



**PROCUREMENT PLANNING AND QUALITY OF SERVICE DELIVERY IN THE  
PUBLIC SECTOR IN UGANDA: CASE STUDY OF THE MINISTRY OF EDUCATION  
AND SPORTS**

**BY**

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**DECLARATION**

I, Latiff Ssemukaaya, hereby solemnly declare that to the best of my knowledge this dissertation is my original work and has never been submitted for any award in any University or Institution.

**Signed:**.....**Date:**.....

**APPROVAL**

This dissertation has been submitted for examination with the approval of my supervisors.

**DR. BENON BASHEKA.....Date.....**

**MRS. PROSS N. OLUKA .....Date.....**

## **DEDICATION**

I dedicate this work to my father Mr. Sulaiman Kirimuttu and mother Racheal Kirimuttu (RIP) who always gave me hope and strength whenever I needed it to continue with my studies and would like to thank them for the way they brought me up and my sincere thanks go to my lovely wife Afua, sons; Azmat, Ramzy, Rahib and my daughter Latifah for understanding me whenever I did not have time for them due to my busy academic schedules. Thanks for your patience.

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## LIST OF ACRONYMS AND ABBREVIATIONS

ANOVA	:	Analysis of Variance
BSC	:	Balanced Score Card
BTVET	:	Business, Technical, Vocational Education Training
CTB	:	Central Tender Board
CVI	:	Content Validity Index
FY	:	Financial Year
GDP	:	Gross Domestic Product
MoES	:	Ministry of Education and Sport
MoFPED	:	Ministry of Finance and Economic Development
OAG	:	Office of Auditor General
OECD	:	Organisation of Common Economic Development
PDEs	:	Procurement and Disposal Entities
PDU	:	Procurement and Disposal Unit
PPDA	:	Public Procurement and Disposal of Public Assets Authority
SFG	:	School Facilities Grant
SPSS	:	Statistical Package for Social Sciences

UNEB : Uganda National Examinations Board

USA : United States of America

## ABSTRACT

The purpose of this study was to examine the influence of procurement planning on the quality of service delivery in Uganda's MoES. The study examined the extent to which specification of requirements, supplier selection and procurement budgeting influenced quality of service delivery. A case study design was used where quantitative and qualitative approaches were adopted on a population of 89 subjects consisting of accounting officer, contracts' committee members, user department heads, heads of units and sections, and PDU staff. The study used purposive and census sampling. Data were collected using questionnaires, interviewing respondents and documentary review approaches. This was analysed using descriptive statistics, correlation and regression analyses. The study found a low level of quality of service delivery evident in the low level of tangibility, responsiveness and reliability. Procurement planning was a significant predictor contributing 19.2% to quality of service delivery. The study revealed that specification of requirements had a moderate significant relationship with quality of service delivery and supplier selection had a weak significant relationship with quality of service delivery. The study revealed that the MoES adequately conducted procurement budgets but the funds were not only late, less but also highly unpredictable. Procurement budgeting had a moderate significant relationship with quality of service delivery. The researcher concluded that specification of requirements, supplier selection and procurement budgeting had a significant relationship with quality of service delivery. The researcher recommends that to achieve the desired level of quality of service delivery, the MoES should provide for specification of requirements that adequately provide for duty, task or desired results and also integrate, discover and prequalify new suppliers, visit suppliers facilities to ensure quality. In view of the limited resources, priorities should be clearly set and adhered to in each financial.



# CHAPTER ONE

## INTRODUCTION

### 1.0 Introduction

This study assessed the influence of procurement planning on the quality of service delivery in the Public Sector using Ministry of Education and Sports as a case study. This chapter presents the background to the study, the statement of the problem, the general objective, the specific objectives, the research questions, the hypotheses, the scope of the study, the significance of the study and operational definitions of terms and concepts.

In Uganda, an estimated 30% and 34% of government expenditure takes place at the central and local government levels respectively (Agaba and Shipman, 2007). Proper planning for this huge expenditure is, therefore, an essential element of good procurement. Procurement planning is one of the primary functions of procurement entities with a potential to contribute to the success of government operations and improved service delivery. It is a function that sets in motion the entire acquisition of goods and services process. The contribution of planning in facilitating an efficient and effective performance of public sector organizations is generally undisputed in both developed and developing countries. Its contribution can be at both central and local government levels of public sector management (Basheka, 2008).

The procurement planning stage in the cycle sets the standard to all stages and if not well managed can constrain the quality of service delivery in the public sector (Thai, 2004; Lyson, 2006; Agaba and Shipman, 2007). This study examined the relationship between

procurement planning and the quality of service delivery in the Ministry of Education and Sports (herein after MoES).

## **1.1. Background to the study**

### **1.1.1 Historical background**

Globally, and America in particular, purchasing as it was commonly known, was a function that kept to itself and in many organizations was done under the accounting function. Many companies learnt that by changing the way in which they acquired raw materials, they were reducing costs (Cavinato et al., 2006). This was the beginning of reforms world over in procurement. Until the late 1990s most African economies had neglected procurement with no specific law to regulate them (Hunja, 2007). Driven by demand for further control over public spending and more efficient acquisition processes, procurement has become a key public function the world over (Thai, 2003). Similarly, Kabaj (2003) had equally noted that an efficient public procurement system is vital to the advancement of African countries and is a concrete expression of the national commitment to making the best possible use of public resources.

Commensurate to the above, a significant number of African countries have over the years adopted measures aimed at decentralization of government, together with development planning and administration. This fashion became popular in the 1980s (Livingstone and Charlton, 2001). By the late 1990s the failure of the existing procurement systems to cope with the expansion in government procurement

requirements and to deliver value-for-money had become generally accepted among government and donor partners (Agaba and Shipman, 2007).

Procurement in developing countries accounts for a high proportion of the total expenditure; for instance, 40% in Malawi and 70% in Uganda. This is comparable to the global average of 12% to 20% (Development Assistance Committee, 2005). Quality of service delivery synonymous with service quality in the public sector has taken centre stage in both developed and developing countries as internal and external customers demand the public procurement function to deliver goods, services and works in the right quantities, right qualities, right price, at the right time and in the right place for value (Thai, 2004). The aspirations of quality of service are enshrined in a well managed public procurement management cycle encompassing procurement planning, supplier solicitation and contract management (Thai, 2004; OECD, 2005).

Many African countries embraced procurement as a financial management tool and as a result, many have come up with a regulatory framework in which public procurement is being carried out (Procurement News, 2008). South Africa came up with the Institute of Purchasing and supply (IPSA) to champion the cause for procurement professionalism as a reform to public procurement. Kenya came up with the Public Procurement Oversight Authority (PPOA) to oversee the implementation of the procurement reform.

Prior to the inception of the reform programme in Uganda in 1998, procurement was centralized with contracts above the threshold of 2,000,000 shillings being awarded by Central Tender Board (herein after CTB) in Ministry of Finance. While CTB arrangements offered the advantages of consolidated purchasing and central control, the

CTB was unable to keep pace with the expansion of government activities and their attendant procurement requirement processes became protracted. At this point, it was identified by donors that public procurement was a key obstacle to effective service delivery and development and that it was not planned in advance (Agaba, and Shipman, 2007).

Through a task force, a Public Procurement Reform team was formed and commenced operations in 1998. The task force came up with a number of recommendations, among which was that the government should replace the CTB with Contracts committees, create a national regulatory body for procurement, and above all create a legal framework through which procurement would be done. All this resulted into the enactment of the PPDA Act, 2003 which was set up to cover both central and local governments though only central government procurement was under the PPDA Act of 2003 later, in February 2006, the Local Government Act, Cap 243 Section 91-94 were amended to harmonize the local government procurement institutional arrangement, regulations and procedures with those of the PPDA Act, 2003. The Act provides that procurement plan must be integrated in the annual sector expenditure programmes to enhance financial predictability (Reg 62(2)). So, clearly the Act emphasizes planning of all procurement activities which planning must be thoroughly done to achieve good quality service delivery but despite the continued emphasis on public procurement planning, many government ministries and local governments are non-compliant to procurement regulatory provisions (The PPDA National Audit reports, 2008).

### **1.1.2. Theoretical Background**

This study was guided by the Administrative Management Theory of Henry Fayol (1917) and the Parasuraman, Zeithaml and Berry (1985) service quality model. Henry Fayol (1917) proposed that the basic functions of any manager incorporated planning, organizing, commanding, coordinating and controlling in an effort to increase productivity and reexamine organizational efficiency and effectiveness (Wolfgang et al, 1995).

The service quality model proposed by Parasuraman et al., (1985) on the other hand contends that service quality is a measure of how well a delivered service matches the customers' expectations and the main reason to focus on quality is to meet customer needs while remaining economically competitive in the same time. This means satisfying customer needs is very important for the enterprises to survive. The Parasuraman et al., (1985) service quality model suggests that service quality has nine determinants but this study identifies three relevant aspects of tangibility, reliability and responsiveness that may relate to any service. In using the Henry Fayol (1917) theory, the study identifies the variable of planning here expressed as procurement planning as a key procurement management function while in using Parasuraman et al. (1985) the study identifies the variable of quality of service delivery in the public sector of Uganda. Each of these variables are explained below in the conceptual background.

### **1.1.3 Conceptual Background**

Procurement planning is one of the primary functions of procurement with a potential to contribute to the success of government operations and improved service delivery. It is a

function that sets in motion the entire acquisition /procurement process. The procurement objective is to provide quality goods and services through open and fair competition in the exact quantity and proper quality as specified and has to be delivered at the time and place where needed. Therefore, to secure such goods and services at competitive prices requires accurate planning and involvement of a number of stakeholders (Basheka, 2008).

Procurement planning involves the transformation of organization's mission goals and objectives into measurable activities to be used to plan, budget and manage the procurement function within the organization. Procurement planning occurs across functional units and activities by extending the value chain / supply chain management concepts to include procurement strategies that encompass the estimation of the budget resources and anticipated expenditures and requirements determination. Procurement planning involves the development of specifications based on identified needs or requirements, formulation and consolidation of acquisition budget and the development of preferred supplier selection and engagements in the entity (Thai, 2004).

In a purchasing context, a specification can be defined as a statement of needs. It defines what the purchaser wants to buy and, consequently, what the supplier is required to provide. Specifications can be simple or complex depending on the need. The success of the purchasing activity relies on the specification being a true and accurate statement of the buyer's requirements. Apart from being a means of identifying the goods or services required, a specification will form part of any future contract that might result from offers received in terms of functional, performance and technical specifications (Thai, 2004; Lyson, 2006). Similarly, Beil (2009) highlights that planned decisions of supplier

selection during supplier selection involves identifying and developing existing suppliers but also discovering new suppliers through procurement research. Thus supplier selection in procurement planning involves the buyer making prior decisions on identification, evaluation, and contracts with suppliers (Thai, 2004).

Similarly, Lyson (2006) contends that procurement planning is commonly completed during the budgeting process where each year, departments are required to request budget for staff, expenses, and purchases. Thai (2004) highlights that the budgets for all the departments are then reviewed, and in an organization that is committed to procurement planning, the accountants spend the time to find common purchasing requirements. Based on the budgets submitted, they may direct departments to work with central purchasing to combine their planned spending for specific commodities. Issues surrounding delivery dates, contract compliance, and customer service issues must be resolved internally and tied to budgets before going out to contract.

Quality of service delivery is synonymous with service quality according to Parasuraman et al. (1985). It has an aspect of tangibles which refers to the physical evidence of the service such as appearance of physical facilities, tools and equipments used to provide the service, appearance of personnel and communication materials, other customers in the service facility. It also includes an aspect of reliability which may include the ability to; perform the promised service dependably and accurately. As such, reliability extends to aspects of the service being performed right at the first time, the organisation keeps its promises in accuracy, in keeping records correctly and in performing the services at the designated time. It also extends to responsiveness which is the willingness and/or

readiness of employees to help customers and to provide prompt service and timeliness of service (Parasuraman et al., 1985).

In this study, procurement planning and its dimensions of specifications, supplier selection decisions, and procurement budgets were the independent variable while quality of service delivery under the indicators of tangibility, reliability and responsiveness was the dependent variable.

#### **1.1.4. Contextual Background**

The Mission of the MoES is to provide for, support, guide, coordinate, regulate and promote quality education and sports to all persons in Uganda for national integration, individual and national development (MoES, Strategic plan, 2010-2015). One of the major ways of improving this quality is through providing teaching and learning materials and most of these materials are in printed form. A review of the procurement file for the printing of P4 and P5 teaching and learning materials by the Auditor General's Office during 2009/2010 revealed the following among many other anomalies; the requisition claimed that there were 17,000 primary schools in the country which was contradictory to the known figure of 12,313 schools in the database for 2009 from the Statistics Department, an addendum that substantially changed the original requisition was placed in the media on 16<sup>th</sup> October 2009 implying that the advert and bidding period totaling 26 days was not adhered to as planned and mandated by law, M/s New Vision and M/s Picfare had made partial deliveries by 10<sup>th</sup> February 2010 as per the contract manager, however, this was before entering contract with the ministry which was done on



22<sup>nd</sup> February 2010, PP Form 20 was raised after award of contract, the contract was awarded before availability of all specifications to the bidders (OAG Report,2009/2010). The above anomalies noted by the Auditor General may be due to loop holes in the needs identification and their consequent specification and supplier selection plans in the MoES leading to constrained service quality for the intended users.

Similarly, a procurement audit on seed schools revealed that although specifications were made, there was a tendency of not only contractors deviating from the specification leading to poor quality works and collapsing buildings but issues of failure to pay contractors on time were found leading to some contractors abandoning construction projects. For example, the audit team found out that building materials used during the construction such as sand and bricks were sub-standard and that was why some walls were vividly weak and shaky. Instances of collecting sand from roads and poorly burnt bricks were common. For example, at Rwemikoma S.S in Kiruhura District, sand was sourced from the road instead of ferrying it from Nyihanga or Buremba sand pits. Similarly, the PPDA further learnt from the districts that a two-classroom Seed School's block built by the Ministry was costed between 70m/= and 90m/=. According to the districts, the SFG-funded two classroom block costed 38m/= . The 38m/= figure was inclusive of furniture. A similar two-classroom block was built at Ssanga Senior Secondary in Kiruhura District at an estimated cost of 17.5m/= and furnished using 8m/= giving us a grand total of 25.5m/=.

This phenomenon leading to questionable seed schools quality cannot be removed from irregularities in the procurement planning practices in the MoES. Indeed, in light of the investigation and the findings, the PDDA in accordance with Regulation 12 of PPDA

Regulations, 2003 recommended that, the Ministry should develop thresholds in their procurements whereby huge projects above a certain figure are handled by the Ministry while the districts handle smaller projects. It was also recommended that the MoES should come up with agreed standards for works such that the districts are given the autonomy to implement projects while the Ministry plays a supervisory role (PPDA Authority Audit report on sampled seed school in the MoES, 2009).

Procurements worth only Ug.shs. 955,079,846 were implemented according to planned money value representing 65% of the total value of procurements for the entity in FY 10/11. Procurements worth only Ug.shs. 161,628,897 were completed on time in FY 10/11 representing 11% of the total number of procurements for the entity. This was a low performance as compared to FY 09/10 in which 42% of the value of procurements undertaken were completed on time (Procurement Performance Measurement System Report for FY 2010/2011). All this could probably be an indication of poor procurement planning in MoES.

## **1.2. Statement of the Problem**

Since the 1970s, there has been a growing albeit sporadic interest in strategic approaches like procurement planning to the procurement process with an emphasis on the scope of pro-activity (Goh, Lau and Neo, 1999). This pro-activity obviously is about planning in advance of procurement activities to avoid reactionary measures like emergencies in procurement. In Uganda Public Procurement Reform commenced in 1998. All this resulted into the enactment of the PPDA Act, 2003 to cover all procurement operations of both central and local governments. The Act provides that procurement plans must be

integrated in the annual sector expenditure programme to enhance financial predictability (Reg 62(2)). Reg 62(3) states that a procurement unit shall use the combined work-plan to plan, forecast and schedule Procurement and Disposal Entity's procurement activities for the financial year. So clearly, the Act emphasizes planning of all procurement activities which planning must be thoroughly done to achieve good quality service delivery. But despite the continued emphasis on public procurement planning, many government ministries and local governments are non-compliant to procurement regulatory provisions (The PPDA National Audit reports, 2008).

The above regulations show that through the PPDA Act, 2003, government has put a lot of emphasis on procurement planning. Despite all this effort by government, the quality of service delivery by the MoES is still questionable as highlighted by the Auditor General's and PPDA 2009 audit reports and Procurement Performance Measurement System Report for FY 2010/11. This state of affairs if not checked could persistently lead to loss of tax payers' money and no value-for-money procurement.

### **1.3. Purpose of the study**

The purpose of this study was to examine the influence of procurement planning on the quality of service delivery in the Ministry of Education and Sports in Uganda.

### **1.4. Objectives of the Study**

The study was guided by the following objectives:

1. To assess the influence of specification of requirements on the quality of service delivery in the Ministry of Education and Sports of Uganda.

2. To assess the influence of supplier selection on the quality of service delivery in the Ministry of Education and Sports of Uganda.
3. To assess the influence of procurement budgeting on the quality of service delivery in the Ministry of Education and Sports in Uganda.

### **1.5. Research Questions**

The following questions were posed by the study:

1. To what extent does specification of requirements influence the quality of service delivery in the Ministry of Education and Sports of Uganda?
2. To what extent does supplier selection influence the quality of service delivery in the Ministry of Education and Sports of Uganda?
3. To what extent does procurement budgeting influence the quality of service delivery in the Ministry of Education and Sports in Uganda?

### **1.6. Study hypotheses**

The following hypotheses were tested:

1. Specification of requirements significantly influences the quality of service delivery in the Ministry of Education and Sports of Uganda.
2. Supplier selection significantly influences the quality of service delivery in the Ministry of Education and Sports of Uganda.
3. Procurement budgeting significantly influences the quality of service delivery in the Ministry of Education and Sports in Uganda.

### 1.7. Figure 1: Conceptual Frame –Work

#### PROCUREMENT PLANNING (IV)

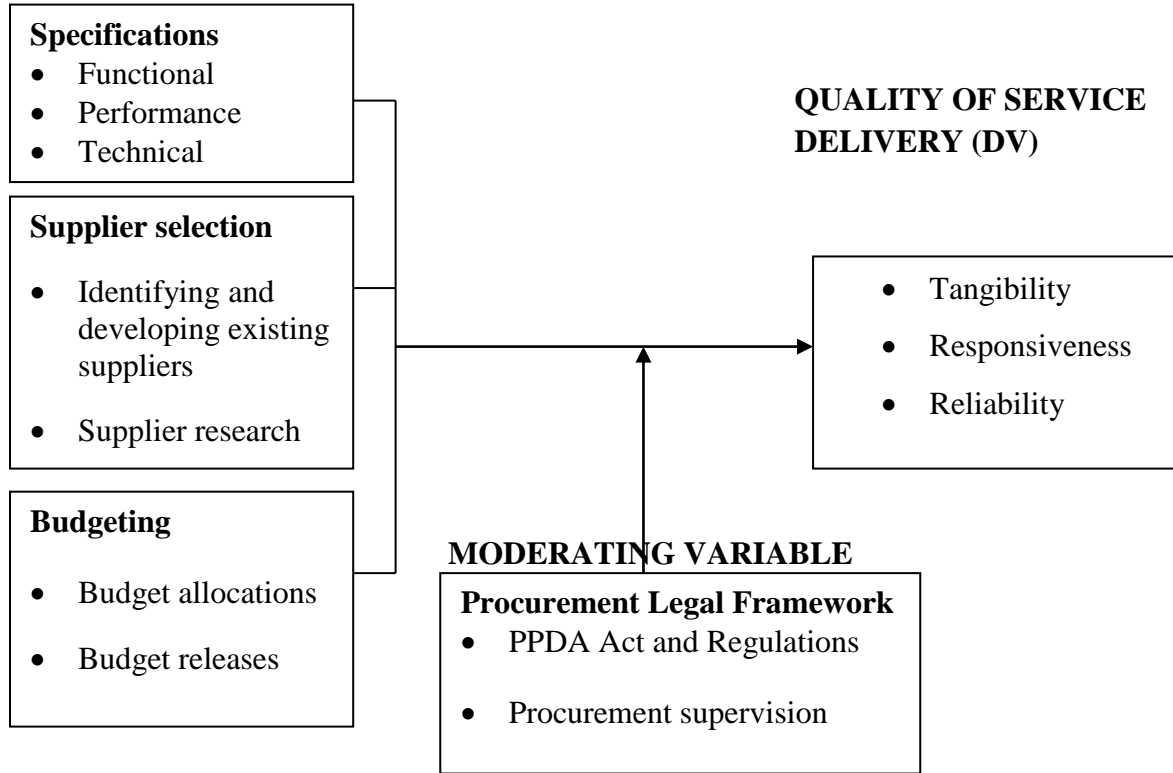


Figure 1. Showing the relationship between the independent and dependent variables.

**Source: Adopted with modifications from the Henry Fayol (1917) functions of management , PPDA Model and service quality model by Parasuraman et al., (1985).**

Figure 1 above explains the relationship between the independent variable – Procurement planning and the dependent variable Quality of service delivery. The diagram shows how the elements under the independent variable such as specification of requirements, supplier selection and availability of budgets affect the dependent variable which is quality of service delivery whose indicators are timely procurements, reliability,

responsiveness, credibility, etc. So the study will explore how the elements under the independent variable affect the dependent variable.

## **1.8 Significance of the study**

The study findings will be useful in the following ways:

To the PPDA, the study offers empirical evidence on the extent to which PDEs have complied with the procurement planning regulations and requirements which could be used to strengthen the procurement policy advisory role under its mandate.

To the PDEs, accounting officers, contracts' committees, user departments, PDUs the study offers an opportunity to express their concerns that the procurement planners will need to address for improved quality of service.

To the academia, the study adds on new knowledge on procurement planning and quality of service delivery in the public sector of a developing country.

## **1.9 Justification of the study**

With the kind of huge amounts of money involved in the procurement of goods, services and works in the public sector, proper planning in the area of procurement should be thoroughly researched to provide empirical evidence on its influence on the quality of service delivery in the public sector against the existing scanty information on procurement planning and quality of service delivery.

## **1.10 Scope of the study**

### **Content scope**

The study concentrated on procurement planning aspects of specifications, supplier selection and procurement budgets executions as the independent variables influencing quality of service under the indicators of tangibility, responsiveness and reliability.

### **Geographical scope**

The study was conducted in Uganda's Ministry of Education and Sports of located at Embassy House, King George VI Street in Kampala City.

### **Time scope**

The study covered the period 2005-2010 the time when the MoES was implementing its five year strategic plan which relied highly on procurement planning setting a precedent for bid management and contract management.

## **1.11. Operational definitions of key terms and concepts**

**Procurement planning** in this study refers to the development of specifications, supplier selection and engagement plans, and procurement budgets execution by the public entity.

**Quality** in this study refers to the tangible, responsiveness and reliability of the services offered by the public entity.

**User department:** Is the department or section within the public sector organization that initiates a purchase

**Responsiveness:** How fast suppliers react or take action when contacted by the entity

**Public procurement:** The process of bringing goods and services to the public sector organization through a systematic process which allows competition.

**Entity:** in this study refers to a public sector organization involved in procurement.

**Service delivery:** Fulfilling the public's needs in terms of bringing closer desires of society.



## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0. Introduction**

This chapter presents a review of related literature on procurement planning and quality of service delivery in relation to the study objectives based on what other academicians and practitioners have observed. The first section presents the study findings on specifications and quality of service. This is followed by a review of related literature on supplier selection and quality of service delivery, procurement budgets and quality of service.

#### **2.1. Specifications and quality of service**

Specifications are categorized as functional, performance and technical.

A specification can be described as what the purchaser wants to buy and, consequently, what the supplier is required to provide and specifications can be simple or complex depending on the need. The success of the purchasing activity relies on the specification being a true and accurate statement of the buyer's requirements. Apart from being a means of identifying the goods or services required, functional, performance and technical specification tend to form part of any future contract that might result from offers received (Thai, 2004; Lyson, 2006).

Functional specifications are defined as the function, duty or role of the goods or services. It nominates what the goods or services are broadly required to do and define the task or desired result by focusing on what is to be achieved rather than how it is to be done. They do not describe the method of achieving the intended result but enables suppliers to provide solutions to defined problems (Thai, 2004; Lyson, 2006).

On the other hand performance specifications are specifications that define the purpose of the goods or services in terms of how effectively it will perform, that is, in capability or performance terms. Performance specifications define the task or desired result by focusing on what is to be achieved. They do not describe the method of achieving the desired result but enables suppliers to provide solutions to defined problems (Thai, 2004; Lyson, 2006).

Furthermore, technical specifications on the other hand define the technical and physical characteristics and/or measurements of a product, such as physical aspects (for example, dimensions, colour, surface finish), design details, material properties, energy requirements, processes, maintenance requirements and operational requirements. They are used when functional and performance characteristics are insufficient to define the requirement (Thai, 2004; Lyson, 2006). All three types may be combined to form the one specification. While Government generally encourages the use of performance and functional specifications rather than technical specifications, certain requirements may not be adequately defined in these terms alone. Technical characteristics may be needed to define some requirements more clearly (Thai, 2004; Lyson, 2006).

Kano et al. (1984) developed a model to categorize the attributes of a product or service based on how well they are able to meet customer needs. The following are the popularly called “Kano customer need categories” (Kano et al., 1984; Berger et al., 1993): Must-be requirements. If these requirements are not fulfilled, the customer will be extremely dissatisfied. On the other hand, as the customer takes these requirements for granted, their fulfillment will not increase his/her satisfaction. With regard to these requirements, customer satisfaction is proportional to the level of fulfillment of which the higher the level of fulfillment, the higher the customer’s satisfaction and vice versa. The second category is known as the attractive requirements also called delighters. These requirements are the product criteria which have the greatest influence on how satisfied a customer will be with a given product. Attractive requirements are neither explicitly expressed nor expected by the customer and their fulfillment leads to more satisfaction yet if not met there is no feeling of dissatisfaction. Other two classifications represent the following situations; “Reverse quality”, expresses a situation where the higher the state of fulfillment of an attribute, the more dissatisfied is the customer. On the other hand, if a requirement is classified as an “indifferent quality” feature, the degree of satisfaction is not influenced by the state of fulfillment of that attribute (Nilsson-Witell and Fundin, 2005).

In relation to Kano et al., (1984) classification, Berry and Parasuraman (1992) defined the zone of tolerance as the range of service performance that a customer considers satisfactory. A performance below the tolerance zone will engender customer frustration and decrease customer loyalty. A performance level above the tolerance zone will

pleasantly surprise customers and strengthen their loyalty. Cronin (2003) considers that levels of service performance within the zone of tolerance are not perceived as different by customers. Accordingly, the literature on quality management predominantly has adopted the viewpoint of a provider of goods or services, and tried to answer the question how sellers can improve the quality of the products or services offered to their consumers (Roßnbaeck and Witell, 2008). However, research on the question, how organisations receiving goods or services manage the quality of them is scarce (Fynes and Voss, 2002; Molina-Azorín et al., 2009; Stanley and Wisner, 2001). The relative disregard of quality management from a buyer's perspective is surprising as it is estimated that approximately 50 percent of quality problems result from defects in the materials purchased (Crosby, 1984; Dowst, 1987). Thus, the quality of an entity's output is highly dependent on the quality of its input obtained from the functional, performance and technical specifications by the entity (Molina-Azorín et al., 2009).

Some authors stress that certain aspects of the purchasing process for business services are more important than or just different to the purchase process for goods (Axelsson and Wynstra, 2002). Thus, existing purchasing practices for goods may not be directly applicable to services (van der Valk and Rozemeijer, 2009). The intangibility and heterogeneity of business services exacerbates, for example, their examination by organisational purchasers before or even after the purchase and thus resulting in a strong reliance on personal information during these phases (van der Valk and Rozemeijer, 2009).

Lam (2011) contends that in the construction sector whilst drawings show the design of a construction project in graphical form, specifications depict the quality of materials and workmanship, in addition to other general requirements in text mode. The importance of sustainability in construction has prompted specifiers to make specifications a contractual tool in achieving green quality targets of construction clients. Lam (1b:d) further noted that most developed economies have adopted different specification systems for their construction works; hence, different approaches are being used in incorporating green requirements in their specifications to achieve the desired service quality in relation to green supply.

The inseparability of production and consumption of services implies that the buying company is both consumer and co-producer and cannot store services (Groenroos, 2007; Ellram et al., 2007). This makes a clear specification of the service before the purchase more crucial but also complex and highlights how closely connected the selection of a service provider is to the post-purchase quality evaluation (Lindberg and Nordin, 2008). Finally, services are delivered in interactions between human representatives of the service provider and buying company and thus difficult to produce with consistent characteristics and quality (van der Valk and Rozemeijer, 2009). This again complicates to standardize, count, and value them (Lindberg and Nordin, 2008) and requires an assessment of the interaction process by various stakeholders (Axelsson and Wynstra, 2002). Taken together the peculiarities of services imply that they entail greater performance ambiguity (Bowen and Jones, 1986) which a quality management for externally sourced business services should take account of.

Further scrutiny of the literature on service purchasing does not explicitly deal with the design of quality management. However, several authors identified perceived differences between the purchasing of goods and services. These differences may be an indication of the peculiar requirements for quality management for business services. For example, several authors posit that risk is perceived higher in purchasing of services than of goods as poorly supplied services can cause greater problems than low-quality goods as they can remain undetected longer (Jackson et al.,1995; West, 1997; Mitchell, 1994).

Smeltzer and Ogden (2002) found out that the process activity which is seen as most complex in purchasing of services is the definition of service specifications. Similar results are reported by Ellram et al. (2007) who points out that service quality and performance are not as easy to measure and specify objectively as product quality. In sum, the literature on purchasing of services suggests that perceived risk, degree of specification and usage of the service by the buying company may influence the purchasing process and thus the quality of the services. By almost every measure manufacturing quality has improved tremendously in the past decade; unfortunately, the same is not true for service (Harris and Harrington, 2000). Yet, service operations compromise more than 80 per cent of the GDP in the USA, and are growing rapidly around the world (Antony et al., 2007). Clearly, the opportunity area for the twenty-first century is in the understanding and improvement of the service processes that drive value and customer experience (Harris and Harrington, 2000).

## **2.2. Supplier selection and quality of service delivery**

Beil (2009); Roodhooft and Van den Abbeele (2006) highlighted that planned decisions of supplier selection during supplier selection involves identifying and developing existing suppliers but also to discovering new suppliers through procurement research. Thus supplier selection in procurement planning involves the buyer making prior decisions on identification, evaluation, and contracts with suppliers (Thai, 2004). Beil (2009) further noted that to survive in the intensely competitive global economy, it is often critically important to not only develop existing suppliers but also to discover new suppliers as new supplier may have developed a novel production technology or streamlined process which allows it to significantly reduce its production costs relative to predominate production technology or processes that lead to the achievement of the desired quality from the supplier. Hackett et al. (2006) hints that supplier selection as such involves the purchasing entity in the process by which the buyer identifies, evaluates, and contracts with suppliers and the buyers and their internal customers may be obliged by organisational policy to locate a minimum number of viable, potential suppliers for every product or service procured in their procurement plans.

To rigorously check the supplier's capabilities to deliver the required quality expectation, the buyer might: (i) Request samples of supplier products and test them to ensure conformance to the buyer's requirements or (ii) visit the supplier's production facility and interview line workers and engineers to ensure that all members of the supplier team understand the critical features of the product in their charge or (iii) audit the production

facilities to ensure that production can and will only proceed in a manner approved by the buyer (Beil, 2009; Kuusniemi-Laine and Takala, 2008, pp. 188-189).

Increasingly, many end product producers are recognizing the potential benefits of partnering with their suppliers in managing quality in their supply chains (Choi and Rungtusanatham, 1999). To this effect, Ellram et al., (2004) recommends that supplier relationship management such as supplier identification, supplier selection, supplier segmentation, relationship management, service delivery management, making promises to customers, enabling service providers, flow of payments between parties, demand management such as forecasting customer requirements need to be envisaged and well managed in the entity's purchasing plans.

A poorly planned supply chain can produce unwanted results such as poor product quality, high operating costs, late shipments, and excess inventory (Juran and Dershin, 2000). To achieve high performance in supply chain quality management, organisations need to integrate their supply chain members into a wide spectrum of their operations. Therefore, participation and the operational commitment of all supply chain members and inter channel management are very important for the success of supply chain quality management (Ross, 1998). However, considering the complexity of today's supply networks, it is very challenging to successfully execute supply chain quality management concepts due to increased communication requirements among the supply chain partners (Rockstroh, 2002). Despite these challenges, the proper and effective implementation of supplier chain quality management in the entities purchasing plans could improve



product quality. For instance, having effective internal assessment systems in place that enable companies to choose and evaluate suppliers and allow suppliers to actively participate in the supply chain can have a positive effect on product quality, among other measures of company performance (Wong et al., 1999; Tracey and Tan, 2001; Wisner, 2003). In addition, by establishing effective inbound and outbound logistics systems, and managing inventory successfully across the supply chain, companies can improve quality by avoiding product damage, loss, spoilage, or obsolescence, and reduce their inventory carrying expenses (Tracey et al., 2004). The implementation of JIT (Tan et al., 2002) and TQM (Bandyopadhyay and Sprague, 2003) as part of supply chain quality management can also help improve product quality in a supply chain.

Many authors assume a positive relationship between higher levels of purchasing involvement in the procurement process for services and performance of the buying company. For example, higher involvement of a firm's purchasing department can add value by ensuring that funds are spent properly by saving time (either by reducing the time invested by the client department during the purchasing process or time which is lost when the service purchase fails and money such as reducing acquisition costs, but also by improving the quality of the good or service purchased arise from choice of competent suppliers (Bals and Hartmann, 2007; González-Benito, 2007; Lonsdale and Watson, 2005; Schiele and McCue, 2006). Furthermore, purchasing can contribute to a company's level of innovativeness (Krause et al., 2001) and access to supplier markets (Walter et al., 2001). Similarly, value is created by satisfied, loyal, and productive employees. Employee satisfaction, in turn, results primarily from high-quality support

services and policies that enable employees to deliver results to customers (Heskett et al., 2008, p. 120). To achieve the desired quality of service, competitive tendering should be encouraged (Tikkanen and Kaleva, 2011 Kuusniemi-Laine and Takala, 2008); moreover, the evaluation criteria need to be transparent (Eskola and Ruohoniemi, 2007, p. 241) yet threshold values equally determine the choice of supplier to be selected in the procurement plans (Hilma, 2009).

Findings on the effectiveness of competitive tendering however reveal undesirable outcomes. Kelliher (1996) examined the policy of competitive tendering and explored why many of the originally intended outcomes did not come to fruition. The evidence presented in the study showed competitive tendering to be a poorly conceived policy for National health services catering services in UK. It did not result in major cost savings, nor did it have the effect of reforming industrial relations. Taylor (2006) analysed the structural effects of catering tender procedures on public sector and suggested improvements. The findings indicated that low prices and low quality are the norm because information relating to price is more complete than information related to quality. However, not all interested parties participate in the decision making. Moreover, the present procedures favour larger firms. Similarly, Taylor (2006) concluded that the lack of clarity in the existing tendering procedures for public sector catering contracts is likely to make quality improvement a very difficult, if not impossible, task. Taylor (2006) continued that the best value policy requires external audit and inspection to govern the efficient use of resources. Under best value, the problem of ascertaining and defining the appropriate quality remains, whether inspection or market is the governing mechanism.

In conclusion, Matechak (2010) observed that in many cases, government entities seek private sector providers in order to secure better quality goods and services at a lower overall cost that is to obtain better value for money. At the same time, government entities are looking to streamline the procurement process in order to shorten delivery and performance times as well as reduce administrative costs. However, these objectives cannot generally be met unless contracts are awarded on a truly competitive basis under a system that has clear guidelines incorporating transparency, efficiency, economy, accountability and fairness into the public procurement system as a whole. Corruption opportunities also abound at the contract planning, award and performance phase of the procurement process.

### **2.3. Budgeting execution and quality of service delivery**

Procurement planning is commonly completed during the budgeting process. Each year, departments are required to request budgets for staff, expenses, and purchases. This is the first step in the procurement planning process. The budgets for all the departments are then reviewed, and in an organization that is committed to procurement planning, the accountants spend the time to find common purchasing requirements. Based on the budgets submitted, they may direct departments to work with central purchasing to combine their planned spending for specific commodities. This process works best in an organization that is committed to reducing costs. Issues surrounding delivery dates, contract compliance, and customer service issues must be resolved internally before going out to contract (Thai, 2004, Lyson, 2006).

One of the first and most interesting areas of behavioral accounting research has been the analysis of budget targets. Budget targets quantify management's expectations of selected financial and nonfinancial elements such as future income, financial position, units manufactured, head count, materials, and number of new products introduced (Bhimani et al., 2008, p. 467). Since the studies by Argyris (1953), a substantial body of literature has examined the methods for setting budget targets; the level of difficulty in achieving budget targets; the role of budget targets in evaluating and rewarding employee performance; and the effects of budget targets on employee motivation and employee and organizational performance (Covaleski et al., 2007, p. 7). Some studies have proposed that the purposes of budgets may be interpreted differently not only across organizations but also across organizational levels (Lukka, 1988a, b; Ihantola, 2006) and by accountants and managers (Emmanuel et al., 1991, pp. 161-2). While contradictory purposes of budgets and ultimately budget targets have been identified as challenges that could potentially hinder the functioning of budgeting (Hopwood, 1974, p. 473), empirical research on how managers in the field actually interpret such accounting information is scarce.

Kihn (2011) observed that several purposes have traditionally been identified for budgets and ultimately for budget targets. Budget targets can be understood as financial plans, forecasts or estimates of expected future outcomes that the management team has agreed on. They can be used to communicate to employees what is expected of them to coordinate activities across different parts of the organization and over time. Budget targets show how resources are allocated within an organization, and they may serve as a formal authorization to a manager to spend a given amount of funds on specific activities.

Budget targets can be set to motivate good performance, since people are sensitive to large goal-performance discrepancies and are motivated to decrease these by improving their performance (Bhimani et al., 2008, pp. 467-72; Emmanuel et al., 1991, pp. 162-82). In addition to the above-mentioned more traditional purposes, budgets can be used to communicate and implement the first year of a strategic plan (Goold and Campbell, 1987; Mintzberg, 1983; Naranjo-Gil and Hartmann, 2006; Bhimani et al., 2008). These purposes of budgets and targets are related to ex ante use of information (Lukka, 1988b, p. 13; Naranjo-Gil and Hartmann, 2006). Alternatively, budget targets can be turned into responsibilities and commitments, standards and benchmarks against which actual results can be compared for unit and managerial performance evaluation and reward. Such monitoring and control of target achievement reflects ex post use of information (Lukka, 1988b, p. 13; Naranjo-Gil and Hartmann, 2006).

Given the many purposes of budgets, managers should select those purposes for which reliable budgetary information is essential and to protect the system against those influences that tend to subvert its effectiveness in those chosen areas (Emmanuel et al., 1991, p. 164). The main purpose of budgets has received ample attention from scholars. For example, Mintzberg (1983) has identified two different types of budgeting systems based on whether the focus is on planning activities or on evaluating overall performance. Lukka (1988b, p. 13) has distinguished planning and goal setting versus evaluation of investments and managers as the main purposes of budgets. Rather similarly, Naranjo-Gil and Hartmann (2006) distinguish between resource allocation (planning and coordination) and performance evaluations (monitoring and controlling).

Contradictory purposes of budgets and budget targets may hinder the budgeting function. The three main areas of potential conflict are when budget targets are used as (1) forecasts or estimates of future outcomes; (2) motivational targets; and/or (3) a means of evaluating managerial and unit performance (Emmanuel et al., 1991,p. 164). For example, while an accountant may see financial planning and forecasting as the major purpose of budgeting, enabling him or her to make predictions and decisions regarding financing, other managers may see such financial consequences as constraints and regard the budgetary system solely as a means of communicating such information rather than as a planning tool (Emmanuel et al., 1991, pp. 162-3).

Likewise, a director may use budget targets to authorize activities and to motivate subordinates, even when employees may have become used to perceiving planning and controlling (including performance evaluation) as the principal roles of budgeting (Ihantola, 2006). The above examples reflect differences between the intended and actual purposes of budgets, and in perceptions between controlling and controlled levels of an organization. According to Samuelson (1986), the intended role of budgeting is defined by the top management level of an organization. The actual role of budgeting is the role it has in an organization. Finally, the formal role of budgeting is based on managers' statements or budgeting manuals.

Some adopters of the Balanced Score Card (here after BSC) claim it is a way to put "strategy back into the center of the budgeting process," and that it can be an effective replacement for the traditional annual budget model in more fully integrating the budget

within an organization's strategic planning process (Bible et al., 2006, pp. 21-22). Kaplan and Norton, however, viewed financial budgeting as two related processes, with BSC organizations utilizing two separate budgets: (1) an operational budget of nondiscretionary spending and expenses is determined by the volume and mix of services produced or delivered. Such a budget is dynamic in allowing for new opportunities and environmental changes (2) a strategic budget includes discretionary spending on new capabilities and initiatives to enable future growth (Kaplan and Norton, 2001b, pp. 288-295). Discretionary spending is therefore directly linked to the organization's strategy (Bible et al., 2006, p. 22), and may forecast how investments in learning and growth drive continuous process improvement and lead to increased customer satisfaction (Brewer, 2002, p. 46).

In Uganda, the PPDA Regulations (2003) regulation 106(1) spells that a procuring and disposing entity shall not initiate any procurement proceedings or activities for which funds are neither available nor adequate, except where (a) the delivery of goods, services or supplies and consequent payments to a provider are anticipated to be effected from future financial years; (b) for framework contracts, funds will be committed at the time of issue of each specific call of order; or (c) the Secretary to the Treasury has confirmed in writing that the required funding shall be made available (2) Availability of funds shall be evidenced by budgeted or supplementary funds for the current financial year or an allocation for subsequent years (3) Certification of the availability of funds shall be made by the accounting officer or by any officer authorised by the accounting officer (4) Where payment to a provider is anticipated to last more than one financial year, the accounting officer shall ensure that financial provision is made in the budget estimates for the

appropriate year to support the procurement during the subsequent years (5) The accounting officer shall ensure that sufficient funds are budgeted for framework contracts every financial year, to cover the full cumulative cost of call off orders anticipated for each year for a framework contract.

In practice, procurement authorization and appropriations are integral parts of a public procurement system and determine procurement success. In many countries, construction projects face delays due to insufficient funds. For example, in Vietnam, Hanoi's new airport where construction began in 1995, was officially opened for business in October, 2001 after more than four years of delays. The sleek three-story, red-roofed terminal was supposed to be finished by late 1997, in time for a Francophone summit. The opening was delayed by redesigns and funding shortages (Associated Press, 2001). Actually, procurement professionals can provide policy makers with valuable information in the pre-procurement cycle phases, including needs assessment, and procurement program authorization and appropriations (Office of Management and Budget, 1997).

Procurement Budget short falls are usually experienced in the delivery of public services. For example, the WHO (2000) noted that Africa has the lowest per capita health spending in the world, ranging from less than US\$20 in the poorest countries of Sierra Leone and Liberia to US\$50 in affluent ones like South Africa and Botswana. Inadequate funding poses a challenge to the health-related objective of the Millennium Development Goals (MDGs), which seeks to offer universal access to quality health services by 2015 in developing countries. In Ghana, the sources of finance available to public healthcare institutions have reduced and this budgetary constraint is affecting the capacity of public



hospitals to provide quality healthcare. It is argued that the expectations of quality care, efficiency, responsive service, ready access, fairness, and provider morale are essential in healthcare institutions, given that health service activities contribute to the socio-economic development of the country (Quigley and Scott, 2004; Abor et al., 2008). The main sources of funding, including internally-generated funds, government and donor-pooled funds are insufficient compared to the expenditure budgets of these hospitals. This financing gap has resulted in the suspension of some important health programs leading to inadequate service delivery in most developing countries (World Bank, 2009).

In a concluding remark, this study highlights Matechak (2011) observation that budgets could be set artificially high so that excess allocations can be stolen or diverted. In addition, programmatic budgets could be devised in such a way that there are overlapping budgetary allocations among separate organizations or departments that could likewise be applied in a corrupt manner. In determining the requirement, reports could be prepared that falsely justify current or future departmental needs, falsely inflate actual needs or falsely report damaged equipment in order to create an excess supply that could be used for corrupt purposes. However, it should be noted that much as government entities plan and get budgets approved, they tend to operate outside the budgets causing skepticism on the need of planning.

#### **2.4. Summary of literature review**

The literature above has provided a comprehensive review of procurement planning dimensions of specifications, supplier selection and budget execution and their linkage to quality of service delivery. The literature did not, however, provide empirical evidence on the extent to which procurement planning practices of development of specifications,

supplier selection and budget executions have influenced the tangibility, responsiveness and reliability aspects of service quality. This study, therefore, strived to cover this literature gap by providing empirical evidence on the influence of procurement planning dimensions of requirements specifications, supplier selection and budget execution on the quality of service in the public sector of Uganda.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.0 Introduction**

This chapter presents the study design, population of study, sample size and selection, sampling technique and procedure, data collection methods and instruments, reliability and validity of the study instruments, data collection procedure and analysis.

#### **3.1 Research design**

The researcher used a case study design where both quantitative and qualitative approaches was adopted in this study of procurement planning and quality of service delivery in the public sector. Yin (1994) argues that case study research strategies are appropriate for the investigation an in-depth analysis into the phenomenon especially when the concern is to study contemporary issues over which the researcher has no control. The quantitative approach was used to quantify findings on the study variables using frequencies, mean, standard deviation, correlation and regression while the qualitative approach was used to draw explanation of the study findings on the variables and their relationships.

#### **3.2 Population of Study**

The study was carried out on population of 89 subjects in the MoES consisting of accounting officer, contracts' committee members, user department heads, heads of units and sections, and procurement and disposal unit staff. This population was chosen basing

on the relevant experiences they possess in public planning practices and quality of service delivery in the Ministry in their different managerial positions.

### 3.3 Sample size and selection

The sample size included 73 respondents (see appendix III) based on Krejcie and Morgan (1970) sampling guidelines. Table 1 below shows the summary of the sample size of the respondents and the sampling techniques and instrument to be used in the study.

**Table 1: Sample size of the respondents**

<b>Population category</b>	<b>Accessible population</b>	<b>Sample size</b>	<b>Sampling Techniques</b>
Accounting Officer	1	1	Census
Contracts' committee	5	5	Census
Heads of Department-HOD	12	10	Purposive
Assistant HOD	12	10	Purposive
Heads of Units-HoU	20	18	Purposive
Deputy HoU	27	17	Purposive
Procurement and Disposal Unit	6	6	Census
Budget officers	6	6	Census
<b>Total</b>	<b>89</b>	<b>73</b>	

**Source: MoES Staff payroll as of November, 2011**

### 3.4 Sampling techniques and procedures

The researcher used purposive and census sampling. In using census sampling, the researcher aimed at having total representation while purposive sampling was used to select respondents who are most knowledgeable and experienced in procurement planning and quality of service in the Ministry.

### **3.5 Data Collection Methods**

The researcher ensured that both qualitative and quantitative data is collected. There are different methods of data collection but this study used the survey method using the questionnaire, interviews and documentary review approaches.

#### **Questionnaire Survey method**

The questionnaire was used basing on the fact that variables could not be observed such as views, opinions, perceptions and feelings of the respondents on procurement planning and quality of service delivery aspects of responsiveness and reliability (Amin, 2005). The questionnaire was also used because respondents could read and write the questions, the respondents were believed to possess the information to answer the questions or items and were willing to answer the questions honestly. It was thought to be less expensive for data collection (Amin, 2005). The respondents recorded their answers within closely defined and provided alternatives. The questionnaire was administered by the researcher personally delivering them to the selected respondents in their offices in the MoES.

#### **Interview method**

The interviews were structured to comprise a set of issues on which the researcher wished to draw data and the same questions are posed to the respondents using a guide to conduct the interview.

#### **Documentary review method**

Document analysis involved reviewing existing published and unpublished information relating to procurement planning and quality of service delivery. The researcher used of

journals, magazines, manuals, reports, the Internet, newspapers and conference proceedings and abstracts related to procurement planning and service delivery.

### **3.6 Data Collection Instruments**

The researcher used a questionnaire, interview schedule and document checklist for data collection.

#### **Self-Administered Questionnaire**

A uniform self-administered close-ended questionnaire encompassing background information, procurement planning and quality of service delivery was developed and used. The choice of the questionnaire was on the basis that the respondents could read and write the answers, the respondent possessed the information to answer the questions or items and were willing to answer the questions honestly. The questionnaires can be used to collect vast amount of data from a large sample in a short time and at a low cost (Amin, 2005).

#### **Interview Guide**

Face-to-face discussions on questions posed with the accounting officer, contracts committee members, 3 budget officers, head of the PDU were conducted of which the researcher recorded the responses on procurement planning and quality of service delivery in the Ministry.

## **Documentary review checklist**

Document analysis involved reviewing procurement plans and reports coupled with quality of service to gain secondary information on the study variables to complement the primary data.

### **3.7 Data collection procedure**

A cover letter was obtained from the Head of Higher Degrees at UMI. In addition, permission to conduct the study was sought from management of the MoES to authorize the study. Anonymity and confidentiality of the respondents was observed by not asking the respondents to write their names on the questionnaires. The covering letter from Uganda Management Institute was used during the data collection process. The data collected was edited, coded and later entered into the SPSS for analysis.

### **3.8. Validity and reliability**

Pre-testing was conducted to establish the reliability and validity of the study instrument. The study questionnaire was pilot tested on a sample of 15 members of staff in the Ministry of Finance, Planning and Economic Development.

#### **3.8.1. Validity of the study instrument**

The validity of the instrument was tested using the Content Validity Index (CVI) using expert judgment taking only variable scoring above 0.70 accepted for Social Sciences (Amin, 2005). The CVI will be measured using the formula:

$$\text{CVI} = \frac{\text{Number of items declared valid}}{\text{Total number of items}}$$

The results of the CVI are shown in table 2 below

**Table 2: Content Validity Index Results**

<b>Variable</b>	<b>Total No of items</b>	<b>Number of valid items</b>	<b>CVI</b>
Specification of requirements	9	7	0.78
Supplier selection	10	8	0.80
Procurement budgeting	07	05	0.71
Quality of service delivery	15	11	0.73

**Source: Expert Judgments**

Table 2 shows that specification of requirements yielded CVI of 0.78, supplier selection yielded 0.80, procurement budgeting yielded a CVI of 0.71 while quality of service delivery yielded a CVI of 0.73. Since all variables yielded a CVI above 0.70 accepted for social sciences, it was concluded that the instrument had a good validity. Thus consistently measured what it was supposed to measure.

### **3.8.2. Reliability of the study instrument**

The internal consistence (reliability) of the instrument was measured using Cronbach's alpha coefficient taking only variables with an alpha coefficient value more than 0.70 accepted for social research (Amin, 2005) generated from SPSS.



**Table 3: Reliability results**

<b>Variable</b>	<b>Total No of items</b>	<b>Cronbach's Alpha</b>
Specification of requirements	9	0.71
Supplier selection	10	0.86
Procurement budgeting	7	0.72
Quality of service delivery	15	0.70

**Source: Primary data**

Table 3 above shows that specification of requirements yielded Cronbach's alpha value of 0.71 while supplier selection yielded Cronbach's alpha value 0.86, procurement budgeting yielded Cronbach's alpha of 0.72 and quality of service delivery yielded alpha value of 0.70. Since all variables yielded alpha values above 0.70 accepted for social sciences, it was concluded that the instrument was reliable in measuring procurement planning and quality of service delivery.

### **3.9 Data Analysis**

#### **3.9.1. Quantitative Analysis**

Quantitative data was analysed using frequencies, percentages, means and standard deviations and correlation analysis to show the relationships. On the other hand, regression analysis was used to show the influence of the independent variables on the dependent variable. Pearson's correlation coefficients and significance were used to identify the significance levels to test the hypotheses at the 99 and 95 confidence levels in the correlation analysis. A correlation coefficient of between 0 and 0.30 shall imply a weak correlation, 0.31 and 0.60 suggested a moderate relationship while a correlation between 0.61 and 80 suggests a high relationship and 0.81 to 0.99 suggests a very high

relationship. The adjusted  $R^2$ , t values, beta, and significance values were used to measure the influence of the independent variables on the dependent variables in the regression analysis. Close ended responses were coded and entered into the SPSS program which was used to analyze the data using frequencies, percentages, means, standard deviations and correlation analysis to show the relationships and the other hand, regression analysis was used to show the influence of the independent variable on the dependent variable. The descriptive method was used to analyze background information about respondents. Correlation analysis was used to establish the relationships between different variables of the study.

The correlation technique is used to analyze the degree of relationship between two variables. There are various types of correlations that are normally used, the choice of which type depends on whether the variables are discrete or continuous or whether the scale of measurement is nominal or ordinal (Mugenda & Mugenda, 1999).

Since the researcher wanted to find out the magnitude of the relationship the different types of the variables under the study, the correlation coefficient was used to give direction on how the variables are related in order to draw meanings and be able to give conclusions. If the correlation coefficient is +ve it means there is a positive relationship between the two variables and a (-) relationship means that the two variables being measured are inversely related (Kothari, 2004).

### **3.9.2. Qualitative Analysis**

For qualitative analysis the researcher was interested in analyzing information in a systematic way in order to come to some useful conclusions and recommendations. In

qualitative studies, researchers obtain detailed information about the phenomenon being studied and then try to establish patterns, trends and relationships from information gathered (Mugenda & Mugenda 2003). The researcher used interview guides to key personnel in the ministry to give detailed information drawn from the variables of the study to help supplement the quantitative data.

Qualitative data analysis involved identification and transcription of the qualitative findings into themes. The themes on each of the variables used were then coded, sorted and aligned to the research objectives from which lessons learnt on procurement planning and quality of service attributes were deduced for reporting in a narrative form.

### **3.9.3 Measurement of variables**

The variables were measured by operationally defining procurement planning and quality of service delivery. These were then channelled into observable and measureable elements to enable the development of an index of the concept using a five- Likert scale namely: 5-Strongly agree; 4- Agree; 3- Not sure; 2- Disagree; 1- Strongly disagree were used to measure both the independent and dependent variables.

## CHAPTER FOUR

### PRESENTATION, ANALYSIS AND INTERPRETATION OF RESULTS

#### 4.0. Introduction

This chapter presents analyses and interprets the study findings on procurement planning quality of service delivery in the MoES. The first section presents the response rate. A presentation and analysis of the study findings in relation to the specific objectives then follows.

#### 4.1. Response rate

Table 4 below shows the response rate as regards questionnaires that were distributed.

**Table 4 : Response Rate**

<b>Questionnaires Distributed</b>	<b>Useable Questionnaires Returned</b>	<b>Response Rate</b>
<b>73</b>	<b>70</b>	<b>96%</b>

A total of 73 questionnaires were distributed and 70 useable questionnaires were returned giving a response rate of 96% which is a high response rate suggesting that the results obtained contain substantial and reliable information. This high response rate also suggests that the survey results were a good representative of the survey population, Amin (2005).

## **4.2. Background information**

This section gives the characteristics of the respondents using cross tabulation in relation to gender, position in relation to procurement, level of education, and length of service in the MoES. This is based on the information provided on the questionnaire by the respondents themselves.

**Table 5: Distribution of gender by position of the respondents in relation to procurement function in the MoES**

			Gender		Total
			Male	Female	
Position	Contract committee	Count	2	1	3
		% of Total	2.9%	1.4%	4.3%
	Head of the user department	Count	4		4
		% of Total	5.7%		5.7%
	Procurement and disposal unit	Count	4	2	6
		% of Total	5.7%	2.9%	8.6%
	Head of section	Count	27	10	37
		% of Total	38.6%	14.3%	52.9%
	Others	Count	11	3	14
		% of Total	15.7%	4.3%	20.0%
	Budget	Count	3	3	6
		% of Total	4.3%	4.3%	8.6%
Total		Count	51	19	70
		% of Total	72.9%	27.1%	100.0%

$P \leq 0.05$

Pearson's Chi-square = 3.481<sup>a</sup>, p = 0.626

**Source: Primary data**

Table 5 above shows that 72.9% of the respondents were male while the female constituted 27.1% of the respondents. Among these, 52.9% held the position of head and deputy head of section in the Ministry while 8.6% were from the PDU and Budget officers, 5.7% held the position of head of user department and 4.3% were contracts committee members while 20% indicated that they held other positions other than those mentioned. Pearson's Chi-square statistics revealed that there was no significant difference between gender and position (Chi-square = 3.841<sup>a</sup>, p = 0.626) suggesting that both genders were equally distributed among the different positions in the Ministry. This finding suggested that the responses were from diverse positions held in the Ministry and therefore a fair representation of the procurement entity under study.

**Table 6: Distribution of gender by level of education of the respondents**

			Gender		Total
			Male	Female	
Education	Diploma	Count	4	2	6
		% of Total	5.7%	2.9%	8.6%
	Degree	Count	30	10	40
		% of Total	42.9%	14.3%	57.1%
	Post graduate	Count	14	4	18
		% of Total	20.0%	5.7%	25.7%
	Others	Count	3	3	6
		% of Total	4.3%	4.3%	8.6%
Total	Count	51	19	70	
	% of Total	72.9%	27.1%	100.0%	

$P \leq 0.05$

Pearson's Chi-square = 2.015<sup>a</sup>, p = 0.569

**Source: Primary data**



Table 6 above shows that 57.1% of the respondents had attained a university degree level of education while 25.7% had attained a post graduate education. 8.6% had attained a diploma or other qualifications other than those mentioned. Pearson's Chi-square statistics revealed no significant difference between gender and education level (Chi-square = 2.015<sup>a</sup>, p = 0.569) suggesting that one's gender had no bearing on the level of education of the staff in the MoES. This finding suggested that the respondents were fairly educated staff who understand procurement planning and quality of service delivery in the Ministry by virtue of their fairly good education level.

**Table 7: Distribution of gender by time worked in the MoES**

			Gender		Total
			Male	Female	
Time worked with moES	1-4 years	Count	19	3	22
		% of Total	27.1%	4.3%	31.4%
	5-9 years	Count	16	8	24
		% of Total	22.9%	11.4%	34.3%
	10-14years	Count	11	3	14
		% of Total	15.7%	4.3%	20.0%
	15+years	Count	5	5	10
		% of Total	7.1%	7.1%	14.3%
Total	Count	51	19	70	
	% of Total	72.9%	27.1%	100.0%	

$P \leq 0.05$

Pearson's Chi-square = 5.368<sup>a</sup>, p = 0.148

**Source: Primary data**

Table 7 above shows that a majority of 34.3% of the respondents had worked with the Ministry for 5-9 years followed by 31.4% who had worked for 1-4 years and 20% who

had worked for 10-14 years while 14.3% had worked for 15+ years. Pearson's Chi-square statistics revealed no significant difference between gender and time worked with the Ministry (Chi-square = 5.386<sup>a</sup>, p = 0.148) suggesting that both genders had worked for a reasonably equal time in the MoES and would be presumed to have accumulated reasonable experience on procurement planning and quality of service delivery in the MoES over the time worked with the entity.

### **4.3. Empirical findings**

The empirical findings are presented and analyzed using mean and standard deviation, correlation and regression results in relation to each of the study objectives. The purpose of this study is to examine the influence of procurement planning on the quality of service delivery in the Ministry of Education and Sports in Uganda. In this sub section, the study findings are presented as follows: the extent to which specification of requirements influences the quality of service delivery in the Ministry of Education and Sports; the extent to which supplier selection influences the quality of service delivery in the Ministry; the extent to which procurement budgeting influences the quality of service delivery in the Ministry of Education and Sports.

#### **4.3.1. The extent to which specification of requirements influences the quality of service delivery in the Ministry of Education and Sports**

The first objective of the study was to assess the extent to which specification of

requirements influences the quality of service delivery in the Ministry of Education and Sports. Specification of requirements was conceptualized to include functional, performance and technical specifications measured using 9 items scored on a five point Likert Scale ranging from (5) for strongly agree (4) for agree, (3) for not sure (2) for disagree (1) for strongly disagree. The findings are presented below using mean and standard deviation statistics.

**Table 8: Mean and Standard Deviation results for specification of requirements results**

<b>Specification of requirements items</b>	<b>Mean</b>	<b>S.D</b>
1. The MoES always ensures that requirements to be purchased clearly specify the function of the procurement	4.10	1.02
2. The MoES always ensures that requirements to be purchased clearly specify the duty of the procurement	2.19	1.61
3. The MoES always ensures that requirements to be purchased clearly specify the role of the procurement	4.19	0.73
4. Specification of requirement in the MoES are clearly stated to enable suppliers to provide solutions to defined problems	2.26	1.33
5. Specifications of requirement in the MoES adequately define the purpose of the goods or services in terms of how effectively it will perform	4.06	0.90
6. Specifications of requirements in the MoES adequately define the task or desired result by focusing on what is to be achieved	1.89	1.19
7. The MoES adequately develop appropriate technical specifications that define the physical characteristics and/or measurements of a product	4.00	1.10

8. The MoES uses technical specifications when functional and performance characteristics are insufficient to define the requirement	3.97	1.06
9. The MoES uses internationally-recognized standards set by the competent authority of another country, that are used extensively and are appropriate for use in Uganda in the development of requirements.	1.97	1.19

**Source: Primary Data**

Table 8 above shows that the respondent indicated that the MoES always ensured that requirements to be purchased clearly specify the function of the procurement (Mean = 4.10) while they also indicated that the MoES always ensured that requirements to be purchased clearly specified the role of the procurement (Mean = 4.19). These findings suggested some efforts to use functional specifications by specifying the function of the procurement and role to be performed which guide contractors to respond to the desired procurement specifications.

However, the respondents felt that the MoES did not always ensure that requirements to be purchased clearly specified the duty of the procurement (Mean = 2.19) a finding which revealed laxity in the development of specifications of the duty to be performed by the suppliers which resulted in not providing enough information to suppliers and putting the quality of the procurement in jeopardy. Specifying the function and role in itself without spelling out the duty to be performed may lead to a procurement which meets the basic function and role but does not meet the duty demands to be performed leading to material deviations which hurt the procurement.

Similarly, table 8 shows that the respondents whereas the respondents indicated that specifications of requirement in the MoES adequately define the purpose of the goods or services in terms of how effectively it will perform (Mean= 4.06). They felt that the specification of requirements were not clearly stated to enable suppliers to provide solutions to defined problems (Mean = 2.26). The respondents equally felt that specifications of requirements in the MoES did not adequately define the task or desired result by focusing on what was to be achieved (Mean = 1.89). This particular finding seems to suggest that although efforts were undertaken to use performance specifications, there were reasonable constraints in developing specifications based on performance perspective which if violated may lead to material deviations which ultimately negatively impacts on the quality of service delivery by the entity - as quality is compromised right from the development of performance specifications.

On technical specifications, the respondents indicated that the MoES adequately developed appropriate technical specifications that defined the physical characteristics and/or measurements of a product (Mean = 4.00) while they also indicated that the MoES used technical specifications when functional and performance characteristics were insufficient to define the requirement (Mean =3.97). The use of technical specifications when functional and performance specifications are insufficient should be commended as it helps define some requirements more clearly. On the contrary, the respondents indicated that the MoES did not use internationally-recognized standards set by a competent authority of another country, that are used extensively and are appropriate for use in Uganda in the development of requirements (Mean = 1.97). These findings

suggested that although the Ministry strived to use technical specifications, there was need to always consider the use of international technical standards. The use of internationally accepted standards enhances quality expectations and the consequent quality of service delivery.

In an interview with an accounting officer, the respondent acknowledged that:

*“We minimally specify requirements as some times the user department has little knowledge of the technical expressions which they transfer to the PDU with the hope of coming out with better expression of specifications. This arises from lack of knowledge to specify as most users are not trained to express technical requirements of the supplies. We are also faced with ignorance of quality considerations or dimensions of the requirements. Take an example of a simple computer - one will demand for a computer and places the requirement of a computer without knowledge of processor, its speed and accessories”.*

His view concurs with one head of the PDU who raised the view that:

*“Users specify but they have limited knowledge on specifying technical procurement items for lack of competencies in the procurement. As a PDU we have recommended the use of consultants, yet final users such as of schools should be involved at the planning of the requirements and their specifications. ”*

A secretary to a contracts committee cited an equal challenge:

*“We had a case of ADB IV Project to procure tractors for secondary schools where we noticed grave errors in the specification at the evaluation stage leading to its*

*cancellation. A similar case is the UNEB printery which has not been procured up to date since 2009/2010 because of inadequate specifications which the World Bank the funder felt were not what was required for the UNEB printing requirements as they were not only inadequate but also ambiguous. This procurement was referred back with a recommendation of use of a consultant to come up with specifications. ”*

A budget officer concerned with the entire departmental budget planning in Secondary Education Department had this to say;

*“My department tries to make specifications but we are handicapped on the knowledge of specifying some technical items. For example, tractors funded by ADB IV Projects for secondary schools made us develop specifications over four times which were rejected on grounds that they were very high with high costs out of budget and that they were based on branding. Finally we had to get the chief mechanical engineer from MoW to develop adequate specifications. We have experienced extreme cases where specifications are none existent. For example motor cycles meant for engineering assistants monitoring civil works in the districts indicated 4-stroke motor cycles yet motorcycle are of two stroke only. The motorcycles were not procured in the financial year yet they were urgently demanded by the engineering assistants to monitor construction projects in the districts putting construction project quality monitoring at risk. ”*

He further noted that:



*“We are challenged with meeting specifications for the different and diverse secondary schools country wide who sometimes tend to differ in specifications. We have to go with the majority. Because of this, some schools receive supplies which do not meet their requirements thereby affecting the quality of service delivery. ”*

Another Budget Officer in the department of BTVET (Business, Technical, Vocational Education Training) noted that:

*“Users try their best to specify their requirements but they have technical limitations to specify and this sometimes leads to under specifying due to lack of technical know-how which leads to poor quality supplies, services and generally leading to poor quality service delivery. In most cases what is good quality is not known to us so the PDU should come in and assist us on specifications since they are the technical people or even training users on how to make specifications. ”*

A budget officer from Teacher Education Department said:

*“We specify our requirements as users but not to the best level and in most cases we end up with not exactly what we require due to technical limitations on how to specify. This has negatively impacted on the quality of service delivery. ”*

#### **4.3.1.1. Correlation analysis between specification of requirements and quality of service delivery in the Ministry of Education and Sports**

To test if there was relationship between specification of requirements and quality of service delivery in the Ministry of Education and Sports, a correlation analysis was conducted using Pearson's correlation coefficient and significance at the two tailed levels and the findings are presented in table below.

**Table 9: Correlation matrix between specification of requirements and quality of service delivery**

		Specification of Requirement	Quality of service delivery
Specification of Requirements	Pearson Correlation	1.000	.356 **
	Sig. (2-tailed)	.	.002
	N	70	70
Quality of service delivery	Pearson Correlation	.356 **	1.000
	Sig. (2-tailed)	.002	.
	N	70	70

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

$P \leq 0.05$

Table 9 above shows the Pearson's correlation coefficient  $r = 0.356^{**}$  between specification requirements and quality of service delivery suggesting that the two variables were related. The  $r = 0.356^{**}$  and significance  $p = 0.002$  between specification

of requirements and quality of service delivery suggests that there was a moderate positive significant relationship between specification of requirements and quality of service delivery. This has quality of service delivery policy implication in that to achieve the desired level of service quality aspects of tangibility, responsiveness and reliability government ministries will need to adequately provide for procurement functional, performance and technical specifications as appropriate.

In an interview, a contracts committee member, noted that:

*“Users make specification but they are not technical enough. For example in a contract committee meeting we notices one ICT procurement had not been adequately specified. We had to defer the procurement leading to delayed procurements. ”*

#### **4.3.1.2. Regression model between specification of requirements and quality of service**

##### **Delivery**

A regression analysis was conducted to measure the extent to which specification of requirements predicted the variance quality of service delivery using the ANOVA techniques of adjusted  $R^2$  value, standardized beta value, t-value and the significance measured at 0.05 levels. The results are tabulated in the table below.

**Table 10: Regression results between specification of requirements and quality of service**

##### **Delivery**

Predictor	Adjusted R Square	Df	Mean square	F	Sig.
	0.114	1	3.230	9.867	0.002 <sup>a</sup>
			Standardized coefficients	t	Sig.
	Adjusted R square	Std error	Beta (B)		
Constant		0.280		5.973	0.000
Specification of requirements	0.114	0.104	0.356	3.141	0.002

$P \leq 0.05$

- a. Predictor: (constant), specification of requirement
- b. Dependent Variable: quality of service delivery

The regression model in table 10 above shows adjusted  $R^2$  value of 0.114 between specification of requirements and quality of service delivery suggesting that specification of requirements alone predicted only 11.4% of the variance in quality of service delivery while other variables predicted the highest variance of 88.6% of the variance in quality of service delivery. The  $R^2 = 0.114$ , beta 0.356,  $t = 3.141$ , and significance 0.002 suggested that specification of requirements although had a moderate influence (11.4%) on quality of service delivery, it was never the less a significant predictor of the variance in service quality delivery in Government ministries.

The study therefore confirmed the hypothesis that;

*“Specification of requirements significantly influences the quality of service delivery in the Ministry of Education and Sports”*

#### 4.3.2. The influence of supplier selection on the quality of service delivery in the Ministry of Education and Sports.

The second objective of the study was to assess the influence of supplier selection on the quality of service delivery in the Ministry of Education and Sports. Supplier selection was conceptualized to include identifying and developing existing suppliers and conducting marketing supplier research measured using 10 items scored on a five point Likert Scale ranging from (5) for strongly agree (4) for agree, (3) for not sure (2) for disagree (1) for strongly disagree and the finding are presented below using mean and standard deviation statistics.

**Table 11: Mean and standard deviation results for supplier selection results**

<b>Supplier selection</b>	<b>Mena</b>	<b>S.D</b>
1. The MoES has undertaken efforts to create strategic supplier alliances in its purchasing strategy	2.03	1.05
2. The MoES has identified a minimum number of viable, potential suppliers for every product or service procured in its purchasing plans	3.60	1.36
3. The MoES has undertaken efforts to segment its suppliers in its purchasing strategy	2.19	1.08
4. The MoES has undertaken efforts to develop existing suppliers in its purchasing strategy	2.43	1.35
5. The MoES has undertaken efforts to discover new suppliers in its purchasing strategy	2.29	1.21
6. The MoES has undertaken efforts to request samples of supplier products and test them to ensure conformance to the its requirements	2.14	1.07
7. The MoES has undertaken efforts to visit the supplier's production	2.34	1.19

facility to ensure product quality		
8. The MoES has undertaken efforts to audit the production facilities to ensure that production can and will only proceed in a manner approved by the buyer	2.23	1.08
9. The MoES has undertaken efforts to use quality as a deciding factor to reduce the number of its suppliers	2.29	1.04
10. The MoES has undertaken efforts to conduct procurement market place research	4.21	1.01

**Source: primary data**

Table 11 above shows that less the identification of a minimum number of viable, potential suppliers for every product or service procured in its purchasing plans (Mean = 3.60) and conducting procurement market place research (Mean = 4.21) which should be commended for enhanced procurement effectiveness, the MoES did not undertake efforts to create strategic supplier alliances in its purchasing strategy (Mean = 2.03) yet they did not also undertake efforts to segment its suppliers in its purchasing strategy (Mean = 2.19). The failure to create strategic supplier alliances deprives the entity to enjoy the benefits of identifying supplier’s capabilities and enhancing product quality which enhances quality of service delivery.

Similarly, the respondents indicated that the Ministry did not take efforts to develop existing suppliers in its purchasing strategy (Mean = 2.43); did not take efforts to discover new suppliers in its purchasing strategy (Mean = 2.29); did not undertake efforts to request samples of supplier products and test them to ensure conformity with the requirements (Mean = 2.14). Failure to develop existing suppliers, discovering and

bringing on board new suppliers with preferably better products and failure to request for product samples for conformance testing may result into failure to achieve the desired product or service quality with dire negative consequences on the quality of service delivery in the Ministry.

Furthermore, it was evident that the MoES did not undertaken efforts to visit the supplier's production facility to ensure product quality (Mean =2.34); took no efforts to audit the production facilities to ensure that production could only proceed in a manner approved by the buyer (Mean =2.23) yet it did not undertake efforts to use quality as a deciding factor to reduce the number of its suppliers (Mean = 2.29). The failure to visit suppliers production facilities and non-use of quality as a benchmark for quality assurance is likely to lead to purchasing products which do not meet the specifications or just meet the requirements but not durable and long lasting to ensure service quality by the entity. The Ministry, will therefore, need to take into consideration issues of visiting suppliers' production facilities to guarantee quality production and good product quality at all times in their supplier selection practices if they are to achieve the desired quality of service delivery.

In an interview with an accounting officer, the respondent noted that:

*“Supplier selection in the Ministry emphasises basic prequalification of providers. We also invite bids from the public from which we evaluate and select suppliers and consolidate our supplier base. At the level of creating strategic alliances, we have not taken efforts to include this in our strategic objectives since the procurement laws to*



*some extent prohibit government entities to develop strategic alliances in the need for open competitive tendering. Our post qualifications have also proved that suppliers make a lot of forgeries leading to disqualification of some suppliers. Issues of unrealistic submissions especially on price, source and time. Another limitation we have experienced is the tendency for the supplier selection process to be reversed due to administrative reviews filed by losers who feel the process was not fair to them. Most importantly, we have experienced lack of information challenge on suppliers to confirm the suppliers submissions. ”*

A head PDU noted that:

*“We have experienced challenges of forgeries in documents presented by suppliers with consequences of failure to satisfy the procurement. This is usually discovered unfortunately at the evaluation stage and we have no option but disqualify the would be good suppliers. Post qualification information is not readily available. For example garages information and it takes time to access accurate information as the information has to be obtained from the chief engineer which takes a long time there by delaying the required service. We have had another challenge to interpreting financial statements presented by suppliers leading to selecting wrong suppliers to bring on the vendor list. The selection process is also marred with appeals which delay the whole supplier selection process.”*

A budget officer from Secondary Education Department noted that:

*“During supplier selection, users are involved at the evaluation stage but in the case of the 41 seed schools districts we were asked to provide lists of prequalified firms which they did but the ministry could not get prior information about these firms’ capacities and*

*this led to poor quality work thereby leading to cancellation of five contracts. The selection process normally depends so much on documentary evidence which documents can be forged. We should try as hard as we can to find out enough information about such contractors and their track record to verify what is presented in the documents. ”*

In an interview with a secretary to a contracts’ committee, the respondent noted:

*“We select suppliers through prequalification and also through the other various ways as dictated by the thresholds. All this is done but the danger of most of these methods is that we depend so much on documentary evidence which is vulnerable to forgeries and unfortunately some of these forgeries are discovered at later stages like during evaluation. Such scenarios normally lead to cancellation of the whole process and this leads to delayed procurement processes which result in poor service delivery as the ultimate user will not have received requirements on time. ”*

#### **4.3.2.1. Correlation analysis between supplier selection and quality of service delivery in the Ministry of Education and Sports**

To test if there was relationship between supplier selection and quality of service delivery in the Ministry of Education and Sports, a correlation analysis was conducted using Pearson’s correlation coefficient and significance at the two tailed levels and the findings are presented in the table below.

**Table 12: Correlation matrix between supplier selection and quality of service delivery**

		Supplier Selection	Quality of service delivery
Supplier Selection	Pearson Correlation	1.000	.242*
	Sig. (2-tailed)	.	.043
	N	70	70
Quality of service delivery	Pearson Correlation	.242*	1.000
	Sig. (2-tailed)	.043	.
	N	70	70

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

$P \leq 0.05$

Table 12 above shows the Pearson's correlation coefficient  $r = 0.242^*$  between supplier selection and quality of service delivery suggesting that the two variables were related.

The  $r = 0.242^*$  and significance  $p = 0.043$  between supplier selection and quality of

service delivery suggests that there was a weak positive significant relationship between supplier selection and quality of service delivery.

#### 4.3.2.2. Regression model between supplier selection and quality of service delivery

A regression analysis was conducted to measure the extent to which supplier selection predicted the variance quality of service delivery using the ANOVA techniques of adjusted R<sup>2</sup> values, standardized beta values, t-values and the significance measured at 0.05 levels. The results are tabulated in table below.

**Table 13: Regression results between supplier selection and quality of service delivery**

Predictor	Adjusted R Square	Df	Mean square	F	Sig.
	0.045	1	1.499	4.247	0.043 <sup>a</sup>
			Standardized coefficients	t	Sig.
	Adjusted R square	Std error	Beta (B)		
Constant		0.249		8.179	0.000
Supplier selection	0.045	0.093	0.242	2.061	0.043

P ≤ 0.05

- a. Predictor: (constant), supplier selection
- b. Dependent Variable: quality of service delivery

The regression model in table 13 above shows adjusted R<sup>2</sup> value of 0.045 between supplier selection and quality of service delivery suggesting that supplier selection alone predicted 4.5% of the variance in quality of service delivery while other variables

predicted the highest variance of 94.5% in the quality of service delivery. The  $R^2 = 0.045$ , beta 0.242,  $t = 2.061$ , and significance 0.043 suggested that although supplier selection had a low influence on quality of service delivery, it was never the less a significant predictor of the variance in service quality delivery in Government ministries.

The study therefore confirmed the hypothesis that;

*“Supplier selection significantly influences the quality of service delivery in the Ministry of Education and Sports of Uganda” although in a weak way.*

#### **4.3.3. The influence of procurement budgeting on the quality of service delivery in the Ministry of Education and Sports.**

The third objective of the study was to assess the influence of procurement budgeting on the quality of service delivery in the Ministry of Education and Sports. Procurement budgeting was conceptualized to include budget allocations and budget releases measured using 10 items scored on a five point Likert Scale ranging from (5) for strongly agree (4) for agree, (3) for not sure (2) for disagree (1) for strongly disagree and the finding are presented below using mean and standard deviation statistics.

**Table 14: Mean and Standard deviation results for procurement budgeting results**

Procurement budgeting items	Mean	S.D
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1. All User Departments in the MoES prepare a work plan for procurement based on the approved budget which they submit to the PDU for implementation	3.87	1.24
2. All User Departments in the MoES prepare a multi-annual, rolling work plan for procurement based on the approved budget to facilitate orderly execution of annual procurement activities	1.77	1.14
3. The MoES procurement plan is integrated into the annual and multi-annual sector expenditure programme to enhance financial control over procurement budgets	3.94	1.09
4. The MoES PDU uses the combined work plan to plan and schedule the Ministry's procurement activities for the financial year.	3.83	1.32
5. The MoES ensures that payment to a provider anticipated to last more than one financial year, are provided for in the budget estimates for the appropriate year to support the procurement during the subsequent years.	1.87	1.19
6. The accounting officer always ensure that sufficient funds are budgeted for framework contracts every financial year, to cover the full cumulative cost of call off orders.	3.59	1.31
7. Funds are always available for budgeted procurement activities throughout the financial year	2.16	1.39

**Source: Primary Data**

Table 14 above shows that the respondent indicated that all user departments in the MoES prepared a work plan for procurement based on the approved budget which they submitted to the PDU for implementation (Mean = 3.87) while they also agreed that the MoES procurement plan was integrated into the annual and multi-annual sector expenditure programme to enhance financial control over procurement budgets (Mean = 3.94). It was also indicated that the MoES PDU used the combined work plan to plan and schedule the Ministry's procurement activities for the financial year (Mean =3.83) while there was agreement that the accounting officer always ensured that sufficient funds were

budgeted for framework contracts every financial year to cover the full cumulative cost of call off orders (Mean =3.59). The development of work plan, integrating of procurements, and a combined work plan and scheduling of procurements in the financial year should be commended as it does not only enable establishment of the total acquisition portfolio of the entity but also is in compliance with the PPDA 2003 Regulation 96-102 which require provision of user department annual work plans, aggregation of requirements and procurement of items in common use.

However, respondents indicated that the user departments in the MoES did not prepare a multi-annual rolling work plan for procurement based on the approved budget to facilitate orderly execution of annual procurement activities (Mean = 1.77). The respondents disagreed with the position that the MoES ensured that payment to a provider anticipated to last more than one financial year, is provided for in the budget estimates for the appropriate year to support the procurement during the subsequent years (Mean = 1.87) while they also disagreed that funds were always available for budgeted procurement activities throughout the financial year (Mean =2.16). The failure to prepare multi-annual project procurement budgets and ensuring that procurement funds are available constraints the procurement system especially with the position that a good plan is as good as nothing if funds are release late for the procurement.

In an interview with the accounting officer, he put it that:

*“Currently we adequately make procurement budgets but we are constrained by the budget ceilings provided by the MoFPED. We also experience unforeseen needs emerge*

*leading to encroaching on other activities' budgets while compromising other acquisitions. We are devastated by unreliable release of fund from the MoFPED to carry out our planned procurement activities in the financial year. All I can say is that procurement budget releases are not only late, less but are highly unpredictable for example in the FY 2010/2011 only 50% of the fourth quota was released by the MoFPED. ”*

A head of a PDU noted that:

*“All departments produce procurement budgets but we have experienced cases of under budgeting due to ceilings which push us to procure fairly low quality products which fit in the available funds. The PDU has noted that some user departments do not adequately plan for their procurements and end up requisitioning unplanned for activities leading to placing supplementary budgets which are not forth coming. The consequence of this has been re-allocation of funds thereby straining implementation of earlier planned activities. Activities that slip over one year especially in construction are not catered for since we make only annual budgets. Other economic factors like inflation and economic down turns tend to bite into the budgets which leads to less outputs. For example a plan to construct ten schools may be strained by implementation due to loss of currency value leading to few schools constructed. ”*

He further noted that:

*“Even when we plan, the releases are not sufficient value wise and timing which affects service delivery.”*



In an interview with the budget officer from Secondary School Department, the respondent put it that:

*“We use output based budgeting where funds are allocated based on the expected outputs. These outputs are linked to work plans which are closely linked to annual procurement plans. The budgeting is also based on demonstrated needs of the department. Although this is true, needs out run the financial provisions leading to scaling down of activities, budget cuts and removal of unfunded priorities which in themselves affect the quality of service delivery. We also experience late budget releases leading to users not receiving their requirements in time. Construction projects have suffered from the spillover effects which are not planned for in the new year which leads to funding unplanned activities in the previous year. The consequence has been encroaching on the funds for current activities to fund previous year activities. In the ministry, we have noted that Poverty Action Fund ( PAF) items receive 100% release of funds but none PAF items do not enjoy this privilege yet these activities tend to go hand in hand for example school construction can only proceed with a consultant’s intervention thereby delaying the project implementation while soliciting funding for the consultant which is a none PAF item. Failure to fund the consultant will lead to poor monitoring of the project which compromises quality of projects. ”*

In an interview with the budget officer from BTVET (Business, Technical, Vocational Education Training) Department, the respondent put it that:

*“We identify needs which dictate our budget but for example we budget for 10 billion but in the budget working group we are allocated 7 billion due to budget ceilings and*

*prioritizing becomes a problem and since output based budgeting depends on outputs, outputs are reduced and this affects quality of service delivery. We are faced with unplanned for activities as a result of unforeseen emergencies for example digging new latrines at schools because old ones are filled up. Another example is that of enrollment of more students than planned for and also political interference for example presidential pledges that were not planned for and yet have to be fulfilled. ”*

In an interview with the budget officer from Teacher Education Department, the respondents contends that:

*“We budget, sort out priorities, submit to the budget working group but there are always budget cuts and not all priorities are funded and this leads to users not receiving all they need. We have a challenge of late financial releases from MoFPED for example now colleges are opening but there is no yet third quarter release of funds and principals have to operate on credit which means enduring high prices. All this means scaling down on requirements due to high prices and this definitely results into insufficient service delivery. Due to late releases, users don’t receive their needs on time and at times don’t receive them at all and this compromises quality of service delivery resulting in poor performance. ”*

#### **4.3.3.1. Correlation analysis between procurement budgeting and quality of service delivery in the Ministry of Education and Sports**

To test if there was relationship between procurement budgeting and quality of service delivery in the Ministry of Education and Sports a correlation analysis was conducted using Pearson's correlation coefficient and significance at the two tailed levels and the findings are presented in table below.

**Table 15: Correlation matrix between procurement budgeting and quality of service delivery**

		Procurement Budgeting	Quality of service delivery
Procurement Budgeting	Pearson Correlation	1.000	.355**
	Sig. (2-tailed)	.	.003
	N	70	70
Quality of service delivery	Pearson Correlation	.355**	1.000
	Sig. (2-tailed)	.003	.
	N	70	70

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

$P \leq 0.05$

Table 15 above shows the Pearson's correlation coefficient  $r = 0.355^{**}$  between procurement budgeting and quality of service delivery suggesting that the two variables were related. The  $r = 0.355^{**}$  and significance  $p = 0.003$  between procurement budgeting

and quality of service delivery suggests that there was a moderate positive significant relationship between procurement budgeting and quality of service delivery. This has quality of service delivery policy implication in that to achieve the desired level of service quality aspects of tangibility, responsiveness and reliability, government ministries will need to adequately provide and promptly release acquisition budgets.

#### 4.3.3.2. Regression model between procurement budgeting and quality of service delivery

A regression analysis was conducted to measure the extent to which procurement budgeting predicted the variance quality of service delivery using the ANOVA techniques of adjusted R<sup>2</sup> values, standardized beta values, t-values and the significance measured at 0.05 levels. The results are tabulated in table below.

**Table 16: Regression results between procurement budgeting and quality of service delivery**

Predictor	Adjusted R Square	Df	Mean square	F	Sig.
	0.113	1	3.208	9.781	0.003 <sup>a</sup>
			Standardized coefficients	t	Sig.
	Adjusted R square	Std error	Beta (B)		
Constant		0.253		7.004	0.000
Procurement budgeting	0.113	0.088	0.355	3.129	0.003

P≤0.05

- a. Predictor: (constant), procurement budgeting
- b. Dependent Variable: quality of service delivery

The regression model in table 16 above shows adjusted  $R^2$  value of 0.113 between procurement budgeting and quality of service delivery suggesting that procurement budgeting alone predicted 11.3% of the variance in quality of service delivery while other variables predicted the highest variance of 88.7% in the quality of service delivery. The  $R^2 = 0.113$ , beta 0.355,  $t = 3.129$ , and significance 0.003 suggested that procurement budgeting was a moderate significant predictor of the variance in service quality delivery in government ministries.

The study therefore confirmed the hypothesis that;

*“Procurement budgeting significantly influences the quality of service delivery in the Ministry of Education and Sports of Uganda”*

#### **4.4. Quality of service delivery in the Ministry of Education and Sports .**

Quality of service delivery was the dependent variable under the indicators of tangibility, responsiveness and reliability measured using 15 items scored on five point Likert scale ranging from (5) for strongly agree (4) for agree, (3) for not sure (2) for disagree (1) for strongly disagree and the finding are presented below using mean and standard deviation statistics.

**Table 17: Mean and standard deviation results for quality of service delivery in the Ministry of Education and Sports**

<b>Quality of service delivery</b>	<b>Mean</b>	<b>S.D</b>
<i>Tangibility</i>		
1. The MoES physical facilities used are attractive	2.10	1.23
2. The MoES tools and equipments used to provide the service are appealing to you.	2.13	1.17
3. The personnel in the MoES are happy working with the Ministry	3.61	0.89
4. The MoES communication materials are appealing and attractive to you	2.10	1.13
5. Other stakeholders in the MoES are satisfied with the Ministries facilities	2.61	0.69
6. The services and goods provided by suppliers are of good quality and satisfactory	2.41	0.85
<i>Responsiveness</i>		
7. The MoES employees are always willing and/or ready of to help customers	4.00	0.83
8. The MoES employees are always in position to provide prompt service to those who seek them	2.23	1.23
9. The MoES is always in position to provide timely services	1.96	1.13
<i>Reliability</i>		
10. The MoES promptly respond to the needs of the Ministry	3.74	0.70
11. The MoES employees are always in position to delivery its services right at the first time	1.91	1.22
12. The MoES accurately keeps its promises	1.87	1.18
13. The MoES keeps its records correctly	1.90	1.31
14. The MoES is in position to deliver its services at the designated time	1.96	1.31
15. The MoES suppliers are always reliable in the time of need	2.10	1.40

Source: Primary data

Table 17 shows a low level of tangibility as the respondents felt that the MoES physical facilities used were not attractive (Mean=2.10) while they also felt that the MoES tools and equipments used to provide the service were not appealing to them (Mean = 2.13). The respondents felt that the MoES communication materials were not appealing and attractive to them (Mean = 2.10) while they felt that other stakeholders in the MoES were satisfied with the ministry's facilities (Mean = 2.61). The services and goods provided by suppliers were not of good quality and satisfactory (Mean = 2.61).

Although the respondents indicated that MoES employees were always willing and/or ready to help customers (Mean = 4.00), the respondents felt that MoES employees were not always in position to provide prompt service to those who seek them (Mean= 2.23) while they also felt that the MoES was always in position to provide timely services (Mean = 1.96) an indicator of low level of perceived responsiveness.

There was an equally low level of perceived reliability as the respondents felt that the MoES employees were not always in position to deliver services right at the first time (Mean = 1.91) while they also felt that the MoES did not accurately keep promises (Mean= 1.87). The respondents also felt that; the MoES did not keep its records correctly (Mean = 1.90), was not in position to deliver its services at the designated time (Mean = 1.96), the MoES suppliers were not always reliable in the time of need (Mean = 2.10).



#### 4.4. Summary of the study findings

A multiple regression was conducted to determine the extent to which the combined effect of the dimensions of procurement planning on quality of service delivery and the findings are presented below.

**Table 18: Multiple regression results between procurement planning and quality of service delivery**

Predictor	Adjusted R Square	Mean square	F	Sig.
	0.192	1.933	6.478	0.001 <sup>a</sup>
	Standardized coefficients		t	Sig.
	Beta (B)			
Constant			2.850	0.006
Specification of requirements	0.283		2.551	0.013
Supplier selection	0.128		1.138	0.259
Procurement budgeting	0.269		2.382	0.020

$P \leq 0.05$

- a. Predictor: (constant), specification of requirement, supplier selection and procurement budgeting
- b. Dependent Variable: quality of service delivery

The multiple regression results exhibited in table 18 revealed that specification of requirement, supplier selection and procurement budgeting yielded an adjusted R-square value of 0.192 suggesting that procurement planning as conceptualized predicted 19.2% of the variance in quality of service delivery which was significant (F-Constant = 6.478,

p= 0.001) while other variables predicted the remaining majority of 80.8% of the variance in quality of service delivery in MoES. Specification of requirements was the highest predictor of the variance quality of service delivery ( $B= 0.283$ ,  $t= 2.55$ ,  $p= 0.013$ ) followed by procurement budgeting ( $B= 0.269$ ,  $t= 2.382$ ,  $p= 0.020$ ) while supplier selection had no statistically significant influence on the variance in quality of service delivery ( $B= 0.128$ ,  $t= 1.138$ ,  $p= 0.259$ ). It was therefore inferred that to enhance quality of service delivery, the MoES should give high priority and emphasis to specifications of requirements and procurement budgeting in their procurement planning efforts.

## **CHAPTER FIVE**

### **SUMMARY, DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.0. Introduction**

The purpose of this study was to examine the influence of procurement planning on the quality of service delivery in the Ministry of Education and Sports. The independent variable was procurement planning under the dimensions of specification of requirement, supplier selection and procurement budgeting while the dependent variable was quality of service delivery under the indicators of tangibility, responsiveness and reliability. This chapter presents a summary, discussion, conclusions and recommendations based on the study findings.

#### **5.1. Summary**

The researcher found a low level of quality of service delivery evident in the low level of tangibility, responsiveness and reliability. Procurement planning was a significant predictor of the variance in quality of service delivery as it predicted to 19.2% of the variance of the quality of service delivery in the Ministry.

The researcher found out that the MoES took efforts to make specifications by specifying the function of the procurement, the role of the procurement, purpose, adequately developed appropriate technical specifications that defined the physical characteristics and/or measurements of a product, while it also used technical specifications when functional and performance characteristics are insufficient to define the requirement. However, specifications did not provide for duty, rarely left suppliers to develop

solutions to defined problems, did not adequately defined the task or desired result by focusing on what is to be achieved, while less efforts were directed to using international accepted standards. The procurement focal persons attributed this to the lack of competencies in development of specifications by the user department. Specification of requirements had a moderate significant relationship with quality of service delivery ( $r = 0.356^{**}$  and significance  $p = 0.002$ ) and it predicted 11.4% of the variance in the quality of service delivery in the MoES.

The researcher found out that supplier selection was not very effective as it involved only identification of a minimum number of viable potential suppliers for every product or service procured in its purchasing plans and conducting procurement market place research. There was less effort to develop existing suppliers in its purchasing strategy, discover new suppliers in its purchasing strategy, visit the supplier's production facility to ensure product quality, audit the production facilities to ensure that production can and will only proceed in a manner approved by the buyer and use quality as a deciding factor to reduce the number of its suppliers. Supplier selection had a weak significant relationship with quality of service delivery ( $r = 0.242^*$  and significance  $p = 0.043$ ) and it predicted only predicted 4.5% of the variance in quality of service delivery.

In the study the researcher found that the MoES adequately conducted procurement budgets significant in User Departments preparing a work plan for procurement based on the approved budget, integrating procurement plans into the annual and multi-annual sector expenditure programme to enhance financial control over procurement budgets,

PDU using the combined work plan to plan and schedule the Ministry's procurement activities for the financial year, always ensuring that sufficient funds were budgeted for framework contracts every financial year, to cover the full cumulative cost of call off orders. On the contrary, it was found out that the user departments in the MoES did not prepare a multi-annual, rolling work plan for procurement based on the approved budget to facilitate orderly execution of annual procurement activities, was constrained in ensuring that payment to a provider anticipated to last more than one financial year, were provided for in the budget estimates for the appropriate year to support the procurement during the subsequent years, and yet funds were not always available for budgeted procurement activities throughout the financial year. The funds were not only late, less but were highly unpredictable. Procurement budgeting had a moderate significant relationship with quality of service delivery ( $r = 0.355^{**}$  and significance  $p = 0.003$ ) and it predicted 11.3% of the variance in quality of service delivery.

## **5.2. Discussions**

### **5.2.1. Specification of requirements and quality of service delivery in the Ministry of Education and Sports**

In the study, it was noted that there were reasonable efforts to use functional specifications by specifying the function of the procurement and role to be performed which guide contractors to respond to the desired procurement specifications. There was laxity in the development of specification by compromising specifying the duty to be performed there by under informing the suppliers and putting the quality of the

procurement in jeopardy. Specifying the function and role in itself without spelling out the duty to be performed may lead to a procurement which meets the basic function and role but does not meet the duty demands to be performed leading to material deviations which hurts the procurement. The researcher found that although efforts were undertaken to use performance specifications, there were reasonable constraints in developing specification based on performance perspective which if violated may lead to material deviations which ultimately negatively impacts on the quality of service delivery by the entity as quality is compromised right from the development of performance specifications. The study also found out that although the Ministry strived to use technical specifications, there was need to always consider the use of international technical standards since internationally accepted standards enhance quality expectations and the consequent quality of service delivery.

This study, therefore, confirmed the hypothesis that specification of requirements significantly influences the quality of service delivery in the Ministry of Education and Sports. This has quality of service delivery policy implications in that to achieve the desired level of service quality aspects of tangibility, responsiveness and reliability government Ministries will need to adequately provide for procurement functional, performance and technical specifications as appropriate.

This view is supported by previous research such as Thai (2004) and Lyson (2006) who defined functional specifications as the function, duty or role of the goods or services. It denominates what the goods or services are broadly required to do and define the task or desired result by focusing on what is to be achieved rather than how it is to be done. They

do not describe the method of achieving the intended result but enables suppliers to provide solutions to defined problems. On the other hand, performance specifications are specifications that define the purpose of the goods or services in terms of how effectively it will perform, that is, in capability or performance terms. Performance specifications define the task or desired result by focusing on what is to be achieved. They do not describe the method of achieving the desired result but enable suppliers to provide solutions to defined problems (Thai, 2004; Lyson, 2006). Furthermore, technical specifications on the other hand define the technical and physical characteristics and/or measurements of a product, such as physical aspects (for example, dimensions, colour, surface finish), design details, material properties, energy requirements, processes, maintenance requirements and operational requirements. They are used when functional and performance characteristics are insufficient to define the requirement (Thai, 2004; Lyson, 2006). All three types may be combined to form the one specification. While Government generally encourages the use of performance and functional specifications rather than technical specifications, certain requirements may not be adequately defined in these terms alone. Technical characteristics may be needed to define some requirements more clearly (Thai, 2004; Lyson, 2006). Smeltzer and Ogden (2002) found out that the process activity which is seen as most complex in purchasing of services is the definition of service specifications. Similar results are reported by Ellram et al. (2007) who points out that service quality and performance are not as easy to measure and specify objectively as product quality. In sum, the literature on purchasing of services suggests that perceived risk, degree of specification and usage of the service by

the buying company may influence the purchasing process and thus the quality of the service

### **5.2.2. Supplier selection and quality of service delivery in the Ministry of Education and Sports of Uganda**

During the study it was discovered that supplier selection was not very effective as it involved only identification of a minimum number of viable, potential suppliers for every product or service procured in its purchasing plans and conducting procurement market place research. There was less effort to develop existing suppliers in its purchasing strategy, discover new suppliers in its purchasing strategy, visit the supplier's production facility to ensure product quality, audit the production facilities to ensure that production can and will only proceed in a manner approved by the buyer and use quality as a deciding factor to reduce the number of its suppliers. Supplier selection had a weak significant relationship with quality of service delivery implying that to strengthen the level of service quality aspects of tangibility, responsiveness and reliability, government ministries will need to provide for identification and development of existing suppliers and conduct market supplier research.

This study findings are echoed by Beil (2009); Roodhooft and Van den Abbeele (2006) who highlighted that planned decisions of supplier selection during supplier selection involves identifying and developing existing suppliers but also to discovering new suppliers through procurement research. Thus supplier selection in procurement planning involves the buyer making prior decisions on identification, evaluation, and contracts



with suppliers (Thai, 2004). Beil (2009) further noted that to survive in the intensely competitive global economy, it is often critically important to not only develop existing suppliers but also to discover new suppliers as new supplier may have developed a novel production technology or streamlined process which allows it to significantly reduce its production costs relative to predominate production technology or processes that lead to the achievement of the desired quality from the supplier. Related studies point out that higher involvement of a firm's purchasing department can add value by ensuring that funds are spent properly by saving time (either by reducing the time invested by the client department during the purchasing process or time which is lost when the service purchase fails and money such as reducing acquisition costs, but also by improving the quality of the good or service purchased arise from choice of competent suppliers (Bals and Hartmann, 2007; Gonzalez-Benito, 2007; Lonsdale and Watson, 2005; Schiele and McCue, 2006).

### **5.2.3. Procurement budging and quality of service delivery in the Ministry of Education and Sports**

The researcher found a reasonable level of development of procurement budgets and the development of work plans, integrating of procurements, and a combined work plan and scheduling of procurements in the financial year. This should be commended as it does not only enable establishment of the total acquisition portfolio of the entity but also is in compliance with the PPDA 2003 Regulation 96-102 which require provision of user department annual work plans, aggregation of requirements and procurement of items in common use. The researcher on the other hand found failure to prepare multi-annual

project procurement budgets and ensuring that procurement funds are available. This puts constraints on the procurement systems especially with the position that a good plan is as good as nothing if funds are release late for the procurement. Never the less, the study found a moderate significant relationship between supplier selection and quality of service delivery implying that to achieve the desired level of service quality aspects of tangibility, responsiveness and reliability. Government ministries will need to adequately provide and promptly release acquisition budgets.

These study findings have a bearing on Thai (2004), Lyson (2006), position which postulate Procurement planning is commonly completed during the budgeting process. Each year, departments are required to request budgets for staff, expenses, and purchases. This is the first step in the procurement planning process. The budgets for all departments are then reviewed, and in an organization that is committed to procurement planning, the accountants spend the time to find common purchasing requirements. Based on the budgets submitted, they may direct departments to work with central purchasing to combine their planned spending for specific commodities. This process works best in an organization that is committed to reducing costs. Issues surrounding delivery dates, contract compliance, and customer service issues must be resolved internally before going out to contract. In practice, procurement authorization and appropriations are integral parts of a public procurement system and determine procurement success. In many countries, construction projects face delays due to insufficient funds. For example, in Vietnam, Hanoi's new airport where construction began in 1995, was officially opened for business in October, 2001 after more than four years of delays. The sleek three-story,

red-roofed terminal was supposed to be finished by late 1997, in time for a Francophone summit. The opening was delayed by redesigns and funding shortages (Associated Press, 2001). Actually, procurement professionals can provide policy makers with valuable information in the pre-procurement cycle phases, including needs assessment, and procurement program authorization and appropriations (Office of Management and Budget, 1997).

### **5.3. Conclusion**

#### **5.3.1. Specification of requirements and quality of service delivery in the Ministry of Education and Sports of Uganda**

The study revealed that there was a low level of quality of service delivery evident in the low level of tangibility, responsiveness and reliability. Procurement planning was a significant predictor of the variance in quality of service delivery as it predicted to 19.2% of the variance of the quality of service delivery in the Ministry.

The study revealed that the MoES took efforts to make specifications by specifying the function of the procurement, the role of the procurement, purpose, adequately developed appropriate technical specifications that defined the physical characteristics and/or measurements of a product, while it also used technical specifications when functional and performance characteristics are insufficient to define the requirement. However specifications did not provide for duty, rarely left suppliers to develop solutions to defined problems, did not adequately defined the task or desired result by focusing on what is to be achieved, while less efforts were directed to using international accepted standards.

The study concluded that specification of requirements had a significant relationship with quality of service delivery and it was a significant predictor of the variance in the quality of service delivery in the MoES.

### **5.3.2. Supplier selection and quality of service delivery in the Ministry of Education and Sports**

The study also revealed that supplier selection was not very effective as it involved only identification of a minimum number of viable, potential suppliers for every product or service procured in its purchasing plans and conducting procurement market place research. There was less effort to integrate existing suppliers in its purchasing strategy, discover new suppliers in its purchasing strategy, visit the suppliers' production facility to ensure product quality, audit the production facilities to ensure that production can and will only proceed in a manner approved by the buyer and use quality as a deciding factor to reduce the number of its suppliers.

Although supplier selection had a weak significant relationship with quality of service delivery, the study concluded that to achieve the desired level of service quality aspects of tangibility, responsiveness and reliability government ministries will need to adequately conduct supplier selection by identifying and developing existing suppliers and continuously conduct supplier market research.

### **5.3.3. Procurement budgeting and quality of service delivery in the Ministry of Education and Sports of Uganda**

The study revealed that the MoES adequately conducted procurement budgets significant in user departments preparing a work plan for procurement based on the approved budget, integrating procurement plans into the annual and multi-annual sector expenditure programme to enhance financial control over procurement budgets, PDU using the combined work plan to plan and schedule the Ministry's procurement activities for the financial year, always ensuring that sufficient funds were budgeted for framework contracts every financial year, to cover the full cumulative cost of call-off orders.

The study also shows that user departments in the MoES did not prepare a multi-annual, rolling work plan for procurement based on the approved budget to facilitate orderly execution of annual procurement activities, was constrained in ensuring that payment to a provider anticipated to last more than one financial year, were provided for in the budget estimates for the appropriate year to support the procurement during the subsequent years, and yet funds were not always available for budgeted procurement activities throughout the financial year.

The study revealed that procurement budgeting had a moderate significant relationship with quality of service delivery and it has a moderate significant predictor effect on the variance in quality of service delivery. To achieve the desired level service quality, there was need to provide for adequate budgets and prompt budget releases.

## **5.4. Recommendations**

To achieve the desired quality of service delivery, the researcher makes the following recommendations based on the study findings, discussion and conclusions.

### **5.4.1. Specification of requirements and quality of service delivery**

To achieve the desired level of tangibility, responsiveness and reliability aspects of quality of service delivery the study recommends that the MoES and other PDEs in their process of developing specifications:

1. Should develop specification that adequately provide for duty, task or desired results.
2. Should consider the option of allowing suppliers to develop solutions to defined procurement problems.
3. Should use internationally accepted standards as appropriate
4. Should seek the expertise of consultants whenever appropriate
5. The PPDA should conduct workshops geared towards training users / user departments on how to specify their requirements as the researcher found out during the study that this area is still wanting as quality in most cases begins with describing and identifying the need.

#### **5.4.2. Supplier selection and quality of service delivery**

To achieve the desired level of tangibility, responsiveness and reliability aspects of quality of service delivery, the study recommends that the MoES and other PDEs in their supplier selection practices should:

1. Consider integrating existing suppliers in its purchasing strategy
2. Strive to discover and pre-qualify new suppliers in its purchasing strategy
3. Visit the supplier's production facility to ensure product quality
4. Audit the production facilities to ensure that production can and will only proceed in a manner approved by the buyer
5. Use quality as a deciding factor to reduce the number of its suppliers.

#### **5.4.3. Procurement budgeting and quality of service delivery**

To achieve the desired level of tangibility, responsiveness and reliability aspects of quality of service delivery, the researcher recommends that the MoES and other PDEs in their procurement budgeting should:

1. In view of the limited resources, priorities should be clearly set out and adhered to in each financial year in the entity.
2. Ensure that user departments in the MoES prepare a multi-annual rolling work plan for procurement based on the approved budget to facilitate orderly execution of annual procurement activities.

3. Ensure that payment to a provider anticipated to last more than one financial year are provided for in the budget estimates for the appropriate year to support the procurement during the subsequent years.
4. Adequately provide for supplementary budgets to cover the deficiencies and emergencies

### **5.5 Limitations of the study**

One of the study limitations was the fact that majority of the ministry Officials were so busy doing their work. Getting them to respond to the questionnaire was quite an uphill task as many of them could show that they were willing but they just did not have the time. On many occasions, the researcher had to interrupt their lunch breaks, since that was the only time they could afford to fill the questionnaires as they had their lunch meals and interviews had to be conducted during very early in the morning like at 7:00 am.

Very scanty literature was available on procurement planning in the public sector. Financial constraints have been a limitation to this study in form of tuition, transport, secretariat costs among others.

### **5.6 Contributions of the study**

The study findings will be useful in the following ways:

To the PPDA, the study offers empirical evidence on the extent to which PDEs have complied with the procurement planning regulations and requirements which could be used to strengthen the procurement policy advisory role under its mandate.



To the PDEs, and its accounting officers, contracts' committees, user departments, PDUs the study offers an opportunity to express their concerns that the procurement planners will need to address for improved quality of service.

To the academia, the study will help to build on the existing body of knowledge in the area of public procurement planning and the quality of service delivery in public institutions in Uganda.

Of late, there have been several reports in the media and government reports on the rampant misuse of government funds in relation to value-for-money and poor quality construction projects like schools. Such findings could be of help to the policy makers and implementors in their effort to mitigate the high amount of money lost and also the increasing cost re-imbursements to contractors by government departments.

#### **5.7. Recommendations for further research**

The researcher found out that procurement planning predicted 19.2% of the variance of quality of service delivery in the MoES suggesting that other variables predicted 80.8% of the variance of quality of service delivery. Other studies need to be conducted to investigate what it is that contributes the other 80.8% to the quality of service delivery for example procurement supervision. Similarly, the study found a weak but positive relationship between supplier selection and quality of service delivery which is questionable. Other studies need to investigate if supplier selection always has a weak relationship with quality of service delivery in other public entities. Furthermore, a study needs to be commissioned by PPDA to develop strategies for ensuring that procurement funds are released on time from the treasury since it was noted that procurement budgets

are released late. A study at the national level should be done to devise means of enhancing national revenue so that procurement budgets can be fully funded and funds released on time so that requirements are fully met and on time.

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## APPENDICES

### Appendix I: Questionnaire

Dear Respondent,

I am Latiff Ssemukaaya a student of Uganda Management Institute Kampala conducting a research on Public Procurement Planning and quality of service delivery in the public sector of Uganda. You have been selected purposively and randomly among different User Department, Contracts Committee, heads of units and sections and PDU to provide the study with the required information in this questionnaire provided.

The information provided will be treated with outmost confidentiality so please feel free and answer diligently. Please return the fully filled questionnaire immediately to the Head of Procurement and Disposal Unit within one week's time.

### SECTION A: BACKGROUND INFORMATION

1. Gender [ ] Female [ ] Male
- 2 Your position in relation to procurement: Contracts' Committee [ ] Head of the User Department [ ] Head of unit [ ] Procurement and Disposal Unit [ ] Head of section [ ] Others [ ]
- 3 Level of education Diploma [ ] Degree [ ] Post Graduate [ ] Others(specify).....
- 4 How long have you worked with the MoES (in years) :1-4 [ ] 5-9 [ ] 10-14 Yrs [ ] 15+[ ]

### SECTION B: USE OF PROCUREMENT PLANNING

Indicate the extent to which you agree with the following observations on the public procurement planning practices in the MoES. *Please use the key below to answer the following questions by circling: (5) for strongly agree (4) for agree, (3) for not sure (2) for disagree (1) for strongly disagree*

Public procurement Planning	Scale				
<i>Specifications</i>					
10. The MoES always ensures that requirements to be purchased clearly specify the function of the procurement	1	2	3	4	5
11. The MoES always ensures that requirements to be purchased clearly	1	2	3	4	5

specify the duty of the procurement					
12. The MoES always ensures that requirements to be purchased clearly specify the role of the procurement	1	2	3	4	5
13. Specification of requirement in the MoES are clearly stated to enable suppliers to provide solutions to defined problems	1	2	3	4	5
14. Specifications of requirement in the MoES adequately define the purpose of the goods or services in terms of how effectively it will perform	1	2	3	4	5
15. Specifications of requirements in the MoES adequately define the task or desired result by focusing on what is to be achieved	1	2	3	4	5
16. The MoES adequately develop appropriate technical specifications that define the physical characteristics and/or measurements of a product	1	2	3	4	5
17. The MoES uses technical specifications when functional and performance characteristics are insufficient to define the requirement	1	2	3	4	5
18. The MoES uses internationally-recognized standards set by the competent authority of another country, that are used extensively and are appropriate for use in Uganda in the development of requirements.	1	2	3	4	5
<b><i>Supplier selection and engagement</i></b>					
19. The MoES has undertaken efforts to create strategic supplier alliances in its purchasing strategy	1	2	3	4	5
20. The MoES has identified a minimum number of viable, potential suppliers for every product or service procured in its purchasing plans	1	2	3	4	5
21. The MoES has undertaken efforts to segment its suppliers in its purchasing strategy	1	2	3	4	5
22. The MoES has undertaken efforts to develop existing suppliers in its purchasing strategy	1	2	3	4	5
23. The MoES has undertaken efforts to discover new suppliers in its purchasing strategy	1	2	3	4	5
24. The MoES has undertaken efforts to request samples of supplier products and test them to ensure conformance to the its requirements	1	2	3	4	5
25. The MoES has undertaken efforts to visit the supplier's production facility	1	2	3	4	5

to ensure product quality					
26. The MoES has undertaken efforts to audit the production facilities to ensure that production can and will only proceed in a manner approved by the buyer	1	2	3	4	5
27. The MoES has undertaken efforts to use quality as a deciding factor to reduce the number of its suppliers	1	2	3	4	5
28. The MoES has undertaken efforts to conduct procurement market place research	1	2	3	4	5
<b><i>Procurement budgeting</i></b>					
29. All User Departments in the MoES prepare a work plan for procurement based on the approved budget which they submit to the PDU for implementation	1	2	3	4	5
30. All User Departments in the MoES prepare a multi-annual, rolling work plan for procurement based on the approved budget to facilitate orderly execution of annual procurement activities	1	2	3	4	5
31. The MoES procurement plan is integrated into the annual and multi-annual sector expenditure programme to enhance financial control over procurement budgets	1	2	3	4	5
32. The MoES PDU uses the combined work plan to plan and schedule the Ministry's procurement activities for the financial year.	1	2	3	4	5
33. The MoES ensures that payment to a provider anticipated to last more than one financial year, are provided for in the budget estimates for the appropriate year to support the procurement during the subsequent years.	1	2	3	4	5
34. The accounting officer always ensure that sufficient funds are budgeted for framework contracts every financial year, to cover the full cumulative cost of call off orders.	1	2	3	4	5
35. Funds are always available for budgeted procurement activities throughout the financial year	1	2	3	4	5

**SECTION C: quality of service delivery**

Indicate the extent to which you agree with the following experiences on the quality of service delivery in the MoES. *Please use the key below to answer the following questions by circling:*

(5) for strongly agree (4) for agree, (3) for not sure (2) for disagree (1) for strongly disagree

	Scale				
<b><i>Tangibility</i></b>					
16. The MoES physical facilities used are attractive	1	2	3	4	5
17. The MoES tools and equipments used to provide the service are appealing to you	1	2	3	4	5
18. The personnel in the MoES are happy working with the Ministry	1	2	3	4	5
19. The MoES communication materials are appealing and attractive to you	1	2	3	4	5
20. Other stakeholders in the MoES are satisfied with the Ministries facilities	1	2	3	4	5
21. The services and goods provided by suppliers are of good quality and satisfactory	1	2	3	4	5
<b><i>Responsiveness</i></b>					
22. The MoES employees are always willing and/or ready of to help customers	1	2	3	4	5
23. The MoES employees are always in position to provide prompt service to those who seek them	1	2	3	4	5
24. The MoES is always in position to provide timely services	1	2	3	4	5
25. The MoES promptly respond to the needs of the Ministry	1	2	3	4	5
<b><i>Reliability</i></b>					
26. The MoES employees are always in position to delivery its services right at the first time	1	2	3	4	5
27. The MoES accurately keeps its promises	1	2	3	4	5
28. The MoES keeps its records correctly	1	2	3	4	5
29. The MoES is in position to deliver its services at the designated time	1	2	3	4	5
30. The MoES suppliers are always reliable in the time of need	1	2	3	4	5

Thank you for your participation in this study



## **Appendix II: Interview schedule**

1. To what extent does specification of requirements influence the quality of service delivery in the Ministry of Education and Sports of Uganda?
2. To what extent does supplier selection influence the quality of service delivery in the Ministry of Education and Sports of Uganda?
3. To what extent does procurement budget execution influence the quality of service delivery in the Ministry of Education and Sports in Uganda?

**Appendix III: Table for determining sample size from a given population**

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	246
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	351
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	181	1200	291	6000	361
45	40	180	118	400	196	1300	297	7000	364
50	44	190	123	420	201	1400	302	8000	367
55	48	200	127	440	205	1500	306	9000	368
60	52	210	132	460	210	1600	310	10000	373
65	56	220	136	480	214	1700	313	15000	375
70	59	230	140	500	217	1800	317	20000	377
75	63	240	144	550	225	1900	320	30000	379
80	66	250	148	600	234	2000	322	40000	380
85	70	260	152	650	242	2200	327	50000	381
90	73	270	155	700	248	2400	331	75000	382
95	76	270	159	750	256	2600	335	100000	384

Note: “N” is population size  
“S” is sample size.

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