# PROCUREMENT PLANNING AND SERVICE DELIVERY AT COLLEGE OF EDUCATION AND EXTERNAL STUDIES, MAKERERE UNIVERSITY

## **ARUGAI FABIAN**

## MASTER OF BUSINESS ADMINISTRATION

(Procurement and Logistics)

# PROCUREMENT PLANNING AND SERVICE DELIVERY AT COLLEGE OF EDUCATION AND EXTERNAL STUDIES, MAKERERE UNIVERSITY

## ARUGAI FABIAN

19/MPL/BU/G/1001

A Thesis Submitted to the School of Graduate Studies, Bugema University, in Partial fulfillment of the requirements for the Award of Master of Business Administration (Procurement and Logistics Management)

## ACCEPTANCE SHEET

"PROCUREMENT PLANNING AND SERVICE DELIVERY AT COLLEGE OF EDUCATION AND EXTERNAL STUDIES, MAKERERE UNIVERSITY," Prepared and Submitted by ARUGAI FABIAN in partial fulfilment of the requirements for the degree of MASTERS OF BUSINESS ADMINISTRATION (Procurement and Logistics Mgt)

Member, Advisory Committee	Me	ember, Advisory Committee
Date Signed		Date Signed
	Chairperson, Advisory Committee  Date Signed	tee
Chairperson, External Exam Co	ommittee Mem	ber, Internal Exam
Date Signed		Date Signed
	Ilment of the requirement for the carried in the ca	
(	Chairperson, School of Business	
-	Date Signed	
Γ	Dean School of Graduate Studies	
	Date Signed	

## **DECLARATION**

I **Arugai Fabian**, do hereby declare that this Research Thesis is my own work, and to the best of my knowledge, it has not been presented for the award of a degree at any University or College.

That the work does not in-corporate material from other works or a paraphrase of such a material without due and appropriate acknowledgement.

That the work has been subjected to anti – plagiarism process and has met below 25% similarity index threshold of Bugema University.

I do understand that the issues of academic integrity are paramount and therefore I may be suspended or expelled from the university or my degree may be recalled for academic dishonesty or any other related academic malpractices.

Signed
Date

Arugai Fabian

19/MPL/BU/G/1001

### **DEDICATION**

My sincere thanks and dedications go to my family; Mrs Polline Linder Arugai, for giving me courage to launch this study, persistence in relationship even amidst financial shortages and discouragements.

Special thanks to My dear Children; Atukoit Angle Arugai, Alicha Kereen Arugai, Amero Praise Arugai, Arugai Israel and Otim Gabriel Arugai for the tolerance amidst Financial Challenges that resulted from these studies.

Thanks to the Commanders and Chiefs of Uganda Peoples' Defence Force (UPDF), Education Implementation Board at Ministry of Defence Headquarter, Officers and Men at my work place who appended their signatures in process of recommending me for this great mission and also accepting to work without me.

Above all thanks to the almighty God, whose blessings are always upon me day-by-day. Without His compassion, generosity, I might do nothing.

## ACKNOWLEDGEMENT

I take this opportunity to appreciate the administration of Bugema University for accepting and facilitating me during the Course of my studies in this great Institution.

Thanks to entire Staff of Bugema University Graduate School for support accorded me and for providing a conductive environment for learning and assistance in different ways. Special thanks to the staff and colleagues who have been continuously sharing Ideas, skills, and knowledge.

I wish to sincerely express my deepest gratitude to my supervisors' Dr Stephen S. Kizza, and Philip O. Okumu for their greater support, guidance and encouragement during the development of the research Topic, Research Problem, Research proposal and this final Thesis. Without their effort, this would not have been completed.

I also thank the Almighty God for his abundant Love, protection, provision of good health, Knowledge and for granting me the gift of life

Thank you all.

#### **BIOGRAPHICAL SKETCH**

Arugai Fabian was born in 1976 to the family of John Eduan (late) and Sophia Atim of Napakol Village, Omodoi parish, Omodoi Sub County, Toroma County, Katakwi District. He is the 4<sup>th</sup> born out of six to the same family.

He completed his Primary Leaving Examination (PLE) in Aparisa / Toroma primary school in 1992; He attained his Uganda Certificate of Education (UCE) at Light College Katikamu in 1997 and Uganda Advanced Certificate of Education at Mukono Town Academy in 1999. He pursued Certificates in various fields of: Public procurement and Contract management, Stores Management and Materials Management, Logistics and Supplies Management, Information Technology and Computer Applications, Public Administration and Management at Makerere University.

In 2006, he joined Basic Military Training at Uganda Military Training School
- Kawaweta in Nakaseke District and graduated in late 2007. He was immediately
enlisted for Advanced Armoured Warfare Military Training School in Kalama,
Mubende district where he graduated in 2008. Fabian was then appointed as General
Secretary - a position he has been holding up to 2016.

In 2012-2013, he enrolled for Diploma in Procurement and Logistics Management at Makerere Business Training Centre, Moroto Branch. Fabian later enrolled at Bugema University in 2016 and graduated in 2019 with a second-class upper Bachelors Degree of Business administration - Procurement and Logistics Management. In 2019, he enrolled for a Master's degree of Business Administration (Procurement and Logistics Management) and graduated in 2022. He is also a registered graduate Member of the Public Association of Procurement Professionals of Uganda (IPPU).

## TABLE OF CONTENTS

	PAGE
ACCEPTANCE SHEET	i
DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
BIOGRAPHICAL SKETCH	v
TABLE OF CONTENTS	vi
LIST OF TABLES	viii
LIST OF FIGURES	ix
LIST OF APPENDICES	X
LIST OF ABBREVIATIONS AND ACRONYMS	xi
ABSTRACT	xii
CHAPTER ONE	1
INTRODUCTION	1
Background of the Study	1
Statement of Problem	5
Research Questions	5
General Objective of the Study	6
Specific Objectives	6
Significance of the Study	7
Scope of the Study	8
Limitation of the Study	9
Theoretical Framework	9
Conceptual Framework	12
Operational Definition of Terms	13
CHAPTER TWO	16
LITERATURE REVIEW	16
Procurement Planning and Service Delivery	16
Supplier Evaluation Criteria and Service Delivery	18
Budget Allocation and Cost of Service Delivered	19
Choice of Procurement Method and Quality of Service Delivery	20
Summary of Reviewed Literature and Identified Gaps	23
CHAPTER THREE	24
METHODOLOGY	24
Research Design	24
Locale of the Study	24
Target Population	25
Sample Size	26
Sampling Procedure	27
Methods of Data Collection and Instruments	28
Validity and Reliability of Instrument.	30

Data Collection Procedure
Data Analysis
CHAPTER FOUR34
Response Rate34
Personal Information of Respondents34
Assessment of Procurement Planning Practices at College of Education and
External Studies, Makerere University36
Assessment of Service Delivery at College of Education and External Studies
42
Relationship between Supplier Evaluation Criteria and Service Delivery at
College of Education and External Studies
Relationship between Budget Allocation and Service Delivery at College of
Education and External Studies50
Relationship between Choice of Procurement Methods and Service Delivery at
College of Education and External Studies
Multiple Linear Regression Analysis of Procurement Planning and Service
Delivery at College of Education and External Studies, Makerere University53
Hypothesis Testing56
CHAPTER FIVE58
SUMMARY, CONCLUSION AND RECOMMENDATIONS58
Summary
Conclusion61
Recommendations62
REFERENCES64
APPENDICES 67

## LIST OF TABLES

TABLE	PAGE
Table 1: Target Population and Sample Size for Each Category	27
Table 2: Scale of Measurement	29
Table 3: Reliability Statistics	31
Table 4: Response Rate	34
Table 5: Personal Information of the Respondents at College of Education and	
External Studies	35
Table 6: Assessment of Procurement Planning Practices at College of Education	n and
External Studies	36
Table 7 Level of Service delivery at College of Education and External Studies	42
Table 8 Relationship between Procurement planning and Service Delivery at Co	ollege
of Education and External Studies	49
Table 9: Multiple Linear Regression Analysis of Procurement Planning and Ser	vice
Delivery at College of Education and External Studies, Makerere University	53

## LIST OF FIGURES

FIGURE	PAGE
Figure 1: Conceptual Framework	12

## LIST OF APPENDICES

<b>GE</b>
67
70
71
72
74
75
76
76
77
78
[
79
l
80
and
81
82
ıd
sity
83

## LIST OF ABBREVIATIONS AND ACRONYMS

AO Accounting Officer

CC Contract Committee

CEES College of Education and External Studies

CLL Centre for Lifelong Learning.

COBAMS College of Business and Management Sciences

CTLS Centre for Teaching and Learning Support,

CVI Content Validity Index

IODE Institute of Open Distance and eLearning,

IPPU Institute of Procurement Professionals of Uganda

PDU Procurement and Disposal Unit

PPDA Public Procurement and Disposal of Assets

SD Standard Deviation

SPSS Statistical Package for the Social Sciences

UPDF Uganda Peoples Defence Force

#### **ABSTRACT**

ARUGAI FABIAN, School of Graduate studies, Bugema University, Kampala, Uganda, August 2022. THISIS TITLE: PROCUREMENT PLANNING AND SERVICE DELIVERY AT COLLEGE OF EDUCATION AND EXTERNAL STUDIES, MAKERERE UNIVERSITY,

## Advisor: Philip Oundo Okumu, MBA

This study was conducted to assess the relationship between procurement planning and service delivery at College of Education and External Studies, Makerere University. The study employed Analytical Cross-sectional and Descriptive approach to integrate elements of quantitative approach and Analytical Cross-sectional design. The study was based on the Principal Agency and Institutional Theories. The objectives of the study were; To assess the level of procurement planning and the level of service delivery at College of Education and External Studies so as to put an intervention to the problem of service delivery; To assess the relationship between supplier evaluation criteria (practices) and service delivery at College of Education and External Studies. To assess the relationship between Budget allocation and service delivery at College of Education and External Studies and to assess the relationship between choice of the procurement method and service delivery at CCES. Purposive sampling was used to select key informants and simple random sampling using lottery method was used to select respondents from other departments. The study targeted 120 employees comprising of academic staff and administrative staff of College of Education and External studies. Prior to data collection, a pilot study was conducted to measure validity using Content Validity Index and the instrument was fount valid at 0.8 above the recommended 0.7. The study used a statistical package (SPSS) to ascertain reliability and Cronbach's Alpha value of 0.7 was used to measure reliability. Self-Administered questionnaire and key informant interview guide were designed and used to obtain primary data. The response rate was obtained at 100%. The study used SPSS version 22.0 for data analysis and results were presented using tables and graphs and interpreted using mean and standard deviation.

Finding of the study indicated service delivery with grand mean level of 3.60 and Std deviation of 0.88. Findings of the study revealed strong significant relationship between procurement planning practices and service delivery. The study recommended continuers application of procurement practices of supplier evaluation, Budget allocation, and Choice of procurement method practices to maintain high level of service delivery at College of Education and External studies, Makerere University. Further findings of the multiple linear modals were used to determine the contribution of each parameter. Pearson correlation and findings showed procurement planning with high grand mean level of 3.61 and standard deviation of 1.20. The study recommends multiple linear modals as a measure for the contribution of each parameter.

#### **CHAPTER ONE**

#### INTRODUCTION

## **Background of the Study**

Supplier Evaluation Criteria is one of the factors influencing Service delivery in any Organization (Hamad, 2020). According to Jepchumba (2019), over seventy percent (70%) of public sector organizations in Kenya including Public Universities experience supplier evaluation development and management challenges and this negatively affects effective service delivery.

According to Hamed (2019), Supplier selection criteria are processes followed by firms to identify, evaluate, and contract suppliers. The choice of supplier Evaluation Criteria is influenced by factors such as capacity to perform tasks, strategic location, network, state of technology, production experience, staff competence and the labor force skills of suppliers' employees which significantly leads to an improvement in the performance of the organization in terms of reduced lead time, operational costs, procurement costs and improved customer satisfaction (Katheo, 2018).

The system used by Higher Educational Institutions in Ghana for budgeting and allocating fund is based on annual requests for public funds by Higher Education Institutions and the negotiations undertaken on behalf of the institutions by the National Council for Higher Education with Ministry of Finance. However, Treasury (2020) and Budget (2020) designed procedures on how Government budget is allocated on basis of annual budgets, quarterly budgets and supplementary budgets (Newman, 2013) These budgets should be affordable, controllable and efficient. In Ghana's Institutions of Higher Education, it therefore means that funds budgeted and allocated for service delivery depend on the agreement between the National Council

#### REFERENCES

- Alamineh, T. Y. (2017). Ethiopian civil service university college of urban development and engineering department of urban infrastructure and transport (Doctoral dissertation, Ethiopian Civil Service University).
- Ashley, P., Saget, S., Porto Costa, M., Underwood, B., & Duane, B. (2020). Combining evidence-based healthcare with environmental sustainability: using the toothbrush as a model. *British Dental Journal*, 229(5), 303-309.
- Awanyo, C. (2019). Procurement Planning and Service Delivery in Local Government: a case study of Lira District and Municipality (Doctoral dissertation, Uganda Christian University).
- Basheka, B. C., & Nabwire, A. (2013). Budget planning and the quality of educational services in Uganda public universities: A case study of Kyambogo University. Educational Research and Reviews, 8(21), 2026-2035.
- Bishara, A. J., & Hittner, J. B. (2012). Testing the significance of a correlation with nonnormal data: comparison of Pearson, Spearman, transformation, and resampling approaches. Psychological methods, 17(3), 399.
- Braun, V., & Clarke, V. (2012). *Thematic analysis*. American Psychological Association.
- Campbell, S., Greenwood, M., Prior, S., Shearer, T., Walkem, K., Young, S., ... & Walker, K. (2020). Purposive sampling: complex or simple? Research case examples. *Journal of research in Nursing*, 25(8), 652-661.
- Clark, D. (2021). The informed principal with agent moral hazard. *Unpublished manuscript*.
- Cossham, A., & Johanson, G. (2019). The benefits and limitations of using key informants in library and information studies research. Information Research, 24(3), 15.
- Cross, M., Mhlanga, E., & Ojo, E. (2011). Emerging concept of internationalization in South African higher education: Conversations on local and global exposure at the University of the Witwatersrand (Wits). *Journal of studies in international education*, 15(1), 75-92.
- Hedge, C., Powell, G., & Sumner, P. (2018). The reliability paradox: Why robust cognitive tasks do not produce reliable individual differences. Behavior research methods, 50(3), 1166-1186.
- Jepchumba, M., & Kibet, Y. (2019) Effect of Supplier Evaluation on Service Delivery at Moi University.
- Jensen, M. C., & Meckling, W. H. (2019). Theory of the firm: Managerial behavior, Agency costs theory and ownership structure. In *Corporate Governance* (pp. 77-132). Gower.
- Katheo, S. N. & Mwangangi, P. (2018). Influence of Supplier Selection Criteria on Performance of Public Tertiary Training Institutions in Kenya. *International Journal of Human Resource and Procurement*, 7(5), 197-213.

- Kawa, A., & Maryniak, A. (2015). Logistic Sector as a Support Segment for Sustainable Supply Chains. In *Technology Management for Sustainable Production and Logistics* (pp. 81-95). Springer, Berlin, Heidelberg.
- Kenton, W. (2018). Principal-Agent Problem.
- Makau, C. N. (2017). Factors affecting procurement in independent electoral and boundaries commission of Kenya (Doctoral dissertation, MUA).
- Makafu, M. (2018). The Effect of Procurement Planning on Service Delivery in Ntungamo District Local Government (Doctoral dissertation, Uganda Management Institute).
- Mat Roni, S., & Djajadikerta, H. G. (2021). Preliminary Data Analysis: An Analysis Before the Analysis. In *Data Analysis with SPSS for Survey-based Research* (pp. 15-54). Springer, Singapore.
- Muellmann, S., Brand, T., Jürgens, D., Gansefort, D., & Zeeb, H. (2021). How many key informants are enough? Analysing the validity of the community readiness assessment. *BMC research notes*, 14(1), 1-6.
- Nimeh, T., & Elliott, S. (2018). Minimally invasive techniques for bladder reconstruction. *Current Urology Reports*, 19(6), 1-7.
- Njeru, S. E. (2015). Factors affecting effective implementation of Procurement Practices in tertiary public training institutions in Kenya (Doctoral dissertation).
- Obare, C. R. (2013). Efficacy of the public procurement law in the University of Nairobi (Doctoral dissertation, University of Nairobi).
- Osman, A. A., Nordin, N., & Abd Rahman, M. F. (2021). Measuring Lean Culture: Designing a Research Instrument. Journal of Modern Manufacturing Systems and Technology, 5(1), 7-17.
- Pandey, P., & Pandey, M. M. (2021). *Research methodology tools and techniques*. Bridge Center.
- Peshkov, V. V., Doroshenko, T. G., & Sukhanova, I. A. (2020, February). Non-Competitive Procurement of Resources in Industrial and Civil Construction. In *IOP Conference Series: Materials Science and Engineering* (Vol. 753, No. 4, p. 042019). IOP Publishing.
- Rwendeire, A. (2017). Bringing the future to the Present" The report of the visitation Committee on Makerere University, 2016
- Scott, W. R. (2005). Institutional theory: Contributing to a theoretical research program. *Great minds in management: The process of theory development*, 37(2), 460-484.
- Schoonenboom, J., Johnson, R. B., & Froehlich, D. E. (2018). Combining multiple purposes of mixing within a mixed methods research design. International Journal of Multiple Research Approaches, 10(1), 271-282.
- Setia, M. S. (2016). Methodology series module 3: Cross-sectional studies. *Indian* journal of dermatology, 61(3), 261.

- Shirley Chua, J. L. (2014). A decision-making framework for procurement method selection for building maintenance projects: The case of public Universities in Malaysia/Shirley Chua Jin Lin (Doctoral dissertation, University of Malaya).
- Siedlecki, S. L. (2020). Understanding descriptive research designs and methods. *Clinical Nurse Specialist*, *34*(1), 8-12.
- Taber, K. S. (2018). The use of Cronbach's alpha when developing and reporting research instruments in science education. Research in science education, 48(6), 1273-1296.
- Tumugabiirwe, Kennedy, (2014) Decentralised Departments of Governance in Line with the Procurement Act 2003, (Act 663) of Ghana: The Case of Metropolitan, Municipal and District Assemblies (MMDAS) in the Western Region of Ghana.
- Wirtz, J., & Zeithaml, V. (2018). Cost-effective service excellence. *Journal of the Academy of Marketing Science*, 46(1), 59-80.
- Wright, M., Wood, J., Lynch, T., & Clark, D. (2008). Mapping levels of palliative care development: a global view. Journal of pain and symptom mgt, 35(5), 469-485.