# TACTICAL PROCUREMENT MANAGEMENT AND SERVICE DELIVERY IN LOCAL GOVERNMENTS OF UGANDA: A CASE OF NEBBI DISTRICT LOCAL GOVERNMENT

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**ABSTRACT:** The Public procurement in Uganda and the rest of the world is increasingly coming under pressure to go beyond the implementation of policies and procedures and to produce results in service delivery. However in Uganda despite the availability of institutional frame work and policies, there have been some challenges in the management of tactical procurement to yield the expected results. This study was conducted to examine the influence of tactical procurement process, competence of stake holders and strategic interventions in tactical procurement in Nebbi District Local Government. Structured questionnaires were developed and administered to a sample size of 84 public procurement stakeholders in Nebbi District. Data was analyzed and interpreted using mean and the regression model. The study revealed that tactical procurement management greatly influences service delivery by ( $R^2$  value 61%, and Sig. = 0.000), which was largely attributed to the high levels at which competence of procurement management stakeholders influenced service delivery in Nebbi District ( $r^2 = 68\%$ , Sig. 0.046). It was noted that most of the stakeholders still have procurement knowledge gaps hence affecting service delivery management in the District. The findings further revealed that tactical procurement process and strategic interventions statistically have insignificant influence on service delivery in this study. It was concluded that tactical procurement management can positively influence service delivery in the District, and it was recommended that the District should put more resources in building capacities of stakeholders.

**KEY WORDS:** Tactical Procurement Management, Tactical Procurement Process, Competence of Stakeholders, Strategic Intervention in Tactical Procurement, Service Delivery

## **INTRODUCTION**

Globally, public sector management is increasingly under pressure to go beyond the implementation of policies and procedures and to produce results. The public procurement sector

has not been spared and in Uganda, there has been criticism that the public procurement legal framework is focused on compliance with little or no regard for results that come from the process. Of particular concern, has been the apparent financial loss to Government when incompetent suppliers are awarded contracts while the competent are disqualified due to non-compliance with procedural requirements. Further, public officers are being held accountable not for results in service delivery but adherence to procedural requirements of the procurement processes. In some Government departments, failure to absorb Government funds and provision of the much needed social services has been blamed on the 'cumbersome' public procurement rules (Sabiiti & Muhumuza, 2012). In most public sectors, procurement is largely tactical in nature (KPMG International, 2012; Hunja, 2001) were the focus is normally on supplier selection and contract award (New Zealand Government, 2010).

In general tactical procurement entails specification of goods, works and services, selecting and contracting of suppliers (Obanda, 2010). Effective and efficient tactical procurement procedures and practices by public bodies can have a significant impact on the accountability and value for money. However, in Uganda particularly in Nebbi District, it has not been the case. Reports from different organizations indicate that there have been challenges in the management of tactical procurement, mainly complaints about substandard works, delay in the procurement process, loss of funds through unauthorized procurement procedures and suppliers failing to complete contracts (PPDA, 2008; ALCOSA, 2008; Muyomba, et al., 2010; and PPDA 2012). Rwothungeyo, (2012) also observed that Government at times pays for no work done or very shoddy work and sometimes contracts are not delivered on time. This has affected the Government's ability to deliver quality services to the population. The goal of tactical procurement is to provide quality goods, services and works to the public timely and cost effectively (Errigde, et al., 2002 as cited by Oluka & Basheka, 2014).

Uganda spends over 55% of her budget on public procurement (PPDA 2012). This is equivalent to Shs. 6,000 billion or \$ 2.4 billion of the year 2012 government budget. Procurement is therefore central to achieving efficiency in public expenditure and service delivery. It is a significant factor to achieving of the development projects; thus achievement of strategic outcomes (accountability of the government to public). Public procurement is also essential in promotion of the private sector through the business opportunities availed to service providers (PPDA, 2012). Most of the problems of contract management are as a result of some of the problems within the procurement process (Rwothungeyo, 2012). It was on this basis that the researchers included; specification, supplier selection, contract award, competence of stakeholders and interventions in tactical procurement in the study.

## **Research Objectives**

To examine the extent at which tactical procurement management influences service delivery in Nebbi District. Specifically, the study aimed at examining the extent at which tactical procurement process, competence of stakeholders, and strategic interventions in tactical procurement influences service delivery in Nebbi District.

## **Research Hypotheses**

From the objectives, the study hypothesized that: (1) tactical procurement management does not influence service delivery in Nebbi District; (2) the tactical procurement process does not influence service delivery; (3) competence of stakeholders does not influence service delivery; and lastly, (4) strategic interventions in tactical procurement does not influence service delivery in Nebbi District.

#### REVIEW OF RELATED STUDIES

# **Tactical Procurement Management and Service Delivery**

Tactical procurement management relates to the management of procurement activities such as drafting specification (of goods, works and services); selecting and contracting of suppliers (Obanda, 2010). It is majorly constituted of pre-procurement and actual procurement activities. The PMBOK Guide (2004) points out that, pre-procurement or pre-bidding activities are those activities performed by organizations in preparation for a given procurement. These include, needs assessment, procurement planning, drafting solicitation documents, budgeting; confirmation of funds, determining procurement method and conducting market research, among others (OECD, 2005), while actual procurement relates to those activities involving the actual contracting of a bidder. They include; conducting preliminary evaluations, financial evaluations, technical evaluation, negotiations, award of contract and debriefing unsuccessful bidders. On the other hand, service delivery is the provision of the requirement needs, usually by a public entity. Service delivery is said to be effective and efficient provided when it is given on time, in the right quality, and at a cost effective manner.

In Uganda, the tactical procurement function is clearly documented under the PPDA Act (2003) in order for each and every public entity to follow as a mechanism of promoting compliance and effective service provision. According to KPMG International (2012) and Hunja (2001) procurement in most public sectors organizations is largely tactical in nature, whereby the focus is normally on supplier selection and contract award (New Zealand Government, 2010). This is because the tactical procurement level is the most sensitive in the procurement process, since it is what determines the quality of a bidder to be contracted. If the tactical procurement process is poorly managed for example, there is a high possibility of having poor services delivered and the reverse is true. According to the Senior Procurement Manager, Nebbi District Local Government the tactical procurement level is usually given high considerable attention and involvement of key stakeholders or actors as early as possible in order to ensure joint planning and implementation of required tasks. This helps minimize risks of delay, and procurement of substandard items thus effective service delivery management.

## **Tactical Procurement Process and Service Delivery**

All procurements regardless of their value or complexity follow a standard sequence of actions. This is known as the procurement process (Bashuna, 2013). The procurement process is a series of steps involved in the process of acquiring goods for sale or use by a company or agency. It starts with identifying the need for a given product, moves through the process of purchase and delivery (PATH, 2008). Unlike strategic procurement which has a long-term focus, tactical procurement deals with the administration of procurement transactions. A buyer needs to know some

fundamentals of procurement for this tactical purchase. The buyer must first identify the product, service, and/or supplier with an acceptable probability of being satisfactory in all aspects of the transaction and then achieve the lowest cost for that product or service or with that supplier (Dominick 2009). The component of the tactical procurement process as discussed earlier can be summarized as pre-procurement and actual procurement activities. Although it is important to ensure that the tactical procurement process is effectively done to improve service delivery in areas of quality management, cost and time of delivering of the services, PATH (2008) contends that the main challenge facing most procurement entities engaged in the tactical process is how to determine the length of each step in the procurement process and it duration. Failure to determine its length can pose negative implication on cost, quality and time delivering services, hence leading to poor service delivery management.

# Competence of Stakeholders and Service Delivery

The Uganda Public Service Dictionary (2007) defines competencies as specific and observable knowledge, skills and behaviors that a stakeholder(s) should possess for the effective functioning of the job/ or task. According to Odera (2010) competence of procurement managers is paramount in ensuring service quality among User Departments. Vathanophas & Thai (2007) maintains that organizations should ensure required competencies among staff in order to achieve effective results. This concurs with Boyatzis (2007) as cited by Olumbe (2010) who contends that maximum performance is believed to occur when the person's capability or competency is consistent with the needs of the job demands (roles and responsibilities) and the organizational environment, systems and structures (Boyatzis, 1982). In light of this, managers should ensure the right balance between staffing and competencies in order to achieve effective service delivery management (McClelland, 2006). Stakeholders role therefore should not only seen in terms of managing an organization, but also encompassing issues of highlighting areas of poor performance, especially those concerning procurement deliverables, and service provision to the public. The public can act as a service check to such deliverables.

In Nebbi District, competencies were indicated high among technical staff with over eighty five percent of the tactical staff examined having at least a Bachelors Degree. This is good for the success of any given organization and for the efficacy of service delivery management. Indeed in 2002, the districts procurement department was ranked the best in the country. This tremendous performance was mainly attributed to the high levels of competencies among procurement staff at the district (The New Vision, 2012). High staff competencies increase efficiency and minimize supply risks which would otherwise lead to poor service performance (Okanya, 2008). Organizations should recruit people with the right skills or train existing ones in order to sharpen technical stakeholders' ability to perform work diligently and efficiently, in this way, performance and service delivery management will be realized.

## Strategic Intervention and Service Delivery

Services delivery management usually encounters numerous challenges that require strategic interventions to be solved. The interventions relate to various course of actions devised by an organization(s) to counter the negative effect that bar procurement operations from achieving efficiency and effectiveness in service delivery management. Such interventions majorly take a form of; collaborative business management, supplier development and market analysis/

forecasting in order to promote visibility and accuracy in supply chain management, hence effective service delivery and organization performance (Pay Stream Advisors, 2013). In the private sector, because of the high desire to obtain competitiveness, strategic interventions are a little more rigorous in nature than the public sector. For this matter, a combination of approaches or strategies has been devised, which include, supplier development approaches, and collaborative business but also incorporate of modern business management practices such as e-Procurement. This has increased efficiency in the operations of many firms leading to improved service delivery management.

Nebbi District areas of strategic interventions are not far different from other public sector organization in Uganda. The district provides remedial training to its staff in order to improve their skill and level of efficiency at work. It also offers supplier development programmes, including among others, advance payments to some of its contractors and suppliers of specific items. This has fostered efficiency, not only among staff, but also among suppliers, something which has improved service delivery management within the district. Hunja (2001) maintains that effective application of supplier development programmes, training of key stakeholders, and use of modern management techniques, such as e-Procurement positively impact on service delivery. This is in agreement with Denali Group (2013), which observes that organizations that engage appropriate interventions foster organizational success through enhanced efficiency, quality management and cost rationalization. The group however maintains that, the question on how effective a strategic intervention is largely dependent on the quality of the environmental analysis made by an organization. For instance, if the situational analysis results are poorly conducted, ineffective decisions are likely to be made, thus poor strategic interventions, whereas if a proper situational analysis is performed, good or rational decisions are expected leading to effective policies and service delivery management.

## RESEARCH METHODOLOGY

## **Research Approach and Designs**

The researcher adopted a case study and a cross sectional research design in order to collect information for in-depth analysis and contextual understanding of the research problem (Saunders et al., 2003). A case study is widely used because it provides insights that might not be achieved by other approaches (Rowley, 2002). Cross sectional study design was chosen because particular data were collected within a specified period of time to answer research objectives and questions. The researcher also used a triangulation approach which involved the use of both quantitative and qualitative techniques in data collection and data analysis to provide thorough and broader findings (Kothari, 2004).

Table A: Target Population, Sample Size and Sampling Techniques of the Study

Target Group	Population	Sample size	Sampling Techniques		
District Councilors	16	14	Purposive sampling		
Head of departments	9	8	Stratified random		
Procurement staff	4	4	Purposive sampling		
Contract Committees	14	12	Purposive sampling		
Accounting Office staff	8	8	Purposive sampling		
Senior Town Councils managers	12	10	Purposive sampling		
Service Providers	30	28	Simple random		
Total	93	84			

Source: Primary Data sampled using the Krejcie and Morgan Sampling Technique, (1970)

#### **Data Analysis**

Data analysis involves making meaning out of masses of data (Mugenda and Mugenda 2003). After field research, data was collected, edited, coded, and later grouped quantitatively and qualitative data.

## **Quantitative Data Analysis**

Raw data from the questionnaires was edited to eliminate all irregularities and all open ended responses were coded. Data was entered in the computer by Epi-info cleaned and exported to statistical package for social scientists (SPSS) program for analysis. Logical checks and frequency runs were made on all variables in order to further ensure accuracy and consistency of the data outputs. Regression analysis was used to establish the strength and direction of the association. On the same note, the study purely measured the influence by establishing the cause effect of the independent variable onto the dependent variable (Gupta, 2002). Descriptively, means were used in order to describe study phenomenon and their influence. Numerical values were devised to interpret data, as indicated below:

Table B: Numerical Values and Response Modes used to interpret the Means

Mean Range	Response Mode	Interpretation
4.30 - 5.00	Strongly Agree	Very High
3.50 - 4.20	Agree	High
2.70 - 3.40	Neutral	Undecided
1.90 - 2.60	Disagree	Low
1.10 - 1.80	Strongly Disagree	Very Low

**Source:** *Mabonga* (2012) as cited by Pule (2014)

#### **RESEARCH FINDINGS**

## **Tactical Procurement Management**

This was the independent variable of the study. It was dimensioned by three main constructs namely; tactical procurement process, competence and strategic interventions in the procurement process.

#### **Tactical Procurement Process**

Results indicated a high extent of propositions towards the management of the tactical procurement process with an average mean of 4.21. This was attributed to high average responses on the issues of: ensuring that each and every procurement is planned for in order to avoid risk and ensure wise spending for the organization (mean = 4.45); professionalism is observed through recruitment of competent people in the procurement process (mean = 4.60); budgeting for every procurement in order to control spending and realize best value for the organization (mean = 4.00); advertising procurement opportunities to all the suppliers for participate in order to allow enough competition district (mean = 4.08); properly constituting the evaluation teams for the effective and efficient assessment of bidders something that helps the district solicit good contractors (mean = 4.23); and lastly engaging key expert from the User Department in drafting statements of requirements for the various procurements of the organization (mean = 3.92). In addition, when the challenges facing the tactical procurement process were diagnosed the following qualitative phrase was captured:

"The process delays mainly because of internal factors, such as; unclear specifications sent to the procurement unit by the User Department, late submission of work plans and failure of the contract committee to complete their work timely, though external factors like; failure of Government to release funds on time and delay of contract approval by the solicitor general are also to blame", [Senior Procurement Officer].

#### **Competence of Stakeholders**

A high extent of stakeholders' competence was showed with an average mean of 4.13. This was due to high responses on the issues of: the district occasionally conducting awareness workshops to the Councilors on strategic procurement, ethics, rules and regulations, and service delivery monitoring skills (mean = 4.43); the district conducting mandatory induction training on procurement for all public officers prior to joining the district service (mean = 4.35); members of evaluation committee receiving specialized training in the procurement evaluation process (mean = 4.32); members of contract committee receiving specialized training in procurement process and risk analysis (mean = 4.28); most of the district's procurement officers possessing certified professional training or qualifications (mean = 4.23); ensuring that User Departments staff receive training on the procurement process (mean = 4.22); the district striving to minimize procurement knowledge gaps among stakeholders in the district (mean = 4.15); ensuring that most stakeholders in the district have knowledge on procurement rules, regulations, ethical conduct and risks management (mean = 4.15); PPDA conducting training regularly for all the public procurement stakeholders in the District (mean = 3.42); ensuring that most of the stakeholders possess sufficient knowledge and skill in as far as contracts monitoring and reporting is concerned (mean = 3.98); and lastly, ensuring that most stakeholders have good experience in procurement before taking any

role within the procurement process (mean = 3.87). Despite, the high competence levels as indicated, some challenges were noted out as quoted from the District Finance Officer:

"Majority of procurement stakeholders do not have adequate knowledge and experience to manage public procurement. This knowledge gaps prevails with most of the service providers and the Councilors in Nebbi District something which significantly affects procurement. Because of this, there is a lot of interference with the procurement process by the Councilors who don't know their roles. This problem is coupled with service providers who are in most cases not aware of the procurement rules and regulations," [District Finance Officer].

# **Strategic interventions in Tactical Procurement**

A high extent of strategic interventions in all tactical procurement activities were indicated with an average mean of 3.72. This was because of the high responses on the aspects of: encouraging top management to support the procurement unit, especially in as far as monitoring service delivery performance is concerned (mean = 4.12); ensuring that all approvals of procurement activities are done at the district in order to avoid delays in service delivery management (mean = 4.07); encouraging PPDA to have an office at the district in order to effectively monitor performance of procurement activities (mean = 3.75); training service providers about the procurement process and quality standard requirements (mean = 3.75), offering more preference to local firms in the tendering process (mean = 3.48); and lastly, encouraging the use of computerized procurement system to improve the procurement process in the district (mean = 3.15). Despites the high levels of strategic interventions as indicated, some qualitative challenges were noted as follows:

"Sometimes we failed to send the PPDA report simply because of lack of internet connection in our office; secondly, our procurement budget is small, and we do not have a vehicle to facilitate our movements," [Senior Procurement Officer].

#### SERVICE DELIVERY MANAGEMENT

Findings postulated a moderate extent of service delivery in general with an average mean of 2.92. This was because of moderate responses on the following issues: public procurement management has led to the reduction in cost of service delivery at the district (mean = 3.48); the public procurement process has helped the district fight corruption and graft (mean = 3.47); strategic interventions such as training of stakeholders, ensuring remedial inspections, monitoring and evaluation of procurement activities have been catalysts in enhancing service performance and value for money procurement at the district (mean = 3.20); efficiency and quality in service provision at districts have mainly been due to the competent procurement staffs and stakeholders directly involved in the procurement process (mean = 3.18); problems of service delivery management at the district are not always procurement related the way many people claim (mean = 2.70); public procurement management has fostered quality service delivery management at the district in general (mean = 2.60); and lastly, public procurement management has promoted timely service delivery at the district in general (mean = 1.80). Though service performance was indicated moderate, most responses showed that vices like corruption have reduced over years, as noted from one of the District Councilors:

"Since the establishment of the procurement department fraud in form of corruption has reduced. Corruption used to make the District lose a lot of money. For instance, suppliers were given contracts even when they were not genuinely qualified," [District Councilor].

#### **REGRESSION ANALYSIS**

The regression analysis was used to examine the influence of independent variables on the dependent variable. In this case, the influence of tactical procurement process, competence of stakeholders and strategic interventions to improves service delivery.

Table C: Shows the Regression Model Summary of Tactical Procurement Management and Service Delivery in Nebbi District Local Government

Model Summary							
Model	R	R Square	Adjusted R Square	F	Sig	Interpretation	
1	.778a	.605	.584	28.629	.000a	Significantly Predicts	

a. Predictors: (Constant), Intervention, Process, Competence

**Source:** *Primary Data* 

Results in table C above indicate that 61% ( $R^2 = 0.61$ ) variance in service delivery is influenced by the independent variables under the study, that is to say, the tactical procurement process, competence of stakeholders and strategic interventions. While the remaining 39.5% of the variation is influenced by other factors outside the scope of this study, such as delay in the release of funds by the central government, influence of Residence District Commissioner (RDC), Inspector General of Government (IGG), Public Procurement and Disposal Authority (PPDA), and Government policies, among others.

Table D: Shows the Coefficients of the Study and how they Predict Service Delivery in Nebbi District Local Government

Coefficients								
Tactical	of	Unstandardized Coefficients		Standardized Coefficients	Sig.	Interpretation	Decision on H <sub>0</sub>	
Procurement Management		В	Std. Error	Beta				
(Constant)		-2.016	.836		.019	Significantly Predicts	Rejected	
Process		.250	.182	.185	.174	Insignificantly Predicts	Accepted	
Competence		.675	.331	.358	.046	Significantly Predicts	Rejected	
Intervention		.294	.180	.289	.108	Insignificantly Predicts	Accepted	

a. Dependent Variable: Service

**Source:** Primary Data

If the level of significance is p=0.000(<0.05), the regression model is considered to be significant and therefore can be used or applied. Three independent variables namely tactical procurement process, competence of stakeholders and strategic interventions were considered in the determination of the variation in service delivery in Nebbi District. The results revealed that only competence was more statistically significant predictor of service delivery ( $r^2 = 68\%$  and Sig. = 0.046). The other two variables tactical procurement process ( $r^2 = 25\%$  and Sig. = 0.174) and strategic interventions ( $r^2 = 29\%$  and Sig. = 0.108) were found to be statistically insignificant in explaining the variation in service delivery. These therefore imply that an improvement in competence by one unit will on average result into 0.675 unit improvement in service delivery. Similarly, a one unit improvement in tactical procurement process and strategic intervention will result into a 0.250 and 0.294 unit improvement in service delivery respectively, but the probability of these results happening is by chance. Hence, competence of stakeholders in tactical procurement management has the highest influence on service delivery in Nebbi District followed by strategic intervention and lastly tactical procurement process.

#### DISCUSSION

## **Tactical Procurement Management and Service Delivery**

All measures related to tactical procurement management were highly rated with an average mean of 4.2. The regression results also revealed a positive influence of tactical procurement on service delivery. It indicated that 61% variance on service delivery in Nebbi district was influenced by tactical procurement management and therefore, very significant (Sig. 000) predictor of service delivery in the district. This was in agreement with (Basheka, et al. 2012) who observed that if procurement functions fail to perform then Government performance suffers. Effective and efficient tactical procurement systems and practices by public bodies in Nebbi District can have a significant impact on service delivery. However in this study, it was noted that the challenge in tactical procurement performance was mainly because of stakeholders' competency gaps. Otherwise, the tactical procurement process and strategic interventions did not have much influence in the determination of service delivery in the District.

Although majority of the respondents believed that tactical procurement contributed in cost reduction on services in the district, the study revealed that overall; service delivery in Nebbi District was still moderate, with a mean average of 2.92, meaning that service delivery level was still not high. This is in agreement with (Mbabazi, et al., 2011) who reported that service delivery in districts was not adequate. It should be noted that the goal of tactical procurement is to provide quality goods, services and works to the public timely and cost effectively (Errigde & Mcllroy, 2002 as cited by Oluka & Basheka, 2014). Despite a reasonable allocation of local Government funds (60%) for procurement of goods, services and works (Auditor General, 2011), the quality and time of service delivery has remained an issue of concern in Nebbi District. Therefore Nebbi District should allocate more resources in capacity building, and stakeholders should be trained in procurement management. Tactical procurement management according to this study is central in the improvement of service delivery in the District. The district should also focus their attention in proper management of procurement process and strategic interventions like improvement of

computerized procurement systems, developing capacity of local suppliers and training of key stakeholders. Proper management of tactical procurement process can result in the improvement of service delivery. Although statistically, it was found to be insignificant, effective management of tactical procurement cycle time can improve service delivery in the District.

## **Tactical Procurement Process and Service Delivery**

The findings revealed that tactical procurement process had a positive but statistically insignificant influence on service delivery. With sig 0.174 level of significance, tactical procurement process was less significant in the determination of service delivery in this study. However, Houston & Hutchens (2009), viewed that every purchasing organization that stands out from the pack maintains carefully defined and disciplined processes at every level, from strategic to transactional, across the entire procurement life cycle. Well structured, widely understood processes enhance transparency and ensure compliance with procurement guidelines, which enables organizations to capture more savings. Although tactical procurement process was found to be statistically insignificant, issues related to tactical procurement process were highly responded to with average mean of 4.2. The major areas of concern were the time taken in the tactical procurement process, and the focus of the process not targeting service delivery but compliance with the law which were affecting procurement performance in regards to service delivery in Nebbi District. In any public organization, consideration of the law is good but it should not cause a bottle neck in the performance and the much desired goal of providing services to the public. This is in agreement with (Sabiiti and Muhumuza, 2012), who asserted that the failure to absorb Government funds and provision of much needed social services were as a result of cumbersome procurement rules. The findings indicated that the time taken in the tactical procurement process was long which might have had a negative influence on service delivery. In relation to this, the results from the interview guide revealed that both internal and external factors contributed to the procurement process delay, for example; submission of unclear specifications, delay in bids evaluation, contract award and late release of funds by Government. This phenomenon was also supported in Kakwezi & Nyeko (2010), who observed that the ability to realize procurement goals is influenced by internal and external forces. Nuwagaba (2013) also noted that the major bottlenecks encountered in the procurement process comprise delays which constrain almost each level of the procurement process. This was also supported by Auditor General Report (2011), which revealed that there was high level of inefficiency in the local Government procurement process, mainly from initiation to contract award, affecting the lead time and service delivery.

Estimating how long each step of the procurement process will take is the most difficult part of developing a procurement time line. A full procurement cycle under open tendering normally takes long. There is a tendency to focus on criticisms for slow procurement process on the procurement unit when in fact it is often a matter of unrealistic expectations. A honest appraisal of internal constraints as well as an accurate allowance for external conditions is critical to success in this regard (PATH, 2008). The district should note that management of cycle time in procurement is very important because it directly impacts on the cost of delivering services. The District should therefore take critical analysis of the entire procurement process and identify ways of improving the tactical procurement process. For instance, planning can be done as early as possible in order to mitigate against delay. Secondly, evaluation should also be conducted as soon as bids are received. In this view, the advertising time period as stipulated in the PPDA is not necessary in a

situation where service providers are pre-qualified since it prolongs the time frame for procurement.

#### **Competence of Stakeholders and Service Delivery**

The findings revealed that competence of stakeholders in tactical procurement had a positive and statistically significant influence on service delivery. This was reflected by a 0.046 level of significance as portrayed in the regression results. According to Bergenhenegouwen, et al, (1996) as cited by Olumbe (2010), competence in a work context must be possessed by all key internal stakeholders who should have a range of personal skills along with task specific competencies to perform effectively. Indeed, this was observed in the district as reflected in the bio-data which indicated that majority of the key internal stakeholders had a university degree (85%). The descriptive findings on the other hand, revealed that there was a stakeholder knowledge gap in tactical procurement management in Nebbi District, represented by 90% of the respondents agreeing so. This indicates that the competence gap could have resulted in a reduction in service delivery in Nebbi District Local Government. This outcome was emphasized in Sabiiti & Muhumuza (2012), who explained that capacity gaps had led to delays in initiating procurements by Procuring and Disposing Entities, which affected absorption of funds.

In our in-depth interviews with some key stakeholders, it was revealed that most of the stakeholders lacked service delivery monitoring skills and in some cases were not adequately facilitated to monitor services in the district. According to National Development Plan (2007), projects in Uganda fail mainly because of poor monitoring. In this view therefore, Nebbi District should improve the monitoring skills of the stakeholders through training. Interviews with key stakeholders also revealed that most of the stakeholders don't know their roles in the management of tactical procurement, which could have had a negative influence on service delivery in Nebbi District Local Government. Kakwezi and Nyeko (2010), in support of the above, also noted that regardless of the effort by the PPDA and the acknowledgement that the procurement department is capable of adding value to the organization, still a large number of the internal customers act on their own and more frequently bypass the procuring department. The main reason for this is ignorance of how public procurement operates. Procurement knowledge is very key in the management of public procurement in Nebbi District. The knowledge gap can make stakeholders to interfere with the procurement process, rules and regulation. This in return affects delivery of services. In this case, Nebbi District should create awareness on roles targeting all procurement stakeholders in the district. Specific training also be conducted to the stakeholders on procurement rules, regulation and ethics.

## Strategic Interventions in Tactical Procurement and Service Delivery

The study revealed that strategic interventions in tactical procurement had a positive but statistically insignificant influence on service delivery in Nebbi District (sig value of 0.108). This is in agreement with (Sabiiti & Muhumuza, 2012) who observed that in most cases strategic interventions in procurement have not yielded much result especially in developing countries. This is attributed to corruption, poor management, lack of financial support and lack of willingness by key stakeholders. However, the researcher observed that, there is some strategic interventions instituted in the areas of contract management (Installation of Integrated financial system), PPDA training of key stakeholders, which had so far yielded some results in terms of service delivery. In

fact, one of the Senior Finance Officers observed that, "training has enlightened some of us who did not know much about procurement. This has enabled us move at par with the procurement department." (Turyahikayo, 2008) contends that strategic interventions in tactical procurement are aimed at enhancing the achievement of socio-economic development goals. More specifically in Obanda (2010), strategic interventions can help bridge the gaps in the procurement process and curb corruption in tactical procurement.

The findings revealed that tactical procurement process in Nebbi District Local Government be computerized. According to (Chandrasekhar et al., 2003), computerized procurements offer both operational and strategic benefits. The operational benefits are related to improving the efficiency of the procurement process and thereby reducing the total costs of procurement. Beyond the operational benefits, most procurement managers are interested in the effect of e-procurement on the bottom-line, procurement costs, product quality, supplier delivery performance, and user satisfaction which are strategic in nature. In the study, it was noted that Nebbi District Local Government was using integrated financial system for processing payments, preparing Local Purchase Orders (LPOs), and contract agreement. However, the system was not efficient because of frequent system failures, lack of compatibility with procurement process needs, for example the system doesn't allow online bidding and supplier evaluation.

The study also indicated an average mean of 3.72 responses suggesting that strategic focus be made on empowering procurement unit to support effective service delivery. For instance, the procurement unit does not have internet connectivity, vehicle, and budget allocation for monitoring projects, something which has crippled effective service delivery. This similar view was alluded to in the Report of the (Auditor General's Report, 2011) which stated that all the PDUs in the seven sampled districts of Arua, Apac, Moroto, Bushenyi, Bundibugyo, Kamuli and Mukono did not monitor and report contract management by User Departments to the Accounting Officer. This was attributed to the Accounting Officer's failure to recognize the need to facilitate the PDUs to perform their important roles. Basheka (2010) further asserts that with the absence of proper empowerment of the procurement unit efficiency is compromised.

Therefore, Nebbi District should allocate more resources for the improvement of computerized procurement system, training of key stakeholders and building capacity of the suppliers in the district. Up grading the system to allow online bidding, and supplier evaluation will improve the procurement cycle time. Reliable internet connectivity to support the procurement process will create a big impact on the improvement of service delivery in the district.

#### **CONCLUSION**

The general conclusion was reached after a systematic and critical analysis of the findings .It was noted that tactical procurement management has influence on service delivery. Effective tactical procurement management has potential to improve service delivery in Nebbi District. Specifically, it was found out that competence of stakeholders in tactical procurement has greater influence in the determination of level of service delivery in the District. It was noted that although statistically tactical procurement process and strategic interventions in tactical procurement have insignificant

influence on service delivery in the study, Nebbi District should not ignore their contribution in the improvement of service delivery. The District therefore should put more resources in the training of procurement stakeholders in order to improve their knowledge in procurement management. In summary, the main focus therefore should be on; improving the procurement process, training and monitoring of service delivery in the District and provision of support to procurement unit and other stakeholders through installation of reliable internet systems, and upgrading the procurement system to handle effectively the procurement process for timely service delivery.

## RECOMMENDATIONS

From the findings, the following recommendations are made in order to improve tactical procurement management in Nebbi District Local Government.

#### **Tactical Procurement Process**

As far as tactical procurement process is concerned, we recommend that: (1) Nebbi District to improve on the procurement cycle time by use of strategic approaches such as long-term agreements with strategic suppliers, and use of framework contracts for some of the supplies and services; (2) the District should encourage timely submission of procurement work plans by different departments to Procurement Unit to avoid delays. The District CAO should support procurement unit to enforce compliance; (3) timely evaluation and award of contracts be encouraged; (4) specification guide for commonly used items be developed and be made accessible to all User Departments to avoid errors; (5) procurement process should be reviewed to support service delivery in the District. For example advertising periods should be removed completely to encourage flexibility in the procurement process; and lastly, (6) government should make timely release of funds to Nebbi District Local Government in order to improve on the procurement cycle time. This is because the procurement process is determined by the availability of funds.

## **Competence of Stakeholders**

With regard to competence of stakeholders, we recommend that: (1) there should be regular training of all procurement stakeholders in the District. Particularly training of stakeholders about their roles, and Councilors about procurement ethics, rules and regulations; and (2) a methodology for conducting local government procurement specific trainings for those who are newly appointed in the district should be developed, and conducted regularly.

## **Strategic Interventions in Tactical Procurement**

Concerning strategic interventions in tactical procurement, we recommend that: (1) the District should provide enough support to the procurement unit for example installation of reliable internet system, vehicle for monitoring field work, increase of procurement unit budget; (2) all approvals of procurement activities should be done from the District. For example, approval of contracts by Solicitor General and online approvals be encouraged; (3) the District should establish supplier development strategies which should include; training of key suppliers to improve on their capacities and knowledge in procurement process; and lastly, (4) the procurement process should

be computerized, right from making request to contract award in order to improve on the procurement system in the District.

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