THE IMPACT OF PROCUREMENT PRACTICES AND PROCUREMENT PERFORMANCE INORGANIZATIONS;

A CASE STUDY OF UMEME

BY

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DECLARATION

I, **Ainamani Anthony** declare that, to the best of my knowledge, this dissertation is as a result of my own efforts, and has never been submitted for any academic award to this university, or any other university or institution.

Signature: ..... Date: 10/08/2019

APPROVAL

This research dissertation was carried out under my supervision on the topic: '**The effect of procurement practices on procurement performance in organizations; a case study of UMEME**, and is now hereby ready for submission.

Name of the Supervisor: Mr. Mulimira Emmanuel

Signature: ..... Date: 15/08/19

DEDICATION

I dedicate this dissertation to my beloved parents and all my siblings, relatives and friends whose compassion, extreme tolerance and understanding has brought me this point in life that I thought I could never achieve may Almighty God reward you abundantly. Thank you.

ACKNOWLEDGEMENT

I am extremely grateful to all the people who have helped me in getting this dissertation paper together. In a special way I give a vote of thanks to my supervisor, Mr. Mulimira Emmanuel who has been helping me in understanding, without his tireless efforts I would not have been able to complete this dissertation.

I further more acknowledge my friends who have encouraged me during my studies.

I lastly I wish to express my humble gratitude to my mother, and relatives for their inspiration and financial support they gave me throughout my education otherwise I would not have been able to carry out this research with the limited resources at hand.

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LIST OF CAROYOMS

NTPA - National Tax Payers Association

PSM - Purchasing and Supply Management

CMS - Contract Management Style

IMF - International Monetary Fund

Kiu - Kampala International University

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CHAPTER ONE:

INTRODUCTION

1.0 Introduction

This introductory chapter discusses the background to the study, the statement of the problem, general objective, the specific objectives of the study, research questions, conceptual framework, the significance of the study, scope of the study, and operational definitions of terms and concepts.

1.1 Background to the study

Procurement practices are vital functions in the public sector, since procurement process is generally a critical part of open spending in organizations. Carr and Smeltzer (1997) states that procurement practices comprises of the actions taken by the purchasing organization to navigate and integrate its performance in order to increase productivity by reducing cost and time. Procurement is the practice of selecting vendors, strategic vetting, setting up payment terms, selection, negotiation of contracts and actual purchasing of goods (Weele, 2010). Lim (2014) describes procurement as a process which entails acquiring (procuring) goods, services and work that is vital to an organization. Worldwide, public procurement has become an issue of concern and debate, and has been subjected to reforms, restructuring, rules and regulations (Kabega, Kule & Mbera, 2016).

Public procurement is the use of public funds by a procuring entity to acquire goods, services and works (World Bank, 1995). According to Makori (2011) due to the multiplicity of functions they have to achieve, public procurement systems are inherently complex and dynamic. Procurement faces several challenges especially due to the legal framework, market structure and the political environment that procurers face, thus achieving efficacy in public procurement is an ambitious task (Thai, 2004). Public procurement is recognized as necessary in service delivery In developing countries (Basheka & Bisangabasaija, 2010)and thus

accounting for a high proportion of total expenditure. There is therefore the need for accountability and transparency due to the large amount of money involved in government procurement and also due to the fact that such money comes from the general public (Hui etal., 2011). To promote effective supply chain management a set of activities need to be undertaken known as procurement practices. (Sollish & Semanik, 2012).

According to public procurement and asset disposal Act (2015) procurement is the acquisition by purchase, rental, lease, hire purchase, license, tenancy, franchise, or by any other contractual means of any type of works, assets, services or goods including livestock or any combination and includes advisory, planning and processing in the supply chain system. The enlightened public of the twenty first century has continually demanded good governance, proper monitoring and evaluation of public funds as well as total compliance to the law by officers given the responsibility to manage public funds through procurement as contained in the recent report by National Tax Payers Association (NTPA, 2013).According to Mahmood (2010) public procurement was represented by 18.42% of the world's gross domestic product. Public procurement is being recognized as important in service delivery in developing countries (Basheka & Bisangabasaija, 2010) accounting for the total expenditure in a high proportion. For instance in Kenya it accounts for 60% (Akech, 2005), 70% of Uganda, 40% in Malawi, 58% of Angola's public spending Basheka and Bisangabasaija (2010).Compared to the global average of 12-20 %,this is very high. (Frøystad et. al., 2010).

In Uganda, the implementation of the procurement reforms commenced in 2000 with the approval by cabinet. These reforms resulted into the establishment of the PPDA. This body was given the regulatory and oversight mandate to advise Government on matters relating to public procurement and disposal. One of its other mandates was to monitor compliance by central and local government entities to the provisions of the new legal and institutional procurement frameworks. To this effect, this report presents results of the compliance checks on 120 procuring and disposing entities (PDEs)

During the 1990s, a number of developing countries including Uganda embarked on procurement reforms with an objective of creating efficient and effective procurement systems. Procurement remained a big part of the developing countries' economy, accounting for an estimated 9% 13% of the developing nations GDP and it was therefore an area that needed attention since resources were not being used properly (Wittig, 1999)

In a comparative analysis of the economic and political determinants of procurement corruption in Uganda, Basheka (2009:15) found that economic factors explained procurement corruption more than the political factors. One explanation of this was argued to be the traditional domination of corruption studies by economists whose economic measures of corruption have been tested over time. In some Government departments, failure to absorb Government funds and provision of the much needed social services has been blamed on the 'cumbersome' public procurement rules (Sabiiti & Muhumuza, 2012:36). In general, tactical procurement entails specification of goods, works and services, selecting and contracting of suppliers (Obanda, 2010).

1.2 Statement of the problem

Roodhooft and Abbeele (2006) alluded that public bodies had always been big purchasers that dealt with huge budgets. There's need for accountability and transparency in government procurement due to the large amount of money that's involved and also due to the fact that the money comes from the public (Hui et. al., 2011).Due to inefficiency and losses in State owned enterprises' operations, the Government is required to carry major procurement burdens (SCAC, 2013). In a study on parastatal governance problems in Uganda, the following issues emerged: huge financial losses, inefficiency in operations and provision of poor products and services (Atieno, 2009). This was attributed to: poor public sector financial management, poor governance, bureaucratic wastage and pilferage in the management of parastatals, which resulted to heavy budgetary burden to the public. Inefficiency and incompetence of administration and management of the Procurement function in numerous public institutions has contributed to a loss of 50 million annually (PPOA.2010).

Several studies have been carried out regarding procurement practices. In a study by Lintukangas et. al (2010) on the effects of long term planning, collaborative supplier relationships and supply management capabilities on the status of purchasing and supply management(PSM), these elements were found to positively influence the status of PSM in Finland and Russia. This study proposes to examine the effect of procurement practices on procurement performance in organizations; a case study of UMEME.

1.3 General objective

To examine the effect of procurement practices on procurement performance in organizations; a case study of UMEME.

1.3.1 Specific objectives

i. To examine the effect of procurement planning on procurement performance in organizations
ii. To examine the effect of contract management on procurement performance in organizations
iii. To assess the effect of professionalism on procurement performance in organizations

1.4 Research questions

i. What is the effect of procurement planning on procurement performance in organizations?
ii. What is the effect of contract management on procurement performance in organizations?
iii. What is the effect of professionalism on procurement performance in organizations?

1.5 Scope of the study

1.5.1 Content scope

This research focused on the effect of procurement practices on procurement performance in organizations; a case study of UMEME This study is to specifically examine how procurement practices affect the performance of procurement ranging from procurement planning, contract management and professionalism of the work force.

1.5.2 Geographical scope

The research study was carried out at UMEME on Plot 6, Luwum Street, Kampala.

1.5.3 Time scope

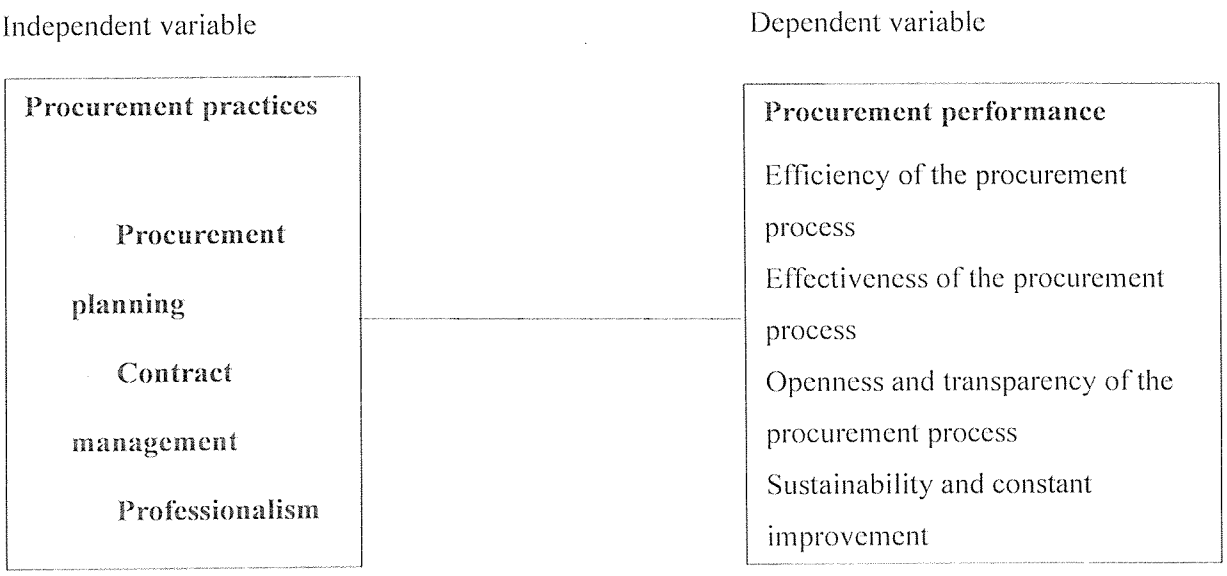
The period between 2015 and 2018 was considered, when performance of procurement units within UMEME were put on the spot due to poor performance.

1.6 Significance of the study

The findings from the study are expected to empower the procurement staff to evaluate some of the policies governing procurement and gauge whether they are generating the intended results. This in the long term will provide such users a base on which to modify these policies to suit the demands of the different stakeholders, hence improving the performance of the procurement unit at UMEME.

The study intends to aid the Central Government to body out the different avenues it can take up as a measure to enhance and increase procurement performance levels in all statutory entities. The research findings and analysis are of great significance to those who purpose to do further research on this topic. This research is also expected to add to the current literature.

1.7 Conceptual framework



Source: Adapted from Kaplan, 2005, and as moderated by the Researcher)

As depicted in Figure 1 above, the independent variable (IV) is hypothesized to influence Performance of procurement unit. The framework portrays that procurement planning, contract management, and professionalism of the workforce directly affect performance of procurement unit. On the other hand, procurement performance as the dependent variable (DV) is measured in terms of: Efficiency of the procurement process (transaction costs); Effectiveness of the procurement process; Openness and transparency of the procurement process; Sustainability and constant improvement, where efficiency is the ability to produce the desired outcomes by using as minimal resources as possible, and effectiveness is the ability of employees to meet the desired objectives or target.

1.8 Definitions of key terms

Contract Management: Administrative activities associated with handling of contracts, such as invitation to bid, bid evaluation, award of contract, contract implementation, measurement of work completed and computation of payments.

Procurement; this is the act of obtaining or buying goods and services. The process includes preparation and processing of a demand as well as the end receipt and approval of payment. It often involves purchase planning, standards determination, specifications development, supplier research and selection, value analysis, financing, price negotiation, making the purchase, supply contract administration, inventory control and stores and disposals and other related functions.

Procurement planning is the process of deciding what to buy, when and from what source. During the procurement planning process, the procurement method is assigned and the expectations for fulfillment of procurement requirements determined.

Professional Ethics; these are professionally accepted standards of personal and business behavior, values and guiding principles.

CHAPTER TWO:

LITERATURE REVIEW

2.0 Introduction

This chapter presents a review of available literature related to the effect of procurement practices on procurement performance in organizations. The purpose of the literature review is to create a deeper understanding of the issues under research. It documents related works done by other researchers in reports, textbooks, online publications and journals, among others, in the order of theoretical review, conceptual review and actual literature review objectively while focusing on the selected dimensions or/and indicators. The actual literature is preceded by a review of the theoretical issues.

2.1 Theoretical review

According to Defee et. al., (2010) good research should be based in theory. This study will be grounded on institutional theory and resource based view theory.

2.1.1 Institutional theory

This study adopted the institutional theory. Under this theory, institutions are composed of cultural cognitive and regulative elements that, together with associated activities and resources give meaning to life. The theory states that the regulatory pillar emphasizes use of rules, laws and sanctions as an enforcement mechanism with expediency as a basis of compliance, the normative pillar refers to norms and values, social obligation being the basis of compliance while the cultural cognitive pillar rests on shared understanding. Eyaa et al (2011:12) observed that there is no single universal agreed definition of institution or institutional theory. Accordingly, institutions are composed of cultural-cognitive and regulative elements that, together with associated activities and resources give meaning to life.

Institutional theory as a traditional approach is used to examine public procurement (Obanda, 2010). Institutional theory describes effects of external institutional pressures on the organizations and defines institutions as regulatory structures, government agencies, laws, courts, and professions, as well as interest groups and public opinion (Lowell, 1994). According to Scott (2003) institutions are composed of cultural-cognitive and regulative elements that together with associated activities and resources give meaning to life. The author explains the three pillars of institutions as regulatory (policy), normative and cultural cognitive. The regulatory (policy) pillar emphasizes the use of rules, laws and sanctions as enforcement mechanism with emphasis on compliance. The normative pillar refers to norms-how things should be done and the values preferred desired. The cultural pillar rests on shared understanding (common beliefs, symbols, shared understanding).This theory is critical in regards to procurement planning. The Public procurement asset and disposal Act (2015) requires an accounting officer to prepare an annual procurement plan that's realistic in a format set out in the regulations within the approved budget prior to commencement of each financial year as part of the annual budget preparation process.

2.1.2 Resource based theory

RBV proponents argue that valuable, rare, inimitable and non-substitutable resources can be a source of superior performance and may result to achievement of the firm's sustained competitive advantage. The RBV of the firm's RBV is thus a suitable approach to understand competitive dynamics whereby the firm's resources being intangible and tangible assets are linked to it in a semi-permanent way, including the technological, human and physical assets. Having resources only is not sufficient, thus, RBV theory adds a group of capabilities which result from complicated patterns of interactions and coordination between resources (Wong & Karia, 2010). The manner in which firm's needs, develops, maintains, bundles and applies them leads to competitive advantage and superior performance over time. A firm is able to create long-lasting competitive capabilities and thus generate a competitive advantage by exploiting its non-imitable resources (Paulraj, 2011).

2.2 Conceptual review

Mukopi and Iravo (2015) alluded that to ensure effective performance measurement, the measurement goals must represent the functional goals and metrics chosen must reflect a balance between the financial and non-financial measures that can help in decision making. According to Wittig (1999) improvements in public procurement systems can have direct and beneficial effect on a country's overall economic situation. In most countries a large part of government resources are consumed on procurement of goods, services and works that's required in government departments (Basheka & Tumutegyereize, 2010)

Procurement performance is an outcome of purchasing effectiveness and purchasing efficiency (Venkatesh et. al., 2003). Performance provides the ground to assess how well public entities progress towards predetermined objectives and decides on the future initiatives with the purpose of starting performance improvements. (Gelderman, et. al., 2006). Measuring the performance of the purchasing function yields benefits to organizations such as cost reduction, enhanced profitability, assumed supplies, quality improvements and competitive advantage as noted by (Basheka & Bisangabasaija, 2010). Research by (Gribbins et. al, 2003) has also described public procurement research and how these positively impact public procurement in terms of cost, time, satisfaction, quality, stock, and value

2.3 Actual literature review

The literature review is sectioned according to the objectives of the study and this is as follows;

2.3.1 Procurement Planning and procurement performance

Basis of work organization is provided through proper planning of projects as well as allocation of individuals' responsibilities. According to Brown and Hyer (2010) planning is comprised of the identification of the main purpose, scope definition, requirements of customers, and identification of activities of procurement, time estimation which can be

based on delivery of goods and services as per cost quoted and scheduled, responsibilities assignment among other many involvements. The element of planning could be used to answers the following questions: What organizational result is expected? And what does the organization hope to accomplish by successfully completing this project? For one to understand the essential planning role which is played in successful implementation of projects, planning preparations is therefore required to be excellent, and these could involve well elaborated process scheduling of implementation phases and task timeliness, milestones, re-planning as well as fallback positions (Frese et al 2003). An implication that planning in conception is not enough as Saunders (1997), observed that planning can also consist of forecasting which assist in the cost prediction process and financial

Achieving efficiency in public procurement planning is an ambitious task, as procurement faces numerous challenges, especially due to the market structure, the legal framework and the political environment that procurers face. Poor procurement planning has been one of the major stumbling blocks to the economic development of Africa and it has been clear that a number of African countries have not paid adequate attention to the proper management of public resources (Basheka, 2004:25).

Procurement encompasses the whole process of acquiring property and/or services. It begins when an agency has identified a need and decided on its procurement requirement. Procurement continues through the processes of risk assessment, seeking and evaluating alternative solutions, contract award, delivery of and payment for the property and/or services and, where relevant, the ongoing management of a contract and consideration of options related to the contract. Procurement also extends to the ultimate disposal of property at the end of its useful life (Waters, 2004:66). Sound public procurement policies and practices are among the essential elements of good governance (KIPPRA, 2006:17). Othieno (2004:25 notes the irregular procurement activities in public institutions provide the biggest loophole through which public resources are misappropriated.

According to Thai (2001:54), the basic principles of good procurement practice include accountability, where effective mechanisms must be in place in order to enable procuring entities spend the limited resources carefully, knowing clearly that they are accountable to

members of the public; competitive supply, which requires the procurement be carried out by competition unless there are convincing reasons for single sourcing; and consistency, which emphasizes the equal treatment of all bidders irrespective of race, nationality or political affiliation. The process should also uphold integrity by ensuring that there are no malpractices; informed decision-making, which requires public bodies to base decisions on accurate information and ensure that requirements are being met. More still, the Procurement practice should be responsive to aspirations, expectations and needs of the target society. Finally, there is need for transparency to enhance openness and clarity on procurement policy and its delivery (World Bank, 2003:18).

2.3.2 Contract Management and procurement performance

When a contracting authority enters into a contract with an economic operator, the arrangement cannot just be left to run. It must be managed to enable both the contracting authority and the economic operator to meet their contractual obligations. Contracts are frequently complex, they may involve multiple actors, last a long time and may consume many resources. It is therefore vital that they are properly managed (SIGMA, 2011). In a survey covering a range of large countries to Small Island states, from Europe, Latin America to Asia, representing a variety of levels of economic development, including fragile and conflict affected only 58.8% of the countries had implemented or were in process of implementing reforms relating to a procurement manual, invoice processing, provisions for delegation of authority, mechanisms for Public Private Partnerships, and contract administration procedures between 2003 and 2010 Strengthening Country Procurement Systems: Results and Opportunities Survey (2011).

Over the past few years, developing countries have been awakened on the importance of effective management of the public procurement process at both central and local government levels, and its subsequent contribution to improved governance of the public sector. Procurement; a function that was traditionally viewed as a clerical and reactive task has since positioned itself among core organizational functions, and its management is becoming increasingly critical for the wellfunctioning of any organization (Onyango, 2012:70). Kibogo (2014:45) reported that the Kenya government had been losing hundreds of millions of

taxpayer's money through cancelled contracts, unfinished projects, poor service or product delivery, corruption and extended contract periods in the previous eight years without major improvement. Kibogo further stated that of the 10% – 30% of GDP spent by the government of Kenya on procurement alone, 5% is wasted due to lack of proper management of the contracts. As a result, the World Bank and the International Monetary Fund (IMF) had to intervene by putting in place stringent conditions for lending funds to the government which slowed down economic development by 2.1%.

Although the efficacy, functionality and versatility of the procurement system is a function of good governance, achieving effective procurement in Uganda is thus not possible without putting attention to good governance infrastructure. The PPDA 2nd integrity survey (2011) reported that up to 69.8% of service providers surveyed agreed that corruption influenced procurement and that acknowledgement of the presence of corruption was assented to by up to 81.1% of the service providers. The survey also highlighted the fact that whereas the National Public Procurement Integrity Baseline Survey (2006:33) found a percentage gratification of public officials of between 7-9%; the 2011 survey indicated that the majority of the service provider respondents had offered a bribe of between 10-20% of the contract value (33.3%) with a further 6.3% saying they paid over 20% for the contract awarded. Key informants also confirmed instances of procurement officers in key government agencies as allocating works to their relatives or cronies.

According to Gordon (2009:34) contract management style (CMS) could turn out to be one of the most important new business applications of the first decade of the 21st Century. (Bartels, 2009:55) further confirms that information technology is increasingly being applied to contract negotiation, executions and management to standardize, streamline and ensure contract and regulatory compliances and extend best practices and strategies for contract management across organizations. Maria's (2013:65) study established that, in contract management, the contract supply chain relationship provides a high-level framework to approach contracting as a business process. However, even the most carefully designed contracting process supported by sophisticated information technology will not succeed without capable contract management professionals (Maria, 2013:67). Thus organizations need to invest in developing the functional and interpersonal skills of the staff. The Kenya

government (R.O.K, 2010:85) confirmed the importance of contract administration to the success of the contract and for the relationship between customer and provider should not be underestimated.

2.3.3 Professionalism of the workforce and procurement performance

Competence is defined as a capability, ability or an underlying characteristic of an individual, which is casually related to effective or superior performance. For purposes of this study, competence is used to refer to applied knowledge and skills, performance delivery, and the behaviour required to get things done very well (Armstrong and Baron, 1995:67). Competences are divided into two categories; technical and behavioural competency. Public procurement professionals have to strive to achieve three competing demands of meeting commercial interests with key themes of value for money, economy, efficiency and effectiveness; the regulatory interests with key themes of competition, transparency, equality and compliance and the social interests whose key themes include public interest, employment concerns, social exclusion, economic development and environment policy (Errigde & McIlroy, 2002:79). In an effort to attain these demands, organizations constantly look for employees who have skills necessary to deal with the wide variety of tasks faced by purchasing professionals (Monczka et al, 1998:67). Procurement professionals need a set of flexible skills due to changing local government contexts. No single skill can be adequate to manage the procurement portfolio of great complexity in local government systems. Procurement tasks demand professionals with high-level strategic, tactical as well as operational skills. These skills should potentially take a broader supply chain multi-disciplinary and integrative approach.

Although issues pertaining to competence and technical efficiency of procurement staff are often mentioned as being critical, in a survey covering a range of large countries to Small Island states, from Europe, Latin America to Asia, representing a variety of levels of economic development, including fragile and conflict-affected ones established that conditions of service for procurement staff and profiles for procurement jobs are among the areas where least has been done with 64.7% and 52.9%, respectively, having neither

implemented or started reforms in these areas between 2003 and 2010 (Strengthening Country Procurement Systems: Results and Opportunities Survey, 2011).

Career competences are described as the individual characteristics of an employee that enable him/her to guide his/her functional and learning competences in the right direction (Kuijpers, 2003:7). Regardless of the effort by the governments of developing countries, like Kenya and development partners like the World Bank to improve performance of the procurement function, public procurement is still marred by shoddy works, poor quality goods and services (Basheka, 2008:12). Failure to implement or delayed implementation of recommended performance standards has resulted in unnecessarily high operation costs, uncoordinated business activities, and failure to attract and retain experienced and skilled personnel in the procurement positions, thus affecting the function's performance (The World Bank Country Procurement Assessment Report, 2009:8).

Rotich (2011:54) admits that the evaluation or measurement of procurement performance has always been a vexing problem for procurement professionals. He asserts that traditionally, firms concentrate on analyzing their own internal trends which does not portray the true picture on how they compare well with competitors. Such an approach ignores what the competitors are doing.

Lenders (1997:35) reveals that a firm does not wish to make known to its competitors how or what it is doing for obvious competitive reasons. This has been the case in the public sector where procuring entities have not been making available their procurement data due to the sensitive nature of the data.

2.4 Measuring Performance

According to Murray (2012) measuring purchasing performance is important as the purchasing department plays an everincreasingly important role in the supply chain in an economic downturn. A reduction in the cost of raw materials and services can allow companies to competitively market the price of their finished goods in order to win business. An obvious performance measure of the success of any purchasing department is the amount

of money saved by the company. However, there are a number of performance measurements that businesses can use when they measure purchasing performance: these performance measurements typically revolve about efficiency and effectiveness.

2.5 Conclusion

A substantial amount of surveyed literature above, both in theoretical and conceptual contexts emphasizes planning, technical efficiency and staff competence, resource adequacy and availability as well as proper contract management as critical determinants for procurement performance.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter presents a description of research design, study population, determination of the sample size, sampling techniques and procedure, data collection methods, data collection instruments, pretesting, procedure of data collection and measurement of variables. It gives the roadmap to solving the stated research problem.

3.1 Research Design

The research design constitutes the blue print for the collection, measurement and analysis of data, Kothari, (2005:25). Across-sectional survey was used to identify the opinions of the sampled staff of UMEME about the effects of procurement practices on procurement performance in organizations. The choice of this design is appropriate for this study because it utilizes a questionnaire as a tool for data collection and will help to establish the behaviour of employees towards embracing performance in procurement. The descriptive design will be used since the study gathered quantitative and qualitative data that described the nature and characteristics of factors influencing the implementation of effective procurement practices.

3.2 Study population

According to Sekaran (2009:16), population is the universe of units from which the sample is to be selected or it is an entire group of persons, or elements that have at least one thing in common. The study population for this research comprised of procurement officers and other staff in management at all the UMEME, which have a work force of about 70 employees.

3.3 Sample size

A sample is a set of observations drawn from a population by a defined procedure. The sample represents a subset of manageable size. Samples are collected and statistics are calculated from the samples so that one can make inferences or extrapolations from the sample to the population. The sample size of this study was 60 respondents.

3.4 Sampling Techniques and Procedure.

To determine the number of respondents, the researcher used the Convenience Sampling technique where respondents will be selected from the UMEME without any underlying probability based section method (Human Rights Data Analysis Group, 2013).

Convenience method of sampling was used because scores of employees are not readily available due to the demanding nature of the work carried out by UMEME, access to respondents and the extent to which the respondents interact with the procurement process. A total of 60 respondents will be chose to give their opinions by filling the questionnaires.

3.5 Data Collection Methods.

3.5.1 Close-ended Questionnaire method:

The close-ended questionnaires was used to obtain quantitative data for the research in order to gather information systematically, because of its usefulness and easy usage, and for its timeliness and cost efficiency. The nature of the questionnaire also to enabled the researcher to gather only relevant data for the study. A total of 60 questionnaires was used and properly monitored so that they are returned. With the questionnaire method the researcher was able to easily reach out to the large numbers of respondents in a short period of time.

3.6 Data collection instruments

Primary data was obtained from respondents by the researcher through observation checklist as an instrument and the questionnaire will be designed using the variables identified as important for meeting the study objectives.

3.7 Pre-testing (Validity and Reliability)

3.7.1 Validity

Validity refers to the truthfulness of findings or the extent to which the instrument is relevant in measuring what it is supposed to measure (Sekaran, 2009:20). The content of validity of the data collection instrument will be determined through discussing the research instrument with the research experts in the university. The valuable comments, corrections, suggestions given by the research experts assisted in the validation of the instrument. The research experts and the procurement department staff are expected to tick the items in the questionnaires to help to determine the relationship between procurement practices and procurement performance.

3.7.2 Reliability

Reliability measures the consistency of research instruments to come out with the same result each time it is used under the same condition (Sekeran, 2009). The reliability of the research instruments will be ascertained by carrying out a Cronbach alpha test on the responses from the pre-testing to make sure that the questions and answers obtained are consistent and accurate. This was confirmed when the Cronbach alpha test give a value of over 0.65, which is considered to be the minimum test result for a reliable questionnaire.

3.8 Procedure of Data collection

The study used primary data. The data was collected by interviewing and administering questionnaires. The questionnaire will have close-ended questions, in order to allow only relevant and precise responses.

3.9 Data Analysis

3.9.1 Data processing

Data will be edited, coded and tabulated, to reveal the percentage scores of the different study attributes. The researcher will edit the data collected for accuracy and completeness. Through coding, all answers obtained from different respondents will be classified into meaningful categories and this will then tabulated be into tables and pie charts to represent findings from the study.

3.9.2 Data Analysis

The Pearson's correlation coefficient in SPSS programme was used to establish the relationship between the two variables. In presenting the findings, tables and figures will be used. The frequency distribution tables was used to tabulate data to show percentages calculated.

Quantitative data collected using questionnaires was summarized using descriptive statistics, where frequencies and percentages will be calculated.

3.10 Measurement of variables (quantitative studies)

In this section the researcher will seek to assign codes to empirical properties of the variables that determine the type of statistical analysis that was conducted and the type of conclusions that are drawn from the research. Interview questions will be assigned two codes, that is, 0 and 1. Respondents with the same code of response will be aggregated into one data table that

will be used in the analysis. Respondents are expected to answer yes or no for some questions, strongly agree, agree, strongly disagree and disagree for the other questions.

3.11 Ethical considerations

To meet minimum ethical standards, the researcher used an introductory letter from Kampala International University, introducing the research study and stating confidentiality, specific usage aspects. While conducting the survey, care will be taken to respect human dignity and secure informed consent from the respondents. Also, the information acquired will be kept confidential and will be used for the research only. The principle of academic integrity which will involve acknowledgement of sources of both primary and secondary information that will be used in the survey will be adhered to. Ethical clearance was sought from the Ethics Committee of Kampala International University before the study is conducted.

CHATER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF FINDINGS

4.1 Introduction

This chapter presents, analyses, and interprets findings from the study about the effect of procurement practices on procurement performance in organizations; a case study of UMEME. The findings are in respect to the study objectives which included,

i. To examine the effect of procurement planning on procurement performance in organizations
ii. To examine the effect of contract management on procurement performance in organizations
iii. To assess the effect of professionalism on procurement performance in organizations

4.2 Response rate

The response rate was 83.3% because 50 respondents actually participated in filling and returning the questionnaires out of the 60 which were distributed as per the sample size. This response rate was good since it was above the recommended 60% response rate as per Guttmacher Institute, (2006) which states that for a study to be considered with good results it should have a response rate that is not less than 60% in the overall study. The study results can therefore be relied upon for academic and non-academic purposes by readers and users.

4.3 Background Information of the Respondents

With the questionnaire as the main research tool to gather data from the respondents, the first section was intended to gather data on the background of the respondents. Frequency tables have been used in presenting the data gathered from the respondents as shown below.

4.3.1 Gender of the Respondents

The respondents were asked to present their gender and the table below summarizes the findings about this;

Table 4 1: Gender of the Respondents

Sex	Frequency	percentage
Male	31	62.0
Female	19	38.0
Total	50	100

Source: Primary data, 2019

The table 4.1 above indicates that more males than females were involved in the study at a percentage of 62% whereas females formed only 38%. This signified that there were more male respondents in the study than females.

4.1.2 Age of the Respondents

The respondents were also asked to present their age and the table below summarizes the findings about this;

Table 4. 2: The age of the respondents

Age	Frequency	Percentages (%)
20 - 29 Years	14	28.0

30- 39Years	20	40.0
40- 49Years	10	20.0
50-59 Years	5	10.0
Over 60 Years	1	2.0
Total	50	100

Source: Primary Data, 2019

From the table 4.2 above, the respondents were required to indicate their ages and the findings reveal that the largest number of respondents were in the age group of 30- 39 years which constituted 40%, those in range 20 - 29 years were 28%, those in the 40- 49 years were 20%, those in the age bracket of 50-59 years were 10% and the least number of respondents were 2%.

4.3.3 Level of education

The study sought to find out the level of education of the respondents and the findings on this are as shown in the table below;

Table 4.3: Level of education of the respondents

Category	Frequency	Percentages (%)
Certificate & Below	11	22
Diploma	15	30
Degree	16	32

Post Graduate Qualification	8	16
Total	50	100

Source: Primary Data, 2019

The findings in the table 4.3 above reveal that majority (32%) of the respondents had degree level of education, 30% had diploma level of education, 22% had certificate and below level of education and 16% are those with post graduate qualification. The findings mean that most of the respondents had some level of education needed to give appropriate responses for the study.

4.3.4 Marital Status

The study also took into consideration the marital status of the respondents and the findings on this are presented in the table below;

Table 4.4: Marital status of the respondents

Category	Frequency	Percentages (%)
Married	20	40
Single	16	32
Separated	8	16
Widowed	6	12
Total	50	100

Source: Primary data, 2019

The study findings as presented in the table 4.4 above, show that 40% of the respondents with 40% were married, 32% were single, 16% were separated, and 12% were widowed.

4.4 The effect of procurement planning on procurement performance in organizations

Objective one of the study was "To examine the effect of procurement planning on procurement performance in organizations". A summary of the findings are given in the following sections.

4.4.1 Procurement planning helps in resource allocation

Respondents were asked whether procurement planning helps in resource allocation. The responses are presented in the table below.

Table 4.5: Procurement planning helps in resource allocation

Rating scale	Frequency	Percentage	Cumulative percentage
Strongly disagree	2	4.0	4.0
Disagree	3	6.0	10.0
Not sure	2	4.0	14.0
Agree	25	50.0	64.0
Strongly agree	18	36.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

The findings in table 4.5 above indicates that majority (86%) of the respondents generally agreed with the statement that procurement planning helps in resource allocation and those who generally disagreed were 10% with a not sure response of 4%. This implies that procurement planning helps in resource allocation.

4.4.2 Procurement planning helps to achieve performance

Respondents were asked whether procurement planning helps to achieve performance. Their responses are summarized in the table below.

Table 4 .6: Procurement planning helps to achieve performance

Rating scale	Frequency	Percentage	Cumulative percentage
Strongly disagree	9	18.0	18.0
Disagree	4	8.0	26.0
Not sure	5	10.0	36.0
Agree	15	30.0	66.0
Strongly agree	17	34.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

The study findings in table 4.6 above show that majority (64%) of the respondents generally agreed with the statement that procurement planning helps to achieve performance and those who generally disagreed were 26% with 10% not being sure. This means that procurement planning helps to achieve performance.

4.4.3 The procurement plan is always integrated with the budgeting

Respondents were asked whether the procurement plan is always integrated with the budgeting and their responses are shown in the table below.

Table 4 .7: The procurement plan is always integrated with the budgeting

Rating scale	Frequency	Percent	Cumulative percentage
Strongly disagree	5	10.0	10.0
Disagree	9	18.0	28.0
Not sure	3	6.0	34.0
Agree	14	28.0	62.0
Strongly agree	19	38.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

The study findings in table 4.7 above indicate that the biggest number (66%) of respondents generally agreed that the procurement plan is always integrated with the budgeting and those who generally disagreed were 28% with a not sure response of 6%. This implies that the procurement plan is always integrated with the budgeting.

4.4.4 Poor procurement planning leads to big budget deficits

Respondents were asked whether poor procurement planning leads to big budget deficits and their responses are shown in the table below.

Table 4.8: Whether the exotic birds are broilers

Rating scale	Frequency	Percent	Cumulative percentage
Strongly disagree	6	12.0	12.0
Disagree	8	16.0	28.0
Not sure	8	16.0	44.0

Agree	13	26.0	70.0
Strongly agree	15	30.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

The findings in table 4.8 show that the largest number (56%) of respondents generally agreed that poor procurement planning leads to big budget deficits and those who generally disagreed were 28% with a not sure response of 16%. This implies that poor procurement planning leads to big budget deficits.

4.4.5 Procurement planning results into compliance to set procedures

Respondents were asked whether procurement planning results into compliance to set procedures and their responses are shown in the table below.

Table 4 9: Procurement planning results into compliance to set procedures

Rating scale	Frequency	Percentage	Cumulative percentage
Strongly disagree	8	16.0	16.0
Disagree	6	12.0	28.0
Not sure	2	4.0	32.0
Agree	18	36.0	68.0
Strongly agree	16	32.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

The findings in table 4.9 above indicate that majority (68%) of the generally agreed with the statement that procurement planning results into compliance to set procedures and those who generally disagreed were 28% with 10% being not sure. This implies that Procurement planning results into compliance to set procedures.

4.4.6 Economies of scale can be gained by proper procurement planning

Respondents were asked whether economies of scale can be gained by proper procurement planning and their responses are shown in the table below.

Table 4.10: Economies of scale can be gained by proper procurement planning

Rating scale	Frequency	Percentage	Cumulative percentage
Strongly Disagree	7	14.0	14.0
Disagree	3	6.0	20.0
Not sure	4	8.0	28.0
Agree	19	38.0	66.0
Strongly agree	17	34.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

From table 4.10 above, the study findings reveal that the biggest number (72%) of respondents generally agreed that economies of scale can be gained by proper procurement planning and those who generally disagreed were 20% with a not sure response of 8%. This means that economies of scale can be gained by proper procurement planning.

4.4.7 All items that have to be procured are identified

Respondents were asked whether all items that have to be procured are identified and their responses are shown in the table below.

Table 4 .11: All items that have to be procured are identified

Rating scale	Frequency	Percent	Cumulative percentage
Strongly disagree	7	14.0	14.0
Disagree	4	8.0	22.0
Not sure	5	10.0	32.0
Agree	20	40.0	72.0
Strongly agree	14	28.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

The study findings in table 4.11 above reveals that majority (68%) of the respondents generally agreed that all items that have to be procured are identified and those who generally disagreed were 22% with 10% being not sure. This means that all items that have to be procured are identified.

4.4.8 Procurement requirements are defined

Respondents were also asked whether procurement requirements are defined and their responses are shown in the table below.

Table 4. 12: Procurement requirements are defined

Rating scale	Frequency	Percentage	Cumulative percentage
Strongly disagree	8	16.0	16.0
Disagree	3	6.0	22.0
Not sure	2	4.0	26.0
Agree	19	38.0	64.0
Strongly agree	18	36.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

The study findings in table 4.12 above show that majority (74%) of the respondents generally agreed that procurement requirements are defined, 22% generally disagreed and 4% were not sure. This means that Procurement requirements are defined as shown by majority of the respondents who generally agreed with the statement.

4.4.9 The procurement/work plan is prioritized

Respondents were asked whether the procurement/work plan is prioritized and their responses are shown in the table below.

Table 4. 13: The procurement/work plan is prioritized

	Frequency	Percent	Cumulative percentage
Strongly disagree	6	12.0	12.0
Disagree	6	12.0	24.0
Not sure	9	18.0	42.0
Agree	14	28.0	70.0

Strongly agree	15	30.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

The study findings in table 4.13 above indicate that the largest number (58%) of respondents generally agreed with the statement that the procurement/work plan is prioritized, 24% generally disaagreed and 18% were not sure. This implies that the procurement/work plan is prioritized.

4.5 Findings on the effect of contract management on procurement performance in organizations

Objective two of the study was "To examine the effect of contract management on procurement performance in organizations." Respondents were asked several questions and their responses, their analysis and interpretation are shown in the sections that follow;

4.5.1 There is proper management of the procurement contracts

Respondents were asked whether there is proper management of the procurement contracts and their responses are shown in the table below.

Table 4. 14: There is proper management of the procurement contracts

Rating scale	Frequency	Percent	Cumulative frequency
Strongly disagree	8	16.0	16.0
Disagree	4	8.0	24.0
Not sure	8	16.0	40.0
Agree	16	32.0	72.0
Strongly agree	14	28.0	100.0

Total	50	100.0	100.0

Source: Primary data, (2019)

The study findings in table 4.14 above reveal that the majority (60%) of the respondents generally agreed that there is proper management of the procurement contracts, 24% generally disagreed and 16% were not sure. This implies that there is proper management of the procurement contracts as shown by majority of respondents who generally agreed with the statement.

4.5.2 Most of the contracts entered into are properly managed

Respondents were asked whether most of the contracts entered into are properly managed and their responses are shown in the table below.

Table 4 .15: Most of the contracts entered into are properly managed

Rating scale	Frequency	Percent	Cumulative percentage
Strongly disagree	6	12.0	12.0
Disagree	7	14.0	26.0
Not sure	4	8.0	34.0
Agree	18	36.0	70.0
Strongly agree	15	30.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

The study findings in the table 4.15 above show that majority (66%) of the respondents generally agreed that most of the contracts entered into are properly managed, 26% generally disagreed and 8% were not sure. This implies that most of the contracts entered into are

properly managed and this is as evidenced by majority of the respondents who generally agreed with the statement.

4.5.3 There is proper contract control in UMEME

Respondents were asked whether there is proper contract control in UMEME and their responses are shown in the table below.

Table 4. 16: There is proper contract control in UMEME

Rating scale	Frequency	Percent	Cumulative percentage
Strongly disagree	6	12.0	12.0
Disagree	4	8.0	20.0
Not sure	6	12.0	32.0
Agree	18	36.0	68.0
Strongly agree	16	32.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

The study findings in table 4.16 above reveal that majority (68%) of the respondents generally agreed that there is proper contract control in UMEME, 20% generally disagreed and 12% were not sure. This means that there is proper contract control in UMEME.

4.5.4 There is proper contract monitoring in UMEME

Respondents were asked whether there is proper contract monitoring in UMEME and their responses are shown in the table below.

Table 4. 17: There is proper contract monitoring in UMEME

Rating scale	Frequency	Percent	Cumulative percentage
Strongly disagree	10	20.0	20.0
Disagree	5	10.0	30.0
Not sure	3	6.0	36.0
Agree	14	28.0	64.0
Strongly agree	18	36.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

The study findings in table 4.17 above show that majority (64%) of the respondents generally agreed that there is proper contract monitoring in UMEME, 28% of the respondents agreed with the argument, 30% generally disagreed and 6% were not sure. This implies that there is proper contract monitoring in UMEME.

4.5.5 There is proper contract coordination in UMEME

Respondents were asked whether there is proper contract coordination in UMEME and their responses are shown in the table below.

Table 4 .18: There is proper contract coordination in UMEME

Rating scale	Frequency	Percentage	Cumulative percentage
Strongly disagree	7	14.0	14.0
Disagree	7	14.0	28.0
Not sure	5	10.0	38.0
Agree	16	32.0	70.0

Strongly agree	15	30.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

From table 4.18 above, the study findings indicate that majority (62%) of the respondents generally agreed that there is proper contract coordination in UMEME, 28% generally disagreed and 10% were not sure. This means that there is proper contract coordination in UMEME.

4.5.6 There is proper contract supervision in UMEME

Respondents were asked whether there is proper contract supervision in UMEME and their responses are shown in the table below.

Table 4. 19: There is proper contract supervision in UMEME

Rating scale	Frequency	Percent	Cumulative percentage
Strongly disagree	4	8.0	8.0
Disagree	8	16.0	24.0
Not sure	7	14.0	38.0
Agree	17	34.0	72.0
Strongly agree	14	28.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

The study findings in table 4.19 reveal that majority (62%) of the respondents generally agreed that there is proper contract supervision in UMEME, 24% generally disagreed and 14% were not sure. This implies that there is proper contract supervision in UMEME as shown by majority of the respondents who generally agreed with the statement.

4.5.7 There are enough resources provided for the contract management process

Respondents were asked whether there are enough resources provided for the contract management process and their responses are shown in the table below.

Table 4 .20: There are enough resources provided for the contract management process

Rating scale	Frequency	Percentage	Cumulative percentage
Strongly disagree	9	18.0	18.0
Disagree	5	10.0	28.0
Not sure	6	12.0	40.0
Agree	13	26.0	66.0
Strongly agree	17	34.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

From table 4.20 above, the study findings indicate that majority (60%) of the respondents generally agreed that there are enough resources provided for the contract management process, 28% generally disagreed and 12% were not sure. This implies that there are enough resources provided for the contract management process.

4.5.8 The authorities are supportive to the contract supervision process

Respondents were asked whether the authorities are supportive to the contract supervision process and their responses are shown in the table below.

Table 4. 21: Rearing local chicken creates a positive spirit of assets creation

	Frequency	Percentage	Cumulative percentage
Strongly disagree	8	16.0	16.0
Disagree	3	6.0	22.0
Not sure	5	10.0	32
Agree	15	30.0	62.0
Strongly agree	19	38.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

The study findings in table 4.21 above indicate that majority (68%) of the respondents generally agreed that the authorities are supportive to the contract supervision process, 22% generally disagreed and 10% were not sure. This implies that the authorities are supportive to the contract supervision process.

4.5.9 Contract supervision is a team work process in UMEME

Respondents were asked whether contract supervision is a team work process in UMEME and their responses are shown in the table below.

Table 4 .22: Contract supervision is a team work process in UMEME

	Frequency	Percent	Cumulative percentage
Strongly disagree	6	12.0	12.0
Disagree	7	14.0	26.0
Not sure	3	6.0	32.0
Agree	16	32.0	64.0
Strongly agree	18	36.0	100.0
Total	50	100.0	100.0

Source: Primary data, 2019

The above table 4.22 indicate that majority (68%) of the respondents generally agreed that contract supervision is a team work process in UMEME, 26% generally disagreed and 6% were not sure. This implies that contract supervision is a team work process in UMEME as shown by majority of the respondents who generally agreed with the statement.

4.6 The effect of professionalism on procurement performance in organizations

Objective three of the study was to assess the effect of professionalism on procurement performance in organizations. Respondents were asked to indicate these challenges and their responses were covered under the sections below;

4.6.1 The procurement officers are well trained

Respondents were asked whether the procurement officers are well trained. Their responses are summarized in the table below

Table 4. 23: The procurement officers are well trained

	Frequency	Percentage	Cumulative percentage
Strongly disagree	6	12.0	12.0
Disagree	7	14.0	26.0
Not sure	4	8.0	34.0
Agree	18	36.0	70.0
Strongly agree	15	30.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

The study findings in the table 4.23 above show that majority (66%) of the respondents generally agreed with the argument that the procurement officers are well trained, 26% generally disagreed and 8% were not sure. This implies that procurement officers are well trained.

4.6.2 The UMEME budget does not cater for the training of procurement officers

Respondents were asked whether the UMEME budget does not cater for the training of procurement officers. Their responses are summarized in the table below

Table 4. 24: The UMEME budget does not cater for the training of procurement officers

	Frequency	Percentage	Cumulative percentage
Strongly disagree	6	12.0	12.0
Disagree	4	8.0	20.0
Not sure	6	12.0	32.0
Agree	18	36.0	68.0

Strongly agree	16	32.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

The study findings in table 4.24 above reveal that majority (68%) of the respondents generally agreed that the UMEME budget does not cater for the training of procurement officers, 20% generally disagreed and 12% were not sure. This means that the UMEME budget does not cater for the training of procurement officers.

4.6.3 There is sufficient skilled power in the UMEME procument unit

Respondents were asked whether there is sufficient skilled power in the UMEME procurement unit and their responses were as presented in the table below;

Table 4. 25: There is sufficient skilled power in the UMEME

	Frequency	Percent	Cumulative percentage
Strongly disagree	10	20.0	20.0
Disagree	5	10.0	30.0
Not sure	3	6.0	36.0
Agree	14	28.0	64.0
Strongly agree	18	36.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

The study findings in table 4.25 above show that majority (64%) of the respondents generally agreed that there is sufficient skilled power in the UMEME, 30% generally disagreed and 6% were not sure. This implies that there is sufficient skilled power in the UMEME.

4.6.4 The available procurement officers have the capacity to negotiate contracts

Respondents were asked as to whether the available procurement officers have the capacity to negotiate contracts and their responses were as presented in the table below;

Table 4 .26: The available procurement officers have the capacity to negotiate contracts

	Frequency	Percentage	Cumulative percentage
Strongly disagree	7	14.0	14.0
Disagree	7	14.0	28.0
Not sure	5	10.0	38.0
Agree	16	32.0	70.0
Strongly agree	15	30.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

From table 4.26 above, the study findings indicate that majority (62%) of the respondents generally agreed that the available procurement officers have the capacity to negotiate contracts, 28% generally disagreed and 10% were not sure. This implies that the available procurement officers have the capacity to negotiate contracts.

4.6.5 The procurement officers follow the available procurement guidelines/ laws/ regulations

The researcher wanted to know whether the procurement officers follow the available procurement guidelines/ laws/ regulations. Their responses were as presented in the table below.

Table 4.27: The procurement officers follow the available procurement guidelines/ laws/ *regulations*

	Frequency	Percentage	Cumulative percentage
Strongly disagree	4	8.0	8.0
Disagree	8	16.0	24.0
Not sure	7	14.0	38.0
Agree	17	34.0	72.0
Strongly agree	14	28.0	100.0
Total	50	100.0	100.0

Source: Primary data, (2019)

The study findings in table 4.27 reveal that majority (62%) of the respondents generally agreed that the procurement officers follow the available procurement guidelines/ laws/ regulations, 24 generally disagreed and 14% were not sure. This means that the procurement officers follow the available procurement guidelines/ laws/ regulations.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of the findings on the effect of procurement practices on procurement performance in organizations; a case study of UMEME. The study findings presented in the previous chapter were based on the three objectives of the study namely; to examine the effect of procurement planning on procurement performance, the effect of contract management on procurement performance, and the effect of professionalism on procurement performance in organizations. The summary of findings, conclusion, recommendations and the areas for further research are presented in the following sections below;

5.2 Summary of the findings

The summary is presented objective by objective as shown below;

5.2.1 The effect of procurement planning on procurement performance

The study findings established that procurement planning helps in resource allocation since majority 86% generally agreed with the statement as shown in table 4.5 additionally as agreed by 64% of the respondents (table 4.6) procurement planning helps to achieve performance, 66% generally agreed that procurement plan is always integrated with the budgeting (table 4.7), 56% of the respondents generally agreed that poor procurement planning leads to big budget deficits (table 4.8), 68% of the generally agreed with the statement that procurement planning results into compliance to set procedures (table 4.9), 72% of respondents generally agreed that economies of scale can be gained by proper procurement planning (table 10), 68% of the respondents generally agreed that all items that have to be procured are identified (table 4.11), 74% of the respondents generally agreed that

procurement requirements are defined (table 4.12) and 58% of respondents generally agreed with the statement that the procurement/work plan is prioritized (table 4.13)

5.1.2 The effect of contract management on procurement performance

The study established that there is proper management of the procurement contracts as reflected by majority 60% of the respondents who generally agreed (table 4.14). Others include; most of the contracts entered into are properly managed (as per the 66% level of agreement, table 4.15), there is proper contract control in UMEME (as per the 68% level of agreement, table 4.16), there is proper contract monitoring in UMEME (as per the 64% level of agreement, table 4.17), there is proper contract coordination in UMEME (as per the 62% level of agreement, table 4.18), there is proper contract supervision in UMEME (as per the 62% level of agreement, table 4.19), there are enough resources provided for the contract management process (as per the 60% level of agreement, table 4.20), the authorities are supportive to the contract supervision process (as per the 68% level of agreement, table 4.21) and that contract supervision is a team work process in UMEME (as per the 68% level of agreement, table 4.22).

5.2.3 The effect of professionalism on procurement performance in organizations

The study has established that the procurement officers are well trained, 26% generally disagreed as generally agreed by the majority (66%) of the respondents (table 4.23), and secondly the UMEME budget does not cater for the training of procurement officers as generally agreed by the majority (68%) of the respondents (table 4.24). Others include there is sufficient skilled power in the UMEME (as per the 64% level of agreement, table 4.25), the available procurement officers have the capacity to negotiate contracts (as per 62% level of agreement, table 4.26) and that the available procurement guidelines/ laws/ regulations (as per the 62% level of agreement, table 4.27).

5.2 Conclusion

In respect to objective one of the study, it can be concluded that procurement planning helps in resource allocation, procurement planning helps to achieve performance, procurement plan is always integrated with the budgeting, poor procurement planning leads to big budget deficits, procurement planning results into compliance to set procedures, economies of scale can be gained by proper procurement planning, all items that have to be procured are identified, procurement requirements are defined and that the procurement/work plan is prioritized.

In reference to objective two, it can be concluded that there is proper management of the procurement contracts, most of the contracts entered into are properly managed, there is proper contract control in UMEME, there is proper contract monitoring in UMEME, there is proper contract coordination in UMEME, there is proper contract supervision in UMEME, there are enough resources provided for the contract management process, the authorities are supportive to the contract supervision process and that contract supervision is a team work process in UMEME

Conclusion on objective three indicate that the procurement officers are well trained, the UMEME budget does not cater for the training of procurement officers, there is sufficient skilled power in the UMEME, the available procurement officers have the capacity to negotiate contracts and that the available procurement guidelines/ laws/ regulations

5.4 Recommendations

In relation to procurement planning the study recommends that thorough needs assessment should be undertaken, market capability analysis should be carried out, user departments should clearly specify when they require to utilize required goods and services, planning should take into account all purchases, organization should place order before exhaustion and that the accounting officer ensures funds availability before proceedings begin.

Having regards to staff competence the study recommends that procurement staff needs to have adequate professional qualifications in procurement and be adequately trained on the

procurement procedures under the Public Procurement Asset and Disposal Act (2015). Greater emphasis should be placed on developing such competencies to enhance best practices and overall performance.

5.5 Areas for further study

This study examined the effect of procurement practices on procurement performance of public business organizations in Kampala. The study focused on procurement planning and contract management. Future studies should focus on other procurement practices like staff competence, monitoring, controls and supplier selection process. Further future studies should focus on other organizations including manufacturing organizations.

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APPENDIX 1 QUESTIONAIRE

TOPIC: PROCUREMENT PRACTICES AND PROCUREMENT PERFORMANCE IN ORGANIZATIONS; A CASE STUDY OF UMEME

Dear Respondent

I am ANTHONY..... a student of Kampala International University carrying out a study titled **procurement practices and procurement performance in organizations; a case study of UMEME**. You have been sampled to participate in this study and the information you give will be used strictly for academic purposes and will never be used against you or your office. The information got from you will be kept confidential. You are also requested not to write your name on this questionnaire. Your participation in this study is entirely voluntary. Your consent to participate is implied by your decision to complete this questionnaire. I will greatly appreciate your assistance in this exercise.

SECTION A: Background Information

(Tick the best option)

1. Gender of Respondents

Gender Tick

Male ☐ Female ☐

2. Age Groups of Respondents

Age group Tick

20 - 29 Years ☐ 30- 39Years ☐ 40- 49Years ☐

50-59 Years ☐ Over 60 Years ☐

3. Highest Level of Education

Education Level Tick

Certificate & Below ☐ Diploma ☐ Degree ☐ Post Graduate Qualification ☐

4. Respondents Marital Status

Marital Status Tick Measure

Married ☐ Single ☐ Divorced ☐ Separated ☐

Widow ☐ Others ☐

SECTION B: PART I- Please fill in appropriately, by ranking the questions provided under each section, according to the scores provided;(5, 4, 3, 2 and 1)

		SCORES				
		Strongly Agree	Agree	Not sure	Disagree	Strongly Disagree
		5	4	3	2	1
Section B1: Procurement Planning						
1	Procurement planning helps in resource allocation					
2	Procurement planning helps to achieve performance					
3	The procurement plan is always integrated with the budgeting					
4	Poor procurement planning leads to big budget deficits					
5	Procurement planning results into compliance to set procedures					
6	Economies of scale can be gained by proper procurement planning					
7	All items that have to be procured are identified					
8	Procurement requirements are defined					
9.	The procurement/work plan is prioritized					

		SCORES				
		Strongly Agree	Agree	Not sure	Disagree	Strongly Disagree
		5	4	3	2	1
Section B2: Contract management						
	There is proper management of the procurement contracts					
	Most of the contracts entered into are properly managed					
	There is proper contract control in UMEME					
	There is proper contract monitoring in UMEME					
	There is proper contract coordination in UMEME					
	There is proper contract supervision in UMEME					
	There are enough resources provided for the contract management process					
	The authorities are supportive to the contract supervision process					
	Contract supervision is a team work process in UMEME					

	SCORES				
	Strongly Agree	Agree	Not sure	Disagree	Strongly Disagree