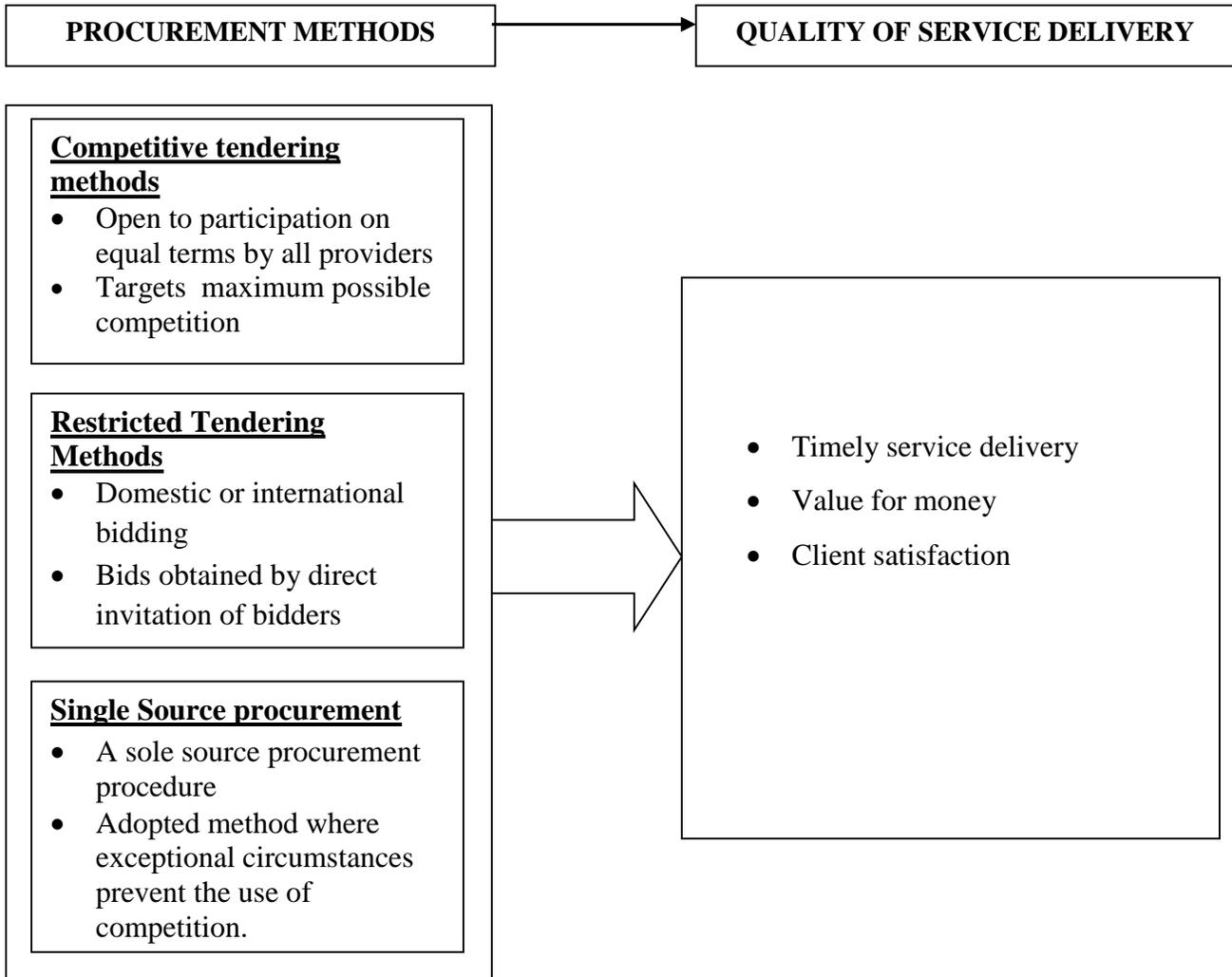
The study sought to test the following hypotheses;

- i) There is a significant relationship between competitive tendering methods and quality of service delivery in Kampala Capital City Authority.
- ii) There is a significant relationship between restricted tendering methods and quality of service delivery in Kampala Capital City Authority.
- iii) There is a significant relationship between single source procurement method and quality of service delivery in Kampala Capital City Authority.

1.11. Conceptual framework

INDEPENDENT VARIABLE (IV)

DEPENDENT VARIABLE (DV)



Source: From literature (the Amended PPDA act 2003: Arrow smith, & Hartley, 2002: Agaba, & Shipman, 2007)

Figure 1: Conceptual framework of the relationship between procurement methods and on quality of service delivery

From the conceptual framework in Figure 1, it was conceptualized that procurement methods have a positive relationship with quality of service delivery. If the organization properly follows procurement methods for instance competitive tendering, restricted tendering and single-source

procurement, this can influence the quality of service delivery in terms of complying with time, value for money and client satisfaction. Therefore, the assumption from the conceptual framework is that non-compliance to procurement methods highlighted is related to non-compliance with time, value for money and client satisfaction. In particular, improper following of procurement methods and its dimensions for instance competitive tendering, restricted tendering and single-source procurement can lead to poor quality of service delivery (delays and increased costs) and vice versa.

1.12 Significance of the study

This study may be important for various stakeholders in the following ways:

To government, the study may be of much help to local authorities, contract committees, procurement staff and all those involved in public procurement to improve and appreciate the procurement methods. Most local Governments have not fully embraced procurement procedures the study will give a full insight in the main procurement methods.

To Kampala Capital City Authority, this study may act as a source of information and foundation for designing policies that can improve and monitor projects in local governments. Through the recommendations after the study the findings may act as foundation for designing more policies to improve quality of service delivery while re-enforcing compliance with procurement methods.

The Ministry of Local Government: this study may benefit them as a source of information in relation to measures in improving procurement methods in local government if the findings reveal that procurement methods have a significant effect on quality of service delivery.

The researcher: the study results would anticipate helping the researcher to meet one of the requirements for the successful completion of his course. This would hope to provide the

researcher with strength by widening his understanding on issues related to procurement methods which may be vital for his future studies.

The academic community: the study findings may be important in adding to the already existing literature and this might help other interested researchers to formulate related questions on related issues of procurement methods and quality of service delivery. Further, other researchers may use the findings as references for further research in procurement methods and quality of service delivery in government agencies.

Donors and other regulatory authorities: the study may be of much help to local authorities, contract committees, procurement staff and all those involved in public procurement to improve and appreciate the procurement procedures.

1.13 Justification of the study

Prior studies (Sarpong (2007); Osafo-Marfo (2003) Dahel (2003) and Kakuru (2004) had been done on the relationship between procurement methods and quality of service delivery in local governments across the world, Africa and in Uganda. However, no study had been done on the aforementioned topic in KCCA considering the same dimensions of procurement methods like competitive tendering, restricted tendering and single-source procurement. Thus, the rationale behind the choice of this study was to empirically establish the relationship between procurement methods and quality of service delivery in local governments while using KCCA to fill the knowledge gap that is missing, while finding out what is exactly happening in the case of KCCA. The researcher therefore felt the need to carry out as research in order to understand the linkage between the aforementioned dimensions of procurement methods and quality of service delivery in local government using a case of Kampala Capital City Authority KCCA.

1.14 Scope of the study

This section was categorized in three areas. These are: Geographical, Time and Content scope.

Geographical scope

The study was conducted in Kampala Capital City Authority (KCCA). This is the legal entity, established by the Ugandan Parliament, which is responsible for the operations of the capital city of Kampala in Uganda. It replaced Kampala City Council (KCC).The Ugandan parliament, at the request of the cabinet, passed the Kampala Capital City Authority Act in November 2010 to become effective on 1 March 2011.The headquarters of KCCA are located on Nakasero Hill in the central business district of Kampala. The headquarters are immediately southwest of the Uganda Parliament Building.

Time Scope

The study was based on information of the years 2012-2016 due to the fact that this was the period in which KCCA started stabilizing and putting structures in place after the defunct KCC.

Content Scope

The study focused on the procurement methods and quality of service delivery at KCCA. Procurement methods were limited to competitive tendering, restricted tendering and single-source procurement. On the other hand, quality of service delivery was measured using time, value for money and client satisfaction. The study focused on procurement methods and quality of service delivery which are under sharp criticism.

1.15 Definition of key terms

Procurement methods- referred to the prevailing ways which organizations use in acquiring goods, products, works and needed work services.

Competitive procurement and tendering, in this study, this was used to mean the provision of a service through a competitively awarded contract

Restricted procurement; in this study, this was used to mean the provision of a service through first screening of contractors

Single source procurement; in this study, this was used to mean is the provision of a service by a single source

Timeliness: This referred to the level of promptness in completing tasks.

Value for money: this referred to the level at which the service providers are able to provide services that are relative to the funds given to them

Client satisfaction: this referred to the extent to which customers of service providers are contented with supplies and deliveries made.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

The study focused on procurement methods and quality of service delivery in local governments in Uganda. Literature was reviewed according to the topic of the study using text books, journals, internet and documents about procurement methods and quality of service delivery in local governments in Uganda and worldwide. The chapter was based on the objectives and theories underpinning the study.

2.1 Theoretical Review

The theory that guided this study is the institutional theory of Meyer & Rowan, (1977) and Scott (2004). Scott (2004) indicates that institutions informally institutes cognitive elements that keep streamlining on how the organization can operate. Such cognitive elements are in form of cultural, normative and regulatory cognitive elements. These work as rules, regulations and laws that prohibit or support behavior or compliance to existing government arrangements. For instance, Uganda has in place PPDA Act, 2014 has amended, which illustrates procurement methods that can be used in ensuring that service delivery is met with efficiency and effectiveness. The compliance to these methods are always in tandem with cultural, normative and regulatory cognitive elements. Institutional theory according to Meyer and Rowan (1977) assumes that there are always a number of culturally imbedded practices that guide work being done in any organization. These culturally imbedded practices are used in the defining the process used in procurement in an organization. Scott (2004) explains that in all organizations, there are structures, work norms, schemes, schemas, work rules, and authoritative systems of guidelines which are inculcated into the prevailing social behaviors.

Further, Scott (2004) explains that there are essentially three pillars under which each and every organization sits and these includes; regulatory pillars, normative pillars and cultural cognitive pillars. Scott argues that the regulatory element is based on the usage of prevailing rules, laws and working sanctions which are defined by the organization and all people in the organization are aware of these regulations for procurement compliance. These are used more than the prevailing regulations known by the external people. The normative element in an organization consists of the working norms and values in an organization. These define obligations that enable the organization and people to comply or not comply. Cultural-cognitive element consists of daily work cultured beliefs, work symbols and share work understanding. Cultural cognitive goes directly in the mind and thinking of people working in an organization and they work within that way. Cultural cognitive is the most determining factor for service delivery because employees rarely do things that are not guided by their cultural meanings. It is imperative that the regulatory, normative and cultural cognitive are positive and supportive of the prevailing external regulations and this will directly lead to improved service quality (Lowell, 1994).

Lowell (1994) further contends that a strength credited to institutional theory as far as this study is concerned is its potential to clarify non-choice behavior of institutions how they conform to norms without questioning them and under taking public function. Strength is in following the rules as a mechanism of improving service delivery and budget performance. According to Williamson (2003), accepting and following procurement rules is key in ensuring that service delivery is met. The second strength of this theory is with norms (Baker et al, 2001).

Organizations like KCCA have their norms on how they do things. It is imperative that positive norms are taken and negative norms are dealt away with if service delivery timeline is to be achieved. The last strength of this theory is with cultures. Organizational culture often determines service delivery performance of an organization. The theory centres on positive organizational culture to do with doing things in the right time, following guidelines and un-sympathizing with corruption. All these lead to improved service delivery (Basheka, 2008).

In Uganda, PPDA Act (2003) guides the processes, the procedures, methods, regulations and compliance to service quality. This Act was made to apply to all government PDEs and service providers (Strom 2000; Lupia 2003). Therefore, it is likely that procurement methods can have an impact on quality of service delivery because of the institution and in this case, KCCA may fail to comply with the procurement methods as it is given in the PPDA act 2003 and as amended in 2014 that can end up affecting the quality of services delivered. Thus, the relevance of this theory in studying the relationship between procurement methods and quality of service delivery in local governments as institutions. Therefore, when it came to procurement procedure, it is likely that the organization like KCCA can chose or not choose to allow the methods as they must be and if they are to follow, they just do regardless of quality, delivery and technical competency (de Graaf, 2007).

Lowell (1994) argues that strength of this theory is in following the rules as a mechanism of improving quality of service delivery. According to Williamson (2003), accepting and following procurement methods is key in ensuring that quality of service delivery is met. The second strength of this theory is with norms (Baker et al, 2001). Organizations like KCCA have their norms on

how they do things. It is imperative that positive norms are taken and negative norms are dealt away with if performance is to be achieved. The last strength of this theory is with cultures. Organizational culture often determines quality of service delivery. The theory centres on positive organizational culture to do with doing things in the right time, following guidelines and unsympathizing with corruption. All these lead to improved quality of service delivery (Basheka, 2008).

However, the institutional theory has certain weakness as far as explaining performance of an organization is concerned. For instance, it complacently assumes that every time, institutions have to follow rules or regulations. This may not necessarily be the case since, most organizations tend to have rules on paper but end up doing other things (Choi and Hartley, 2006). For example in KCCA the political leadership priorities may not be in line with the technocrats' rules and norms. Secondly, this theory falls short in realizing that, in certain cases organizational norms and cultures can be negative and can render or spark off poor budget or organization performance (Basheka, 2008).

Deriving from this theory, it is imperative that rules are followed; organizational normative structures and organizational culture are supportive if quality of service delivery is to be achieved. Therefore, it is likely that procurement methods can have an impact on service quality because of the institution and in this case, KCCA may fail to comply with the procurement methods as given in the PPDA act 2003 and as amended in 2014 that can end up affecting service quality which is also rule and law bound.

2.3 Conceptual review

This section reviews the study concepts (independent variables) in details in relations to dependent variables. Therefore, in here, a review of competitive tendering methods, restricted tendering methods and single source procurement is done in relation to quality of service delivery

2.3.1 Competitive tendering methods and quality of service delivery

In ascertaining the relationship between competitive tendering methods and quality of service delivery, Buuri (2013) argues that competitive tendering methods have a direct relationship with the quality of service delivery. This is because it allows open participation of all service providers on equal terms. The allowance of participation on equal terms gives a leeway of acquiring competent of service providers who can do or provide service in time, quality and cost. Kenyanya et al., (2010) ascertain that most of the public organizations which utilize usage of open participation of all service providers on equal terms have had their service provision improve. In Kenya, Kenyanya et al., (2010) gave an example of Kenya Revenue Authority which found it's self-achieving short of its objectives because they did not choose to use open tendering or competitive tendering. Kenya Revenue Authority thus decided to start utilizing competitive tendering processes that had its services improve. Kumar et al., (2005) further ascertain that competitive tendering gives a chance for an organization to make adverts in public Medias that allow competent suppliers to apply and given a chance according to their abilities.

Buuri (2013) further argues that competitive tendering opens up maximum possible competition among service providers which helps competent service providers to be identified. If there is no competition among service providers, the quality of service provided lowers. If there is a high competition among service providers, the quality of service provided lowers. If there is a high competition, there is high quality of services. Nyeko (2004) gave an illustration in government

departments. In local governments, most of them do not use competitive tendering processes and this defines the reasons why service quality has remained poor. Open tendering process has often been opposed since it allows longer period of time and increases bureaucracy of timeline to screen best candidates and this elongates the provision of service delivery. Klein (2001) had earlier ascertained that competitive tendering allows consistent strict adherence towards the process of selecting suppliers. This process enables the selection of candidates based on their earlier performance. This method defines clear technical specification required but very much criticized because of suppressing innovation (Kumar et al., 2005). Kenyanya et al., (2010) argue that open tendering is the best preferred method of procurement that opens up a longer process of obtaining value for money, effective acquisition of goods and services and it is only recommended in organizations which are highly rooted and accountable to people or Parliament (Kenyanya et al., 2010).

Ngari (2012) further ascertains that there is a prospect of requesting proposals from the public while being guided by a clear process of allowing all prospective bidders to engage in the process of tendering and if one of the steps is jumped, the hiring organization is liable for a litigation. Technical specification clearly defines the work scope, quality, the plans, the goals to be achieved, the cost and the timeframe. This becomes the basis of ensuring that the quality of service delivery is realized in public sector. All prospective service providers are asked to submit their financial and technical proposals and these are weighed towards the quality of services required by the contracting authorities and usually the best candidate is chosen to implement service delivery (Nyeko, 2004). The underlying disadvantage of competitive tendering lies in change of prices or price escalation which may affect the quality of services since the contracted organizations can fail

to obtain the goods and services at the price that had earlier indicated in the procurement dossier. It is upon this background that this study was undertaken to assess whether the usage of competitive tendering process has had an improvement in the quality of service delivery. At the end of the study, it was established that the usage of competitive tendering process in KCCA had improved the quality of services.

2.3.2 Restricted tendering methods and quality of service delivery

Restricted tendering is mostly used when the value and the conditions are not justifiable to the open tendering where by bids are obtained directly without floating the tender to the public. Here the procuring entity uses its database of pre-qualified providers who are directly invited to tender. However, the procuring entity must demonstrate that open tendering is not applicable and for a procuring entity to use this method of procurement the tender committee must consent to its use (Ngari, 2012). An invitation to quotation is a simplified tendering methodology where the procuring entity seeks to limit transactions costs, thus preferring to contact the firms that have proven track, when calling for quotations. Request for quotations should be addressed to not less three or more candidates (Ngari, 2012). A study on procurement systems assessment that was done in Kenya which was propagated by Public Procurement Oversight Authority (PPOA), (2007) where seven procurement entities participating in the Consumer Price Index (CPI) survey made a research on over 11000 procurements in an assessment period which confirmed the trend of procurement entities which relies mostly on price quotations. In this method, it is important that the functioning of procurement requires a clear developed and considerable ways that usually needs to have in place an open tendering in future.

Ngari (2012) further ascertains that there is a prospect of requesting proposals from the public while being guided by a clear process of allowing all prospective bidders to engage in the process of tendering and if one of the steps is jumped, the hiring organization is liable for a litigation. Technical specification clearly defines the work scope, quality, the plans, the goals to be achieved, the cost and the timeframe. This becomes the basis of ensuring that the quality of service delivery is realized in public sector. All prospective service providers are asked to submit their financial and technical proposals and these are weighed towards the quality of services required by the contracting authorities and usually the best candidate is chosen to implement service delivery (Nyeko, 2004). The underlying disadvantage of restrictive tendering lies in change of prices or price escalation which may affect the quality of services since the contracted organizations can fail to obtain the goods and services at the price that had earlier indicated in the procurement dossier.

PPOA (2007) ascertains the request for quotation procurement methods has the benefits of significantly reducing procurement lead-time. Restrictive tendering removes chances of competition but rather opens up a chance for only prequalified and chosen service providers who have already good idea since there are high probable chances to request for quotations. According to Albert (1989) states that as tenders arrive in the office, they should be logged in, date stamped and filled in a safe or secure place until the expiration of the tender period. The evaluation is done by ad hoc committee who will ensure that no risk of late adjustment to prices. The underlying disadvantage of restrictive tendering lies in change of work procurement policies which may affect the quality of services since the contracted organizations can fail to obtain the goods and services at the price that had earlier indicated in the procurement dossier. It is upon this background that this study was undertaken to assess whether the usage of restrictive tendering process has had an

improvement in the quality of service delivery. At the end of the study, it was established that the usage of restrictive tendering process in KCCA had improved the quality of services.

2.3.3 Single source procurement method and quality of service delivery

Direct or single sourcing is used where circumstances do not allow for competitive bidding. It is used for small quantities in case where time may not allow for competitive bidding. Mokaya (2004) states that single source procurement is basically used and applied when there is emergence in service delivery and this is usually allowed to apply in autonomous organizations which do specified duties. Single source procurement is highly threatened when it comes to the quality of service delivery since the single source can choose to deliver poor quality or good quality without much competition (Hamza, 2008). The underlying problems with the single source procurement lies in the fact that the whole hope is put in the hands of a sole service provider who can at any time choose to either supply good or poor quality of services. Single source procurement is mainly advantaged since they can promptly deliver goods in the time required without wasting time in open tendering and bidding, however, this may only elongate the process since the poor quality of services may take back the organization into either restricted or competitive tendering to fill the performance gaps created by single source service providers.

Ngari (2012) adds that the problem consisted with single source is that these kind of service providers tend to be alone in the field of pray and it becomes harder to be substituted with any other service provider. Even if they keep making mistakes like delays in delivery, poor quality of services, increased cost of supplying goods and services, this can lead to deteriorated quality of services provided to citizens. The lack of a reasonable substitutes to single sources has been the major factors explaining why there has been persistent poor quality of services delivered or done

in public sector organizations since they keep holding on one supplier and this keep exacerbating the process of service delivery.

Davies, Gann and Douglas (2009) argue that single source procurement method limits the contracting authority to choosing a single supplier who has to keep providing or supplying goods and services to the organization. Usually single source procurement tends to open up a deal for increased outsourcing since single source tend to lack entire services required in public sector organizations. Outsourcing seems to endanger the development of clear competent service providers since all of them belong to outsourced agencies which tend to be expensive to the government departments. Given the fact that single source procurements mandate the single supplier to meet his obligation as put in the agreement, this does not necessarily mean that mean that their disobedience with terms and conditions will lead to cancellation of the contracts.

Davies, Gann and Douglas (2009) adds that single sourcing breeds corruption tendencies since the contractors can always choose to use their own organizations where they make personal benefits. The choice of service providers in this kind of arrangement is highly criticized by scholars in developing countries where corruption is the order of the day. Basheka and Oluka (2008) argue that single source procurement has highly been used by Ministry of Defense and Ministry of Finance and Economic Development but these ministries had always been reported in a number of procurement scandals. They indicated cases of defunct planes and uniforms that were supplied for UPDF staffs which were not fitting. The Ministry of Finance and Economic Development has been in a number of scandals for hiring suppliers who does not meet the quality standards. This method of procurement hides a number of kickbacks and bribery among officials in the state that live to take advantage of government resources. It can be noted that the underlying disadvantage of single source tendering lies in putting all hopes in a single supplier who are chosen on the discretion of

one person or committee influence which may affect the quality of services since the contracted organizations can fail to obtain the goods and services at the price that had earlier indicated in the procurement dossier. It is upon this background that this study was undertaken to assess whether the usage of restrictive tendering process has had an improvement in the quality of service delivery. At the end of the study, it was established that the usage of restrictive tendering process in KCCA had improved the quality of services.

2.4 Summary of Literature Review

The literature first dwelt with procurement method which is supposed to be done in fair manner, accountable and workable procedures used by procurement departments in government departments which revealed that compliance would ensure efficient use of public funds if not practiced hence loss of public funds and poor quality of service delivery. Despite the fact that a number of studies had been done on the relationship between procurement methods and quality of service delivery, most of them do not cover all factors employed by this study in operationalising procurement methods and quality of service delivery. Further, such studies fell short on explaining on what is happening in government setting in developing countries like Uganda and KCCA in particular. Additionally, some of the literatures have indicated that it is not always the case as explained by theories that procurement methods promote timelines, client satisfaction and cost of service delivery. However, studies reveal that it is sometimes not the case, since many organizations have been undertaking procurement methods effectively, and still experience poor quality of service delivery. This study will endeavor to assess whether procurement methods can have a significant effect on quality of service delivery while using KCCA in Uganda.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter consists of the methods that were followed in undertaking this study and these primarily included; the research design adopted, the number of people targeted, the sample determination process, the techniques chosen to reach out to the sample, data collection methods employed as well as the data collection instruments. This chapter further explains the quality control criteria used, the procedure followed in data collection, the process of data analysis, variable measurement process and ethics which the study persevered.

3.1 Research Design

This study adopted a cross sectional research design (Saris & Revilla, 2015). This meant the undertaking of a study for a small period of time while using a specified cross section of people in an organization (Sekaran, 2003). This was preferred since this was an academic study that did not require a lot of time to be conducted (Sekaran, 2003). This type of research design was selected as ideal for this research because the study intends to identify predictive relationships by using correlations. A mixed method was preferred for this study. The quantitative was adopted because the study is seeking to examine the procurement methods and quality of service delivery in Kampala Capital City Authority. A qualitative approach enables the researcher capture data that were left out by the quantitative approach as well as capturing in depth information on this study.

3.2 Study Population

This study was conducted in KCCA. Kampala City Council Authority was selected because it has had a number of cases related to poor quality of service delivery linked to procurement methods used. The study population consisted of 68 respondents (KCCA Human Resource Manual, 2015).

The 68 respondents consisted of 10 executive members, 10 KCCA technocrats and 38 KCCA Contract Committee staff. Executive members were chosen due to their decision making role they play in KCCA. KCCA technocrats were chosen because of their technical oversight duties. KCCA Contract Committee staff was chosen because they were involved in the contracting process. This population was drawn from the key officers who directly interface with procurement processes including decision making and also convenient for the researcher to get data with ease.

3.3 Determination of the Sample Size

Determining sample size called for use of Morgan and Krejcie (1970) Table. This is practically indicated in Appendix IV (Amin, 2005). Table 1 has more details on the sample size and techniques.

Table 1: Sample Size determination

| Category of Population | Population Size | Sample Size | Sampling Technique |
|------------------------|-----------------|-------------|------------------------|
| Executive | 10 | 10 | Purposive sampling |
| Senior management | 10 | 10 | Purposive Sampling |
| KCCA procurement unit | 38 | 35 | Simple Random sampling |
| Service providers | 10 | 10 | Purposive sampling |
| Total | 68 | 65 | |

Source: population adopted from KCCA Human Resource Manual, 2015

3.4 Sampling techniques and procedure

The researcher used both probability and non-probability sampling techniques including simple random sampling technique. This method was chosen since it gives equal chance to respondent to participate and cheaper. The study respondents were divided up into categories as described in table 1 above. There were four categories of participants, i.e, executive members, KCCA technocrats, service providers and KCCA contract committee members. The study used simple

sampling technique to select KCCA procurement committee members. This was adopted since it barely reduces on chances of being biased when selecting respondents in large numbers (Mugenda & Mugenda, 2003). On the other hand, purposive sampling was adopted for this study in choosing executive members, KCCA technocrats and service providers. This technique was chosen to be employed to such officials since it is favorable in selecting knowledgeable respondents and informative (Sekaran, 2003).

3.5 Data Collection Methods

Primary and secondary sources were used in collecting data which were both qualitative and quantitative. Primary data was sourced using questionnaires and interviews and secondary data was sourced using documents such as journals, reports, planning documents, memos, and files. The data was collected from KCCA by the researcher and assisted by research assistants for convenience and speed.

3.5.1 Questionnaire Method

This referred to a method of collecting data which consist of asking people a series or number of questions and provide prompt answers in a shortest period of time (Amin, 2005). This collected primary data from procurement unit staff, and, it involved use a close ended questionnaire which allow easy correlation and regression of the respondents attitudinal disposition on the independent and dependant variables (Amin, 2005). The usage of a questionnaire was because the number of questionnaire respondents was very many and these required to provide information in a shortest period of time, hence saving time. Another issue was for issues of convenience since respondents found it easy to fill them at their own time of convenience (Oso and Onen 2008).

3.5.2 Interview Method

The study employed interview method. Interview method refers to the collection of data by querying respondents or key informants several questions and make a follow up or probe and prompt their answers (Kathuri, 2004).The researcher obtained more information on procurement methods and service quality. This method was imperative to the researcher since it allowed him to keep alternating questions in the best way he wanted them to be asked. Secondly, the issue of probing and promoting became very easy for certainty (Sekaran, 2003).The interview method was used to collect primary data from executives, technocrats and service providers.

3.5.3 Documentary Review Method

Documentary Review Method means to reading a number of documents related to the study variables to complement on the findings obtained using primary data collection methods (Kothari, 2004). The study here collected secondary data guided by the documentary review checklist. The researcher made time to review documents for purposes of ensuring that certain information is obtained. This method was used because it enables the researcher to conveniently access particular information which was hard to be obtained using other methods (Oso& Onen, 2008).

3.6 Data collection instruments

These are the tools for data collection (Mugenda and Mugenda, 2003). In this study, these include; Questionnaire and Interview guide. These were used because it is important to implement the data collection methods highlighted above.

3.6.1 Questionnaire

This refers to a tool of collecting data which consists of asking people a series or number of questions and provide prompt answers in a shortest period of time (Amin, 2005). This collected

primary data from KCCA procurement unit staff, and, it involved use a close ended questionnaire which allow easy correlation and regression of the respondents attitudinal disposition on the independent and dependant variables (Amin, 2005). The usage of a questionnaire was because the number of questionnaire respondents was very many and these required providing information in a shortest period of time, hence saving time. Another issue was for issues of convenience since respondents found it easy to fill them at their own time of convenience (Oso and Onen 2008).

3.6.2 Interview Guide

The study employed key informant interview guide. Interview guide refers to the collection of data by querying respondents or key informants several questions and make a follow up or probe and prompt their answers (Kathuri, 2004).The researcher obtained more information on procurement methods and service quality. This tool was imperative to the researcher since it allowed him to keep alternating questions in the best way he wanted them to be asked. Secondly, the issue of probing and promoting became very easy for certainty (Sekaran, 2003).The interview guide was used to collect primary data from executives, technocrats and service providers.

3.6.3 Documentary Review Checklist

Documentary Review checklists mean to reading a number of documents related to the study variables to complement on the findings obtained using primary data collection methods (Kothari, 2004). The study here collected secondary data guided by the documentary review checklist. The researcher made time to review documents for purposes of ensuring that certain information is obtained. Among the documents that were reviewed included; KCCA Annual Reports, Bidding Documents, Audit Reports, KCCA procurement plans, Transparency international report, World bank Reports , PPDA Act 2003 and as amended 2014.

3.7 Quality Control

Quality control is done for purposes of meeting the standards of replicability and consistency in the tools to be used. Therefore, this was accomplished using validity and reliability as indicated below;

3.7.1 Validity

For purposes of ensuring that the tools measure what they were anticipated to measure, a validity test was undertaken. Here, expert judgments were reached and all items had a content validity index of above 0.7 as recommended by Oso and Onen (2008). Table 2 has details;

Table 2: Content Validity Indices for the Questionnaire

| Variable | Description | No. of Items | Content validity index |
|-------------|-----------------------------|--------------|------------------------|
| Independent | Competitive tendering | 9 | 0.898 |
| | Restricted tendering | 7 | 0.861 |
| | Single source procurement | 9 | 0.78 |
| Dependent | Quality of service delivery | 9 | 0.843 |

Source: Primary data, 2017

3.8.2 Reliability

To ensure that the tools would demonstrate high level of consistency if they are used elsewhere, the tools were pilot tested to establish the Cronbach Alpha Coefficients. Pilot testing was done in a synonymous organization and that was NIRA. In this case, as recommended by Mugenda and Mugenda (2003), all items used in the study were found to have Cronbach Alpha Coefficients of above 0.7 as indicated in Table 3 below;

Table 3: Reliability indices for the respective sections of the questionnaire

| Variable | Description | No. of Items | Cronbach alpha |
|----------|-------------|--------------|----------------|
|----------|-------------|--------------|----------------|

| | | | |
|-------------|-----------------------------|---|------|
| Independent | Competitive tendering | 9 | .831 |
| | Restricted tendering | 7 | .767 |
| | Single source procurement | 9 | .861 |
| Dependent | Quality of service delivery | 9 | .867 |

Source: primary data

3.8 Data Collection Procedures

The researcher acquired a letter of introduction right from Uganda Management institute. This was obtained after when they approved the proposal and the tools to be used. These tools were tested for validity and reliability. The researcher piloted the questionnaire on a sample of ten respondents and the interview guide on two respondents. The researcher then used the comments from these respondents to improve the questionnaire and interview guide. At this point, research assistants were recruited, trained on the ethical considerations. The researcher then made contact with the human resource office and directors to come up with agreeable schedule so that work was not affected. The data collection was carried out for a period of one week .In the event of any incompleteness of the data collecting exercise; the researcher rescheduled the appointments on consultation with the respondents. After data collection, data analysis was done and a report was made, which marked the final activity of the research process.

3.9 Data Analysis

Kothari (2004) ascertains that there is both qualitative and quantitative analysis tools

3.9.1 Quantitative data analysis

Sekaran (2003) argues that analysing data quantitatively calls for use of different statistical methods. In this study, the researcher opted to use means and percentages to represent central tendencies and dispersion. On the other hand, the researcher also employed inferential statistics

which called for use of correlations (Pearson Rank Correlations) and regressions (linear regressions). In this case, a Pearson correlation was adopted to assess the relationship between two variables and in this case the three dimensions and their independent relationship with service quality. The regression helped in ascertaining the extent to which the two variables were related.

3.9.2 Qualitative data analysis

In analyzing qualitative data, Mugenda and Mugenda (2003) support using thematic and content analysis tools. Thematically, the researcher endeavored to obtain different opinions and voices from a number of key informants. The content analysis was further used in ensuring that these themes are interpreted to make meaning out of them. This was done by ensuring that similarities and differences or contradictions are established within different verbatims and reports are drafted into short and meaningful statement for easy reporting in the analysis.

3.10 Measurement of Variables

In measuring variables, the Likert Scale Typing was used in ensuring that independent and dependent variables are associated with different units for easy analysis. For instance, procurement methods were measured using the five scale of Likert and the quality of service delivery was measured using the five scales of Likert starting from Strongly Agree, Agree, Neutral, Disagree to strongly Disagree. This was preferred since it was easy to weigh a number of statements and establish a certain perception from respondents for easy reaching of conclusions.

3.11 Ethical considerations

For purposes of guarding against privacy, the researcher made sure that all respondents were primarily informed that they should reserve their names and feel free to share any kind of information required from them. Further, privacy was guarded through voluntary participation.

The researcher agreed with respondents that they are very free to leave any question they find insecure to answer (Mugenda & Mugenda, 2003).

For issues of ensuring confidentiality, the respondents were periodically informed that everything they share with the researcher was meant for study purposes and no information will be given or publically disseminated. All private matters were confidentially reserved for purposes of confidentiality (Amin, 2005).

On informed consent, the study ensured that respondents are given a voluntary participation ethic. This meant that respondents participated in the study on their freewill without being forced.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF RESULTS

4.0 Introduction

This chapter presents findings on the relationship between competitive tendering methods and quality of service delivery in Kampala Capital City Authority; the relationship between restricted tendering methods and quality of service delivery in Kampala Capital City Authority and the relationship between single source procurement method and quality of service delivery in Kampala

Capital City Authority) and the last section handles the testing of hypothesis that were set for this study to prove.

4.1 Response rate

Table 4: Showing the response rate

| Respondents | Sample size | Frequency | Percentage |
|-----------------------|--------------------|------------------|-------------------|
| Executive | 10 | 7 | 70% |
| Senior management | 10 | 8 | 80% |
| KCCA procurement unit | 35 | 34 | 97.1% |
| Service providers | 10 | 7 | 70% |
| Total | 65 | 56 | 86.2% |

Source: Primary Data, 2017

The analysis was done on 86.2% of the respondents who managed to respond to the study. For instance, on 65 respondents that were targeted as the sample, 56 responded, leaving a difference of 9 respondents not responding simply because they were out of place for data collection during the process of collecting data.

4.2 Background of the Respondents

This consists of the respondent's, age, education levels, the period respondents had spent working with procurement and in user department in KCCA and terms of employment.

4.3.1 Gender

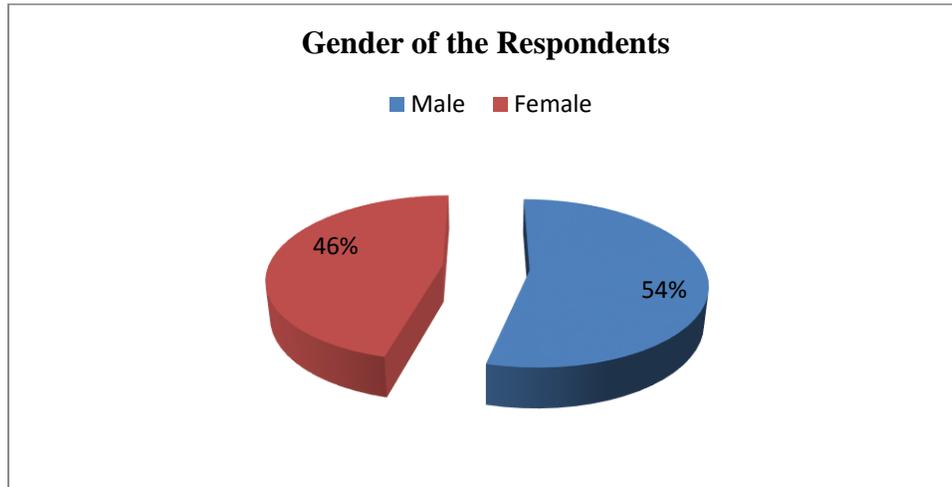


Figure 2: Gender of the respondents

Source: primary data, 2017

The highest number of respondents was males (54%) and female only took (46%). This directly indicated that, despite the fact that males took the highest percentage, but the study managed to cover all genders which makes the study gender sensitive.

4.2.2 Age

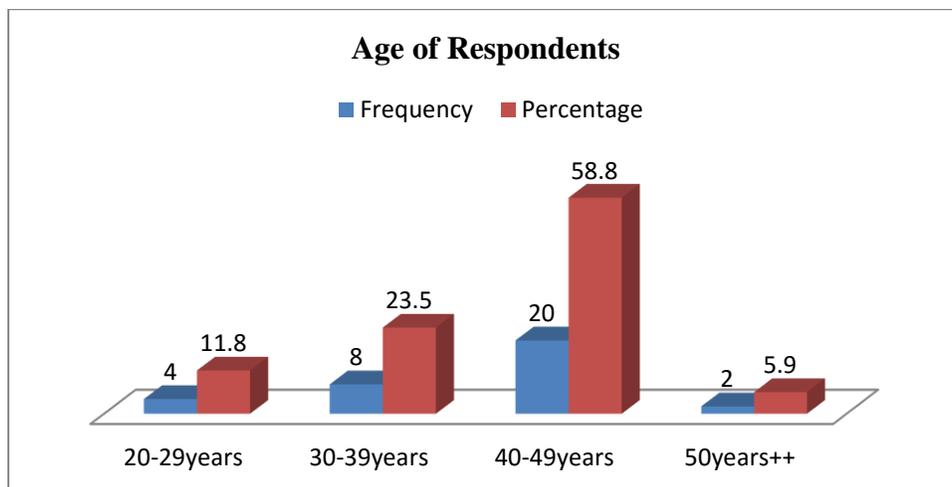


Figure 3: Showing age of the respondents

Source: Primary Data, 2017

Majority of respondents were between 40-49years (58.8%). 30-39 was represented by 23.5% and 20-29years (11.8%). The least category of 50years and above had 5.9% of representation. Thus, this implied that the study was relatively done among mature respondents who based on their experience to answer the questions put afore to them.

4.2.3 Respondent’s Education Level

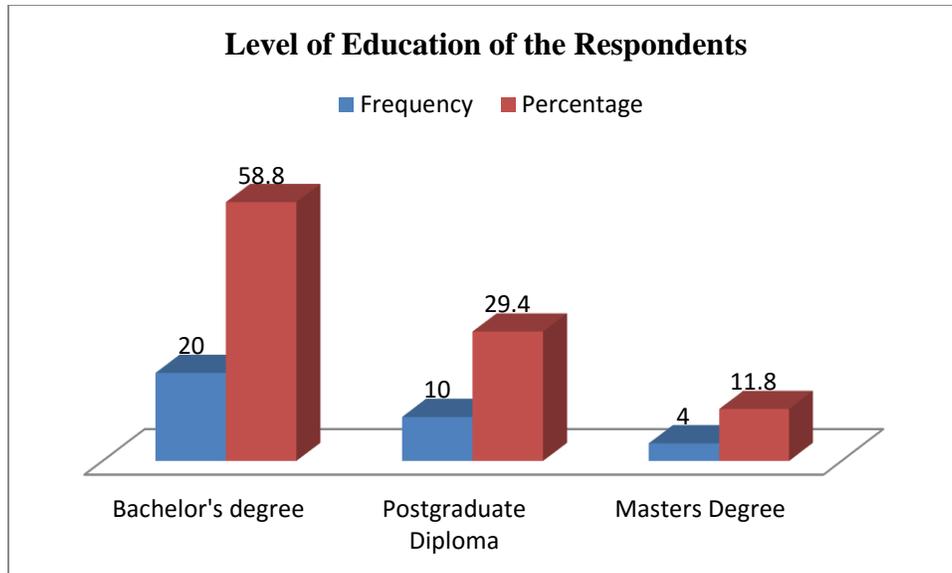


Figure 4: Showing the level of education of the respondents

Source: Primary Data, 2017

Majority of respondents were educated up bachelor’s degree (58.8%). Post-graduate diploma was represented by 29.4% and 11.8% of the respondents had a Master’s degree. These findings meant that the study was done among people who could easily understand and tell what was required for the study.

4.2.4 Time spent working with KCCA user departments

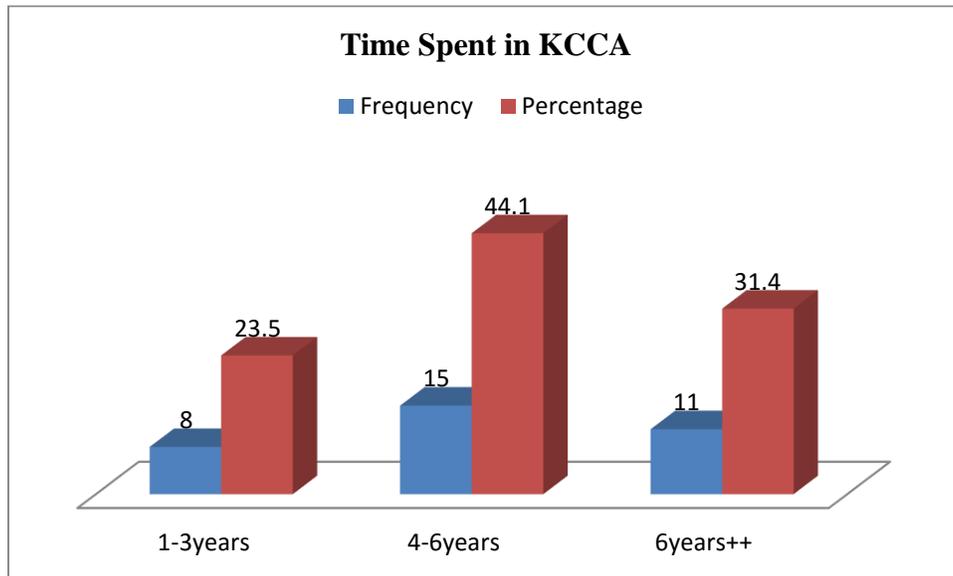


Figure 5: Showing the Time spent working KCCA user departments

Source: Primary Data, 2017

Most numbers had been in KCCA between 4-6years and these took 44.1%, 31.4% were in KCCA for 6years and above. This can be interpreted to mean that respondents had the required internal memory as far as procurement methods and quality of service delivery in KCCA was concerned because most of them had spent served beyond 4years in KCCA.

4.3. Empirical findings

In this section, the research findings are presented as per the objectives adopted for the study. These findings were thus obtained on the relationship between competitive tendering methods and quality of service delivery in Kampala Capital City Authority; the relationship between restricted tendering methods and quality of service delivery in Kampala Capital City Authority and the relationship between single source procurement method and quality of service delivery in Kampala Capital City Authority.

4.3.1 Findings on perceived quality of service delivery in Kampala Capital City Authority

To understand how respondents perceived the quality of service delivery in Kampala Capital City Authority. Table below has more details:

Table 5: Descriptive Statistics on quality of service delivery in Kampala Capital City Authority

| Items | 1 | 2 | 3 | 4 | 5 | Mean |
|-----------------------------------------------------------------------------------------------------------------|-------|-------|-------|-------|-------|-------------|
| Every Staff in KCCA endeavors to optimally use resources on time in the attainment of the Council's Objectives. | 61.8% | 31.5% | 1.3% | 1.3% | 3.9% | 1.03 |
| There is prompt service delivery in KCCA | 25% | 61.8% | 0% | 3.9% | 9.2% | 2.09 |
| Our supplies in KCCA are done within the set time | 34.2% | 53.9% | 3.9% | 2.6% | 6.5% | 2.11 |
| KCCA has been able to achieve its intended objectives | 35.5% | 42% | 5.2% | 5.2% | 11.8% | 2.18 |
| KCCA performance is still hampered by corruption | 2.6% | 3.9% | 7.8% | 59% | 26.3% | 4.21 |
| There are a lot of complaints about the quality of supplies in KCCA | 9% | 6% | 10.5% | 45% | 28.5% | 4.30 |
| KCCAgenerates cost savings on most of its procurements. That is, it does less with fewer resources. | 0% | 10.5% | 25.5% | 36% | 27% | 4.31 |
| We have had delays in our procurement process in KCCA | 3% | 3% | 22.5% | 40.5% | 30% | 4.37 |
| Customers complain on the delays in service delays in KCCA | 3% | 4.5% | 13.5% | 43.5% | 34.5% | 4.45 |

Source: Primary Data, 2017

The results in Table 5 above revealed customers complain on service delays in KCCA (4.45). This was agreed on by most of the respondents (43.5%) and implies that a number of customers are complaining on service delays and this is an indication of malfeasance in customer satisfaction which is an indication of lack of required quality in service delivery.

We have had delays in our procurement process in KCCA (4.37). This further confirms what the previous statement indicated. This item was also agreed on by most of the respondents (40.5%). There are a lot of complaints about the quality of supplies in KCCA (4.30). This was also agreed on by most of the respondents (45%). These suggest that the procurement process of KCCA is paddled in a number of delays which is presumed to have the quality of service delays since timeliness is a big factor in measuring the quality.

KCCA generates cost savings on most of its procurements. That is, it does less with fewer resources (4.31). Most of the respondents (36%) agreed with this item. This means that on a good side, KCCA is able to save on some costs it would incur in its procurement process. This is a measure of prevalence of quality of service delivery.

KCCA performance is still hampered by corruption (4.21). This was agreed on by 59% of the respondents implying that corruption is still part and parcel with the process of procurement in KCCA. This is an indication of poor quality of service delivery. This is because it was confirmed from most of the respondents that service delivery was still hampered by corruption. This is presumed to be caused by unethical conducts among procurement officials in the KCCA.

42% of the respondents further disagreed that KCCA has been able to achieve its intended objectives (2.18). This item came with a negative connotation suggesting that targets are not accomplishment as planned and this can affect the quality of service delivery. Further, majority of the respondents (53.9%) also disagreed that “Our supplies in KCCA are done within the set time” (2.11). This is an indication of late delivery of services. This was further supported by the response that: “There is prompt service delivery in KCCA (2.09)”.

Lastly, it was also established that “Every Staff in KCCA endeavors to optimally use resources on time in the attainment of the Council’s Objectives” (1.03). This was strongly disagreed on by majority of the respondents. This can be interpreted to mean that the objectives of KCCA are not yet accomplished and resources are not equally utilized very well. These are signs of inadequate quality of service delivery.

The above findings seemed incongruent with what majority of the interviewees indicated in interviews conducted with key informants. The biggest number of key informants seemed to believe that the quality of services being delivered at KCCA was good. They opined that since KCCA was rebranded, much emphasis has been put on cutting on the costs of service delivery, timely service provision and serving the interests of the masses. They added that KCCA is now engaged in a number of projects including constructing roads, renovation of KCCA hospitals and schools, drainage construction and traffic regulation. They opined that since KCCA took power a lot of roads and bridges have been constructed in Kampala City and they gave examples to do with Wandegeya market, New Taxi Park, Rubaga Road, Wakaliga Road and many others. 46% of the interviewees additionally indicated that this KCCA is very much committed to timeliness and about 86% of the roads that were set to be constructed in the last 5 years since it has been operational have been put in place. 38% of the key informants admitted that KCCA has had some delays like in constructing Rubigi Drainage system but it has had many achievements in other areas. One of the senior management officials had these to say:

“This KCCA has made a lot of successes and perhaps these can be observed around town...one of our main achievements as far as service delivery is concerned is that we do this kind of work in time set...and I am sure Kampala is very different from the one we had during KCC time....”

Another official in senior management added:

“I admit we do have some delays somewhere but one thing I am very sure is that KCCA has had much improvement in service efficiency in Kampala city...we have no complains with our suppliers because they supply in time and in best measure of quality....”

The above findings suggests that the quality of service delivery under KCCA has been improving especially when it comes to timeliness in delivering services, reduced of service delivery and customer satisfaction. This position of interviewees and KCCA user department members seemed to deviate from what most of the documents reviewed indicated. For instance, ACODE (2012) report indicated that issue to do with delivery of services has failed to be achieved in Uganda’s local governments including KCCA and this was attributed to malfeasances in procurement and sourcing of suppliers and contractors. Many roads that were constructed in 2011 do not meet the quality anticipated and a lot of money is used to undertake this activity. KCCA annual Report (2012) indicated that some of the projects like Rubigi drainage system which was started in 2010, is still not only yet to be completed but even the quality of workdone is also questioned as well as the costs which are reportedly going beyond expected (KCCA news, 2013).

Next sections or themes therefore focused on assessing whether the quality of service delivery in KCCA is related to the way they source contractors in form competitive tendering, single sourcing and restricted tendering.

4.3.2 Findings on adherence to the competitive tendering of public procurement reforms by Kampala City Council Authority

To understand whether KCCA adhered to the competitive tendering in its procurement process, below are the perceptions established from the questionnaire respondents using means and percentages:

Table 6: Descriptive statistics on adherence to competitive tendering in Kampala City Council Authority

| Items | 1 | 2 | 3 | 4 | 5 | Mean |
|-------------------------------------------------------------------------------------------|-------|-------|-------|-------|-------|-------------|
| We allow national suppliers to undertake the contract when they show interest and ability | 7.2% | 28.3% | 15.1% | 33.2% | 25% | 3.48 |
| Bids are modified when contractors targeted have not applied | 9.2% | 26.3% | 17.1% | 34.2% | 21% | 3.50 |
| KCCA undertakes supplier pre-qualification | 13% | 5.2% | 22.3% | 47.3% | 11.8% | 3.52 |
| We have an independent department that awards contracts | 7.8% | 13% | 27.6% | 38% | 13% | 3.58 |
| Bids are withdrawn on basis of incompetency | 22.3% | 2.6% | 25% | 42% | 7.8% | 3.72 |
| Bids are opened publicly | 10.5% | 0% | 22.3% | 51.3% | 15.7% | 3.88 |
| We have an independent department that evaluates bids | 21% | 3.9% | 26.3% | 35.5% | 5.2% | 4.18 |
| The process of inviting bids notice is well followed in KCCA | 6.5% | 11.8% | 30.2% | 34.2% | 14.4% | 4.24 |
| Bids are opened internationally | 14.4% | 9.2% | 36.8% | 28.9% | 7.8% | 4.44 |

Source: Primary Data, 2017

The results from table above, it is evident that KCCA adhered to the competitive tendering in its procurement process. This is exemplified in a number of responses which seemed to fall in the category of agree with higher means. These included: Bids are opened internationally (4.44); The process of inviting bids notice is well followed in KCCA (4.24); We have an independent department that evaluates bids(4.18); Bids are opened publicly (3.88); Bids are withdrawn on basis of incompetency (3.72); KCCA can now procure goods using the request for quotations method

with threshold of below one billion shillings (3.58); KCCA undertakes supplier pre-qualification (3.52); Bids are modified when contractors targeted have not applied (3.50); We allow national suppliers to undertake the contract when they show interest and ability (3.48).

These implied that KCCA adheres to open international bidding; open domestic bidding which is conducted using public advertisement, employs direct procurement methods after displaying the best evaluated bidders notice which is 5 working days and restricted bidding is used only when procurements is within five hundred million shillings. These are enough indicators to imply the adherence to competitive tendering as stipulated in the public procurement reforms in Uganda. They reported that if KCCA is to procure supplies, it follows open international bidding and such decisions on when to procure the goods and services are taken by the procurement committee.

The above findings from the questionnaire seemed synonymous with what was found out in the interviews conducted. Majority of interviewees further indicated that KCCA adheres to bidding process as stipulated in the law and this is anticipated to have the reason for timely and quality deliveries in Kampala city. Key informants further pointed out that KCCA allows open participation of all bidders or service providers on equal terms and it always takes those who are well assessed by the contracting committees as possessing the best terms as far as time, cost and quality is concerned. They opined that competitive tendering has allowed on the bringing of all suppliers on board and best selections are always made. One of the executive members was quoted saying:

“We target maximum and possible competition because many service providers both prequalified and non-prequalified apply and we choose the best option

compared to the targets KCCA wants and I think this has been the reason why you see that our projects have had much successes in Kampala city....an example is the construction of Wandegeya Market and the installation of solar traffic lights on Kampala roads...both these service providers were selected out of a competitive sourcing and those that emerged best were selected and their work is not disappointing as the citizens in Kampala have always told us...”

Another executive member added:

“....adhering to the competitive tendering of the reforms is a must and I think it became part of major procurement methods since they were recommended...many people tend to think that KCCA gives tenders and contracts to contractors without following the competitive tendering but we have had no cases registered on abuse this framework...and I think you should proceed to check with our procurement departments because I am sure information here is for public consumptions....they will show you our contract plans and contracts signed...”

He added:

“Bidding is done as it is supposed to be done and if you have been very observant...you can always see our adverts in newspapers calling for such applications and we usually follow such orders till when the tender or contract is awarded...”

The above interviews suggest that KCCA adheres to competitive tendering processes and it has a factor for improving on the quality of service delivery. The views expressed in the questionnaire and interviews were qualified or tallied exactly with what documents reviewed indicated.

However, there appeared a mismatch. For instance, Transparency International Report (2014) indicated that KCCA abuses the process of competitive tendering because most of its contracts are won by one two or three companies which are international. This was further confirmed by the Audit Report (2015) which further ascertained that the delays in the construction of Lubigi drainage system is related to poor selection of contractors. KCCA Annual Report (2013) also condemns KCCA itself while showing that the stealing of traffic lights installed by KCCA was also related to contractors who win contracts from KCCA without a clear sustainability plan on how these will be maintained in the city.

4.3.2.1 Correlation results for competitive tendering and quality of service delivery in KCCA

The first hypothesis stated, “There is a significant relationship between competitive tendering methods and quality of service delivery in Kampala Capital City Authority.” A Pearson correlation coefficient (r) was used to test the hypothesis. Table 7 presents the test results.

Table 7: Correlation results

| | | Competitive tendering | Quality of Service delivery |
|-----------------------------|-------------------------|-----------------------|-----------------------------|
| Competitive tendering | Correlation Coefficient | 1.000 | .700** |
| | Sig. (2-tailed) | . | .019 |
| | N | 34 | 34 |
| Quality of Service delivery | Correlation Coefficient | .700** | 1.000 |
| | Sig. (2-tailed) | .019 | . |
| | N | 34 | 34 |

** . Correlation is significant at the 0.05 level (2-tailed).

Source: Primary Data, 2017

Findings show that there was a significant positive correlation ($r = .700$) between competitive tendering and quality of service delivery in KCCA. These findings were subjected to a test of significance (p) and it is shown that the significance of the correlation ($p = .019$) is less than the recommended critical significance at 0.05. Thus, the relationship was significant. Because of this, the hypothesis “There is a significant relationship between competitive tendering methods and quality of service delivery in Kampala Capital City Authority” was accepted. Thus, the implication of the findings was that competitive tendering had simplified and improved on quality of service delivery in KCCA. The positive effect implies that a change in competitive tendering relates to a significant change in quality of service delivery in KCCA. The positive nature of the correlation implied that the competitive tendering must be adhered to if quality of service delivery in KCCA is to be achieved.

4.3.2.2 Regression results for competitive tendering and quality of service delivery

A further analysis was conducted using a regression to determine the extent to which competitive tendering predicted quality of service delivery in KCCA. Findings are presented in Table 8, accompanied by analysis and interpretation.

Table 8: Regression analysis

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|--------------------------------------------------------|-----------------------|-----------------------------|------------|---------------------------|--------------|--------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 1.102 | .170 | | 6.467 | .000 |
| | Competitive tendering | .706 | .054 | .500 | 5.693 | .000 |
| Dependent variable: quality of service delivery | | | | | | |
| | R square | .446 ^a | | | F-statistics | 33.333 |
| | Adjusted R Square | .437 | | | Sig. | 0.01 |

Source: Primary Data, 2017

Findings in Table 8 show a strong linear relationship (Multiple R = .446) between competitive tendering and quality of service delivery. The adjusted R Square shows that Competitive tendering account for 43.7% change in quality of service delivery in KCCA. These findings were subjected to an ANOVA test, which showed that the significance (Sig F = .000) of the Fishers ratio (F = 33.333) was greater than the critical significance at .05. Hence, the findings were accepted. Interview findings supported the findings obtained from questionnaires.

4.3.3 Findings on Restricted Tendering in Kampala City Council Authority

To understand whether KCCA adheres to the restricted tendering in its procurement process, below are the perceptions established from the questionnaire respondents using means and percentages:

Table 9: Descriptive Statistics on adherence to the restricted tendering by Kampala City Council Authority

| Items | 1 | 2 | 3 | 4 | 5 | Mean |
|------------------------------------------------------------------------------------------------------------------------------|----------|----------|----------|----------|----------|-------------|
| Political interference does not interfere in the process of restricted tendering in KCCA | 2.4% | 4.8% | 9.6% | 50.6% | 32.5% | 3.71 |
| Bids are solicited from prequalified suppliers for restricted procurement | 0% | 0% | 24.1% | 47% | 29% | 4.08 |
| Restricted tendering is recommended on the basis of price quotations submitted | 1.5% | 15% | 18% | 42% | 22.5% | 4.10 |
| The independent committee evaluates restricted tendering bids | 9% | 6% | 10.5% | 45% | 28.5% | 4.14 |
| The procedure for considering restricted tendering method is clearly stipulated in procurement regulation and policy at KCCA | 3.6% | 8.4% | 13.3% | 48.2% | 26.5% | 4.25 |
| Restricted tendering bids are opened by an independent committee | 7.8% | 14.4% | 9.2% | 28.9% | 36.8% | 4.58 |
| Restricted tendering is only authorized by the Public Procurement Authority | 0% | 3.9% | 5.2% | 40.7% | 50% | 4.59 |

Source: Primary Data, 2017

The results in table 6 above revealed that KCCA adhered to restricted tendering as stipulated in the amended PPDA Act 2014. This is based on the following statements that were mostly in agreement; Restricted tendering is only authorized by the Public Procurement Authority (4.59); Restricted tendering bids are opened by an independent committee (4.58); The procedure for considering restricted tendering method is clearly stipulated in procurement regulation and policy at KCCA (4.25); The independent committee evaluates restricted tendering bids(4.14); Restricted tendering is recommended on the basis of price quotations submitted (4.10); Bids are solicited from prequalified suppliers for restricted procurement(4.08); Political interference does not interfere in the process of restricted tendering in KCCA(3.71).

The above findings can be interpreted to mean that KCCA adhered to restricted tendering because provision of contracts in KCCA is only authorized by the Public Procurement Authority; bidding process is only opened by an independent committee; there is policy adherence to procedures as stipulated in PPDA Act; the evaluation of bids is done by an independent committee; price quotations is a basis for selection and most bids are solicited from prequalified suppliers. This thus implies that restricted tendering is followed as stipulated which is presumed to have an impact of improving the quality of service delivery in KCCA.

The findings from the interviewees seemed congruent to what most of the respondents in the questionnaire had indicated. It was opined that KCCA very well observes all restrictions as predetermined by the law, policy and regulations. For instance, it was indicated that there are no such cases when powers of the bidding committee are usurped by the executive director or political office in KCCA. When they were probed further on whether they do not recommend some service providers to them. They replied that they do recommend but their recommendations are limited to an extent that they cannot usurp their capability to decide the best service provider. One of the PDU staff was quoted saying:

“...when things go wrong, it is thus to blame and they will always think we took bribes...so we ensure that we do things transparently. It is okay for our top offices to recommend to us anyone but this has no way it can block our ability to decide...because we have dropped a number of service providers after a good assessment that were recommended from top offices and even, recommendations can be made from all sources not necessarily the top offices here...”

When asked why it is always the international service providers winning most of the procurement contracts at KCCA, one of PDU officials replied:

“Service quality people want always comes with competent service providers and some technical awareness and equipments and even a good work track record...it is sometimes very hard to find many Ugandan service providers who have those qualities...so under restricted tendering, it is sometimes already restricting for even some local companies to bid or international contractors to bid...”

The views from interviewees seemed to point at one thing that KCCA adhered to restricted tendering established by public procurement reforms especially when it comes to respecting the independence of contract awarding committees, bidding process, the evaluation of bids and price quotations and prequalification of suppliers. These findings seemed contrary to the Transparency International Report (2014) indicated that KCCA abuses the process of restricted tendering because in practice, the top management influencing the awarding process of contracts in the authority. A number of political cadres have won a number of its contracts. However, KCCA Annual Report (2016) ascertained that the contracting committee is very much independent when doing its work and this is the reason for improve procurement and contract performance.

4.3.3.1 Correlation results for restricted tendering and quality of service delivery in KCCA

To test if restricted tendering has affected the quality of service delivery in KCCA, a Pearson correlation coefficient was done by the study and the results are shown in Table 10 below. To verify this hypothesis, a hypothesis was derived that “There is a significant relationship between restricted tendering methods and quality of service delivery in Kampala Capital City Authority.”

Table 10: Correlation results

| | | Restricted tendering | Quality of Service delivery |
|-----------------------------|-------------------------|----------------------|-----------------------------|
| Restricted tendering | Correlation Coefficient | 1.000 | .655** |
| | Sig. (2-tailed) | . | .024 |
| | N | 34 | 34 |
| Quality of Service delivery | Correlation Coefficient | .655** | 1.000 |
| | Sig. (2-tailed) | .024 | . |
| | N | 34 | 34 |

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

Source: Primary Data, 2017

Findings show that there was a significant positive correlation ($r = .655$) between restricted tendering and quality of service delivery in KCCA. Thus, findings show that restricted tendering accounted for 42.9% change in quality of service delivery in KCCA. These findings were subjected to a test of significance (p) and it is shown that the significance of the correlation ($p = .024$) is less than the recommended critical significance at 0.05. Thus, the effect was significant. Because of this, the hypothesis, “There is a significant relationship between restricted tendering methods and quality of service delivery in Kampala Capital City Authority” was accepted. The implication of these findings is that adhering to restricted tendering procedures has positively improved on quality of service delivery in KCCA. The significant influence implied that quality of service delivery relies on adhering to restricted tendering.

4.3.3.2 Regression results for restricted tendering and quality of service delivery in KCCA

Further analysis was conducted using a regression to determine the extent to which restricted tendering predicted quality of service delivery in KCCA. Findings are presented in Table 11, accompanied with an analysis and interpretation.

Table 11: Regression Analysis

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|--------------------------------------------------------|----------------------|-----------------------------|------------|---------------------------|--------------|--------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 1.181 | .347 | | 3.401 | .001 |
| | Restricted tendering | .600 | .086 | .315 | 3.263 | .002 |
| Dependent variable: Quality of service delivery | | | | | | |
| | R square | .300 ^a | | | F-statistics | 12.776 |
| | Adjusted R Square | .291 | | | Sig. | 0.01 |

Source: Primary Data, 2017

Findings in Table 11 shows a strong linear relationship (Multiple R = .213) between restricted tendering and quality of service delivery in KCCA. Going by the adjusted R Square, it is shown that restricted tendering account for 29.1% change in quality of service delivery in KCCA. These findings were subjected to an ANOVA test, which showed that the significance (Sig F = .001) of the Fishers ratio (F = 12.776) was greater than the critical significance at .05. Hence, the findings were accepted.

4.3.4 Findings on adherence to single source procurement in Kampala City Council Authority

To understand whether KCCA adhered to single source procurement in undertaking its procurement activities, below are the perceptions established from the questionnaire respondents using means and percentages:

Table 12: Descriptive Statistics on adherence to Single source procurement in Kampala City Council Authority

Source: Primary Data, 2017

| | Percentage responses (%) | | | | | Mean |
|-----------------------------------------------------------------------------------------------------------------------|--------------------------|-------|-------|-------|-------|-------------|
| | SA | A | N | D | SD | |
| Single source procurement is considered in outsourcing | 42% | 14.4% | 9.6% | 12% | 15% | 3.53 |
| The procedure of using single source procurement is well written down in our procurement policies | 4.8% | 2.4% | 14.4% | 45.6% | 30% | 3.59 |
| Single source procurement is often considered only if using other methods of procurement are considered inappropriate | 10.8% | 4.8% | 24% | 36% | 24% | 3.78 |
| Single procurement is adopted for emergency procurement in KCCA | 8.4% | 22.8% | 20.4% | 39.6% | 7.2% | 4.17 |
| We request for price quotations immediately if we are to use single source. | 4.8% | 16.8% | 15.6% | 33.6% | 28.8% | 4.21 |
| Single source procurement proposals are often approved by top management | 8.4% | 8.4% | 7.2% | 48% | 27.6% | 4.29 |
| We always consider single source procurement after a thorough unsuccessful competitive tendering process | 4.8% | 9.5% | 33.3% | 47.7% | 33.3% | 4.33 |
| We consider single source only when there is only one single supplier in that sector | 4.7% | 13.3% | 19% | 42.9% | 24.8% | 4.37 |
| Supplier's profile is among the first qualities considered before giving out a contract. | 3.8% | 5.6% | 10% | 47.3% | 33.3% | 4.39 |

The results in table 12 above revealed that single source procurement was being properly followed by KCCA user departments when undertaking procurement and supplies. This is based on the following statements that were mostly in agreement; Supplier's profile is among the first qualities considered before giving out a contract(4.39); We consider single source only when there is only one single supplier in that sector (4.37);We always consider single source procurement after a thorough unsuccessful competitive tendering process(4.33); Single source procurement proposals

are often approved by top management (4.29); We request for price quotations immediately if we are to use single source (4.21); Single procurement is adopted for emergency procurement in KCCA (4.17); Single source procurement is often considered only if using other methods of procurement are considered inappropriate(3.78); The procedure of using single source procurement is well written down in our procurement policies (3.59); Single source procurement is considered in outsourcing (3.53). These items implied that KCCA followed Single source procurement as stipulated in the public procurement reforms especially when it comes to resolving conflict of interest, being trustworthy, fairness, openness, accountability and transparency. These are all pillars of practicing single source procurement.

In congruence with study findings in the questionnaire above, the interviewees seemed supportive of the fact that KCCA user departments adhered to single source procurement as stipulated in the PPDA act, 2014 which has been a cornerstone factor in improving service quality in KCCA. Majority of the respondents opinioned that it is rear for KCCA to go for a single procurement method when competitive methods has failed to lead to them to the type of service provider they. One of the senior management official was quoted saying:

“It is rear to go for single sourcing...we always consider single source procurement after a thorough unsuccessful competitive tendering process....and single sourcing is only ensued in certain unique equipments that may be needed...”

It was reported by a number of key informants that single sourcing is only employed when it is the only way to see that service quality is achieved at the end and it is often used when dealing with buying goods and services in an emergency form because all organizations tend to get emergency and what they do, since they have the profile of suppliers, they stand and seek the service from a

single source. The study findings thus implies that single source is not commonly used in KCCA but it is mostly used an emergency methods or when other methods have failed to yield.

4.3.4.1 Correlation results on single source procurement and quality of service delivery in KCCA

To test if single source procurement affects quality of service delivery in KCCA, a Pearson correlation coefficient was done by the study and the results are shown in Table 10 below. To verify this hypothesis, a hypothesis was derived that *“There is a significant relationship between single source procurement method and quality of service delivery in Kampala Capital City Authority.”*

Table 13: Correlation results

| | | Single source procurement | Quality of Service delivery |
|-----------------------------|-------------------------|----------------------------------|------------------------------------|
| Single source procurement | Correlation Coefficient | 1.000 | .888 |
| | Sig. (2-tailed) | . | .004 |
| | N | 34 | 34 |
| Quality of Service delivery | Correlation Coefficient | .888 | 1.000 |
| | Sig. (2-tailed) | .044 | . |
| | N | 34 | 34 |

** . Correlation is significant at the 0.05 level (2-tailed).

Source: Primary Data, 2017

Findings show that there was a positive correlation ($r=.888$) between single source procurement and quality of service delivery in KCCA. These findings were subjected to a test of significance (p) and it is shown that the significance of the correlation ($p = .004$) is less than the recommended critical significance at 0.05. Thus, the relationship was significant. Because of this, the hypothesis, “*There is a significant relationship between single source procurement methods and quality of service delivery in Kampala Capital City Authority*” was accepted. The implication of these findings is that single sourcing procurement can have a positive relationship with quality of service delivery in KCCA. The positive relationship implied that following single source procurement procedures may have a contribution to quality of service delivery in KCCA.

4.3.4.2 Regression results for Single Source Procurement and Quality of service delivery in KCCA

Further analysis was conducted using a regression to determine the extent to which single source procurement predicted quality of service delivery in KCCA. Findings are presented in Table 13, accompanied with an analysis and interpretation.

Table 14: Regression analysis

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|--------------------------------------------------------|---------------------------|-----------------------------|------------|---------------------------|--------------|--------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | -.073 | 1.134 | | -.064 | .949 |
| | Single source procurement | .672 | .255 | .259 | 2.638 | .010 |
| Dependent variable: quality of service delivery | | | | | | |
| | R square | .476 ^a | | | F-statistics | 28.234 |
| | Adjusted R Square | .454 | | | Sig. | 0.001 |

Source: Primary Data, 2017

Findings in Table 11 show a strong linear relationship (Multiple R = .476) between single source procurement and quality of service delivery in KCCA. Going by the adjusted R Square, it is shown that single source procurement account for 45.4% change in quality of service delivery in KCCA. These findings were subjected to an ANOVA test, which showed that the significance (Sig F = .001) of the Fishers ratio (F = 28.234) was greater than the critical significance at .05. Hence, the findings were accepted.

CHAPTER FIVE

SUMMARY, DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

This chapter consists of the study summaries, discussions of objectives set for the study, conclusions derived from the findings, and the recommendations that will help in improving in the quality of service delivery in KCCA.

5.1 Summary

5.1.1 The relationship between competitive tendering and quality of service delivery in Kampala City Council Authority

It was established that competitive tendering was significantly related to quality of service delivery in KCCA. This is based on the Pearson value which was established at $r=0.700$ which was significant $P=0.019$. This was measured less than 0.05 (level of significance). This meant that the higher the practicing of competitive tendering, the higher the improvement in the quality of service delivery in KCCA.

5.1.2 The relationship between restricted tendering and quality of service delivery in KCCA

It was established that restricted tendering was significantly related to quality of service delivery in KCCA. This is based on the Pearson value which was established at $r=0.655$ which was significant $P=0.024$. This was measured less than 0.05 (level of significance). This meant that the higher the practicing of restricted tendering, the higher the improvement in the quality of service delivery in KCCA.

5.1.3 The relationship between single source procurement and quality of service delivery in KCCA

Lastly, it was established that single source procurement was significantly related to quality of service delivery in KCCA. This is based on the Pearson value which was established at $r=0.888$ which was significant $P=0.004$. This was measured less than 0.05 (level of significance). This meant that the higher the practicing of single source procurement, the higher the improvement in the quality of service delivery in KCCA.

5.2 Discussion of the study findings

The discussion of the study findings has been made as per the study objectives below;

5.2.1 The relationship between competitive tendering on quality of service delivery in Kampala City Council Authority

The first hypothesis stated, “There is a significant relationship between competitive tendering methods and quality of service delivery in Kampala Capital City Authority.” The inferential statistics indicated that adherence to the procedure of competitive tendering contributes to the quality of service delivery in KCCA. This finding is in line with the literature of Buuri (2013) argues that competitive tendering methods have a direct relationship with the quality of service delivery. This is because it allows open participation of all service providers on equal terms. The allowance of participation on equal terms gives a leeway of acquiring competent of service providers who can do or provide service in time, quality and cost. Kenya et al., (2010) ascertain that most of the public organizations which utilize usage of open participation of all service providers on equal terms have had their service provision improve. In Kenya, Kenya et al., (2010) gave an example of Kenya Revenue Authority which found it’sself achieving short of its

objectives because they did not choose to use open tendering or competitive tendering. Kenya Revenue Authority thus decided to start utilizing competitive tendering processes that had its services improve. Kumar et al., (2005) further ascertain that competitive tendering gives a chance for an organization to make adverts in public Medias that allow competent suppliers to apply and given a chance according to their abilities.

Buuri (2013) further argues that competitive tendering opens up maximum possible competition among service providers which helps competent service providers to be identified. If there is no competition among service providers, the quality of service provided lowers. If there is a high competition among service providers, the quality of services. Nyeko (2004) gave an illustration in government departments. In local governments, most of them do not use competitive tendering processes and this defines the reasons why service quality has remained poor. Open tendering process has often been opposed since it allows longer period of time and increases bureaucracy of timeline to screen best candidates and this elongates the provision of service delivery. Klein (2001) had earlier ascertained that competitive tendering allows consistent strict adherence towards the process of selecting suppliers. This process enables the selection of candidates based on their earlier performance. This method defines clear technical specification required but very much criticized because of suppressing innovation (Kumar et al., 2005). Kenyanya et al., (2010) argue that open tendering is the best preferred method of procurement that opens up a longer process of obtaining value for money, effective acquisition of goods and services and it is only recommended in organizations which are highly rooted and accountable to people or Parliament (Kenyanya et al., 2010).

Ngari (2012) further ascertains that there is a prospect of requesting proposals from the public while being guided by a clear process of allowing all prospective bidders to engage in the process of tendering and if one of the steps is jumped, the hiring organization is liable for a litigation. Technical specification clearly defines the work scope, quality, the plans, the goals to be achieved, the cost and the timeframe. This becomes the basis of ensuring that the quality of service delivery is realized in public sector. All prospective service providers are asked to submit their financial and technical proposals and these are weighed towards the quality of services required by the contracting authorities and usually the best candidate is chosen to implement service delivery (Nyeko, 2004).

5.2.2 The relationship between restricted tendering and quality of service delivery in Kampala City Council Authority

The second hypothesis stated, “There is a significant relationship between restricted tendering and quality of service delivery in Kampala Capital City Authority.” The inferential statistics indicated that proper practicing of restricted tendering contributes to the quality of service delivery in KCCA. This finding is in line with the literature of Ngari (2012) who had earlier ascertained in a study on procurement systems assessment that was done in Kenya which was propagated by Public Procurement Oversight Authority (PPOA), (2007) where seven procurement entities participating in the Consumer Price Index (CPI) survey made a research on over 11000 procurements in an assessment period which confirmed the trend of procurement entities which relies mostly on price quotations. In this method, it is important that the functioning of procurement requires a clear developed and considerable ways that usually needs to have in place an open tendering in future.

Ngari (2012) further ascertains that there is a prospect of requesting proposals from the public while being guided by a clear process of allowing all prospective bidders to engage in the process of tendering and if one of the steps is jumped, the hiring organization is liable for a litigation. Technical specification clearly defines the work scope, quality, the plans, the goals to be achieved, the cost and the timeframe. This becomes the basis of ensuring that the quality of service delivery is realized in public sector. All prospective service providers are asked to submit their financial and technical proposals and these are weighed towards the quality of services required by the contracting authorities and usually the best candidate is chosen to implement service delivery (Nyeko, 2004). The underlying disadvantage of restrictive tendering lies in change of prices or price escalation which may affect the quality of services since the contracted organizations can fail to obtain the goods and services at the price that had earlier indicated in the procurement dossier.

PPOA (2007) ascertains the request for quotation procurement methods has the benefits of significantly reducing procurement lead-time. Restrictive tendering removes chances of competition but rather opens up a chance for only prequalified and chosen service providers who have already good idea since there are high probable chances to request for quotations. According to Albert (1989) states that as tenders arrive in the office, they should be logged in, date stamped and filled in a safe or secure place until the expiration of the tender period. The evaluation is done by ad hoc committee who will ensure that no risk of late adjustment to prices.

5.2.3 The relationship between single source procurement and quality of service delivery in Kampala City Council Authority

The third hypothesis stated, “There is a significant relationship between single source procurement and quality of service delivery in Kampala Capital City Authority.” The inferential statistics

indicated that proper practicing of single source procurement contributes to the quality of service delivery in KCCA. This finding is in line with the literature of Mokaya (2004) states that single source procurement is basically used and applied when there is emergence in service delivery and this is usually allowed to apply in autonomous organizations which do specified duties. Single source procurement is highly threatened when it comes to the quality of service delivery since the single source can choose to deliver poor quality or good quality without much competition (Hamza, 2008). The underlying problems with the single source procurement lies in the fact that the whole hope is put in the hands of a sole service provider who can at any time choose to either supply good or poor quality of services. Single source procurement is mainly advantaged since they can promptly deliver goods in the time required without wasting time in open tendering and bidding, however, this may only elongate the process since the poor quality of services may take back the organization into either restricted or competitive tendering to fill the performance gaps created by single source service providers.

Ngari (2012) adds that the problem consisted with single source is that these kind of service providers tend to be alone in the field of pray and it becomes harder to be substituted with any other service provider. Even if they keep making mistakes like delays in delivery, poor quality of services, increased cost of supplying goods and services, this can lead to detoriated quality of services provided to citizens. The lack of a reasonable substitutes to single sources has been the major factors explaining why there has been persistent poor quality of services delivered or done in public sector organizations since they keep holding on one supplier and this keep exacerbating the process of service delivery.

Davies, Gann and Douglas (2009) argue that single source procurement method limits the contracting authority to choosing a single supplier who has to keep providing or supplying goods

and services to the organization. Usually single source procurement tends to open up a deal for increased outsourcing since single source tend to lack entire services required in public sector organizations. Outsourcing seems to endanger the development of clear competent service providers since all of them belong to outsourced agencies which tend to be expensive to the government departments. Given the fact that single source procurements mandate the single supplier to meet his obligation as put in the agreement, this does not necessarily mean that mean that their disobedience with terms and conditions will lead to cancellation of the contracts.

Davies, Gann and Douglas (2009) adds that single sourcing breeds corruption tendencies since the contractors can always choose to use their own organizations where they make personal benefits. The choice of service providers in this kind of arrangement is highly criticized by scholars in developing countries where corruption is the order of the day. Basheka and Oluka (2008) argue that single source procurement has highly been used by Ministry of Defense and Ministry of Finance and Economic Development but these ministries had always been reported in a number of procurement scandals. They indicated cases of defunct planes and uniforms that were supplied for UPDF staffs which were not fitting. The Ministry of Finance and Economic Development has been in a number of scandals for hiring suppliers who does not meet the quality standards. This method of procurement hides a number of kickbacks and bribery among officials in the state that live to take advantage of government resources.

5.3 Conclusions

The study conclusions were made as per the study objectives below;

5.3.1 The relationship between competitive tendering and quality of service delivery in Kampala City Council Authority

Basing on the study findings, it has been derived that open to participation on equal terms by all providers and meeting maximum targets that allow possible competition can be a good source of contractors and this can viably have a relationship with the quality of service delivery in public sector organisations like KCCA. The findings of this study showed that there is a positive significant relationship between competitive tendering and quality of service delivery in KCCA. This is an indication that quality of service delivery is highly determined by proper application of competitive tendering methods in KCCA.

5.3.2 The relationship between restricted tendering and Quality of service delivery in Kampala City Council Authority

Basing on the study findings, it has been understood that international bidding for restricted tendering is used basically to source certain services that cannot inevitably be obtained from domestic sources and this is very key in stimulating service quality. The findings of this study showed that there is a positive significant relationship between restricted tendering and quality of service delivery in KCCA. This is an indication that quality of service delivery is highly determined by proper application of restricted tendering in KCCA.

5.3.3 The relationship between single source procurement and quality of service delivery in Kampala City Council Authority

On the last objective, it has been learnt that a sole source of procurement is majorly employed to avoid competition or cases when the supplier is the only one existing with particular service quality

required by the organization and if this is employed, it enables the organization to meet improvement in service quality. Therefore, the findings of this study showed that there is a positive significant relationship between single source procurement and quality of service delivery in KCCA. This is an indication that quality of service delivery is highly determined by proper application of single sourcing procurement methods in KCCA.

Generally, it can be reached that the competitive tendering, restricted tendering and single source procurement can have a significant contribution on quality of service delivery in public sector organizations.

5.4 Recommendations

In light of the above conclusions, below are the suggested recommendations as each study objective;

5.4.1 The relationship between competitive tendering and quality of service delivery in Kampala City Council Authority

Basing on the study findings, it was found out that most of competitive tenders or contracts are awarded to international service providers. It is thus important that national suppliers or service providers are given a chance to undertake procurement opportunities because it becomes very important to develop local contractors and suppliers for reduced cost of service delivery. This can be done by ensuring that local companies that have acquired some expertise are considered without being compared to international companies.

5.4.2 The relationship between restricted tendering and quality of service delivery in Kampala City Council Authority

Basing on the study findings, it was found out that there is inadequate independence within contracts committees. It is thus recommended that there is a need to observe the independence of bidding committees in awarding and selecting suppliers and service providers at KCCA. This can be done by enforcing very well the PDDA Act as amended in 2014.

5.4.3 The relationship between single source procurement and quality of service delivery in Kampala City Council Authority

Basing on the study findings, it is important that suppliers are clearly selected on the basis on their track records and through profiling. This is because there are no options when selecting suppliers or contractors. This will enhance the quality of service delivery since the service providers will be commensurate to the tasks contracted. This can be done by separating the work of contracts committee from politics as this may subvert the powers and independence of the committee in selecting best qualified service providers.

5.5 Limitations of the study

The study registered a number of limitations and these majorly included;

- i) Some respondents deliberately failed to answer the questionnaire. This gave the researcher hard time but she had to resource and replaced such people with the same people in the target population.
- ii) Secondly, some respondents wrongly filled the questionnaires. This came as a result of time constraints as some of them rushed to answer the question and attend to their work. But the researcher managed to recover most of the questionnaires well filled. Those which were wrongly filled were ignored.

In spite of the stated challenges above however, the researcher did everything he could to undertake it successful.

5.6 Areas recommended for further study

These include:

- i) The study was limited to two variables; procurement methods and quality of service delivery. There is therefore a need for further research studies to take into consideration of more than one variable that may be affecting quality of service delivery in KCCA because it may not only be procurement methods but also others.
- ii) This study was limited to KCCA, not any other public sector organization in Uganda; hence there is need for further research to be replicated in other government departments and ministries to ascertain the similarity and differences of the findings.

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SECTION B: INDEPENDENT VARIABLE–PROCUREMENT METHODS

i) Competitive Tendering Method

In this section please tick in the box that corresponds to your opinion/view according to a scale of 1 = Strongly Disagree, 2 = Disagree, 3 = Not Sure, 4 = Agree, 5 = Strongly Agree

| No. | Statement | 1 | 2 | 3 | 4 | 5 |
|------------|-------------------------------------------------------------------------------------------|----------|----------|----------|----------|----------|
| 1 | The process of inviting bids notice is well followed in KCCA | | | | | |
| 2 | Bids are opened publicly | | | | | |
| 3 | KCCA undertakes supplier pre-qualification | | | | | |
| 4 | Bids are opened internationally | | | | | |
| 5 | We allow national suppliers to undertake the contract when they show interest and ability | | | | | |
| 6 | Bids are withdrawn on basis of incompetency | | | | | |
| 7 | Bids are modified when contractors targeted have not applied | | | | | |
| 8 | We have an independent department that evaluates bids | | | | | |
| 9 | We have an independent department that awards contracts | | | | | |

ii) Restricted Tendering

In this section please tick in the box that corresponds to your opinion/view according to a scale of 1 = Strongly Disagree, 2 = Disagree, 3 = Not Sure, 4 = Agree, 5 = Strongly Agree

| No | Statement | 1 | 2 | 3 | 4 | 5 |
|-----------|-----------------------------------------------------------------------------|----------|----------|----------|----------|----------|
| 1 | Restricted tendering is only authorized by the Public Procurement Authority | | | | | |

| No | Statement | 1 | 2 | 3 | 4 | 5 |
|----|------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|---|
| 2 | Bids are solicited from prequalified suppliers for restricted procurement | | | | | |
| 3 | Restricted tendering bids are opened by an independent committee | | | | | |
| 4 | Restricted tendering is recommended on the basis of price quotations submitted | | | | | |
| 5 | The procedure for considering restricted tendering method is clearly stipulated in procurement regulation and policy at KCCA | | | | | |
| 6 | Political interference does not interfere in the process of restricted tendering in KCCA | | | | | |
| 7 | The independent committee evaluates restricted tendering bids | | | | | |

iii) Single Source Purchasing method

In this section please tick in the box that corresponds to your opinion/view according to a scale of 1 = Strongly Disagree, 2 = Disagree, 3 = Not Sure, 4 = Agree, 5 = Strongly Agree

| No. | Statement | 1 | 2 | 3 | 4 | 5 |
|-----|-----------------------------------------------------------------------------------------------------------------------|---|---|---|---|---|
| 1 | We always consider single source procurement after a thorough unsuccessful competitive tendering process | | | | | |
| 2 | Single procurement is adopted for emergency procurement in KCCA | | | | | |
| 3 | The procedure of using single source procurement is well written down in our procurement policies | | | | | |
| 4 | Single source procurement is often considered only if using other methods of procurement are considered inappropriate | | | | | |
| 5 | Supplier's profile is among the first qualities considered before giving out a contract. | | | | | |

| No. | Statement | 1 | 2 | 3 | 4 | 5 |
|-----|--------------------------------------------------------------------------------------|---|---|---|---|---|
| 6 | We request for price quotations immediately if we are to use single source. | | | | | |
| 7 | Single source procurement proposals are often approved by top management | | | | | |
| 8 | We consider single source only when there is only one single supplier in that sector | | | | | |
| 9 | Single source procurement is considered in outsourcing | | | | | |

SECTION C: DEPENDENT VARIABLE – QUALITY OF SERVICE DELIVERY

In this section please tick in the box that corresponds to your opinion/view according to a scale of 1 = Strongly Disagree, 2 = Disagree, 3 = Not Sure, 4 = Agree, 5 = Strongly Agree

| No. | Statement | 1 | 2 | 3 | 4 | 5 |
|-----|-----------------------------------------------------------------------------------------------------------------|---|---|---|---|---|
| 1 | KCCA has been able to achieve its intended objectives | | | | | |
| 2 | There are a lot of complaints about the quality of supplies in KCCA | | | | | |
| 3 | There is prompt service delivery in KCCA | | | | | |
| 4 | KCCAgenerates cost savings on most of its procurements. That is, it does less with fewer resources. | | | | | |
| 5 | Customers complain on the delays in service delays in KCCA | | | | | |
| 6 | Every Staff in KCCA endeavors to optimally use resources on time in the attainment of the Council’s Objectives. | | | | | |
| 7 | Our supplies in KCCA are done within the set time | | | | | |
| 8 | We have had delays in our procurement process in KCCA | | | | | |
| 9 | KCCA performance is still hampered by corruption | | | | | |

Appendix II: Interview Schedule for Executive and Senior Management at KCCA

1. Position in KCCA

2. Department /Section.....

1a) How is competitive tendering used as a procurement method in KCCA?

b) When they do invite bids notice in KCCA?

c) What is required to submit bids in KCCA?

d) What would lead to modifying or Withdrawal of bids in KCCA?

e) When do you opening of bids in KCCA?

f) Explain the process followed in examining and evaluating bids in KCCA?

g) Has competitive tendering been effective in realizing quality in service delivery?

2a) How is restricted tendering used as a procurement method in KCCA and how often is it applied?

b) Who approves restricted tendering KCCA?

c) How are bids invited for restricted tendering in KCCA?

d) What is the process of selecting bidders for restricted tendering in KCCA?

e) Has restricted tendering been effective in realizing quality in service delivery?

3a) How is single source procurement used as a procurement method in KCCA and how often is it applied?

b) How do you call for price quotation for single source procurement in KCCA?

c) How is bidding done for single sourcing in KCCA?

d) How do you determine the lowest bidder for single source procurement in KCCA?

e) Has single source procurement been effective in realizing quality in service delivery?

4) Do you realize that value for money is achieved in service delivered in KCCA? Explain your answer

5) Do you realize that client satisfaction is achieved in service delivered in KCCA? Explain your answer

6) Do you realize that timeliness is achieved in service delivered in KCCA? Explain your answer

Appendix III: Documentary Review Checklist

- Audit reports (IGG reports, Auditor general reports)
- Annual reports (PPDA Act 2003 revised 2014)
- KCCA procurement plans,
- Transparency international reports
- World bank Reports,
- public sector reports,
- KCCA annual reports,
- KCCA Contracts (sample)

Appendix IV: Table For Determining Sample Size From a given Population

| <i>N</i> | <i>S</i> | <i>N</i> | <i>S</i> | <i>N</i> | <i>S</i> |
|----------|----------|----------|----------|----------|----------|
| 10 | 10 | 220 | 140 | 1200 | 291 |
| 15 | 14 | 230 | 144 | 1300 | 297 |
| 20 | 19 | 240 | 148 | 1400 | 302 |
| 25 | 24 | 250 | 152 | 1500 | 306 |
| 30 | 28 | 260 | 155 | 1600 | 310 |
| 35 | 32 | 270 | 159 | 1700 | 313 |
| 40 | 36 | 280 | 162 | 1800 | 317 |
| 45 | 40 | 290 | 165 | 1900 | 320 |
| 50 | 44 | 300 | 169 | 2000 | 322 |
| 55 | 48 | 320 | 175 | 2200 | 327 |
| 60 | 52 | 340 | 181 | 2400 | 331 |
| 65 | 56 | 360 | 186 | 2600 | 335 |
| 70 | 59 | 380 | 191 | 2800 | 338 |
| 75 | 63 | 400 | 196 | 3000 | 341 |
| 80 | 66 | 420 | 201 | 3500 | 346 |
| 85 | 70 | 440 | 205 | 4000 | 351 |
| 90 | 73 | 460 | 210 | 4500 | 354 |
| 95 | 76 | 480 | 214 | 5000 | 357 |
| 100 | 80 | 500 | 217 | 6000 | 361 |
| 110 | 86 | 550 | 226 | 7000 | 364 |
| 120 | 92 | 600 | 234 | 8000 | 367 |
| 130 | 97 | 650 | 242 | 9000 | 368 |
| 140 | 103 | 700 | 248 | 10000 | 370 |
| 150 | 108 | 750 | 254 | 15000 | 375 |
| 160 | 113 | 800 | 260 | 20000 | 377 |
| 170 | 118 | 850 | 265 | 30000 | 379 |
| 180 | 123 | 900 | 269 | 40000 | 380 |
| 190 | 127 | 950 | 274 | 50000 | 381 |
| 200 | 132 | 1000 | 278 | 75000 | 382 |
| 210 | 136 | 1100 | 285 | 100000 | 384 |

Source: Source :Krejcie, R.V., Krejcie& Wilson, C.Morgan (1970). Determining Sample Size Activities for Educational and Psychological Measurements, (30), 606-610, sage publications.

, as cited by Amin, 2005)

Note.—*N* is population size.

S is sample size

Appendix V: Field Research Letter

Appendix VI: Introductory

Appendix V: Ant plagiarism