

Procurement Planning and Procurement Performance for Operations and Projects in Public Sector Entities - A Case of Uganda Management Institute

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Abstract—The study investigated the influence of procurement planning on procurement performance in public sector entities by focusing on UMI. The study was guided by the resource-based view (RBV) theory. In Uganda most government Institutions such as UMI have registered certain constraints in procurement performance and this could be a result of inadequate procurement planning on a timely basis as required by the PPDA Act 2003. The objectives of the study were: to find out the relationship between procurement needs assessment and procurement performance, to examine the relationship between procurement budgeting and procurement performance and to analyse the relationship between information sharing and procurement performance at UMI. The study used the cross-sectional research design. The sample size comprised of 119 stakeholders and the response rate was 63%. The information got from the data collection instrument was analysed by the researchers and the findings of the study indicated that; there is a strong positive relationship between Needs Assessment and procurement performance of UMI which implies that improved Needs Assessment leads to improved procurement performance of UMI and vice versa, there is a weak positive relationship between Procurement Budgeting and procurement performance of UMI which implies that improved Procurement Budgeting leads to improved procurement performance of UMI and vice versa and there is a weak positive relationship between Information sharing and procurement performance of UMI which implies that improved Information sharing leads to improved procurement performance

of UMI and vice versa. It was concluded that there is a close relationship between Procurement planning and procurement performance of operations and projects of public sector entities in Uganda. It was recommended that the PDU should always liaise with User Departments to ensure that they undertake a thorough needs assessment, the heads of departments should always ensure that they involve their subordinates in procurement budgeting and that the PDU should always avail the User Departments, with the right procurement such as information PPDA procedures and guidelines on procurement planning and budgeting.

Key words: Procurement, Project, Planning, Procurement, Performance, Management, Operations.

1. Introduction

The study aimed at establishing how Procurement Planning affects procurement performance of the operations and projects of public sector entities by focusing on Uganda Management Institute (UMI). Handling an organization's procurement is one thing and effectively managing it is quite another. Procurement processes have the power to save time and money while increasing organizational compliance and so to effectively manage an organization's procurements, it's necessary to have a thorough plan based on solid information [1]. That's why the first stage of the procurement cycle is developing a procurement plan, which determines a timeline of what items will be procured and when based on the department's

budget [2]. Before devising a procurement plan, it is vital for the buyer to have a strong understanding of the market dynamics of the industry they are looking to procure resources from [3]. Procurement planning is the process used by organizations to plan procurement activity for a specific period of time [4]. The Procurement Plan can be developed for a particular operational or specific project requirement or for a number of requirements for one or many entities in the public or private sector organizations [5].

Procurement planning will identify and define realistic product expectations, such as fulfillment time, cost, and quality of products [6]. The contribution of procurement planning is perceived in terms of quality, timely delivery, cost and flexibility, which has an impact on the competitive capability of the firm to meet customer requirements [7]. The preparation of a realistic procurement plan for an organizational operations and projects is critical for its successful monitoring and implementation [8]. There is therefore need for procurement planning based on a quantity flexibility contract under a mixture of uncertain data. The Procurement Plan is based on the Procurement strategy and sets out the selection methods to be followed by the public sector organizations [9]. Procurement planning also permits the creation of a procurement strategy for procuring each organizational operational and project requirement that will be included in the procurement plan [10]. Public sector entities should therefore take a flexible approach to develop a procurement plan by applying tools and techniques widely used across public sector organizations to provide the necessary intelligence to make sound procurement decisions for their operations and projects [11].

Procurement Planning is important because it allows planners to determine if expectations are realistic; particularly the expectations of the requesting entities, which usually expect their requirements met on short notice and over a shorter period than what the application of the corresponding procurement method allows [5]. Originally, most procurement experts used to look at cost effectiveness as the main dependable means of measuring procurement performance for operations and projects of any organization but now there are other means of measuring procurement performance such as cycle time, vendor performance, spend under management and percentage of punch out catalogues [12]. Public procurement is an important and critical aspect of providing essential services to the citizens for both developed and developing countries based on good governance. Globally,

many countries' budget expenditure on their organizational operations and projects to provide services to their citizens can be to a tune of more than US\$9.5 trillion per year since it is normally used to develop both physical and social infrastructure in various sectors such as transport, education, health, agriculture, energy and security [13]. Over the past few years, developing countries especially those in Sub-Saharan Africa have been awakened on the importance of efficient and effective management of the procurement process at all levels in Government Ministries, Departments and Agencies and its subsequent contribution to smoothly execute operations and projects of such public sector entities. In a developing country like Uganda, procurement and disposal planning are fundamental to proper procurement management [13].

This is commonly completed during the budgeting process. This study was guided by the resource-based view (RBV) theory. In this regard, Uganda Management Institute with the core mandate of conducting training and capacity building, consultancy and research need to plan for the acquisition of the necessary resources required to execute her routine operations and projects in order to achieve her intended objectives [14]. In regard to the study, absence or poor procurement planning is likely to jeopardize procurement function and the Uganda Management Institute may find it extremely hard to set targets or deliverables against which to measure progress of procurement performance in any a given financial year. Under the PPDA 2003 established structures, all public institutions are supposed to adhere to certain procurement policies and procedures. UMI was originally an Institute of Public Administration but now it's a management development institute. Therefore, as a public institution, UMI is a Procurement and Disposal Entity that is required to conduct and manage the procurement function in line with PPDA Act 2003 and the current amendment acts of 2014 and 2021. In view of the above, the UMI procurement and disposal compliance audit report findings of the financial years of 2010/11, 2011/12 and 2012/13 continuously revealed that some User Departments were not conducting procurement planning in terms of undertaking thorough procurement needs assessment, procurement budgeting and sharing information regarding procurement planning on a timely basis as required by the PPDA Act 2003 [15] [16] [17].

Besides, adhering to such procurement plans by the Institute in acquiring the required goods, services and works is sometimes wanting. As a consequence, the procurement performance in terms of procuring high quality supplies, timely

delivery of supplies and ensuring high internal customer satisfaction fall below average as exemplified by the user departments' failure to have the work plans in place that Procurement and Disposal Unit would have used to draw up a consolidated procurement plan [18]. Although, there has been an improvement in this area, a lot more needs to be done. Therefore, if this trend of events is not checked against, UMI is likely to experience over all poor procurement performance which will subsequently affect its day-to-day operations and execution of its projects aimed at providing high quality service to the public [18]. It was for this reason therefore that a study was conducted to analyze the relationship of procurement planning and procurement performance of operations and projects in public sector entities. The objectives of the study were to find out the relationship between needs assessment and procurement performance of UMI, to establish the relationship between budgeting and procurement performance of UMI and to analyze the relationship between information sharing and procurement performance of UMI.

2. Theoretical Literature

The study was guided by the resource-based view the firm. The resource-based view has emerged as one of several important explanations of persistent firm performance differences in the field of strategic management. The resource-based theory is an economic and management tool used to determine the strategic resources available to the organization. The underlying principle of the resource-based view is that sustained competitive advantage is generated by the unique bundle of resources at the organization's disposal [19]. Within public sector entities, such resources can be procured through use of the procurement plan to execute their operations and projects. Procurement activities, aim at anticipating requirements, sourcing and obtaining supplies, moving supplies into the organization, and monitoring the status of supplies as a current asset [7]. According to [4], procurement planning is the process by which the organizational requirements and how to obtain them are determined. An adequate procurement plan will identify and define realistic product expectations, such as fulfillment time, cost, and quality of products [10]. A procurement plan helps define the requirements for organizational operations and projects, in addition to effectively manage the steps required to get to the final contract [1]. During the procurement planning process, the procurement method is assigned and the expectations for fulfillment of procurement requirements determined [5]. In order to implement a successful procurement system, an organization

must follow procurement planning requirements [6].

The procurement plan should be elaborated in coordination with the overall organizational operational and project implementation plans and manuals during the early stages of the execution of such organizational operations and projects [11]. Procurement planning acts as a guiding pillar for any procurement team, keeping them on track to meet deadlines and from overspending in any way. If done effectively, there can be many benefits of procurement planning [2]. Organizations should therefore take a flexible approach to developing a procurement plan through applying tools and techniques widely used across public sector organizations to provide the necessary intelligence to make sound procurement decisions [11]. A Procurement plan based on Procurement Strategy provides adequate justification for the selection methods to use in acquiring goods, services and works for execution of organizational operations and projects [9]. It is important to identify the 'need' and not the 'want', ensuring a clear understanding and have agreement for the context and all team members need to be on the same page with regard to the motivations behind developing the procurement plan to ensure all relevant parties are properly engaged with the organisational operations and projects [3]. From the number of requirements on the procurement plan, the procuring entity can determine beforehand any need for additional resources, including external assistance for the purpose of completing all procurement requirements listed on the procurement plan [5].

The involvement of user departments in developing specification, planning for the resources to be procured and evaluation of bids has got a profound effect on the procurement activities for organizational operations and projects that are supposed to be effectively performed [20]. This is because user departments are one of the critical success factors that one need to always consider when procuring resources required to execute organizational operations and projects [21]. The execution of the operations and projects of most public sector organizations is now changing since they are now operating in a very competitive, stormy and turbulent business environment and so such public sector agencies are now making some adjustments internally and externally in terms of their systems, policies, structures, processes, cultures and resources so as to stay afloat and to compete favorably in the global market through using better supply management strategies through effective procurement planning [22]. Due to the colossal amount of money involved in the public procurement and the fact that such money comes

from the citizens, there is need for accountability and transparency based on effective planning for procurement performance of organizational operations and projects [7]. Procurement planning takes all stages of procurement inventory into consideration. Successful operational and project management maintains efficiency within the supply chain and can create a supplier-distributor partnership that streamlines future procurement projects [6]. Procurement planning comprises identifying and assessing needs, undertaking a detailed sector level market analysis to obtain an accurate picture of the nature of service providers, determining the expenditure categories for goods, works and services, deciding on the criteria for efficient contract packaging and establishing the contract packages and lots [8]. The advantages of procurement planning affect the upcoming actions of the department as well as those in the near and far future, making planning an essential part of the procurement process [2]. The complexity, risk, and value of the organizational operations and projects and their corresponding procurement contracts will drive the level of research and analysis undertaken to ensure the procurement approaches including procurement planning are proportional and relevant.

Needs Identification is an element of the initial processes in procurement cycle. The first step in procurement process is to identify and fully define the need in relation to the operational and project activities [22]. When an organization has got clearly specified procurement procedure with well visualized needs, she can easily develop vivid strategy for meeting the needs of all her user departments which acts as a basis for undertaking better forecasts, determining costs and generating information for future revenue streams as far as her operations and projects are concerned [23]. If the organizational needs are over estimated or under estimated, it will lead to an unrealistic procurement plan and budget and so a number of problems in the procurement process are likely to arise [24]. When an organization fails to manage the various processes involved in procurement including the needs assessment for the resources required to execute her operations and projects usually leads to bad consequences on her overall procurement performance [25]. A well conducted needs assessment usually focuses on the effect of the likely risks involved in acquisition of the resources required to execute the organizational operations and projects on performance of user departments that utilize such resources [26]. For the user departments to design specifications for supply of goods, develop terms of references for service delivery and develop scope of works in terms of bills of quantities for the required works,

they have to play an important role of needs assessment as a basis for effective procurement planning if better organizational performance in terms of execution of her operations and projects is to be realized [27]. Improved performance of organizational operations and projects can also be based on procurement work planning using existing budgets.

Public procurement and Disposal of Public Assets Amendment Act [28] demands user departments to prepare annual work plans for procurement based on the approved annual budgets, which is submitted to the Procurement and Disposal Unit (PDU) for developing a consolidated overall procurement plan for organizational operations and projects which implies that procurement plans need be integrated into annual operational and project budget expenditure frame work. It is considered more expensive and extravagant to procure items in an organization without a procurement plan and therefore many public sector agencies must abide by the PPDA which is an oversight authority and her related rules and regulations to improve on budget performance [29]. Furthermore, the procurement plans are prepared as part of the annual budget preparation process as they are necessary to update cash flow preparation and it is an integral part of the budget process. Therefore, it is crucial to appropriately plan multiyear procurements and integrate them into the medium-term budgetary framework [29]. Previously, the procurement and disposal units (PDU) were usually not part of the organizational stakeholders that were taking part in the process of making budgets because the PDU's responsibility was looked at to be more of acquisition of goods, services and works for organizational operations and projects [30]. Never the less, the current trends indicate that PDU is now always being involved in developing budgets for organizational operations and projects simply because such organisational operational and project budgets provide a basis for developing procurement plans [30].

A good operational and project procurement plan of any organization needs annual work plans and budgets to be developed and well aligned to the results chain when executing such organizational operations and projects. Experience indicates that using budgets to develop procurement plans for organizational operations and projects greatly leads to improved procurement performance in terms of timelines, cost effectiveness, quality, efficiency and customer satisfaction of such organizational operations and projects which increases chances of realizing the intended objectives in the best way possible. Therefore, procurement plans need to always be developed based on existing

organizational operations and project's work plan and budget [31]. If the organization fails to follow the right procedure when developing procurement plans based on existing budgets usually leads to poor procurement performance of her operations and projects. Preparing procurement plans based on organizational operational and project budgets will ensure improved procurement performance in terms of cost effectiveness, efficiency, timeliness, quality and overall customer satisfaction [32]. It is therefore imperative that public sector organizations always need to link procurement plans to budgets as a fundamental priority if their operations and projects are to be executed in an efficient and effective manner in order to meet the expectations of all stakeholders [33]. The public sector agencies must always focus on using the best strategies to undertake effective procurement planning based on existing budgets for organizational operations and projects to improve their procurement performance in terms of efficiency, effectiveness, timeliness, cost and quality so as to meet the needs of all her procurement stakeholders [34].

Using procurement plans to promote information sharing among key organizational procurement stakeholders on what is needed to execute organizational operations and projects in a more effective and efficient manner can drastically lead to improved mechanisms by which public sector agencies transact procurement business with their supplies, vendors, service providers and contractors especially in this era of outsourcing using different global networks. Using procurement plans to provide the right information to such supplies, vendors, service providers and contractors regarding what to procure, when to procure, how to procure, at what cost to procure and for whom to procure, public sector agencies can ensure improved procurement performance of their operations and projects in terms of timely product and service delivery, supply of high quality products and services, reduced operational costs, optimality in resource allocation and utilization and high customer satisfaction[35]. Organizations can use procurement plans to share information with vendors of the various goods, services and works needed to execute organisational operations and projects in an effective and efficient manner. Such information sharing of the organizational requirements based on the procurement plan needs a feasible strategy that will ensure that the right information can be shared well among the different organizational procurement stakeholders using effective communication channels. Sometimes, organizations choose to share information of their requirements based on the procurement plans in a selective manner with a few suppliers, vendors and service providers of certain critical, core and

strategic products without which execution of organizational operations and projects can always be interrupted from time to time [36].

3. Methods and approaches

The researchers used a cross sectional research design based on quantitative approach to find out the relationship between Procurement planning and procurement performance [37]. In this case, the quantitative approach focused on descriptive and inferential statistics [38]. The study population consisted of 140 staff of Uganda management Institute. The total sample size of 119 staff was identified and determined using statistical tables of Krejcie and Morgan [39]. The study used simple random sampling. Data was collected using self-administered questionnaires [40]. Quantitative data analysis was done using descriptive statistics and inferential statistics. Descriptive statistics included measures of central tendency and measures of variability about the average. Inferential statistics helped in undertaking correlation analysis. The SPSS was used to generate descriptive and correlation statistics [41].

4. Results of the study

4.1 Empirical results from descriptive statistics and correlation analysis.

4.1.1 Results for descriptive statistics on needs assessment and procurement performance

In order to understand the attitudes and perceptions of the respondents on needs assessment, so as to find out whether there is a relationship between needs assessment and procurement performance of UMI, respondents were asked to reveal their views towards needs assessment in relation to procurement performance of UMI based on the 5 Likert type scale of SA-strongly Agreed, A-Agree, NS-Not sure, D-disagree and SD-strongly disagreed. The elicited responses from of thirteen statements were summarized in table 1 below

Table 1: Descriptive statistics on needs assessment and procurement performance

| Needs assessment and procurement performance | SA | A | NS | D | SD |
|---|------|------|-----|-----|-----|
| Involving me in needs assessment gives me an opportunity to select the right resources I need to do my work well in the | 66.7 | 28.0 | 2.7 | 1.3 | 1.3 |

| | | | | | |
|--|------|------|------|------|-----|
| department | | | | | |
| Participation in needs assessment makes me feel valued in the department | 61.7 | 34.2 | 0.0 | 2.7 | 1.3 |
| There are well laid procedures for identifying the needs for my department which enables us to conduct a thorough needs analysis | 25.0 | 47.2 | 20.8 | 4.2 | 2.8 |
| User Departments usually base on needs assessment to prepare the right procurement work plans for the financial year | 33.3 | 41.3 | 16.0 | 4.0 | 5.3 |
| User Departments submit work plans to PDU on time | 20.8 | 44.4 | 26.4 | 5.6 | 2.8 |
| PDU prepares a consolidated procurement plan subject to the approved annual budget in order to be cost effective | 25.7 | 51.4 | 0.0 | 21.6 | 1.4 |
| All procurement requisitions are usually within the approved procurement plan. | 17.6 | 41.9 | 32.4 | 4.1 | 4.1 |
| The consolidated procurement Plan is strictly followed | 12.2 | 37.8 | 43.2 | 4.1 | 4.1 |
| What is procured is planned for in the procurement plan | 9.6 | 45.2 | 39.7 | 4.1 | 1.4 |
| Procurement planning enables UMI to ensure value for money when procuring the required goods, services and works. | 28.4 | 50.0 | 16.2 | 2.7 | 2.7 |

Source: Primary data

Table 1 above shows that the majority of the respondents were in agreement on twelve out of the thirteen statements used to measure needs assessment; with 94.7% in agreement that involving them in needs assessment gives them an opportunity to select the right resources they need

to do their work well in the department, 2.7% were neutral and 2.6% did not agree. 95.9% were in agreement that their level of participation in needs assessment makes them feel valued in the department and 2.7% disagreed. 72.2% were in agreement that there are well laid procedures for identifying the needs for their department which enables them to conduct a thorough needs analysis, 20.8% were neutral and 7.0% disagreed. 74.6% were in agreement that User Departments usually base on needs assessment to prepare the right procurement work plans for the financial year, 16.0% were not sure and 9.3 were not in agreement.

65.2% were in agreement that User Departments submit work plans to PDU on time, 26.4% were not sure and 8.4% were in disagreement. An additional 77.1% were in agreement that PDU prepares a consolidated procurement plan subject to the approved annual budget in order to be cost effective, while 59.5% were in agreement that all procurement requisitions are usually within the approved procurement plan, 54.8% were in agreement that what is actually procured is planned for in the procurement plan and 78.4% were in agreement that Procurement planning enables UMI to ensure value for money when procuring the required goods, services and works. On the issue of whether proper procurement planning enable open competition in the bidding process by the UMI service providers, 80.9% were in agreement, while on whether proper procurement planning enables one to improve on his/her performance at work because he/she get the required resources to do his/her work on time, 85.4% were in agreement and on whether Procurement planning enables one to set targets against which to measure personal performance at work, 83.8% were in agreement.

4.1.2 Correlation results for needs assessment and procurement performance at UMI

The researcher proceeded to statistically find out whether there was a relationship between needs assessment and procurement performance of UMI. The relationship between needs assessment and procurement performance was tested at a 95% level of significance (two-tailed) using Pearson's product-moment correlation coefficient, which measured its degree and direction at UMI. This means that the significance of correlation coefficients was tested using a p-value of 0.025 since they are two-tailed. The results are presented in the table below.

Table 2: Correlation matrix for needs assessment and procurement performance of UMI

| Study Variables | | Needs Assessment | Procurement Performance |
|-------------------------|---------------------|------------------|-------------------------|
| Needs Assessment | Pearson Correlation | 1 | .746** |
| | Sig. (2-tailed) | | .000 |
| | N | 75 | 75 |
| Procurement Performance | Pearson Correlation | .746** | 1 |
| | Sig. (2-tailed) | .000 | |
| | N | 75 | 75 |

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

Source: Primary data

Table 2 shows that there is a strong positive relationship between Needs Assessment and procurement performance of UMI, ($r=0.746$, $p=0.000$, $N=75$). The relationship is statistically significant at 95% confidence level (2-tailed) since $p\text{-value}<0.025$. This implies that improved Needs Assessment leads to improved procurement performance of UMI. Similarly, declined Needs Assessment leads to declined procurement performance of UMI. Therefore, basing on the primary findings obtained from respondents, it is crystal clear that procurement needs assessment was being undertaken by most of the User departments in UMI because most of the responses were agreed on. From all the above, it can therefore be analysed that the research findings established a strong positive relationship between Needs Assessment and procurement performance of UMI. The findings were statistically significant, therefore the hypothesis that was stated that: There is a positive relationship between needs assessment and procurement performance was accepted.

4.1.3 Descriptive statistics results for budgeting and procurement performance at UMI

In order to understand the attitudes and perceptions of the respondents on procurement budgeting, so as to find out whether there is a relationship between procurement budgeting and procurement performance of UMI, respondents were asked to reveal their views towards procurement budgeting in relation to procurement performance of UMI based on the 5 Likert type scale of SA-strongly Agreed, A-Agree, NS-Not sure, D-disagree and SD-strongly disagreed. The elicited responses from of eight statements were summarized in table 3.

Table 3: Descriptive statistics for procurement budgeting and procurement performance

| Statements measuring procurement budgeting and procurement performance | SA | A | NS | D | SD |
|---|------|------|------|------|-----|
| Approving the proposed budget by UMI management avails funds for procuring the right products | 28.0 | 38.7 | 22.7 | 9.3 | 1.3 |
| Budgeted funds are usually released on time to execute procurement activities | 25.0 | 47.2 | 20.8 | 4.2 | 2.8 |
| Budgeted funds are usually available to procure the required resources according to plan | 33.3 | 41.3 | 16.0 | 4.0 | 5.3 |
| Budgeted funds are usually enough to procure the needed items as planned | 20.8 | 44.4 | 26.4 | 5.6 | 2.8 |
| The approved budget enables us to develop and submit the Procurement plans to the Procurement and disposal unit on time | 39.2 | 40.5 | 17.6 | 2.7 | 0.0 |
| Budgeted funds in the UMI are most times received late | 9.3 | 42.7 | 34.7 | 10.7 | 2.7 |
| Proper procurement planning is a foundation of successful budget implementation | 49.3 | 41.3 | 8.1 | 0.0 | 0.0 |
| Effective procurement planning is a necessary step to enhancing budget transparency in UMI | 42.7 | 46.7 | 10.7 | 0.0 | 0.0 |

Source: Primary data

Table 3 shows that the majority of the respondents were in agreement on all the eight statements used to measure procurement budgeting; with 66.7% in agreement that approving the proposed budget by UMI management avails funds for procuring the right products, 22.7% were not sure and 10.6% disagreed. 72.2% were in agreement that budgeted funds are usually released on time to execute procurement activities, 20.8% were not sure and 7.0% were in disagreement. 74.6% were in agreement that budgeted funds are usually available to procure the required resources according to plan, 16.0% were not sure 9.3% disagreed. 65.2% were in agreement that budgeted funds are usually enough to procure the needed items as planned, 26.4% were not sure and 8.4% disagreed. An additional 79.7% were in agreement that the approved budget enables them to develop and submit the Procurement plans to the Procurement and disposal unit on time, 17.6% were not sure and 2.7% disagreed. While 52.0% were in agreement that Budgeted funds in the UMI are most times received late, 34.7% were not sure and 13.4% were in disagreement. 90.6% were in agreement that proper procurement planning is a foundation of successful budget implementation, while 8.1% did not agree. 89.4% were in agreement that effective procurement planning is a necessary step to enhancing budget transparency in UMI and 10.7% did not agree.

4.1.4 Correlation results for budgeting and procurement performance at UMI

The researcher proceeded to statistically find out whether there was a relationship between procurement budgeting and procurement performance of UMI. The relationship between procurement budgeting and procurement performance of UMI was tested at a 95% level of significance (two-tailed) using Pearson's product-moment correlation coefficient, which measured its degree and direction at UMI. This means that the significance of correlation coefficients was tested using a p-value of 0.025 since they are two-tailed as in the table below.

Table 4: Correlation matrix for procurement budgeting and procurement performance at UMI

| Study Variables | | Procurement Budgeting | Procurement Performance |
|-------------------------|---------------------|-----------------------|-------------------------|
| Procurement Budgeting | Pearson Correlation | 1 | .239* |
| | Sig. (2-tailed) | | .050 |
| | N | 75 | 75 |
| Procurement Performance | Pearson Correlation | .239* | 1 |
| | Sig. (2-tailed) | .050 | |
| | N | 75 | 75 |

Source: Primary data

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

Table 4 above shows that there is a weak positive relationship between Procurement Budgeting and procurement performance of UMI, ($r=0.239$, $p=0.050$, $N=75$). The relationship is statistically significant at 95% confidence level (2-tailed) since $p\text{-value} \leq 0.050$. This implies that improved Procurement Budgeting leads to improved procurement performance of UMI. Similarly, declined Procurement Budgeting leads to declined procurement performance of UMI. From all the above, it can therefore be analysed that the research findings established a weak positive relationship between Procurement Budgeting and procurement performance of UMI. The findings were statistically significant, therefore the hypothesis that was stated that: There is a positive significant relationship between procurement budgeting and procurement performance was accepted.

4.1.5 Results for descriptive statistics on information sharing and procurement performance

In order to understand the attitudes and perceptions of the respondents on information sharing, so as to analyse whether there is a relationship between information sharing and procurement performance of UMI, respondents were asked to reveal their views towards information sharing in relation to procurement performance of UMI based on the 5 Likert type scale of SA-strongly Agreed, A-Agree, NS-Not sure, D-disagree and SD-strongly disagreed. The elicited responses from of nine statements were summarized in table 5 below.

Table 5: descriptive statistics on information sharing and procurement performance

| Statements measuring information sharing and procurement performance | SA | A | NS | D | SD |
|--|------|------|------|------|------|
| Head of Departments provide information to their staff on how to prepare timely requisitions | 11.0 | 42.5 | 28.8 | 6.8 | 11.0 |
| PDU always remind the user departments to send their requisitions on time | 20.0 | 54.7 | 16.0 | 6.7 | 2.7 |
| User Departments are usually offered the right procurement guidelines by Procurement and Disposal Unit | 9.3 | 42.7 | 34.7 | 10.7 | 2.7 |

| | | | | | |
|---|------|------|------|------|-----|
| Sharing information pertaining to bidding procedures by PDU enhances a good supplier/buyer relationship | 30.7 | 50.7 | 16.0 | 2.7 | 0.0 |
| Keeping good procurement records by PDU provides a point of reference for the user departments to develop lessons learnt when planning for future needs | 46.6 | 41.1 | 12.3 | 0.0 | 0.0 |
| All procurement requirements are conducted in line with the PPDA Act and Regulations 2003 | 25.3 | 33.3 | 34.7 | 5.3 | 1.3 |
| Following the right procurement processes, policies and procedures usually reduces suppliers' and customers' complaints | 39.2 | 40.5 | 17.6 | 2.7 | 0.0 |
| Some procurement are conducted outside the procurement plan which leads to acquisition of poor quality products | 15.3 | 37.5 | 36.1 | 5.6 | 5.6 |
| Procurement and Disposal Unit makes reports timely to PPDA Authority | 10.8 | 27.0 | 47.3 | 12.2 | 2.7 |

Source: Primary data

Table 5 shows that the majority of the respondents were in agreement on all the nine statements used to measure information sharing; with 53.5% in agreement that head of Departments provide information to their staff on how to prepare timely requisitions, 28.8 were not sure and 17.8 were in disagreement. While 74.7% were in agreement that PDU always remind the user departments to send their requisitions on time, 16.0% were not sure and 8.4% were not in agreement. 52.0% were in agreement that User Departments are usually offered the right procurement guidelines by Procurement and Disposal Unit, 34.7% were not sure and 13.4% were in disagreement. 81.4% were in agreement that sharing information pertaining to bidding procedures by PDU enhances a good

supplier/buyer relationship, 16.0% were not sure and 2.7% did not agree. 87.7% were in agreement that keeping good procurement records by PDU provides a point of reference for the user departments to develop lessons learnt when planning for future needs, while 12.3% were not sure. In addition, 58.6% were in agreement that all procurement requirements are conducted in line with the PPDA Act and Regulations 2003, 34.7% were not sure and 6.6% were not in agreement. Whereas 79.7% were in agreement that following the right procurement processes, policies and procedures usually reduces suppliers' and customers' complaints, 17.6% were not sure and 2.7% disagreed. 52.8% were in agreement that some procurements are conducted outside the procurement plan which leads to acquisition of poor-quality products, 36.1% were not sure and 11.2% did not agree. However, there were mixed reactions on whether Procurement and Disposal Unit makes reports timely to PPDA Authority, with 37.8% in agreement, while 47.3% were not sure and 14.9% were in disagreement.

4.1.6 Correlation results for information sharing and procurement performance of UMI

The researchers proceeded to statistically find out whether there was a relationship between information sharing and procurement performance of UMI. The relationship between information sharing and procurement performance of UMI was tested at a 95% level of significance (two-tailed) using Pearson's product-moment correlation coefficient, which measured its degree and direction at UMI. This means that the significance of correlation coefficients shall be tested using a p-value of 0.050. The results are presented in the table below.

Table 6: Correlation matrix for information sharing and procurement performance of UMI

| Study Variables | | Information sharing | Procurement Performance |
|-------------------------|---------------------|---------------------|-------------------------|
| Information sharing | Pearson Correlation | 1 | .435* |
| | Sig. (2-tailed) | | .000 |
| | N | 75 | 75 |
| Procurement Performance | Pearson Correlation | .435* | 1 |
| | Sig. (2-tailed) | .000 | |
| | N | 75 | 75 |

Source: Primary data

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

Table 6 shows that there is a weak positive relationship between Information sharing and

procurement performance of UMI, ($r=0.435$, $p=0.050$, $N=75$). The relationship is statistically significant at 95% confidence level (2-tailed) since $p\text{-value} \leq 0.050$. This implies that improved Information sharing leads to improved procurement performance of UMI. Similarly declined Information sharing leads to declined procurement performance of UMI. From all the above, it can therefore be analysed that the research findings established a weak positive relationship between Information sharing and procurement performance of UMI. The findings were statistically significant, therefore the hypothesis that was stated that: There is a positive relationship between information sharing and public procurement performance was accepted.

5. Conclusion and Recommendations

Generally, the results revealed that procurement planning positively affect procurement performance at UMI. This implies that the more the public sector entities such as UMI try to improve and create efficient procurement planning in terms of needs assessment, procurement budgeting and information sharing, the more their chances of ensuring improved procurement performance in terms of timely acquisitions, quality acquisitions and customer satisfaction with acquisitions. Therefore, results showed that procurement planning at UMI had a positive effect on procurement performance. This means that the more UMI undertakes effective and efficient procurement planning, the more the chances of realizing improved procurement performance for her operations and projects and vice versa.

Specifically, the results indicated that there is a strong positive relationship between Needs Assessment and procurement performance of UMI. This implies that improved Needs Assessment leads to improved procurement performance of UMI. Similarly, declined Needs Assessment leads to declined procurement performance of UMI. There is a weak positive relationship between Procurement Budgeting and procurement performance of UMI. This implies that improved Procurement Budgeting leads to improved procurement performance of UMI. Similarly, declined Procurement Budgeting leads to declined procurement performance of UMI. There is a weak positive relationship between Information sharing and procurement performance of UMI. This implies that improved Information sharing leads to improved procurement performance of UMI. Similarly declined Information sharing leads to declined procurement performance of UMI.

In order to ensure effective needs assessment for improved the procurement performance, the

management of UMI should consider the following: Management should ensure that all members of the different user departments are well mentored, coached and trained so as to impart them with the right knowledge and skills in undertaking thorough procurement needs assessment before they develop their annual departmental procurement plans. During recruitment for members of the different user departments, management should put into consideration people who have the experience in needs assessment, developing procurement plans and designing specifications, terms of reference and scope of works.

In order to ensure effective procurement budgeting for improved the procurement performance, the management of UMI should consider the following: Procurement budgeting at UMI should be improved to enhance improved procurement performance. This can be achieved through better budgeting and requirements determination. Furthermore, the heads of departments should ensure that members of user departments are always involved in procurement budgeting if procurement performance is to be improved.

In order to ensure effective information sharing for improved the procurement performance, the Head of PDU and her team should consider the following: The necessary information required to guide the user departments in procurement planning should always be availed by heads of departments to the members of the user departments on time. The PDU should ensure that all procurement activities involved in the acquisition of supplies, services and works are conducted in line with the PPDA Act 2003 Guidelines and Regulations.

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