EFFECTIVENESS OF THE PUBLIC PROCUREMENT AND DISPOSAL OF
PUBLIC ASSERTS ACT ON THE OPERATIONS OF PROCUREMENT
MANAGEMENT TENDERS IN TERTIARY INSTITUTIONS

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IN PURCHASING AND SUPPLY OF BINDURA UNIVERSITY OF SCIENCE
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PROJECT TITLE : EFFECTIVENESS OF THE PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS ACT (STATUTORY INSTRUMENT 5 OF 2018) ON THE OPERATIONS OF PROCUREMENT MANAGEMENT UNITS OF TERTIARY INSTITUTIONS IN TENDERS.

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DEDICATION

I would like to dedicate this research to Leonah and Tapfumaneyi Mavunga, I would not have had any better parents than they are. I concede that my academic accomplishment is a product that owes much to their contribution. Lots of love.
ABSTRACT
This study sought to evaluate the effectiveness of the Public Procurement and Disposal of Public Assets (PPDPA) Act, on operations of procurement management tender of tertiary institutions in tenders. The objectives of the study was to assess the level of awareness of the changes required by the new PPDPA Act, to assess the challenges in the implementation of the PPDPA Act into the public procuring entities and to evaluate the effectiveness of the PPDPA Act on the operations of the Procurement Management Units. The research design adopted for this study was a mixed methods approach where qualitative and quantitative methods of analysis were employed. The data collection tools used includes interviews, questionnaires, some observations and the Act. The major findings of the study were the changes that participants were very much aware of the introduction of the PPDPA Act and the contents within. This means that in as much as any PE may try to resist complying with the Act, the extent to which the word has spread and the level of awareness have to raise an eyebrow if they say they do not know. The findings also show that they was lack of commitment from top management on the implementation of PPDA participants agreeing that the top management was not being supportive enough to the PPDPA Act. The revision of the Act is necessary in Zimbabwe because the field is now regarded as the cost-saving, effective and efficient centre that every organisation needs and is expected to have. Staff trainings, need for high levels of accountability and transparency as well as high compliance with the procurement regulations alongside minimising of expenditures are recommendations that need further investigation in the PMUs of all public entities.
ACKNOWLEDGEMENTS

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CHAPTER I
INTRODUCTION

1.0 Introduction

The procurement function has not been given the recognition it deserves in developing economies, mostly in the public entities, regardless of the effort put by the partners like the World Bank, the International Trade Organisation, the United Nations Conference on Trade and Development, the World Trade Organisation and others. This could be deliberate or sheer ignorance on the value the procurement function’s contribution to any organization (Telgen et al., 2006).

The research has investigated the effectiveness of the newly introduced Public Procurement and Disposal of Public Assets (PPDPA) Act on the operations of a Procurement Management Units (PMU) of government controlled entities especially in the tertiary institutions of the educational sector. This chapter covered background of the study, the problem statement, the study objectives, research questions, and significance of the study, research assumptions, research limitations and delimitations well as definition of key terms, abbreviations and chapter summary.

1.1 Background of the study

Every organisation strives to establish a system that minimises some costs they are likely to incur when doing their core activities. This is because high business costs will gradually eat away from a business’s net income (McBride, 2019) which allows them to acquire new technologies that help them to expand, grow and improves the way in which stakeholders’ interests can be achieved. The ability expand through minimisation of costs can be fulfilled if there is a set of guidelines or rules used as a control measure of the activities so that we make intentional decisions (Bill Hogg and Associates, 2019). The Public Procurement and Disposal
of Assets (PPDPA) Act is a legal requirement of the public procuring entities. It has been put to use by countries like Uganda, Kenya, Singapore, Malaysia and many others. In Zimbabwe it is controlled by the Authority called Procurement Regulatory Authority of Zimbabwe (PRAZ) formally known as the State Procurement Board (SPB) (PRAZ, 2019).

The PPDPA Act is one of the most important pieces of legislation that regulates economic activity in Zimbabwe. According to Akrani (2011), economic activity is related to production, distribution, exchange and consumption of goods and services. The primary aim of economic activity is the production of goods and services with a view to make them available to the consumer. This means that every time the government local authority or parastatal purchase or sell anything, the PPDPA comes into operation as a governor of the activities. It has marshalled very important prospects for the country because policies have been turned into legal provisions which have eradicated corruption in government spending.

Public procurement in Zimbabwe used to be regulated by the Procurement Act (No.1of 1999) [Chapter 22:14] that gave effect to the establishment of the State Procurement Board in 2015 (PRAZ, 2017). The SPB conducted procurement on behalf of procuring entities where class of procurement was within prescribed thresholds contained in the regulations. It supervised procurement proceedings conducted by the procuring entities (PEs) so as to ensure compliance with the Act and finally it initiated investigations and took action thereof (PRAZ, 2017).

The need to have coherent methods of performance of the procurement function in public entities, particularly in developing countries, has never been as sound as it is now. Delaying the recognition of the value of the procurement function will worsen the already deteriorating performance, loss of professionalism and organisations will continue incurring unnecessary costs (DCD/DAC, 2003).
The Procurement Act [Cap 22:14] only regulated the approaches to the market and contract awards and there were no provisions to regulate the whole procurement cycle (PRAZ, 2017). As such, the problems of enduring serious unprofessional conduct in the local bidding systems which resulted in firms awarded tenders failing to kick-start or complete projects due to lack of capacity led to the revision of the Act (Dube, 2018). Public officials would award tender to themselves through third party companies that were nonexistent with the adverts being publicised for a short space of time so that few potential bidders would also get the opportunity. The SPB as an agent started noticing what was missing, what they misjudged, what needed to be addressed. These corrupt activities led to poor governance in the procurement sector making impacts f big losses and reduced strategic development (Dube, 2018).

The reason for the reform of the SPB was the provision of Section 315 of the Constitution of Zimbabwe Amendment (No. 1) Act 2013 that required establishment of an Act of Parliament that would prescribe Public Procurement rules for all State institutions and agencies of the Government at all levels so that Public Procurement is undertaken in a manner that is transparent, fair, honesty, cost-effective and competitive (PRAZ, 2017). There was also need for the joint venture contracts usually referred to as public-private partnerships where the government would allow investors to come and develop infrastructure for example, then the government would buy the already developed by the private institution and paying a certain amount to hem for a specified period of time. In 2015, the cabinet approved of the principles of the new Bill that was to cover all PEs at all levels, all types of procurement and the whole procurement cycle with provisions for exemptions and exclusions; the establishment of PRAZ; decentralisation of public procurement decision making process as well as the organisation of procurement within PE; professionalization and modernisation of public procurement; rationalisation of appeal mechanisms and finally sanctions for procurement officers and supplier (PRAZ, 2017).
According to PRAZ (2017), consultations and sensitisation was conducted in the first two months of 2016 with all stakeholders from the public, private, civil society and the members of the parliament and a Bill was developed and submitted for a Parliamentary review process. The new Public Procurement and Disposal of Public Assets (No. 5 of 2017) Act [Chapter 22: 23] was then published in the Government Gazette of August 4, 2017 after the due process (PRAZ, 2017) therefore its existence and started to be put to practice in January 21018. The PPDPA came into existence as a solution to poor governance to recognise and protect stakeholders. But has the revision of the Act been really effective enough, is the question to be answered in this research.

According to section 4 of the new PPDPA Act [Cap 22:23], the objectives of the Act are: to ensure that procurement is effected in a manner that is transparent, fair, honest, cost effective and competitive; to promote competition among bidders; to provide for the fair and equitable treatment of all bidders, leading to procurement contracts that represent good value for money; to promote the integrity and fairness, and public confidence in procurement processes; to secure the implementation of any environmental, social, economic and other policy that is authorised or required by any law taken into account by a procuring entity in procurement proceedings.

1.2 Statement of the problem

Prior to the newly introduced PPDPA Act, some operations of the Procurement Management Units of government entities were done for them by the State Procurement Board. This issue had some problems such as secrecy and the government contract regime such as a requirements was nonexistent (Mandizha, 2018) There was no legal obligation for the Government to act in a transparent manner. Its intended objectives were just to make sure that suppliers of goods and
services are registered, they can meet the minimum requirements to trade with the public (Mandizha, 2016).

Regardless of the effort by the government of Zimbabwe and its stakeholders to improve performance of the procurement and disposal function, public procurement and disposal of public assets in tertiary institutions is still marred by shoddy works, poor quality goods and services. This study seeks to evaluate the effectiveness of the new PPDPA Act on the operations of procurement management units of tertiary institutions.

1.3 Research Objectives

The study was guided by the following research objectives:

1. To assess the level of awareness of the changes required by the new PPDPA Act in tertiary institutions.

2. To assess the challenges in the implementation of the PPDPA Act into the public procuring entities in tertiary institutions.

3. To evaluate the effectiveness of the PPDPA Act on the operations of the Procurement Management Units in tertiary institutions.

1.4 Research Questions

1. What is the level of awareness on the changes required by the new PPDPA Act in tertiary institutions?

2. What are the challenges in the implementation of new PPDPA Act in the public procuring entities in tertiary institutions?

3. How effective is the PPDPA Act on the operations of the Procurement Management Units in tertiary institutions?
1.5 Hypothesis testing

H0: The Public Procurement and Disposal of Public Assets ACT has an impact on the operations of the procurement management unit of tertiary institutions.

H1: The Public Procurement and Disposal of Public Assets ACT have no impact on the operations of the procurement management unit of tertiary institutions.

1.6 Aim of the study

This study seeks to investigate the effectiveness of the new PPDA on the operations of Procurement Management Units of tertiary education institutions. It seeks to evaluate how these entities are benefitting from the implementation of a newly introduced Act as well as its impact on the performance of the organisation.

1.7 Assumptions

➢ Sample population was be represented by the Procurement Management Units
➢ The exercise would be done in good faith and it is assumed that the information will be accurate
➢ The collected data would be reliable
➢ All informants would answer the questionnaires sent to them with integrity and concern

1.8 Significance of the study

a) To the Procurement Management Units of tertiary institutions

The findings of this study would be used to rate the degree to which the PPDPA Act has been effective to the processes of the PMUs of the tertiary institutions. This can be seen
from the benefits of the Act under study, which can assist in identifying the weak areas and try to improve them by each phase so that the entities enjoy the benefits of having the regulations under way.

b) To the Authority

The research can be used to point out some areas that the Authority overlooked and yet it is important to some of its entities. It will assist the Authority to give out an ear to the misconceptions that needs to be changed or need more clarification to reduce misunderstandings among the users of the Act.

c) To the stakeholders

This study would be of importance to the stakeholders because it reviewed the existing knowledge and awareness of the researcher in the areas of study. It was of uttermost importance that the researcher investigated this issue because it is a current scenario that is taking place currently in Zimbabwe and so, for the few months that the Act has come into the picture and applied to practices, some issues have already been noted on some sections and therefore the stakeholders would get to understand the Act better.

1.9 Delimitations

The researcher’s population of interest happens to be the PMUs. The tertiary education industry is not only limited to Universities only but also includes Colleges and Polytechnics as well as its suppliers. As such not only educational institutions are being governed by the PPDPA Act, local authorities, rural councils, government ministries, parastatals and all entities, the government have a controlling interest in them.
1.10 Limitations

As a full time student, much time was needed for the research to be a success. This meant that getting attention of the informants needed a lot of patience and courage as some were not ready to provide the required information when needed. Money for making calls and travelling where necessary was costly to the researcher and this meant that I had to pull up a stronger muscle on the budget of my research to be a success. Also the access to the PMUs, who happened to be my population of interest, proved to be so difficult because mostly they had a handful of tasks of managing the daily operations of their departments and lastly, my research was limited to tertiary institutions only.

1.11 Definition of key terms

**Effectiveness** Bells (2011) defined effectiveness as the degree to which something is successful in producing a desired output. According to the accounting dictionary, it is how well a business and the people in it perform value creating tasks and how well the business functions worth together. In this case, effectiveness is how well the PPDA Act has improved the systems of the Procurement Management Units.

**Public Procurement and Disposal of Public Assets Act (PPDPA)** Is a piece of legislation that governs the manner in which government (entities) buys and sells goods and services in order to serve the citizens (Kuzinya, 2018)

**Procurement Regulatory Authority of Zimbabwe (PRAZ)** Is a parastatal organisation that is responsible for the regulation and supervision of public procurement and disposal of government owned property and other assets proceedings
(www.praz.gov.zw). Formally it was called the State Procurement Board, it was an agent but now it is a regulator.

**Operations**  
Is the action of functioning or the fact of being active or in effect. It is an active process (Dictionary, 2019).

### 1.12 Chapter Summary

This chapter focused on the introduction to the area of study and how it came about. It covered basically the need to carry out this study. The chapter covered the background of the study, the problem statement, the research objectives, research questions, the aims, assumptions, significance, study delimitations, limitations and definition of key terms. The next chapter will cover literature relating to the objectives.
CHAPTER II

LITERATURE REVIEW

2.0 Introduction

The key to successful research is usually attributed to and controlled by the knowledge from related literature. This literature review sought to synthesize existing evidence and identify knowledge gaps by revealing prior investigations, report articles and observational studies concerning the effectiveness of the PPDPA on operations of the of Procurement Management Units (PMUs) of tertiary education institutions. Taylor (2011) explained that literature review refers to an account of what has been published concerning the topic by different credited scholars and researchers. This chapter provides an overview of existing literature so as to aid in establishing the key factors of effectiveness of public procurement systems in Zimbabwe.

2.1 Theoretical framework

Public procurement involves the acquisition of goods and services by the government or public sector organisations. Lysons and Farrington (2006) posits that organisational procurement function is that which is responsible for obtaining by purchase, equipment, materials, supplies and services required by an organisation for use in satisfying various needs and wants. The objective under this is basically the effective contribution towards organisational goals and assurance of value for money spent (Leenders et al, 2006). According to Monzcka (2009), he goes on to look at public procurement as a comprehensive process that runs from proper procurement planning, budget allocation, bids invitation and evaluation, award of contract, its management, monitoring and reporting.

The principal-agent theory in a study conducted by Soudry (2004) states that one party, the agent, is required to perform some service on the behalf of the other party, the principal, who
involves the delegation of some discretion and decision-making authority. This means that whenever the agent’s performance is for the sole benefit of the principal, she will engage in low effort instead of high effort because it will not be contributing to the agent’s self interests. The principal agent theory occurs when a principal creates an environment in which the agent’s incentives do not align with those of the principal. In this case the principal is the PPDPA Act and the agent is the PEs.

Douglas McGregor’s X theory assumes that employees avoid work and dislike responsibility and in order to motivate them, employers need to enforce rules and implement punishments (Zeiger & Seidel, 2019). In this study, the PPDPA Act is coming in as the employer who sets rules and guidelines for the PEs to follow as a way of trying to motivate them to do work. Dr William Ouchi developed theory Z which encourages group work and social interaction to motivate employees in the workplace so should the PEs do so that better results can be enjoyed in due course (Zeiger & Seidel, 2019).

According to Adugu (2014) the PPDPA was enacted to harmonise the public procurement process secure judicious, economic and efficient use of state resources and ensure that public procurement functions undertaken within the public sector are fair, transparent and non-discriminatory. The fairness theory of Fehr and Schmidts in (Fehr & Schmidt, 2006) model assumes that individuals are heterogeneous. This implies the fact that all the individuals in the Procurement Management Units (PMUs) are different, their views of how they want the department to be run, how strict they want the policies to be handled as well as the organisations they are operating in are very different. The type of hierarchy and line of business differ with organisations and therefore proving the variations in people and their ideas. As such, the newly introduced PPDPA Act seeks to eliminate that and standardise all the processes concentrating more on the PMUs (Sibanda, 2018) cite. It seeks to create uniformity in the department across
all organisations which will in turn help in easy management and process monitoring in the course of action (Mandizha, 2018).

The Fehr and Schmidt’s (2006) theory also assumes that a player is altruistic towards other players if their material pays off are below an equitable benchmark but feels envious when other players material exceed this level. This applies to the new PPDA Act trying to resolve the problem of inequality amongst bidders through section 38 of the Act that guides on the specifications of contents and publication of procurement notices so as to eliminate envy and jealous between parties that are unequalised during the tendering processes. The problem of some suppliers being aware of some things that other suppliers are not aware of is dealt with here. This is because when tenders are submitted, all the information concerning submission such as description of procurement, contact person as well as, for example, number of copies required on the submission might have been disclosed to some “favourites” which ends up being unfair to others that are not the favourites. This inability to meet the basic requirements of submission is a criteria used by organisations to scratch off other suppliers during evaluation even if they were going to be able to provide all required items. Now the PPDPA comes in to eliminate the problem of non-disclosure by requiring organisations to give well detailed and clear notice and instructions of requirements in the tender advert through section 38 of the Procurement Act so as to provide fair and equitable treatment to all bidders.

In the Charness and Rabin’s (2002) theory of fairness, a couple of models have been formulated namely the “different- aversion model” which assumes that players are motivated to reduce differences between theirs and others’ pay-offs. This calls out for competitors not bringing up hatred amongst each other but fight for justice because one of them would have been favoured or treated in a special way in the tendering process. Competition among them should be very fair enough to give everybody an equal chance “without discrimination” (according to section
31 subsection 1b of the procurement Act) because business aims are to make more money and profits without feeling sorry for the other competing party; the “social welfare model” which assume that people like to increase social surplus, caring especially about helping those (themselves and others) with low payoffs. This has an effect on some suppliers, who as a matter of fact did not even pass through much of the stages of being selected for a tender, noticing how unfair things happened and chooses to influence those who are a bit close to winning the tender to bring up certain conflicting issues of an organisation’s selection criteria which may in turn cause violence and too many conflicts within the organisation.

The moment the suppliers start fighting the tendering committee, the senior management gets involved and then other suppliers who took part and did not qualify also brings in their views and opinions then the situation goes out of hand and may have the organisation shaking vividly with its reputation being tarnished. And finally “reciprocity model” that assume that the desire to raise or lower others’ payoffs depends on how fairly those others are behaving (Charness & Rabin, 2002). This means that in business issues, everyone wants a bigger market share, they want to be leaders but the problem comes when they unequally compete because some are at a competitive advantage and some are not. If an organisation starts having an attitude with one supplier from the things that happened in the past like late delivery, problematic goods supplied or a supplier who tried to make things right by confronting the organisation on certain issues, they become willing and are able to lower that supplier’s chance of being selected for a tender simply by finding a small fault to disqualify him from the opportunity.

According to the Fehr and Schimidts (2006) model also assumes that a player compares herself to each of her opponents separately. This means that their behaviour depends on who you are and how well you are established in the business or line of industry at focus like the stationery invested businesses. This has an effect on most organisations assuming that the biggest market
leaders are the only ones who’ve “got it all”. For example, in the stationery related tenders, big companies like First Pack and Planas for example, are the obviously expected to lead in the tendering process. This is due to the fact that buying organisations and even other competitors would have accepted the “big guys challenge” where they only think that well established companies are the ones to choose from because of security and capacity to supply which is somewhat wrong. The new PPDA tries to resolve that by the objective of providing fair and equitable treatment to all bidders leading to procurement contracts that represent good value for money and that is giving every supplier (bidder) an equal opportunity to compete fairly and if they meet the basic requirements of the tender they also receive it for the sake of their own growth and development.

According to John Stacey Adam’s equity theory, it argues that employees are motivated when they perceive their treatment in the workplace to be fair and unmotivated when treatment is perceived to be unfair. In an organization, this involves providing employees with recognition for the work they are doing and giving all employees the chance to advance or earn bonuses and other awards (Zeiger & Seidel, 2019). And so, the PPDPA Act tries to eliminate this completely by keeping the whole bidding process as professional as it can be so that no misunderstandings can arise if issues like bribery and corruption take place in the organisations.

The Bolton and Ockenfels fairness theory in (Fehr & Schmidt, 2006) assumes that a decision maker is not concerned about each individual but it’s about the average income in all players. Whether positive or negative, the model does not depend on A’s relative position towards B but on how well B does as compared to the average. For example during a tender, First Pack may be dominant because its average income in the stationery industry may be very significant. This means that a tendering committee may want to put much insight in security and risk of investment and therefore end up choosing the well-known and well established organisations.
leaving out the smaller players because they are not yet significant in the industry as a whole. This now has something to do with objective of trying to secure implementation of environmental, social, economic issues that is authorised or required by any law to be taken into account by the organisation. This will lead an organisation to making decisions in favour of certain players who hold better positions in the industry over others which is somehow fair to the choosing organisation and not fair to the small players though.

Transparency in its literal meaning refers to the state of being easily visible throughout; it is a developing phenomenon of ascending trust. According to Shrivastava (2015) transparency is a process or mechanism of knowing. It is a process of prolonged sharing of thoughts necessary for governance. This is a way of empowering people and living by the ideals of democracy where the government or ruler has access to citizen’s activities. The transparency theory assumes its existence in democratic or non-democratic regime where democracy deals with people’s participation which enables citizens to have control and authority. In this case, we are talking of the PPDPA allowing all players to choose to participate in tendering processes. Also, democracy have been put up for those bidders who would have participated and want to know the reasons why they could not qualify. The Act according to section 42 subsection 4 allows the bidders to be informed, in writing as according to section 36 of the Act, of the rejection of their bids with full information of the reasons for rejection, to the rejected ones.

A democratic or non-democratic regime can have transparency with higher levels of transparency involving higher levels of accountability. The increased level of transparency and accountability can lead to instability which can be curbed by means of channelizing dissemination of information via correct and filtered channels. The general public or users of the Act have the “right to know” which government is trying to impart in people (Herald, 2017). The government should control the sharing of information and the extent of transparency in
which the whole phenomenon revolves around the principle of “trust but verify”. Knowledge about the Act should be widely dispersed in society and the public officials who benefit from it by increasing their opportunities to participate and give their opinions. This participation is inseparable from democracy which is regarded as the voice of the people but the public is not well informed. This is another reason for the revision of the PPDA even in Zimbabwe; transparency in public procurement should be well defined.

2.2 Empirical evidence

The antecedents and consequences of public procurement and non-compliance behaviour study by B. Tukamuhabwa (2015), the study proposes a conceptualization of the antecedents and consequences of compliance/ non-compliance behaviour in public procurement. It was motivated by the paucity of studies on public procurement compliance in Uganda, despite the evidently rampant non-complaint behaviour exhibited and a realization by recent researchers that less research has been conducted on organizational misbehaviours and non-compliance in purchasing and supply management. There are also scanty if any studies that have incorporated antecedents and consequences of public procurement compliance in a comprehensive single framework such as proposed in this study. Through a review of existing scholarly works, documents, records and reports, a conceptual frame work was developed in which media publicity, enforcement, records management, organizational culture, political interference, professionalism, organizational incentives, perceived rule legitimacy, moral obligation, social influence, familiarity with rules and top management support were identified as antecedents while cognitive dissonance, low employee motivation, low corruption, better corporate governance and low service delivery were established as consequences. It is hoped that future researchers will utilize the current proposed conceptual model to conduct empirical studies on public procurement compliance in Uganda and other geographical contexts. This will provide
practical implications that will assist to avert the unbridled squander of colossal amount of money through flouting public procurement procedures.

In a study carried out by David Jones (2007) in the study of public procurement in Southeast Asia, he explains that serious weaknesses that persisted in the area of public procurement included the lack of professional procurement expertise; the absence of open, competitive tendering, especially for foreign suppliers; widespread corruption; and the lack of transparency. They used a fragmented procurement system of secondary data analysis of the information collected from the situations and scandals that happened in Vietnam and Cambodia comparing it to how well Singapore and Malaysia are well regulated (Jones, 2007). This is advantageous because as the researcher goes on to tackle the research, they will have an assurance that they are not the only state experiencing that but other countries have had it too. The researcher got a guideline of how those successful countries in the procurement field managed to overcome the challenges that were facing. However, secondary data may not have exhausted all the examination needed in the phenomena being studied about. This means that information can be limited and so the researcher could not use that.

A study carried out by Paul Schapper on the analytical framework for the management and reform of public procurement, the public procurement frameworks are characterised by unstable tension between the public expectations of transparency and accountability, and of efficiency and effectiveness of resource management (Schapper, Veiga, & Gilbert, 2006). It seeks to introduce technology in the discipline as a way of resolving tensions between conflicting stakeholder interests at the political, business, community and management levels, exacerbated by competing claims between executives, lawyers, technologists and politicians for lead roles in this arena (Schapper, Veiga, & Gilbert, 2006). This was a good initiative and would properly work in a developed country which is not Zimbabwe. The current Zimbabwean
economy is still struggling such that technology upgrade right now cannot be a priority and so the researcher did not use that.

Also according to a Public Procurement and Legal framework studied by Marendi (2015), the purpose of the study was to determine the effect of the public procurement legal framework implementation on organisational performance of state corporations in Kenya. Specifically, the study determined the effect of the implementation of the public procurement and Disposal of Assets Act of 2005, Regulations of 2006, Public Private and Partnership regulations of 2009 on performance of state corporations in Kenya. Cross sectional survey design was adopted to target 187 state corporations. Both primary data through questionnaires and interviews and secondary data were used for analysis. Findings indicated a significant effect on organisational performance. Study recommended effective implementation of PPDA rules and regulations to improve performance of state corporations. Policy makers have to focus more on the law enforcement and compliance levels. Managers would use the findings to identify of the study to identify performance drivers.

In a study by the Victorian government, five policies were put in place namely; governance with which the framework had to establish processes, authorities, accountabilities and relationships for the organisation to manage an efficient and effective procurement function; complexity and capability assessment; market analysis and review; market approach and finally contract management and disclosure that was to be supported by good practice guides, tools and templates to ensure consistency across the government. The policies had to meet the principles of value for money, accountability, probity and scalability. Now in a study of four public hospitals studied and audited were found to be variable with instances of poor practice and management. A representative sample of over 200 procurement decisions from the four hospitals shows that about 19% did not meet public sector standards. This is because they had
incidences of poor procurement and the number of issues indicated the public hospital procurement practices but could still improve. The sample of procurement decisions also revealed numerous cases where hospitals had exempted themselves from going to tender or calling for multiple quotes. Although the exemptions granted were adequately justified in most of the incidences, hospital management needed to be vigilant when granting the exemptions. Failure of which would limit the potential to gain the value for money that procurement offices could offer.

The Public Procurement Manual for Schools and Colleges of July 2009 in Kenya provided some guidelines to ensure that the Procurement of books and other educational learning materials. This was introduced by the Ministry to ensure that the procedure are transparent and act as a guide to all the school management committees at all stages of procurement. The manuals made reference to other Ministry publications that set out in a more comprehensive manner the processes to be observed in the procurement of particular items such as infrastructure. As public procuring entities, educational institutions are required by the PPDA of 2005 to establish tender committees to be responsible for procurement at various levels, which has also been determined in law. Some schools have not yet set up the committees as required of which teachers and parents are to play a big part (Authority, 2009)

In the Tanzanian study carried out by Nkangi N.S.D, the secretary of the central tender board of the republic of Tanzania stated that the role played by sub-entities in the development of a good procurement system is through understanding mission and goals of the overall organisation. It explained that procurement systems evolve and unfold (Nkinga, 2003) and so is the procurement system in Zimbabwe. The research was based on the upgrading of the Tanzanian public procurement sector which can not be applied in our country because the PPDPA Act [Cap 22:23] of 2018 is the first attempt and so direct field research is required.
2.3 Gap Analysis

A technique that the Authority uses to determine what steps need to be taken in order to move from its current PPDPA to its desired set of regulatory management, future state, it is also called need gap analysis. It is the gap that is left between what the regulations considered and what was left out compared to the effectiveness of the Act. Gap analysis forces the authority to keep on reviewing their set of rules and what it really wants things to look like.

2.4 Chapter Summary

This chapter looked at the theoretical framework and the empirical evidence on the role of purchasing on reducing costs and chapter ended by focusing on the findings from previous research. The next chapter looked at the research methodology which was used to collect data for the research problems.
CHAPTER III

RESEARCH METHODOLOGY

3.0 Introduction

Methodology is defined as a system of broad principles or rules from which specific methods or procedures may be derived (Dictionary B., 2019). LibGuides (2019) defined research methodology as the specific procedure or techniques used to identify, select, process and analyse information about a topic. This chapter examines the way in which the research was conducted, how research participants were selected, and the data gathering instruments that were employed.

3.1 Research Design

The research design adopted for this study was a mixed methods approach where qualitative and quantitative methods of analysis were employed. According to Green (2014), “research design is the specification of methods and procedures for acquiring the information needed to carry out a research A mixed methods research is an approach to inquiry involving collecting both quantitative and qualitative data integrating the two forms of data using distinct designs that may involve philosophical assumptions and theoretical frameworks (Creswell, 2014). Its advantage is that it provides a more complete understanding of research problem than either quantitative or qualitative approach alone.

According to Creswell (2014), a qualitative approach is defined as an approach for exploring and understanding the meaning individuals or groups ascribe to social or human problem. The advantage of this method is that the final written report has a flexible structure that focus on inductive style on individual meaning. However, it has its own disadvantages which are bias and the data being subjective. Since the researcher is the one who designs the surveys,
questionnaires and focus group questions, he may administer questions that elicit a certain type of response which are researcher and respondent biased (Akers, 2019). Responses are open to interpretation such that the researcher may make interpretations that fit with her intended conclusion which is a disadvantage.

A quantitative approach is defined as an approach for testing objective theories by examining the relationship among variables that can be measured so that numbered data can be analysed using statistical procedures (Creswell, 2014). Its advantage is that an engagement in this form of inquiry has assumptions about testing theory deductively, building in protections against bias, controlling for alternative explanations and being able to generalise and replicate the findings (Creswell, 2014). However, quantitative research lacks insight and only known issues are measured. This means that it only reveals what is happening but not why it may be happening (Akers, 2019). Also, researcher make hypothesis based on assumptions about the conditions that they will test which may cause them to misinterpret the findings.

In the study, the researcher used the mixed approach method because the data necessary to help identify or to react to problem or opportunity such that the difference between the cost of accuracy and expected value of information associated with each level of accuracy is maximised (Leedy, 2009). It also allowed the researcher to use questionnaires to collect data for the study. The researcher also used interview guides for procurement management units and questionnaires for bidders so as to determine how they perceive the use of the new PPDPA Act in their operations.

3.2 Target Population

According to Saunders et al. (2012), the target population is the entire aggregation of respondents that meet the designated set of criteria. The researcher targeted fifty participants on universities in Zimbabwe and out of the twenty universities procurement management units
of five universities were selected who were involved in procurement and tendering. The researcher’s target population was the PMUs where the researcher used the procurement officers mostly because they are the one ones whom the Act will be directly refereeing to when it talk of PEs ;and a few procurement managers as consultants and interviewees while some bidders from the public and private sectors were informants on the topic being researched on.

3.3 Study Sample

The researcher used a sample of ten participants from each of the five universities selected. Researchers often cannot test every individual in the population because it can be expensive and time consuming and therefore there is need for sampling in order to reduce the size of the population to the research. Welman (1999) asserts that the size of the population usually makes it impractical and uneconomical to involve all the members of the population in a research project hence need for sampling. Nachimas et al (2016) is of the view that taking a smaller sample from a large population is very convenient to the researcher so as to do away with the constraints such as time and costs.

In this research, purposive sampling of the PMUs and random sampling on bidders in the five selected institutions was adopted. Sampling was purposive and random sampling. A sampling technique is the identification of the specific process by which the entities of the sample have been selected (Hektner, 2007). According to Kerlinger (1986), purposive sampling design is usually used when a limited number of individuals possess the traits of interest. The researcher used purposive sampling because it eliminates those who are unsuitable for the sampling study. Ptton (1990) posits that one advantage of purposive sampling is that those who are unsuitable for the sampling study or who do not fit the bill has been eliminated, so only the most suitable
candidates remain. Thus the researcher used purposive sampling to remain with employees in the procurement department and the bidders who participate in tertiary institutions bids.

3.4 Research Instruments

Research instruments are measurement tools designed to obtain data on a topic of interest from research subjects. For the purpose of this research undertaking the researcher used interviews and questionnaires. The researcher also introduced herself to potential research participants at meetings, as circumstances permitted. Verbal consent was done from each sampled research participant. To carry out interviews the researcher adequately prepared an interview guide to direct the discussion. The researcher elicited information regarding the effectiveness of the public procurement and disposal of public assets. Emails were send to procurement officers to answer the questionnaires and a list of dodders was obtained from the procurement management department to select the bidders for interviews.

3.4.1 Questionnaire

The researcher administered 40 questionnaires which were used to guide the perceptions of the respondents and improve on the quality of data obtained. The questionnaire was designed to collect employee knowledge, awareness and perceptions about the effectiveness of the public procurement and disposal of public assets act (statutory instrument 5 of 2018) on the operations of the procurement management unit of five tertiary institutions in Zimbabwe. The questionnaires were physically distributed and some were sent over the emails to the sample informants. The researcher chose this instrument because data collected from questionnaires is easy to analyze and data collection through this method is quick and easy and there is no researcher bias. Questionnaires allowed for anonymity on the part of respondents hence there was likelihood of genuine and truthful responses and a lot of information can be collected at once.
According to Wall (2005), a questionnaire allows uniformity in the way questions are asked thus ensuring comparability in the way questions are responded. It is also advantageous because they enable the research to organize questions and receive replies without talking to every respondent. Specific objectives of the research are targeted and are they are relatively economic in terms of cost and time. Although this so, questions can be interpreted differently hence different responses are made. They are also not flexible as interviews since there are no adjustments.

Questionnaires were cost effective since more responses were collected. Additionally, responses from questionnaires were easy to analyze, questionnaires reduce bias. Questionnaires were resorted to because they covered a larger part of the sample and allowed the collection of vast quantities of data from a considerable number of respondents. Questionnaires were structured logically and this helped to ease compilation of data. A questionnaire guarantees a high degree of anonymity to respondents of this study. Strength of the questionnaire is that there is no direct involvement of the researcher in answering questions therefore there is a degree of validity and honesty. The results from questionnaires were easy to quantify and collect through the use of a computer data analysis software package.

On contrary, the researcher faced some challenges when using the questionnaire. These include the delay in response as it is also very common with this method especially when send by email method, some questions might be direct hence responses may be biased, the researcher would not be able to make use of gestures and other visual clues. The degree of honesty and trustworthy is not guaranteed in gathering data using these questionnaires, thus some critical questions may remain unanswered. Moreover, the questionnaire method provides limited room to probe further with the questions that would have been asked by the researcher. As such the
researcher will not make use of non-verbal cues to responses given by respondents this increased the risk of misunderstanding.

3.4.2 Interviews

In this research interviews were done by the ten bidders done over the phone calls and face to face where accessible. Wengraf (2007) explains that interviews are data which is collected through face to face or telephone interaction. The interviews were used because they had quick response and also clarifications and expansions of some of the unclear expressions and also communication skills on reaction such as facial expression were observed. Open ended questions were mainly used in order to avoid limiting respondents to set of answers but to give them an opportunity to express themselves fully. The researcher decided to use structured interviews in addition to the questionnaires because they provide a multi-perspective understanding of the issues under investigation and they have the potential to reveal multiple and sometimes conflicting attitudes about a given topic (Marczyk et al., 2005)

However, interviews were time consuming as it took longer to complete and involve costs such as transport and other associated costs such as food expenses. In addition, the research would somewhat be discouraged since there needed to be maintenance of secrecy by the organizations of interest. The quality and usefulness of the information was highly dependent upon the quality of the questions asked since the interviewer could not add or subtract questions.

3.5 Validity and Reliability

Validity is defined as the extent to which the scores from a measure represents the variable they are intended to (Price, Jhangiani, & Chiang, 2019). Joppe (2000) argued that validity determines whether the research truly measures that which it was intended to measure or how truthful the research results are. Validity is measured when it has a good test-retest reliability
which is the extent to which this is actually the case (Price, Jhangiani, & Chiang, 2019) The researcher determined validity by asking a series of questions and looked for the answers in related studies. Content validity was concerned with how accurately the questions to be asked tend to elicit the information sought. The research instrument was tested for content validity by giving the interview guides to the research supervisor for editing and conducting a pilot study with some individuals from the target population to check the time taken to complete the interviews, whether it was too long or too short, too easy or too difficult and to check the clarity of the research instruments and to eliminate ambiguities or difficulties in wording.

Reliability refers to the consistency of a measure (Price, Jhangiani, & Chiang, 2019). Joppe (2000) defines reliability as the extent to which results are consistent over time and an accurate representation of the total population under study is referred to as reliability and if the results of a study can be reproduced under a similar methodology, then the research instrument is considered to be reliable. Reliability is measured by the consistency across time, consistency across the people’s responses across the items on a multiple item measure or consistency in judgements (Price, Jhangiani, & Chiang, 2019). Reliability was ensured by the accurate and careful phrasing of each question to avoid ambiguity and leading to respondents going for a similar answer with the assumption of truthful responses since they were informed to respond truthfully. Therefore we can conclude that the study and responses were reliable.

3.6 Data Presentation and analysis

A combination of qualitative and quantitative methods of data analysis was used. A deductive form of analysis was employed, provided for the general descriptive statistics making use of tables, graphs, charts and percentages to show relationship between variables for better understanding. The findings were recorded in quantitative form.
3.7 Ethical Issues

Research ethics are a set of guidelines that assist the researcher in conducting an ethical study (Christensen, 2002). Ethical considerations include respect for respondents, autonomy, ensuring confidentiality, anonymity and autonomy. Assurance was given that the information would be strictly for research purposes and would not be made available to anyone outside the research. Benefits of the study were inferred to in the objectives. In the study no monetary incentive was offered, as this was an academic study.

The researcher made concerted efforts during this research undertaking to adhere to proper ethical considerations. No intentional physical or psychological harm would be caused to any of the respondents in this study. All of the participants in this study were treated with great respect. Prior permission would be sought from top-level management to carry out research. The right of the respondents to decline participation in the research was be respected. The researcher submitted approval letter from the BUSE procurement management department

3.8 Summary

This chapter discusses the research design that the researcher used. The chapter covered research design target population, sample size and sampling techniques, research instruments, the validity and reliability of the instrument and data presentation and analysis. The next chapter focused on the on the data presentation and analysis.
CHAPTER IV

DATA PRESENTATION, ANALYSIS AND DISCUSSION

4.0 Introduction

The previous chapter covered research methodology and design. This chapter seeks to present the findings using graphs, tables and pie charts. Furthermore, it analyses data and interprets key research findings. The quantitative analysis is divided into two sections the first section dealing with general information from section A of the questionnaire. The subsequent sections aim at answering research questions using various statistical analyses.

4.1 Findings

Out of the forty questionnaires distributed only 35 were returned and all the targeted ten interviews were held.

4.1.1 The level of awareness of the Act

According to the findings, awareness means knowledge or perception of a situation or fact and Figure 4.1 the shows how much the PMUs are aware of the PPDPA Act [Cap 22:23].

![Measurement of awareness](image)

*Figure 4.1 Measure of awareness of the Act*
According to Fig 4.1, 33 out of the 35 (94%) informants indicated that they were very much aware of the introduction of the new Act and the contents within. This means that in as much as any PE may try to resist complying with the Act, the extent to which the word has spread and the level of awareness have to raise an eyebrow if they say they do not know. The of the remaining two represented by 6% in the chart were not very sure of the Act being a revised one but they just knew they were governed by an Act. This is because they were students on attachment and all they knew of the Act was that it existed but they were not informed of the revision yet. Of the total research done, no one could say they completely did not know about the Procurement Act as long as they were involved in procurement unless they are living in isolation because the level of popularity of the Act has been a resounding success.

4.1.2 Bidding Methods used in their institutions

The new procurement Act now uses bids instead of tenders. Part VI of the Procurement [Cap 22:23] Act proposes some bidding methods that the PEs can use as indicated by Table 4.2

Table 4.1 Bidding Methods

<table>
<thead>
<tr>
<th>Method of Bidding</th>
<th>Frequency (n)</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competitive bidding</td>
<td>21</td>
<td>60</td>
</tr>
<tr>
<td>Restricted or selective bidding</td>
<td>8</td>
<td>23</td>
</tr>
<tr>
<td>Other</td>
<td>6</td>
<td>17</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100</td>
</tr>
</tbody>
</table>
As shown in table 4.2, 60% of the informants indicated that they use the competitive bidding method. This is because it is a transparent method in which bids from competing suppliers are invited by open advert with the specifications, terms and conditions as well as the criteria by which the bids will be evaluated (Dictionary B. , Competitive Bidding, 2019). The method stimulates competition and prevent favouritism among the competitors which is already the major method recommended by the PPDPA Act which fulfils one of its objectives. The other 23% indicated that the restricted bidding methods would be better because it is an element of competitive bidding limited to a number selected or shortlisted suppliers by the procuring organisation only and thereby saving time and resources. The other methods represented by the 6% that some informants thought would be for use include informal bids that involve the use of 3 quotations for a procurement that lies within the prescribed thresholds.

However other procurement methods proposed in the Act include direct procurement and request for quotation methods but they are not for bidding because they are used for immediate purchases that do not exceed the set financial thresholds in section 10 of the s.i.5 of 2018 procurement regulations.

4.1.3 Challenges of the new PPDPA Act

As the new PPDPA Act came into action, its implementation was not as easy as it would sound because major changes were taking place into the procurement field. The users would not just have to leave their old ways in a blink but for the sake of progress, the changes were necessary to the departments. Table 4.3 highlights some of the challenges brought about by the new Act
### Table 4.2 Challenges in the implementations of the PPDPA Act

<table>
<thead>
<tr>
<th>Challenges of the PPDPA Act</th>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>n</td>
<td>%</td>
<td>n</td>
<td>%</td>
<td>n</td>
</tr>
<tr>
<td>Resistance to change</td>
<td>12</td>
<td>34</td>
<td>6</td>
<td>17</td>
<td>7</td>
</tr>
<tr>
<td>Lack of commitment by top management</td>
<td>11</td>
<td>31</td>
<td>5</td>
<td>14</td>
<td>11</td>
</tr>
<tr>
<td>Staff is not yet used the new practices introduced in the new Act</td>
<td>8</td>
<td>23</td>
<td>14</td>
<td>40</td>
<td>3</td>
</tr>
<tr>
<td>Training is not involving all the user departments</td>
<td>5</td>
<td>14</td>
<td>22</td>
<td>63</td>
<td>0</td>
</tr>
<tr>
<td>Different interpretations for the same regulations</td>
<td>2</td>
<td>6</td>
<td>5</td>
<td>14</td>
<td>7</td>
</tr>
<tr>
<td>Instability of the Act in this fluctuating rates economy</td>
<td>11</td>
<td>31</td>
<td>10</td>
<td>29</td>
<td>7</td>
</tr>
</tbody>
</table>

As shown in table 4.3, the challenge of the workforce resisting the changes brought by the Act was represented by 34% of the total informants who were strongly agreeing to the statement, 17% agreed with some reasons that they were not fully saying the workforce was resisting change but somehow not just used to the guide. 20% were neutral because they were not sure whether they should say it was resistance to change or some other things whilst 14% just
disagreed to the statement and the last 14% strongly disagreeing that resistance to change was not a challenge at all.

The study indicated that lack of commitment from top management was a challenge of PPDA which was indicated by a total of 45% of the participants agreeing that the top management was not being supportive enough to the PPDPA Act. 31% remained neutral with 22% denying that top management had anything to do with that because they said they made the documents available for use. “Them being made leaders it means that they can do their work better “ argued one of the informants.

23 % of the informants strongly agreed to the statement that staff is not yet used to the new practices introduced by the new act while 40% just agreed with a bit of explanations why they thought the practices took a bit long to get used to. the 9% remained neutral not wanting to take sides on the issue while a total of 29% disagreed with the statement because they said if procurement was being done properly, the changes seem to be necessary enough that they should not take long to get used to them.

14% strongly agreed with the statement that training about the new Act is not involving all user departments without explaining why but 63% thought the training was necessary so that if every member agreed to it then practices would be done in a correct manner than ever in the fear that everyone now knows the correct thing. 23% just disagreed to the statement on the basis that they thought the training should be for those in the procurement departments only, they did not have to be involved in such.

A total of 20% agreed with the statement that different interpretations of the Act was a challenge to them while the other 20% were not sure if the statement was true or not. The 37% disagreed on the basis that the Act with the help of the statutory instrument was explanatory
enough, those who misinterpreted had their own intentions to it while the 23% strongly disagreed with the statement.

The instability of the Act in the Zimbabwean fluctuating economy was agreed to with a total of 60% of the informants because they were getting confused on what they should do regarding the thresholds that had been set based on a stable currency. 20% were neutral on the statement and the rest disagreed because they said it came up recently though its confusing, they cannot say the act is a challenge indeed.

4.2 Discussion

4.2.1 Assessment of the level of awareness of the Act

According to the study, majority of the PMUs now have the Act in action in their different industries. This is because PEs have been classified into three classes A, B and C. Those entities in class A are said to have an annual budget of USD $2 million or more with a high risk profile. Those classified in class B are those budgeted above USD $500 000 but less than USD $2 million with a low risk profile and the class C entities have a budget of less than USD $500 with low risk profiles (PPDPA Regulations, 2018). The revision of the regulations have eased the extent to which public procurement is managed in an efficient manner.

Introduction of the Special Procurement Oversight Committee (SPOC) for certain especially sensitive or especially valuable contracts according to section 54 of the new Act. It states that accountant general is “the person appointed in such terms of section 9 of the Public Finance Management Act (Cap 22:19)”. The committee is bound to report to the Minister and Authority, according to subsection 2, consisting of the Attorney-General, Auditor-General and Accountant-General who will license procurement officers and PMUs that engage in procurement proceedings that require review. For the purpose of licensing PMUs, the Authority
will prescribe requirements in relation to management systems, equipment, personnel and other relevant factors.

Financial thresholds according to section 10 of the Regulations have been specified with a bit of adjustments in case of construction works, goods, consultancy and non consultancy services for both domestic and international purchases for all types of procurement methods. Bid security according to section 44 has been introduced in order to deter irresponsible bids and encourage bidders to fulfil conditions of their bids. It will have to be stated in the procurement documents and imposed equally on all bidders.

Therefore, no PE can say they are not aware of the Act and its requirements because failure to comply has its penalties awaiting, Even its trading partners will have already said something about the requirements of the Act and for better access of knowledge and information, the PRAZ established a website with some standardised documents easy to access on their website as well as all the updated information that the PEs may need to know including announcements.

4.2.2 Challenges in the implementation of the PPDPA Act

According to the responses provided on the questionnaires, the PPDPA Act’s implementation was kind of problematic to some procuring entities. The challenges include untrained or poorly trained workforce on the disposal of public assets to the extent that it will take a very long time to finish the whole process whilst the asset value keeps on decreasing.

The findings also shows that interpretation of the Act varies from entity to entity because as long as there is no basic or common understanding, the users of the Act may interpret it in a way that suits their needs according to what they want the outcome to be. The study revealed that they are challenges related to professionalism, capacity, institutional and efficiency. The findings from bidder said that:
“Some professionals are not doing a professional job and cannot be disciplined. PPDPA does not have the mandate to discipline these professionals other than recommending for disciplinary action by the appointing authorities. Malpractices and unethical conduct has led to high incidences of vested interests, from the different stakeholders and insider dealings “

The participants indicated that training was rarely conducted by the few entities are not involving all the user departments to be affected by the Act. This has brought confusion among the departments because they were not imparted with expertise knowledge of how the Act is supposed to work. There are no new programmes initiated for the public procurement and disposal of public assets for the institution to develop interest in the need to improve the operations as well the betterment of the whole process in tenders.

Resistance to change due to being used to the old act that was not so specific on how exactly some specified products are to be handled. Findings also indicated that not all the procuring entities had an annual disposal plan for the procurement and disposal of public assets act in place for use and action by the PMUs.

As stipulated in PPDPA Regulation statutory instrument 5 of 2018 that, all procurement to be conducted in a manner which promotes economy, efficiency and value for money. The researchers found only 35% respondents accepting that procurement contracts awarded are signed on time and contractors are always paid on time, 15% did not know while 50% disagreed. This result indicates unsatisfactory compliance to the procurement regulations and guidelines. The researchers found that, some contracts in the sampled PDEs had not been signed and yet the bid validity period of 120 days has already expired which is contrary to PPDPA Regulation 49(3) and neither has the procurement been cancelled.
One of the bidders said “Payments are normally done late sometimes it takes the whole term or over six months and yet the users have paid their money for instance stationary payment before they are given but when you ask for the money the accounts department will tell you the government has not disbursed the money to university account”.

The s.i.5 of 2018 paves way for PRAZ to just perform their oversight role over public procuring entities who are now responsible for their own procurement where the value of things like construction works, consultancy and non-consultancy services are below a specified threshold. According to J. Adams equity theory, the belief is that employees are demotivated if they feel that their inputs are greater than their outputs. So in this case, the public procuring entities should feel that their input in the procurement processes is equally important, so the new Act addresses that. However, the records given to the Authority as per request may be forged because the Authority is no longer directly involved in the procurement processes. Monitoring from a distance may prove to be very poor and the problems may even increase more.

The interviews with bidders indicated that the PPDPA Act regulates the procurement cycle from procurement planning, approaches to the market, evaluation and award of tenders, contract management and disposal of assets but the cycle is too long and may take much time to monitor just one entity and then by virtue of all the PEs, it will be harder. Under the old Act, the State Procurement Board (SPB) conducted procurement on behalf of procuring entities (Maponga 2018). According to F.W. Taylor’s theory of scientific management which aims at reducing the level of inefficiency, he aims to advise management on the best way to increase worker performance and productivity. In this case, the Authority revised their PPDPA Act as
a way of trying to motivate the entities under their management but the whole efficiency objective may be difficult to achieve.

The Act obliges with the Authority to report annually to the parliament on its activities and functions of public procurement which needs a very long space of time to happen. This is because they will need to collect reports from all the PEs first and then compile a single detailed report for the parliament which is already not very feasible. The interviews with the bidders also show that efficiency is a challenge which affects the PPDPA and one of the bidders said:

*The PEs have a challenge of delays caused by late commencement of procurements, capacity gaps e.g. failure to consolidate submissions for approval and failure to complete procurement process for large and complex projects*

This means that an annual report may take longer because the PEs usually fail to be efficient in terms of time.

**4.2.3 Effectiveness of the new PPDPA Act**

According to the responses given on the questionnaires, a couple of changes were made to the PPDPA Act. The Procurement Regulatory Authority of Zimbabwe (PRAZ) is now a regulatory authority when it used to be just a State Procurement Board (SPB) meaning that now it is a standalone function responsible for the supervision of public procurement proceedings to ensure transparency, fairness, cost effectiveness and competition; as required by the Zimbabwean Constitution. SPB used to be the central procurement office while PRAZ is a regulatory institution and as such, PRAZ is mandate to ensure that there is compliance with the regulations by bidders and the entities by requesting some information to evaluate whether the procurement proceedings were done according to stipulated regulations.
The interview with the bidders shows that PPDA has changed the speed with which tertiary institutions procure goods and services and improved the competitiveness of the procurement processes among universities. One bidder interviewed said:

*PPDPA had changed the quality and efficiency of service delivered by the PMUs and reduced biasness in awarding of contracts by tertiary institutions as well as promoting ethical standards among institutions in procurement*

This means that the entities are already enjoying the efficiency of the Act in terms bureaucracy and speed in which procurement is being done.

The procuring entities have now been put into classes A, B and C. The A class entities are those that have an annual budget of US $2 million for example, those entities that procure medicines. Also the Army can be exempted because their products/goods can be exposing so they cannot be limited to what they should procure or not. The entities in class B are those that have an annual budget of US $500 000 to US $2 million. And class C entities are those that are held below US$500 000 which are with a low risk profile for example GMB. All this being done, it helps the entities to manage their funds effectively and efficiently so as not to run out of budget during their financial year.

About 63% of the participants show that transactions are stuck to thresholds that have been set according to construction works, goods and consultancy and non-consultancy services. For example, if the stationery requirements per transaction to be bought are exceeding a total cost of $100 000 it definitely calls for competitive bidding. This is to be done in accordance to section 31 of the Act strongly considering the Act’s objectives of procurement being done in a transparent, honest fair, cost-effective and competitive manner such that any bidder or procuring entity is expected to disclose information with regards to the procurement proceedings for scrutiny because in many cases it is the public funds at stake. The thresholds
also differs by virtue of it being domestic bidding which requires 20 working days or international bidding tagged at 40 working days for competitive bidding.

The Act also explains the procurement methods that it expects the public procuring entities to employ during their course of action and when these methods are put to use. These are in accordance to part VI sections 31, 32, 33 and 34 of the new PPDPA Act. The methods required are competitive bidding method, restricted bidding method, direct procurement method and finally request for quotations methods. These methods are fully explained with the details of the required documents also listed in the Act.

Procurement entities now have PMUs properly manned with professionals who possess proper procurement credentials. It has been levelled up such that no person has to be part of a PMU without proper procurement qualifications as compared to the past when procurement had to be done by the chosen personnel despite their experiences and expertise in the field. These PMUs now report directly to the accounting office not via any other department so as to know and understand how much they need to budget for certain products.

Standard bidding documents have been classified for consultancy and non-consultancy services, contract for goods, non-complex works and so on. This means that for all the procuring entities, a standard form of bid documents are going to be used across all public procuring entity since its readily available on the PRAZ website ready for use. It explains the terms for different type of payments of different contracts like lump sum, time based contracts and advance payments.

Instead of tenders, there is now the use of bids and the bid security now has a fixed percentage which is refundable with an establishment fee for PRAZ cash bid-bond. The bid security has been tagged between 0.1% to 2% of the budget available for the items that need to be procured. The criterion in which the percentage of the security is be tagged on is confidential information
to the bidders so that the procuring entity will not have to expose itself to the bidders. This has helped the public (bidders) to secure themselves in the process because they would have shown how serious they are willing to do business with the organisation. They are assurance of their money back if they do not win the tender but at least they would have shown interest.

The PPDPA has brought changes because there is now a SPOC (Special Procurement Oversight Committee) committee which review in terms of Section 54 of the regulations. This committee helps the entities that have been put into classes of A, B, and C who are restricted to a certain budget to procure what they need but that is beyond their budget and class, they do the procurement on their budget.

There is also an ad-hoc evaluation committee appointed on a procurement basis which is not really a standing committee. It is said not to have permanent members because once the certain procurement matter is through, the committee is dissolved. This means that the next procurement matter will have a different evaluation committee altogether. The informants said that it applies when the procurement matter is above a prescribed threshold meaning the procurements below the prescribed thresholds do not require evaluation committee.

The Act obliges with the Authority to report annually to the parliament on its activities and functions of public procurement. In terms of the new Act, bidders are now allowed to participate regardless of nationality according to section 28 subsection 1, the way in which invitation to tenders are to be publicised, standard form of requirements for bids (section 28) and proposals and how to evaluate them, access to relevant information and official documents, description of goods/services/ work being placed as a tender issue and security deposits information (section 38 of the Act) is now provided for, all in writing, according to section 36 of the Act. This had an effect of eliminating bribery, favouritism, unethical behaviour and
preferential treatment. The Authority is no longer involved in the adjudication and awarding of

tenders like before.

4.3 Chapter Summary

This chapter presented the data gathered from the participants on the effectiveness of the new
PPDPA Act on the operations of procurement management units of universities in Zimbabwe.
The participants in this study indicated their views on the effectiveness of the new PPDPA Act.
The next chapter looks at the conclusion of the research and the recommendations.
CHAPTER V
SUMMARY CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter presents the summary of findings, conclusions that have been drawn based on the analysis and discussions of findings from the previous chapter. The objectives were to assess the level of awareness of the Act, assess the challenges and evaluate the effectiveness of the PPDPA Act. This is concluded by the provision of recommendations to the topic in discussion.

5.1 Summary of findings of the study

The study aimed at investigating the effectiveness of the new PPDPA Act of procurement in Zimbabwe. The study was motivated by the interest of the researcher concerning the field and to have a better understanding of what is expected by the Act, that which is legal law and the extent to which the regulations have been effective.

5.1.1 Awareness of the PPDPA Act

Majority of the informants indicated that they were aware of the Act by the level of evaluation and insight that they put in the responses of questionnaires and interviews. This was also indicated by the informant’s knowledge of the PRAZ website where information is consolidated and updated and even some giving suggestions of having different tenders put up on the website. Most of the trading partners in the public procurement entities already know the requirements though not the full details of them which means training is required to the departments like finance, stores and legal to get a better understanding of the Act.
5.1.2 Challenges of the Act

According to the study, challenges of resistance to change, slow reaction to the act and different interpretations of the same instruction are major challenges that require the Authority to emphasize on the meaning of each of the instructions. The regulations were established but they still do not cover all areas of the procurement as well as the criteria in which the procurement methods were chosen cannot be understood clearly.

Lack of top management support in the viability of processes, integrity and difficulty in elimination of corruption in the supply chains is difficult to monitor because the entities to be monitored by one Authority which does not yet have branches. These challenges are yet to be addressed as time expires together with the Act.

5.1.3 Effectiveness of the Act

The Act have been effectiveness in the standardising of the regulatory authority, revising the thresholds, establishment of the SPOC committee, classifying the PEs, professionalising the PMUs as well as introducing g ad-hoc evaluation committee. The extent to which these issues have been upheld in this short space of time, it means that there is light at the end of the tunnel. We cannot fully measure to what extent the Act has neen effective because the users are still trying to get hold of its standing point on their operations. Turning from the old ways of conducting procurement to the new side is a process that need to be given enough time.

5.2 Conclusion

This study set out to establish the researcher made a rigorous analysis of the related literature on the effectiveness of the new PPDPA Act on the operations of procurement management units. Conclusion that follows was therefore based on the above objectives. The study concludes that The Public Procurement and Disposal of Public Assets Act have an impact on
the operations of the procurement management unit of tertiary institutions. Despite spirited attempt on public procurement and disposal of public assets to improve service delivery to the public, it was established that there were still major concerns that had not been fully implemented, the Public Procurement Reforms did not translate to quality and efficient service delivery hence hiding improvement of service delivery. Findings also showed that non-involvement of head of departments on contract management affected negatively service delivery, there is need to improve this area. There was a feeling among staff that the prolonged procurement cycles were affecting quality and service delivery this brought in dissatisfaction and demoralization because of frequent stock out. We can conclude that the PPDPA Act has been effective enough though it is still trying to stand its position in the field.

5.3 Recommendations

Based on the finding established in the study and summarized in the conclusion above it was evident that despite the public procurement reforms contain in the PPDPA of 2018 and Regulation on service delivery; there are still some gaps that are required to be addressed. This study therefore suggests that for the public procurement reforms to be more effective and improve service delivery the following is needed to be done;

- It was established that the university was promoting fair competition due to advertising tender on the print media and open for public scrutiny. This is important because this will attract many company to compete this with enhance the university getting value for money. Public procurement entities should uphold this.
- Training needs were established on all public procurement stakeholders and the disable persons to minimize wastages and expenditure.
- It was established that universities should improve the involvement of head of departments on contract management for quality and efficient service delivery.
• The study recommends that they is need to restore openness and transparency of the Tender committee the university should uphold this and improve on it.

• High compliance with procurement regulations.

5.4 Areas of further research

The research might have covered a couple of issues but further research still needs to be done to avoid generalising information. These areas may include

• The level of influence of PMUs in the implementation of the PPDPA Act
• The impact of the Disposal of Public Assets on procurement functions.
• Reasons for the selection of tendering methods chosen and explained in the Act.
• Criteria for use in making annual plans according to the PPDPA Act
REFERENCES


Adugu, P. K. (2014). Challenges to the implementation of the Public Procurement Act.


Appendix A: Questionnaire

My name is Mavunga Leah (B1542509), a final year student in Bachelor of Commerce in procurement at Bindura University of Science Education. I am carrying out a research on ‘Effectiveness of the Public Procurement and Disposal of Public Assets Act (Statutory Instrument 5 of 2018) on the operations of the procurement management unit of five selected tertiary institutions in Zimbabwe’. Please read and complete the attached questionnaire and return it. Your identity will remain anonymous. Any information given will be treated in strict confidence and will be used for academic purposes only. Your co-operation will contribute immensely to the research project and will be greatly appreciated. Kindly tick the most appropriate answer or fill in the blank spaces provided.

Key: (SD = Strongly disagree, D = disagree, N= Neutral, A= agree and SA = strongly agree,

Section A: Changes made by the PPDPA Act.

4 Are you aware of the new Public Procurement and Disposal of Public Assets (PPDPA) Act?

Yes  

No  

5 Indicate the procurement method commonly used in the tertiary institutions for bidding processes

<table>
<thead>
<tr>
<th>Bidding Method</th>
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<tr>
<td>Competitive bidding</td>
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<tr>
<td>Restricted bidding</td>
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<tr>
<td>Direct procurement</td>
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<td>Request for quotation</td>
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</table>
6 What changes have been made by the new PPDPA Act as compared to the old one?
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7 What have these changes improve in the operations of the procurement processes of the organisation?
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8 What are the changes that have been brought by the new PPDPA Act?
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9 What effects of the PPDPA Act have you noticed apparently?
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10 Please rate the following statements on the challenges brought by PPDPA Act

<table>
<thead>
<tr>
<th>Challenges brought by PPDPA Act</th>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>D</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resistance to changes</td>
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<td>Lack of commitment by top management</td>
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<td>Staff is not yet used to the new practices introduced in the new Act</td>
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<td>Training is not involving all user departments</td>
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<td>Different interpretations for the same regulations</td>
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<td>Instability of the Act in this fluctuating rates economy</td>
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</table>

11 Considering the Act now in use, can you say it has been effective enough

Yes   [ ]    No   [ ]

12 Does the PPDPA Act been useful to the public procuring entities in general?

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13 What should be done by tertiary institutions to develop knowledge on procurement and disposal of public assets?

14 Given a chance to contribute to the regulatory Act, what do you wish to change?

THANK YOU!
Appendix B: Interview guide for the Bidders

My name is Mavunga Leah (B1542509), a final year student in Bachelor of Commerce in procurement at Bindura University of Science Education. I am carrying out a research on ‘Effectiveness of the Public Procurement and Disposal of Public Assets Act (Statutory Instrument 5 of 2018) on the operations of the procurement management unit of five selected Universities in Zimbabwe’.

Interview Guide

1. Are you aware of the new Public Procurement and Disposal of Public Assets Act (s.i.5 of 2018)?

2. What are the changes that you have identified that were not in the previous regulations?

3. Does the institution promote fair competition and experience efficient service delivery?

4. Do you think these public procuring entities are doing justice to the bidders, on the transparency of their tender processes according to the newly revised Act??

5. Is there need for additional skills and competencies of procurement and disposal public asserts?

6. Can you say that you have been satisfied by the new PPDPA Act?

7. What do you wish to add on or change on the PPDA Act?

THANK YOU!