



**ADDIS ABABA UNIVERSITY
SCHOOL OF GRADUATE STUDIES
FACULTY OF BUSINESS AND ECONOMICS**

**Assessment on Procurement Planning and Implementation
Effectiveness in Ethiopia: The Case of Ministry of Urban
Development, Housing and Construction**

**A Research Project Submitted in Partial Fulfillment of the
Requirements for the Award of:
Executive Master of Business Administration (EMBA)**

BY:

Anteneh Getahun

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DECLARATION

This research project “ Assessment on Procurement Planning and Implementation Effectiveness in Ethiopia: The Case of Ministry of Urban Development, Housing and Construction/MUDHCo/” is my original work and has not been published or presented for a degree in any other university.

Researcher: Anteneh Getahun

Signature.....

Date.....

Advisor: Dr. Mohammed Seid

Signature.....

Date.....

Examining Board/Committee:

1. Internal Examiner

Name: Dr. Yitbarek Takele

Signature.....

Date.....

2. External Examiner

Name: Dr. Tariku Atomsa

Signature.....

Date.....

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ACRONYMS

<i>CPAR</i>	<i>Country Procurement Assessment Report</i>
<i>EOI</i>	<i>Expression of Interest</i>
<i>FDRE</i>	<i>Federal Democratic Republic of Ethiopia</i>
<i>MOFED</i>	<i>Minister of Finance and Economic Development</i>
<i>MUDHCo</i>	<i>Minister of Urban Development, Housing and Construction</i>
<i>OECD</i>	<i>Organization for Economic Cooperation and Development</i>
<i>PPA</i>	<i>Public Procurement and Property Administration Agency</i>
<i>TOR</i>	<i>Terms of Reference</i>

ABSTRACT

The purpose of the study was to assess the effectiveness of procurement plan and its implementation practice in Ethiopia taking the case of Ministry of Urban Development, Housing and Construction (MUDHCo). The main assessment areas were on the internal factors, including: (i) the process and content of procurement plan and its implementation, (ii) specification completeness, and (iii) the planning stage price estimation relation with market reality. The study focuses on, assessing the plan versus the performance of the past two years, (2012/2013 and 2013/2014). The study deploys descriptive statistical method and the selection of the respondents was done using stratified random sampling techniques. In addition, open-ended questions were used by coded. Accordingly, questionnaires were distributed to potential respondents selected from the target population; and the responses were 95%. Based on the analysis, the Ministry has a trend in the preparing procurement plan. However, having a plan by itself does not ensure success; it largely, depends on the extent of implementation. In the case organization, the procurement plan, specification and bid documents and market price assessments were found poor and incomplete. Moreover, there was a long delay in the evaluation of technical documents. Despite, the work programs of the departments had affected much by the weak performance of procurement functions. Eventually, the study recommends that, the need for applying a collective effort on developing continuous training programs and vigorously and closely tracking the plan against the performance to make early corrective action.

Key words: Effectiveness, Procurement Planning, Specification Completeness and Market Price Assessment

CHAPTER ONE: INTRODUCTION

1.1. Background of the Study

To facilitate public operations governments often allot the major share of the state budget on procurement. As per the Organization for Social and Economic Development report (OECD, 2010), on the average developing countries public procurement accounts for up to 5% of GDP and is 20% of public expenditures. This huge budget allotment makes procurement as a heart of government operations.

In an economic context, public procurement is a key element of the country development. It is a strategic tool to enhance efficiency, to regulate markets and to promote sustainable economic development (OECD, 2011). The sheer magnitude of procurement outlays has a great impact on the economy and needs to be well managed. Due to the colossal amount of money involved in government procurement and the fact that such money comes from the public, there is a need for accountability and transparency (Hui et al, 2011).

In the past decades, even if it required maximum possible consideration, it was not getting due attention it deserves. In many developing countries, public procurement has not been viewed as having a strategic impact on the management of public resources. It was largely treated, as a process-oriented, “back-office” support function and often implemented by non-professional staff of the buying agencies. (Hunja, n.d)

However, recently many developing countries have started to understand its importance in ensuring good governance. According to (Hunja, n.d), developing countries had realized that an efficient procurement system contributes to good governance by increasing confidence that public funds are well spent.

As per Beshakag (2008), Procurement plan is an essential component of public finance that has impacted many other components and thus affects overall efficiency and effectiveness of organizational performance. A procurement plan is very important to execute the work program in due time. Well-synchronized plan can prevent the delay in the process, it definitely reduces corruption and avoids rush procurement to meet the deadlines; and correspondingly, the plan enables the organization to gain economies of scale due to bulk procurement. It is the base to create transparency in the supplier, service providers and stakeholders' relations. Furthermore,

it allows undertaking the best method of procurement. (Namusonge, et al. 2013; Dobler et al., 1996; PPA procurement manual, 2010; Mlinga R., 2006)

When we come to an Ethiopian case like the other countries more than 64 percent the total public expenditure, is used for procurement of goods and services (MOFED, 2011). And like the other developing countries, the procurement was a neglected area for long. In recent years Ethiopia had launched a civil service reform, one of the reform areas which appear were preparation of new Public Procurement Rules and Regulation, and then the establishment of Public Procurement and Property Administration Agency under the Minister of Finance and Economic, for strengthening of control and oversight of the federal government's procurement activities.

According to the Public Procurement and Property Administration Agency manual, since public organization entirely depends on the government budget and the organization's success comes mainly from appropriately spending the procurement budget, the public organizations should manage the public procurement systems by ensuring value for money. (PPA Manual, 2010).

The above-mentioned manual requires the participation of end users, procurement unit and suppliers in the public procurement process. The procuring activity starts from the end user, who is usually a department or section, and then the procurement unit for process so as to bring the required goods/service or works on board. In the process, to prioritize the purchase of goods/service or works, preparing the procurement plan aligned with the approved budget is vital.

Although preparing the annual procurement plan is mandatory by the agency manual, however, the major procurement audit finding of the public organizations in Ethiopia reviles lack of procurement plan, piecemeal purchasing practices and poor contract administration. (FDRE, Public Procurement Manual, 2010 p. 38; FDRE, Public Procurement Training Manual p. 4) Besides that, it is vivid that many of service provision and development activity of government hindered by the procurement process.

Therefore, it is justifiable and very important to undertake a research in this process and come up with concrete recommendation that will definitely contribute a lot in the governments'

development and service provision operation. This research paper focused on assessing the effectiveness of the procurement process in Ethiopia by just considering the Ministry of Urban Development, Housing and Construction (MUDHCo) procurement plan and its implementation effectiveness as a case study. The researcher has tried to come up with possible recommendations that can enhance the planning preparation and its implementation.

1.1. Statement of the Problem

When the public institutions did not prepare well thought plan and are not appropriately implementing it, definitely they will be forced to undertake several piece purchases; this trend is the major barrier so far to ensure value for money in those organizations'. Consequently, extra delay is another reason to extend the work program for consecutive years, and hence the organization will fail to achieve its objective in due time.

To prepare a workable good procurement plan, at the beginning of the fiscal year, each user department should forward their goods and service request to the procurement unit. The requisition should carry: type of the procurement, the quantity of goods, service, works, source of funding, specifications, estimated cost/price and date when the goods/services/ works are required. Receiving the requisition, the procurement unit consolidates and details out the procurement plan to determine the method of procurement for further process.

The consolidated procurement plan should reflect the internal and external lead-time. Planning, regularly monitoring, updating and thoroughly implementing it benefit the organization to track the performance. It also enables to identify blockage variables beforehand. (FDRE, Public Procurement Guideline, 2011, p.219)

Practically in Ethiopia, there is a drawback in preparing and properly deploying a procurement plan in public institutions; most organizations have been undertaking too much unjustified and unplanned purchase in each budget year (Yirga, 2011). Furthermore, it is pragmatic that there is also a trend of under-utilization of the budget; and the major cause is the ineffective management of the procurement function.

Particularly in every year report of the Ministry of Urban Development, Housing and Construction, it is repeatedly stated that many development activities are delayed because of the procurement processing failures.

In this regard the researcher exerted much effort to find a research paper related to Procurement Management in Ethiopian Public Institution and able to get the following a few researches, which have been conducted on the country level:

- ❖ *Accountability, Responsibility, Transparency and Corruption: (Gizachew. n.d), presented at 5th International Public Procurement Conference, Dublin, Ireland.*
- ❖ *Public Procurement Reforms in Ethiopia: Policy and Institutional Challenges and Prospects: (Yirga, 2011) A thesis submitted to the school of graduate studies of Addis Ababa University in partial fulfillment of the requirements for the degree of master of art in public management and policy (public policy).*
- ❖ *Evaluation of Purchasing Practice, At Addis Ababa University, College of Commerce. (Tewodros, 2007), in Partial Fulfillment of the Requirements of MBA Degree and*
- ❖ *Procurement Reform in Ethiopia: Factor leading to effective public procurement, implementation, the case of Amhara region, (Getnet and Tilahun, 2014), A paper published in European Journal of Business.*

As it is shown above, the coverage of the theses and articles was on Accountability, Responsibility, Transparency and Corruption, public procurement reform and purchasing practice. It is very clear that there is a research gap, on the topic of procurement management, particularly; procurement planning, which is the most untouchable in Ethiopia.

This study is more focused on this research wise and tries to find out the weak link of the procurement planning and its implementation practice, which can then be taken up by management to make the required decisions for improving institutional performance.

1.2. Research Questions

Hence, the study mainly targeted to answer the effectiveness of procurement plan and implementation practice in MUDHCo: Specifically aimed to answer the following key research questions.

- ❖ *How the current procurement planning and implementation practice looks like?*
- ❖ *What is the completeness level of specifications in the procurement plan?*
- ❖ *How does market assessment look like in the organization?*

1.3. The Objective of the study

The objective of the study is to assess the practice of procurement planning and implementation practice. Particularly, the study has the following specific objectives:

- ❖ Describe the current procurement-planning and implementation practice*
- ❖ To examine the completeness of the specification*
- ❖ Assess the trend of market price assessment*

1.4. The Significance of the Study

The study findings expected to shed-light on weak performance of public procurement planning and implementation practice, this can have an immense advantage for different stakeholders. For the managers to make corrective action, for policy makers to revise the policy and review the practice, for researchers to serve as a springboard for further detail investigation, and particularly, if the management admits the problem and take corrective measurement, the study will contribute a lot to enhance institutional performance of the Ministry by achieving value for money.

1.5. Scope and Limitations of the Study

Public procurement is a vast area; conducting research the whole system is unmanageable in terms of time and cost. The assessment of this study focuses on the planning and implementation stage, this enables to see how the practice of procuring looks like.

Procurement planning & implementation practice is also affected by external factors, However time & resource limitation did not make this feasible and for the reason the study concerns on the internal factor of the study.

Despite these limitations, the validity of the findings emanating from this study is very important, to improve the procurement planning & implementation practice in the country level.

1.6. Definition of Terms

Effectiveness: *Effectiveness means the extent to which the entity is able to procure goods, works and services of quality, in a timely and most economical manner. (FDRE, Public Procurement Manual, 2010).*

Efficiency: *The best public procurement is simple and swift, that meets the public body's need as planned, producing positive results immediately. In addition, efficiency implies practicality,*

especially in terms of compatibility with the administrative resources, organizational capabilities of the purchasing entity and its procurement personnel with the planned envisaged type and volume of procurements. (FDRE, Public Procurement Manual, 2010)

***Public procurement** is the process of the acquisition, usually by means of contractual arrangements after the public competition, of goods, services, works and other supplies by the public entity. The public procurement process spans the whole life cycle from initial conception and definition of the needs through to the end of its useful life of an asset or the end of a contract.*

***Value for money:** It is achieving the maximum efficiency and effectiveness with the possible lowest price (Economy).*

1.7. Organization of the Study

The rest of the chapters were organized as follows: The first chapter deals with the problem and its approach, which followed by a review of the related literature in chapter two. The third chapter discusses the research design and methodology, whereas the fourth presents the data along with the analyses and interpretations. Finally, a summary of the major findings, conclusions and recommendations are presented in the fifth chapter thereby ending this research.

CHAPTER TWO: LITERATURE REVIEW

2. Introduction

This chapter explores literature, written by different authors, on the benefits of implementing the procurement plan, and it reviews PPA public procurement manual in order to establish and provide answers to the research questions.

2.1. Public Procurement and Planning

To accomplish the organization's objectives, the most important tool is effective procurement plan. Procurement plan that aligns to the objective of the organization programs and budgetary process can expedite the accomplishment of the goals. It is one of the pre-requisites for the effectiveness and efficiency of the procurement function, thus leading to the ultimate success of the organization. (Namusonge et al., 2013)

The Public Procurement and Property Administration Agency (PPA) guideline proposes that effective planning allows requirements to be aggregated into larger purchases at lower unit costs, rather than frequent sourcing of quotations for identical items and issuing many individual local purchase orders. It allows the private sector to respond more effectively to the requirements and specifications of the Government (PPA, 2011 p.139).

As per Basheka (2008), procurement plan adds value and, above all, it resulted into compliance with the set processes, he also states that if managed efficiently and effectively, results into compliance with set processes, which eventually leads to saving taxpayers' money. Moreover, as per Namusonge et al. (2013), procurement planning will make sure that the employees can effectively and efficiently mitigate the challenges affecting procurement process, and it significantly reduces the delay in the process.

Procurement planning is the future needs to procure goods and services for the organization to meet its strategic goals, thus, performing the procurement plan should be proactive; failure to request the required goods or services early will bring to postpone the work program to subsequent years, it is also a means for under-utilization of the budget. As procurement is a long and time-consuming process, contract planning should "begin as soon as the agency need is identified, preferably well in advance of the fiscal year in which contract award is necessary" (Thai, 2009, p. 12).

One of the major challenges in public procurement is ineffective planning. According to World Bank Country Procurement Assessment Report, the reasons for the lack of procurement planning are the absence of understanding of the value of the procurement and proper enforcement of rules relating to planning. (CPAR Report, 2004). CPAR 2008 also highlights a general lack of procurement knowledge, technical capacity and expertise observed at the procuring entity level, is conveyed by a lack procurement planning. However, ‘without thorough procurement planning, the subsequent procurement processes will not yield substantial benefits’ (Behsaka, 2008,p197).

In the study undertaken by Edgar Agaba and Nigel Shipman (2009) on Public Procurement Reform in Developing Countries; the Uganda experience delineates ‘inadequate procurement planning, leading to an excessive use of direct procurements and failure to align procurement with the budgetary process, poor record keeping, leading to much procurement documents being untraceable’. The preparation of the procurement plan has eliminated the need for emergency purchases, which are sometimes expensive or buying for the sake of buying, or buying just because there is money.

2.2. Public Procurement Plan and End Users/Departments

In the public procurement plan, the user department must raise the procurement needs; this need has to acquire specification/Terms of Reference of Requirements; it should be clear, precise, complete and well understood. The specification may further be refined and clarified, by the procuring department, as per the pertinent rules and regulation. Technical specification is prepared or will be prepared by end users. (FDRE, Public Procurement Guideline, 2011, 3.1.4.f)

To achieve success in procuring function the end users should be involved in high caliber, in addition, it entails the participation of higher officials. As per the study of Thai (2008) the planning effort will succeed only with the complete commitment and involvement of top management, along with appropriate personnel that have a stake. James, U.V. (2004) revealed the participation of the prominent actors, both procurements unit and user departments, in the whole process of preparations and implementations of the annual procurement plan is very important.

The other vital issue in planning is the level of understanding and capability of the end users; the end users should well understand the use of the procurement plan, and the appropriately capable person must fill the requisition. Procurement planning must be prepared by the “right” personnel and accorded the importance it deserves (Namusonge et al., 2013). However, the tendency shows that they are not aware in developing precise requisition for the procuring department; they also frequently fail in submitting timely. The divisions take long as there lack of teamwork and close co-ordination on budgeting for the annual procurement plan. This generates heat and disagreement among user departments and leads to failure of presenting their needs in time (OGINDA, 2013, p. 31).

The end user, who is usually said department or section in public institutions should use a similar format, when they raise their annual needs, this format can be vital on consolidation phase. The consolidated procurement plan must be detail look at (Appendix V) Uganda example.

2.3. Procurement Plan and Market Price Assessment

In procurement planning, since our plan is for the future, our cost estimation should be much more realistic by assessing the required market condition, the previous trend and any source of price. In surveying the goods or service, the cost and the availability must be considered. Public bodies have to organize their procurement needs in package’s base. Needs collected from end users. The market price survey should be undertaken, and they should consider ensuring that if there are adequate suppliers or not, and classifying the procurement into lots based on the category of supplies (FDRE, Public Procurement Manual, 2010, 3.1.5.c). The procurement plan cost should state on the market basis, which is conducted by public body or price, which has obtained from other sources (FDRE, Public Procurement Manual, 2010, 3.1.4.e).

2.4. Public Procurement and Training

Competent staff in public procurement can solve drawbacks which in counter in the process, incompetence staff is an employee, which is poor and unable to contribute to the performance of procurement. To create competency, the organization should strategically think to develop a continuous training program that then enhances the implementation capacity.

To mitigate the delay and inappropriate purchase requisition the organization should facilitate ongoing training, it will substantially reduce the procurement planning challenges. Training on

procurement will ensure that the employees can effectively and efficiently plan procurement thus mitigating the challenges affecting procurement (Namusonge et al., 2013).

Building effective procurement function is not a onetime-shoot practice; it needs continuously, practically, working to improve the entire process.

2.5. Public Procurement Performance and challenges

Public procurement performance is measured whether it assures value for money or not. Due to non-adherence to proper process and procedures, it is vulnerable to corruption and male practice. Public procurement is a major tool to bring good governance and transparency. In developing countries government's capability is measured by its well managed and performing the public funds to alleviate poverty, enhancing government credibility (Word Bank, 2012)

Public procurement faces numerous challenges caused by different forces as per (Thai,2001) it faces internal and external challenges as per Thai 2001, internal challenges of procurement is consist of five elements; I) policy- making and management; ii) authorizations and appropriations; iii) procurement regulations; iv) procurement function in operations (processes, methods, organizational structure, and procurement workforce; v) feedback. External forces and challenges are; I) Market Environment; ii) Legal Environment; iii) Political Environment; iv) Social, Economic, and Other Environment Forces; and v) Interactions of Environment Forces.

Frequently, the challenge of public procurement changes in relation to economic dynamism, technology and environmental factor. To manage the challenges organization should always improve the system to mitigate accordingly. Public procurement practitioners will never get bored to face myriad challenges. They should apply increase efforts in research, knowledge advancement, and experience. (Hunja n.d)

2.6. Conclusion to the Literature

In conclusion, many scholars agreed that even if procurement planning is mandatory and crucial to the organization's ultimate success, it is so far underemphasized. Inadequate procurement or lack of a plan will lead the organizations to ineffective and inefficient use of scarce public resources. Although, key procurement principles value money, transparency, ethics, and accountability, is too far to attain.

In addition, improper procurement plan is a cause of malpractice and inappropriate use of public funds; it is also a cause of delay in executing the organization physical plan; inappropriate procurement plan leads the organization to inconsistency in procedures; correspondingly, it creates internal and external complaints.

Since public procurement has a major role for in making life better; broadly speaking, the consequence of not achieving the organization's objective has a significant negative impact upon the society as a whole (Choi, 2012).

2.7. Procurement Method

Open Bidding: *It is a type of procurement that all eligible potential bidders determine their interest and have an equal opportunity to submit the tender.*

Restricted tendering method (Limited Tender): *it requires when the goods/service/works are specialized nature, only available from a limited number of suppliers and when advertisement in open bid is fails to attract bidders.*

Direct procurement method: *It is a method of procurement when the public body procures with enough justification from the single source. Like an intellectual and professional services, the conditions for use of direct procurement may be summarized as I) small value contract. II) Availability of only one single source, III) extension of existing contract; IV) for compatibility reasons; V) emergencies. Any goods/service or works ETB 1,500.00 and below can be procured from the single source. However, the total value of such small procurements within a fiscal year shall not exceed ETB 30,000.00 (thirty thousand birr). (FDRE, Public Procurement Guideline, 2011)*

Two-stage Bidding Method: *When the goods/service or works are complex. Like design, construction, installation of equipment and commissioning of a new factory, industrial plants or the procurement of major computer and communications systems or construction and commissioning of a public institution. The first phase to identify suitable candidates' public body announces expression of interest/EOI/ for all bidders and then after selecting them the company invites potential suppliers to provide technical and financial proposal. /Request for Proposal/. (FDRE, Public Procurement Manual, 2010)*

Request for Quotations Method: *It is often shopping method of procurement. Public bodies can undertake this method for the purchase of readily available, standard off the shelf goods*

or for procurement of works or services for which there is an established market. Public body higher officials must approve it, and it must be justifiable. (FDRE, Public Procurement Guideline, 2011)

2.8. Public Procurement Threshold

The threshold of each type of procurement is:

- A) Restricted tendering (Limited Tender): ETB is 2,000,000.00 Million for construction, 500,000.00 for goods. 300,000.00, for service, and 400,000.00 for consultancy service. If the amount is exceeding the described amount, it should be announced on open tendering method.*
- B) Request for quotation: ETB is 250,000 Million for construction, 100,000.00 for goods. 60,000.00, for service, and 75,000.00 for consultancy service. If the amount is exceeding the described amount, it should be announced on open tendering method.*
- C) International Open tendering: ETB is 5,000,000.00 Million for construction, 10,000,000.00 for goods. 2,500,000.00, for service, and 7000,000.00 for consultancy service. If the amount is below the described amount, it should be announced on local open tendering method.*
- D) Direct procurement: ETB 1500.00: within a fiscal year, it shall not exceed 30,000.00 (thirty thousand birr). Source: The Federal Government's Public Procurement Guideline, 2011*

2.9. Conceptual Framework

The researcher has tried to adopt the conceptual framework in Figure 2.1, after going through many literatures. The framework comprehensively puts the basic factors to be assessed and their interrelation; namely:

1. On the one hand in the procurement input and process level

1.1 Procurement planning and implementation practice: *which deals with timely completion of procurement needs, staff competency, extended process, urgency work programs, prioritization, evaluation plan versus performance practice, updating/revising the procurement plan, and reporting the performance whether it is according to the plan or not.*

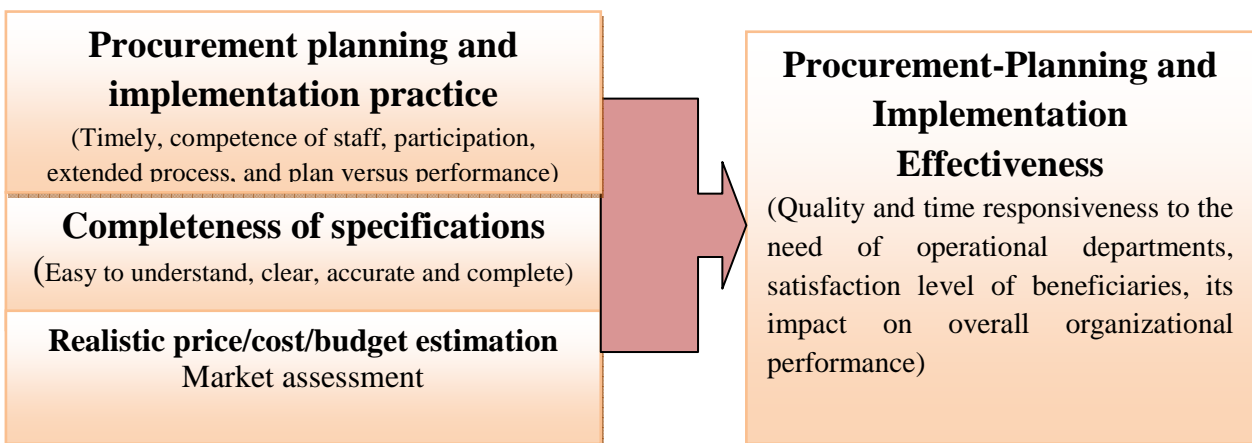
1.2 Completeness of specification: this includes preparation of specifications by user departments, clarity and completeness of specifications (Objective, scope, deliverables...) and use of standard specifications.

1.3 Realistic cost/price estimation: the practice of assessing market Price/cost/budget data.

2. On the one other in the procurement process outcome and effect

2.1 Procurement planning and implementation Effectiveness: which deals with the procurement process quality and time responsiveness to the need of operational departments, the satisfaction level of beneficiaries, its impact on overall organizational performance. Procurement input and process level variables and the procurement process outcome and effect variables

Figure 2.1: Conceptual Framework for the study



(Source: Adapted from Celestine Joan Onyango, 2012)

CHAPTER THREE: METHODOLOGY

3. Introduction

This chapter outlines the methodologies that have been used in the study. It describes the research design, target population, sampling techniques, sampling unit, data collection tools, data analysis and ethical consideration along with an appropriate justification.

3.1. Research design

As the study intends to describe the existing practices, descriptive statistical methods were used for the study. Accordingly, the current planning and its implementation along with the challenge that hinder the effectiveness have been assessed.

3.2. Source of Data

There are two kinds of data for the research to be undertaken, primary and secondary data. Accordingly, the source of the primary data was questionnaires, which is collected from the selected respondents. The secondary data source was procurement plan and performance of 2012/2013 and 2013/2014, the data came from the procurement unit of the Ministry.

3.3. Target population

The total population, target population, and the random sample used for this study is depicted in table 3.1; the data were taken from the Human Resource Department of the Ministry. As the entire population had no relevance for the research purpose, to select a target population from total population, the researcher has sampled 20 percent of user departments, and 100 percent of the procurement unit, by considering they have a key role in the subject matter.

Table 3.1 Target population of the study (User Departments and Procurement Unit)

<i>No</i>	<i>Name of the bureau</i>	<i>Total Pop.</i>	<i>Target Pop.</i>	<i>Simple Random Sampling (20%) From User Dept.</i>	<i>Simple Random Sample (30%) From procurement-unit</i>	<i>Total Sample Taken</i>
1	<i>Head of Policy and Program Bureau</i>	46	10	2	-	2
2	<i>Land Development and Management Bureau</i>	29	5	1	-	1
3	<i>Residency House and Government Building Construction Bureau</i>	51	10	2	-	2
4	<i>Construction Industry Development Regulatory Bureau</i>	83	16	3	-	3
5	<i>Corporate Resource Management Bureau(Excluding Procurement unit)</i>	82	20	4	-	4

6	Audit Department	7	1	1	-	1
7	Procurement Unit (From total population the study targeted 100% and the sample is 30%)	16	16		5	5
8	Urban beautification management bureau	51	10	2	0	2
	Total	365	88	15	5	20

Source: Human Resource Department of MUDHCo

3.4. Sampling Techniques

Consequently, the study has used disproportionate stratified sampling technique, because the method is efficient to indicate the characteristics of the population. The study used simple random sampling techniques, to select representative respondents from each group/strata.

3.5. Sampling Unit

As shown in table 3.1, to select the respondents from the target population of 88, the study considered 20% of user departments' and 30% of procurement unit's employees. The response rate was 95%.

As indicated in table 3.1, from the user departments enumerated (1-7), 15 employees; and from the procurement unit numbered (8), 5 employees, a total of 20 employees was sampled from the target population.

3.6. Data Collection tools

In line with the objective of the study, the researcher developed close-ended and open-ended questionnaires. The questionnaires were five parts: Part A deals with the profile of respondents, part B deals with the procurement planning practice and its effectiveness, part C was completeness of specifications, part D realistic Price used information and then lastly, part E open-ended questionnaires ask any other issues that hinder the implementation of procurement planning effectiveness within the Ministry.

The possible answers to the questionnaires were categorized into five parts: very often, often, sometimes, rarely, and not at all. The questionnaires were managed through drop and pick method.

3.7. Data Analysis

The close-ended questions data were analyzed by using SPSS; Mean, Standard Deviation and Percentile were computed. Open-ended questions were used by coded the issue raised; particularly, the challenges of procurement plan and its implementation practice within the case Ministry. Thirteen concerns were raised; the study endorsed into eight by their similarity,

accordingly, the percentage of respondents for each subject was assessed. Furthermore, in secondary data analysis, the study outlined the plan versus performance of the year 2012/2013 and 2013/2014, to demonstrate the performance level, and the frequency of each method of procurement.

3.8. Ethical Consideration

In order to secure the consent of the research, the researcher communicated the details and the aims of the study. And the researcher stated to the participants that they have to participate in the research willingly. Moreover, the researcher ensured to the respondents not to disclose their names, position and personal information.

CHAPTER FOUR: RESULTS and DISCUSSIONS

4. Introduction

This chapter deals with the presentation, analysis and interpretation of the data collected through questionnaires. The major contents are profiles of the respondents, procurement planning practice, completeness of the specification and market assessment trend.

4.1. Profiles the Respondents

The respondents asked to indicate their work experience. The minimum and the maximum experience of the respondents in the Ministry were two years and twenty years respectively. This entails the extent of the respondent experience with the Ministry.

Table 4.1 Work Experience

Experience in Years	No of Respondents	Percent	Cumulative Percent
2-4	10	53	53
5-6	4	21	74
7-8	1	5	79
9 years and above	4	21	100
Total	19	100	

As it summarized in table 4.1, 53% of the respondents have 2-4 years of work experience 21% each has experience of 5-6 and 9-20 years, respectively, and 5 percent have 7-8 years of work experience. Generally, they had enough experience in the Ministry. Accordingly, they were appreciating the essential of the study.

The educational background of the respondents is also assessed and summarized in table 4.2

Table 4.2 Qualifications of the respondents

Education	Number of Respondents	Percent	Cumulative Percent
Master's Degree	10	52.63	52.63
1 st Degree	9	47.37	100
Total	19	100	

Source: Survey Result (2015)

As the table shows, although, 47.37 percent had attained first-Degree level; the majority of the respondents participating in the study had attained their education up to Masters Level.

The professional background of the respondents summarized in table 4.3

Table 4.3 Profession of the respondents

<i>Profession of the Respondents</i>	<i>Number of Respondents</i>	<i>Percent</i>	<i>Cumulative Percent</i>
<i>Accounting</i>	<i>3</i>	<i>15.8</i>	<i>15.8</i>
<i>Economics</i>	<i>2</i>	<i>10.5</i>	<i>26.3</i>
<i>Management</i>	<i>6</i>	<i>31.6</i>	<i>57.9</i>
<i>Urban Plan and Related</i>	<i>4</i>	<i>21.1</i>	<i>78.9</i>
<i>Procurement</i>	<i>1</i>	<i>5.3</i>	<i>84.2</i>
<i>Photogrammetry</i>	<i>1</i>	<i>5.3</i>	<i>89.5</i>
<i>Geography and environment</i>	<i>1</i>	<i>5.3</i>	<i>94.8</i>
<i>Economic and Environmental Management</i>	<i>1</i>	<i>5.3</i>	<i>100.0</i>
	<i>19</i>	<i>100.0</i>	

Source: Survey Result (2015)

As shown in table 4.3, the broad range of respondents' professions was relevant for the study. From the total respondents, 31.6 have Management background, 21 percent have an Urban Planning specialty, 15.8 percent have an Accounting background, and 10.5 percent have economics background; while procurement, Photogrammetry, Geography and Environment and the rest constitute 5.3 percent each.

4.2. Assessment of Procurement Plan and Implementation Effectiveness

The following descriptive statistical analysis shows the conceptual framework adopted for this study. Particularly, the analysis demonstrates the research questions, which are procurement planning-practice, specification completeness and realistic price estimation. To make discussions the study used mean, standard deviations and percentile.

4.2.1 Procurement-Planning and Implementation Practice

In this particular section, the researcher has posed seven questions to the user departments and eight questions to the procurement unit. The user department respondents were asked to indicate the extent to which procurement planning effectiveness within the Ministry, on five scales (1= Very often, 2= Often, 3= Sometimes, 4= Rarely. and 5= Not at all). Accordingly, the Mean Value 2 and less indicated good performance, Mean value greater than 2 and less than 2.5 indicate moderate, Mean Value greater than 2.5 indicate poor performance. The result of standard deviation describes the distribution in relation to the mean. Percentile result implied

cumulative percent of very often and often greater than 80 % good performance, below 80% and greater than 50% indicate moderate performance and below 50% indicates poor performance.

Table 4.4 User departments; Procurement-Planning and Implementation Practice questions

No			Percent	Cum. Percent	Mean	Std. Dev.
1	Raising Procurement needs on time	Very often	42.9	42.9	2.14	1.41
		Often	28.6	71.4		
		Some times	14.3	85.7		
		Not at all	14.3	100		
2	Procurement unit prioritization of dept. needs	Very often	42.9	42.9	2.00	1.3
		Often	28.6	71.4		
		Some times	14.3	85.7		
		Rarely	7.1	92.9		
		Not at all	7.1	100		
3	Lack of qualified staff	Very often	14.3	14.3	2.29	1.27
		Often	7.1	21.4		
		Some times	14.3	35.7		
		Rarely	35.7	71.4		
		Not at all	28.6	100		
4	Dispatching annual procurement plan	Very often	14.3	14.3	2.43	0.85
		Often	7.1	21.4		
		Some times	14.3	35.7		
		Rarely	35.7	71.4		
		Not at all	28.6	100		
5	Achievement of annual procurement plan	Very often	14.3	14.3	2.86	1.51
		Often	7.1	21.4		
		Some times	14.3	35.7		
		Rarely	35.7	71.4		
		Not at all	28.6	100		
6	Urgency work program challenges	Very often	50	50	2.29	1.54
		Often	7.1	57.1		
		Some times	21.4	78.6		
		Rarely	7.1	85.7		
		Not at all	14.3	100		
7	Procurement process affect the dept. work programs	Very often	50	50	2.00	1.13
		Often	21.4	71.4		
		Some times	14.3	85.7		
		Rarely	7.1	92.9		
		Not at all	7.1	100		

Source: Survey Result (2015)

The result in table 4.4 indicates that 71.4 percent, a mean of 2.14 respondents they have raised procurement needs on time. In contrary, even if they did what was expected from them, the department work programs had been affected by procurement performance according to 71.4 percent (very often and often), of the respondents with the mean of 2.00. This is also reflected in responses regarding annual procurement planning performance, from the respondents only 21.4 percent answered that procurement plan achievements were good, the rest, majority of the respondents, 78.6% didn't support the issue. As shown in figure 4.2 and 4.3 on the secondary data analysis, the total performance of the year 2012/2013 and 2013/2014 was 14.1 and 17 percent. From those performances, open bidding method performance was 9.2 and 13 percent respectively. However, request for quotation /shopping/ was 416 and 292 percent. This data shows how the case company has gone contrary to the procurement plan.

Dispatching the procurement plan to the departments was poor, only 64.3 percent and 2.43 mean assures they had shown their procurement needs which is consolidated by the procurement unit, and 71.4 percent indicates on the planning stage, the procurement unit have prioritized their needs. This indicates the planning was good; however, implementation is very weak as shown above.

On the other hand, the user department faces a problem of urgency/unplanned work programs, which had not been considered, at the beginning of the fiscal year. 57.1 percent of respondents indicate that they are affected by urgency/unplanned work programs, this indicates, the procurement unit is influenced by user departments, due to the additional requirements of goods/service/works which had not been considered at the planning stage.

In table 4.5, the researcher has tried to assess the procurement unit concern on the procurement plan and implementation effectiveness.

Table 4.5 Procurement unit: Procurement-Planning and Implementation Practice questions

No			Percent	Cumulative Percent	Mean	Std. Dev.
1	Updating/revising procurement plan	Very often	0	0	3.6	0.894
		Often	0	0		
		Some times	60	60		
		Rarely	20	80		
		Not at all	20	100		
2	Announcing procurement plan	Very often	0	0	4.6	0.548
		Often	0	0		
		Rarely	40	40		
		Not at all	60	100		
3	Evaluate the effectiveness of procurement plan	Very often	0	0	4.4	0.548
		Often	0	0		
		Rarely	60	60		
		Not at all	40	100		
4	Circulate procurement plan to the user departments	Very often	0	0	4.00	1.00
		Often	0	0		
		Some times	40	40		
		Rarely	20	60		
		Not at all	40	100		
5	Estimate internal and external lead-time	Very often	0	0	3.6	0.548
		Often	0	0		
		Some times	40	40		
		Rarely	60	100		
		Not at all	0	0		
6	Qualified staff challenge	Very often	20	20	2.8	1.483
		Often	20	40		
		Some times	40	80		
		Rarely	0	80		
		Not at all	20	100		
7	Urgency work program challenges	Very often	60	60	1.6	0.894
		Often	20	80		
		Some times	20	100		
		Not at all	0	0		
8	Extended procurement process challenge	Very often	40	40	2.4	1.342
		Often	0	40		
		Some times	40	80		
		Rarely	20	100		
		Not at all	0	100		

Source: Survey Result (2015)

The findings in table 4.5 above illustrate the percentile for updating, announcing and evaluating the procurement plan; also, circulating the procurement plan, and estimating internal and external lead-time is very weak performance.

Lack of monitoring and evaluation, is also raised in the open-ended questions, as it is shown in figure 4.6, from the responses, 8% indicate of respondents highlighted the problem of ineffectiveness in monitoring and evaluation had been observed in the process.

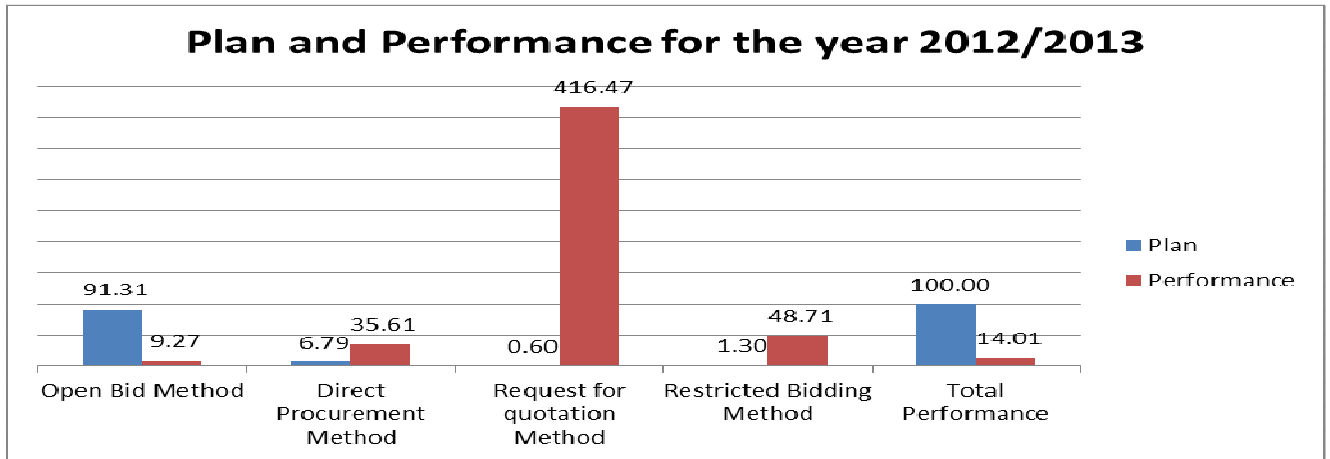
From the respondents of procurement unit 40%, mean of 2.80 indicates that qualified staff is a challenge, the major issue they have raised was urgency/unplanned work programs, 80% of respondents demonstrate they faced the challenges in going through the procurement plan.

When the study computes from the response of the user department and the procurement unit, 71.4% of user departments have been working their work programs in a disagreeable manner to the procurement function.

Regarding qualified staff assessment challenges, 40% of respondents, with a mean of 2.80 indicate that they have been working on the challenge of staff competence. The issue is also raised in the open-ended questionnaires: as shown in figure 4.6, 38 percent indicates that the nonexistence of staff competency had greatly affected the process, they said of technical know-how in preparation of bid documents and specification is the major problem.

The issue is also raised, in delay of technical document evaluation, figure 4.6, open-ended format, indicates that the trend in delays in the evaluation of the documents also compatible with the absence of competent staff on the process.

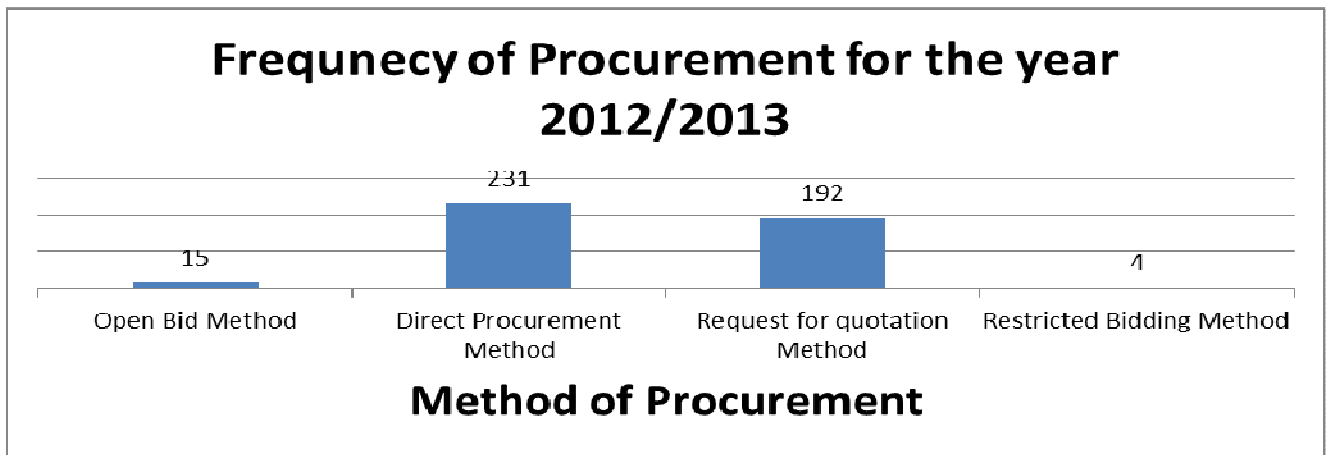
Figure 4.2 Plan versus Performance Percentage



Source: MUDHCo procurement unit

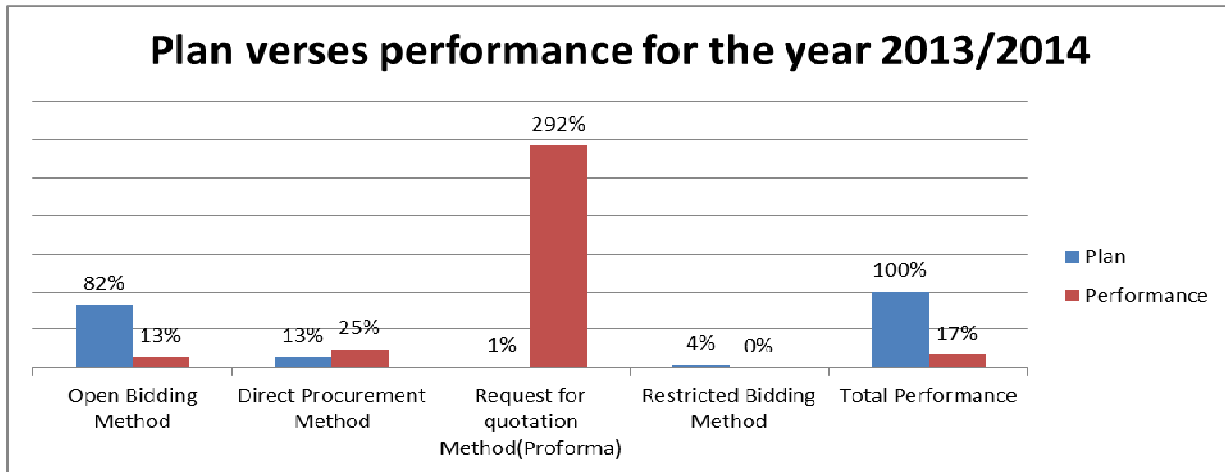
Note: The percentage of the procurement plan versus performance computed by taking the annual procurement plan & quarterly performance, which was sent to PPA.

Figure 4.3 Frequency of procurement for the year 2012/2013



Source: MUDHCo procurement unit

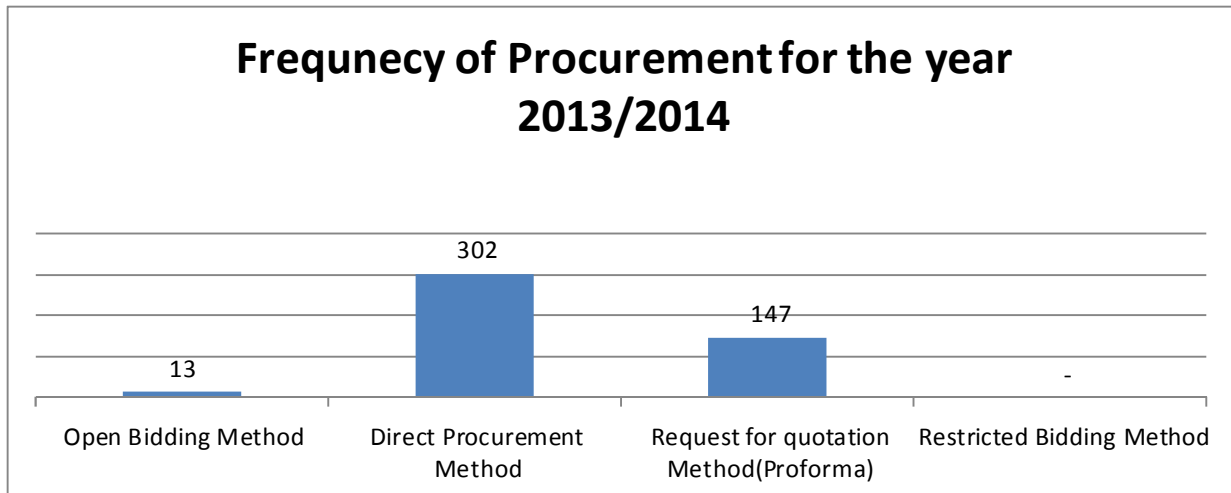
Figure 4.4 Plan versus Performance Percentage



Source: MUDHCo procurement unit

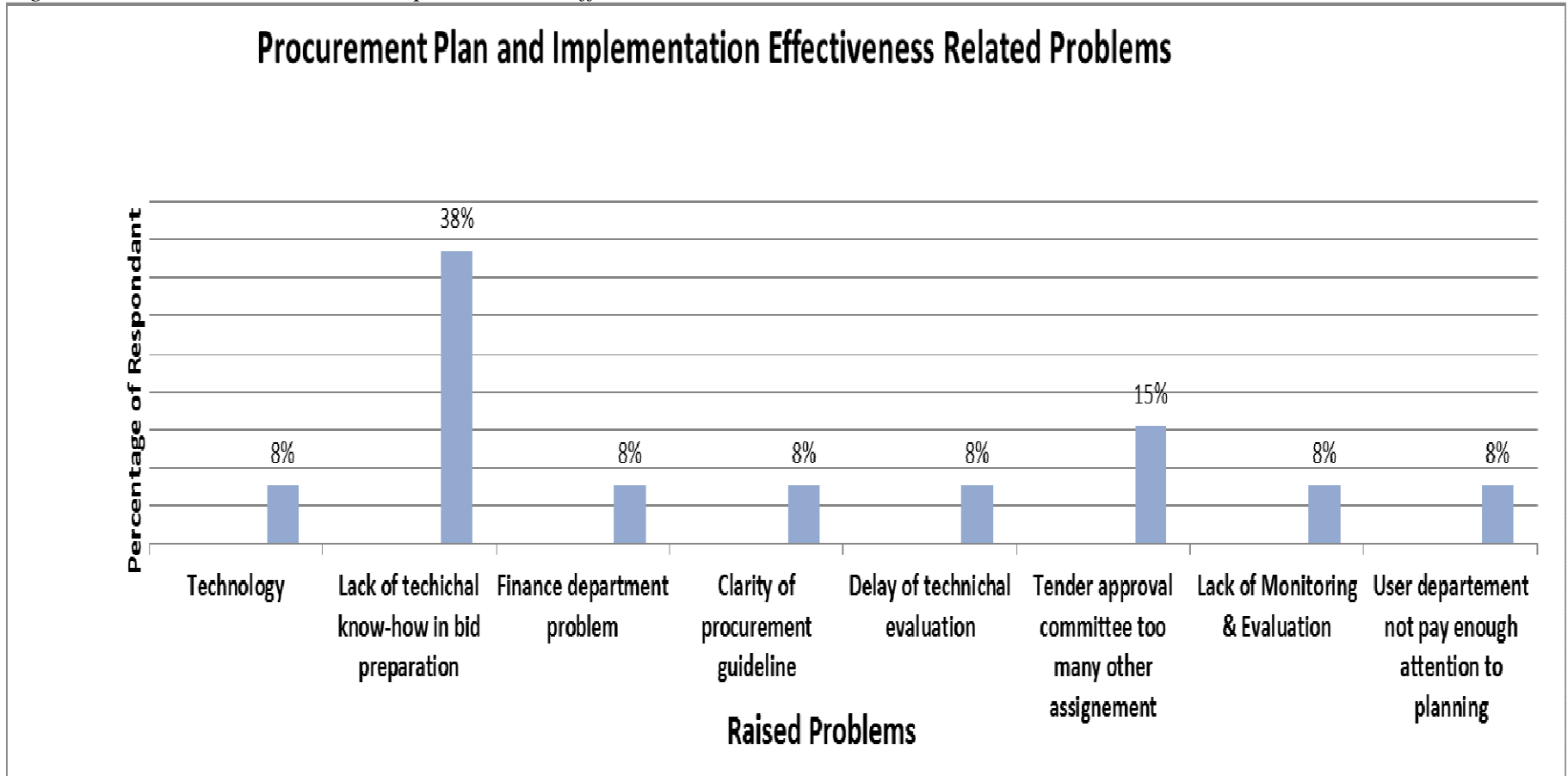
Note: The percentage of the procurement plan versus performance computed by taking the annual procurement plan & quarterly performance, which was sent to PPA.

Figure 4.5 Frequency of procurement for the year 2013/2014



Source: MUDHCo procurement unit

Figure 4.6 Procurement Plan and Implementation Effectiveness Related Problems



Source: Open ended questionnaires respons

The other thing that employees wrote down was the lack of technology usage. As indicated in figure 4.6, there was no technology applied in the departments to accelerate the process.

Finance department's delay to settle payment early was another issue, which was raised by the respondents; it has also an impact to carry out procurement planning effectively.

The respondents also raised clarity of procurement guidelines; it may link to the lack of technical expertise in procurement or the guideline itself.

Delay in technical evaluation is the main cause for the delay in bid process especially in consultancy service. As it is shown in Figure 4.6, 8 % of respondents describe the issue. There is an extra delay in the evaluation of bid documents; too much backward and forward was a big challenge with user departments and procurement unit, particularly during the period of technical evaluation.

As it is shown in figure 4.3 and 4.5, the frequency of procurement for 2012/2013 and 2013/2014, for the request for quotation, which is sometimes said shopping, is very high, that is 192 and 147 times. It shows because of lack of competency in user departments and bid document preparation and extra delay in technical document evaluation the case company is shifting the procurement method from the preferred and selected open bid to request for quotation method. The same applies in the direct procurement method of procurement.

4.2.2 Specification Completeness

One of the key things in preparing procurement plan and implementing consecutively is raising specifications. To assess this issue, the author raised three questions to the user departments and three questions to the procurement unit.

In table 4.6, mean value of 4 up to 5 were good, mean value 3.5 up to 4 is a moderate performance mean value 3.49 and less is poor performance. Percentile result implied cumulative percent of very often and often greater than 80 % good performance, below 80% and greater than 50% indicate moderate performance and below 50% indicates poor performance.

Table 4.6 User Department: Specification Completeness

No			Percent	Cumulative Percent	Mean	Std. Dev.
1	<i>Preparing of specification</i>	<i>Very often</i>	42.9	42.9	4.00	8.37
		<i>Often</i>	35.7	78.6		
		<i>Some times</i>	21.4	100.0		
2	<i>Using Standard specification</i>	<i>Very often</i>	35.7	35.7	4.14	8.34
		<i>Often</i>	35.7	71.4		
		<i>Some times</i>	28.6	100.0		
3	<i>Clearly and completely prepare specification</i>	<i>Very often</i>	28.6	28.6	3.71	5.36
		<i>Often</i>	42.9	71.4		
		<i>Some times</i>	21.4	92.9		
		<i>Rarely</i>	7.1	100.0		

Source: Survey Result (2015)

In procurement planning, users should raise their specification by the support of procurement unit. This specification may be clarified and have a better picture when it reaches to the procurement unit according to rules and regulations.

Furthermore, for some items, there is a standard specification approved by the PPA, this specification can help the user departments and procurement unit to prepare standardized specifications.

As per table 4.6, users had prepared specifications when they prepare a procurement plan; 78 percent, mean of 4.00 answered positively. From those raised specifications 71.4 percent, mean of 4.14 said they were used standardized specification format, which is attached on the PPA procurement guideline, and also from those 78.4 percent raised specifications, 71.4 percent, a mean of 3.71 have said they clearly and completely indicate what they require.

On the contrary, as per table 4.7, procurement unit indications, from the total user department procurement plan only 20 percent, a mean of 3.40 had prepared specification, from those raised specifications, 60 percent, a mean of 2.60 have a clarity problem, and also only 40% have been used standardized specifications.

In table 4.7, mean value of 4 up to 5 were good, mean value 3.5 up to 4 is a moderate performance mean value 3.49 and less is poor performance. Percentile result implied cumulative

percent of very often and often greater than 80 % good performance, below 80% and greater than 50% indicate moderate performance and below 50% indicates poor performance.

Table 4.7 Procurement unit: Specification Completeness questions

No			Percent	Cumulative Percent	Mean	Std. Dev.
1	<i>User department raise specification</i>	Often	20.0	20.0	3.4	1.14
		Some times	40.0	60.0		
		Rarely	20.0	80.0		
		Not at all	20.0	100.0		
2	<i>Requisition have clarity problem</i>	Very often	20.0	20.0	2.6	1.517
		Often	40.0	60.0		
		Some times	20.0	80.0		
		Not at all	20.0	100.0		
3	<i>Using Standard specification</i>	Often	40	40	2.6	0.548
		Some times	60	100		

Source: Survey Result (2015)

As shown in figure 4.6 employees raised the issue of lack of know-how in bid preparation and specification, the issue also goes with the delay in evaluation of technical document, 8 percent of respondents, highlighted the issue, as the employer's lack of expertise in bid document and specification preparation, it has a direct impact on it.

As it is shown in figure 4.2 and figure 4.3 secondary data analysis, open tendering method performance was very weak, total performance of the years 2012/2013 and 2013/2014 was only 9.27 and 13%, respectively, this method, entails the preparation of detailed specifications and bid documents, and furthermore, it must pass a rigorous approval process. Accordingly, if the employees are incompetent in the preparation of bid documents and preparation of clear and complete specifications the procurement unit faces a challenge, on open-ended questionnaires, 38 percent of respondents write down the issue.

4.2.3 Cost/price estimation

On the planning stage, assessing the market price is vital to ensure value for money. Accordingly, to demonstrate the Ministry trend, the researcher raised questions for the user departments and for the procurement unit.

In table 4.8 and 4.9, Mean Value 2 and less indicated good performance, Mean value greater than 2 and less than 2.5 indicate moderate, Mean Value greater than 2.5 indicate poor

performance. Percentile result implied cumulative percent of very often and often greater than 80 % good performance, below 80% and greater than 50% indicate moderate performance and below 50% indicates poor performance.

Table 4.8 User Department: Market assessment questions

No			Percent	Cumulative Percent	Mean	Std. Dev.
1	Assessing market information to estimate Price	Very often	21.4	21.4	2.86	1.46
		Often	21.4	42.9		
		Some times	28.6	71.4		
		Rarely	7.1	78.6		
		Not at all	21.4	100.0		
2	Planned budget is enough to accomplish the work programs	Very often	50.0	50.0	1.86	1.099
		Often	28.6	78.6		
		Some times	7.1	85.7		
		Rarely	14.3	100.0		

Source: Survey Result (2015)

Table 4.9 Procurement Unit: Market assessment questions

No			Percent	Cumulative Percent	Mean	Std. Dev.
1	Assessing market information to estimate Price	Often	40.0	40.0	2.8	0.837
		Some times	40.0	80.0		
		Rarely	20.0	100.0		
		Total	100.0			

Source: Survey Result (2015)

As indicated in table 4.8 and 4.9 the Price estimation trend of user departments and procurement unit is moderate, from the respondents, 42.9 percent, mean of 2.86 of the user departments, and 40 percent mean of 2.8 of the procurement unit said they often used assessed market price information when they were preparing a procurement plan.

CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSION, AND RECOMMENDATIONS

5. Introduction

The study sought to assess the effectiveness of the existing procurement plan and its implementation in practice. This chapter deals with the summary of the findings, conclusion, and recommendation.

5.1. Summary of the findings

The study data tells that even if the user departments have often raised procurement needs:

- ❖ They have a problem in preparing clarified and complete specifications or terms of reference, and in the procurement unit besides lack of expertise in preparation of specification there is also big skill gap in preparing detail bid document.*
- ❖ The procurement plan format and the procurement-reporting format were not coherent. The study observes the plan and reporting format of the Ministry, which was sent from PPA, doesn't show the detail lead-time, it only shows when to start and when to finish (See, Appendix IV) furthermore, the performance reporting format, doesn't adhere with the plan format, it only shows the type of the procurement and the amount of the procurement. It does not allow tracking the performance level (See, Appendix V).*
- ❖ Extra delay in technical document evaluation has significant impact to achieve success in procurement function, the work programs had been affected by procurement function, because of the goods/service or works not being procured on time, in contrary, urgent/unplanned procurement requisitions is a challenge in procurement unit.*
- ❖ The Market assessment trend was poor in both departments.*
- ❖ Request for quotation (Shopping) was increased, in the past years, which is the major cause of corruption and malpractice, on the contrary open tendering is very low performance.*
- ❖ Lack of technology usage in the procurement process is one of the problems in the Ministry.*

5.2. Conclusion

Failing to go with the plan or working with the unsound plan is a major problem to accomplish the organization's mission and objectives in due time. Correspondingly, spending money without a plan is an indication that the organization has been going on the contrary to achieve value for money.

Based on the findings of the study, currently, the Ministry has been affected by the poor performance of procurement planning and implementation practice. The work programs of the company had faced challenges by extra delay in the process of procurement.

The findings also released, the plan was not transparent, and there was a gap to make corruption and malpractice due to piecemeal purchasing without market price assessment trend.

The study shows that there were weak practices on the ground to follow up the plan versus performance, which is vital to make an early corrective action.

5.3. Recommendations

According to the findings, hereafter, recommendations are forwarded with an eye to future improvements in the procurement planning and implementation process:

As per the study, the planning has been prepared in due time to send to the Public Procurement and Property Administration Agency (PPA) up to July 30, which was accompanied by the approved budget. It shows that there is a good practice in this regard. However;

- ❖ Open tendering method featured poor performance. The frequency of requests for quotation was almost three hundred times of the plan. The major problem behind the weakening of the open tendering method was the lack of technical competency in preparation of specification and bid document. The study is believed that, be expertise is not one-time shoot practice, to have it; the organization should vigorously develop continuous training programs to the user departments and procurement unit, which is very useful to enhance implementation capacity. Particularly, the study recommends training on preparation of terms of reference, requirements, specification, evaluation of technical document, and detail bid document preparation.*
- ❖ The planning and reporting format should display the lead-time in detail, the procurement unit may indicate certain information for internal use, but for external purposes, the format should be coherent with the plan. Public Procurement and Property Administration Agency (PPA) should administer the issue. They may undertake performance audits within a limited period, but this process makes them act reactively rather than being proactive, and it may not add value, as it is reporting the performance*

after the things are already off track. Look the best practice recommended from Uganda. (See, Appendix VI).

- ❖ *The other recommendation is to start early the bid process. As there was no significant budget shortage or allocation problem (See table 4.8), to resolve the issue, starting early can have significant advantages to accelerate the process and to tackle the problems before things are gone out of the track. Furthermore, early preparation and approval process of the specification, bid document and technical evaluation is vital to challenge the bureaucratic process beforehand.*
- ❖ *Furthermore, undertaking the procurement without proper market price assessment is the major cause for not achieving value for money. The organization should establish a system to gather market data, which can be used as the source of comparing the price when the actual procurement is undertaken, it is also very useful to know potential supplier.*
- ❖ *Moreover, due to its complication, technology advancement and other societal growth, mitigating corruption is the major challenge in public procurement; however, as it is shown in the literature, going through proper procurement planning is the most important tool to reduce corruption and malpractice. When a public organization has developed, and has a strong trend to purchase on planning base it can create and enhance transparency with a supplier, it can attract local and international bidders, the entire process of the procurement can be in a proper system, this system has an absolute advantage to reduce misuse of scarce public resource.*
- ❖ *Now a day's technology is becoming the most important tool to accelerate operations, particularly, starting to use technology in every part of service operation has absolute benefit to make things smooth and fast. The organization must apply technology, which may be data base management system or software's, which is very useful to communicate easily with the user department, procurement unit, policy and program bureau, procurement approval committee, property administration, internal audit, finance and even suppliers.*

In conclusion, the study argues, the Ministry should admit that the procurement function is affecting the work programs of the departments and they must give the required emphasis for the achievement of the plan.

5.4. Suggestions for further Research

The study variables were: (i) the nature of practice of procurement plan and its implementation, (ii) specification completeness, and (iii) realistic price estimate on the planning stage. As per the researcher, there is a need for future to examine other variable like Organizational Culture, Documentation, Contract Administration, Risk Assessment in Procurement and E-procurement usage to procurement.

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APPENDIX I:

Questionnaire for the User Departments

My name is Anteneh Getahun; I am a student at the Addis Ababa University, Faculty of Business Education; I am carrying out an academic research study for the partial fulfillment of the requirement for the award of the degree of Executive Master of Business Administration. The purpose of this survey is to improve the performance of procurement planning within the Ministry.

You selected to participate in this survey, due to your important role in the procurement for your department. I will ask you a series of questions that would take about 10 minutes. You are not required to disclose your name and responses will remain confidential and be analyzing together with the responses of others, solely for this study. We expect you to answer all questions truthfully. Before we begin, do you want to ask me any questions about the survey? Do you agree to participate in the survey? Thank you.

SECTION A: Demographic Information of Respondent

Please circle the most appropriate option.

A1: Gender of respondent? A. Male B. Female

A2: Age of Respondent? A. 22-30 B. 31-40 C. 41-50 D. 51-60

A4: What is your job title? _____

A5: How long have you worked in this section/department? _____

A6: Number of position in the department _____

A7: Number of employee currently in the department _____

A8: What is your highest qualification? A. Certificate B. Diploma C. Degree D. Masters and above

A9: What is your professional? A. Accountancy B. Economics. C. Engineering D.

Management E. Procurement F. Urban Plan and related G. Others (specify) _____

SECTION B: Effectiveness of Procurement plan assessment question

<u>Procurement-Planning Practice</u>		Very often	Often	Some times	Rarely	Not at all
		<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
<i>B01</i>	<i>Do you raise your department procurement needs on time?</i>					
<i>B02</i>	<i>Do you believe a procurement unit properly prioritizes the departments' procurement needs?</i>					
<i>B03</i>	<i>Does lack of qualified staff and the right numbers is a problem to raise early needs of procurement.</i>					
<i>B04</i>	<i>Have you seen/update your department annual procurement needs which a procurement unit of the Ministry consolidates?</i>					
<i>B05</i>	<i>Do you assume annual procurement needs is achievable in the Ministry?</i>					
<i>B06</i>	<i>Do you think urgency work program is a major challenge to wait the process of procurement unit?</i>					
<i>B07</i>	<i>Does the procurement process affect to accomplish your department work programs in due time?</i>					
<u>Specification Completeness</u>						
<i>C01</i>	<i>Do you prepare a specification for procurement needs?</i>					
<i>C02</i>	<i>Do you use standard specification when preparing your procurement needs?</i>					
<i>C03</i>	<i>Do you think you clearly and completely indicate your needs specification in raising annual procurement?</i>					

<u>Realistic Price estimation</u>						
<i>D01</i>	<i>Does budgeting process starting late to prepare the plan timely?</i>					
<i>D02</i>	<i>Do you use market or other source data to estimate cost/price for your department procurement needs?</i>					
<i>D03</i>	<i>Does planned budget is realistic and achievable to raise needs?</i>					

Can you mention other problem that can affect your department procurement needs effectiveness?

⋮

APPENDIX II:

Questionnaire for the Procurement Unit

My name is Anteneh Getahun; I am a student at the Addis Ababa University, Faculty of Business Education; I am carrying out an academic research study for the partial fulfillment of the requirement for the award of the degree of Executive Master of Business Administration. The purpose of this survey is to improve the Performance of Procurement Planning within the Ministry.

You selected to participate in this survey, because of your important role in the procurement for your department. I will ask you a series of questions that would take about 10 minutes. You are not required to disclose your name and responses shall remain confidential and be analyzing together with the responses of others, solely for this study. We anticipate you to answer all questions truthfully. Before we begin, do you want to ask me any questions about the survey? Do you agree to participate in the survey? Thank you.

SECTION A: Demographic Information of Respondent

Please circle the most appropriate option.

A1: Gender of respondent? A. Male B. Female

A2: Age of Respondent? A. 22-30 B. 31-40 C. 41-50 D. 51-60

A4: What is your job title? _____

A5: How long have you worked in this section/department? _____

A6: Number of position in the department _____

A7: Number of employee currently in the department _____

A8: What is your highest qualification? A. Certificate B. Diploma C. Degree D. Masters and above

A9: What is your professional? A. Accountancy B. Economics. C. Engineering D. Management E. Procurement F. Urban Plan and related G. Others (specify) _____

SECTION B: Effectiveness of Procurement plan assessment question

<u>Procurement-Planning Practice</u>		Very often	Often	Some times	Rarely	Not at all
		1	2	3	4	5
B01	Does the procurement plan updated/revised when necessary?					
B02	Does the organization announce his annual procurement plan on the Public Procurement Agency website or on the Ministry board?					
B03	Do you evaluate and report the effectiveness of the procurement plan?(According to the plan procurement method)					
B04	Do you circulate approved/updated procurement plan for user department?					
B05	Do you estimate the internal and external lead-time in preparing a procurement plan?					
B06	Do lack of qualified staff and the right numbers is a problem to prepare the procurement plan?					
B07	Does urgent/unplanned requisition is a major challenge to go with the actual procurement process?					
B08	Does the extended procurement process is a problem to go with procurement plan?					
<u>Specification Completeness</u>						
C01	Does the user department raise specification for their request?					
C02	Does the requisition have a clarity problem?					
C03	Do you use specified source of information to prepare specification?					
<u>Realistic Price estimation</u>						
D01	Do you use market or other source of data to estimate cost/price in the procurement plan?					

E01.

Can you mention other problem that can affect procurement planning effectiveness in the Ministry?

APPENDIX III:

Annual Procurement plan format of PPA

For _____ Ministry
 For _____ budget year procurement plan format

No	Type of goods/service or consultancy service	Source of fund				Account Code	Allocated budget		Selected Method of procurement	Procurement Type	Period of procurement	
		Government	Internal Revenue	Loan	Assistance		Recurrent	Capital			Start period	Finish period

APPENDIX IV: Quarterly Procurement Performance Report Format of PPA

Name of the organization _____

Budget Year _____

No	Method of procurement	Type of Bid	From gov't and Internal Revenue		From Fund	
			Recurrent	Capital	Recurrent	Capital
1	Open Bid					
2	Two Stage Tender					
3	Expression of Interest					
4	Limited Tender					
5	Request for quotation					
6	One Source					

APPENDIX V

Best experience procurement planning from Uganda

S/ N	Subject of procurement	Currency	Estimated cost	Source of funding	Procurement method	Contract	Request for Expression of Interest				Invitation of proposals and approval for award					Completion date
						Type	Invitation of Expressions of Interest date	Closing - Opening date	Approval of shortlist	Notification date	Invitation of proposals date	Submission/	Approval of final evaluation report	Notification date	Contract signing date	
												opening date				
	Prepared by		Name:		Approved by		Name									
			Signature:				Signature:									
			Designation:				Designation:									
			Date:				Date:									

