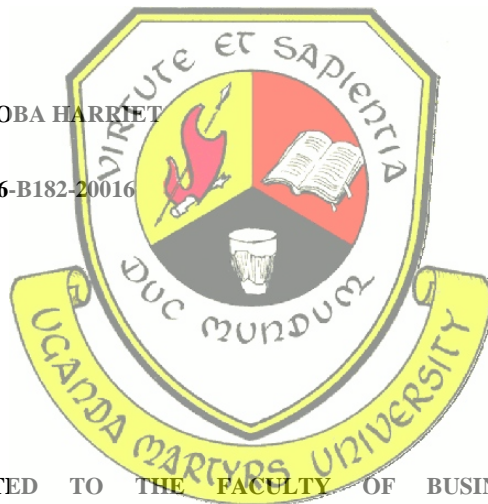


DETERMINANTS OF NON-COMPLIANCE IN PUBLIC PROCUREMENT IN UGANDA:

A CASE STUDY OF CIVIL AVIATION AUTHORITY

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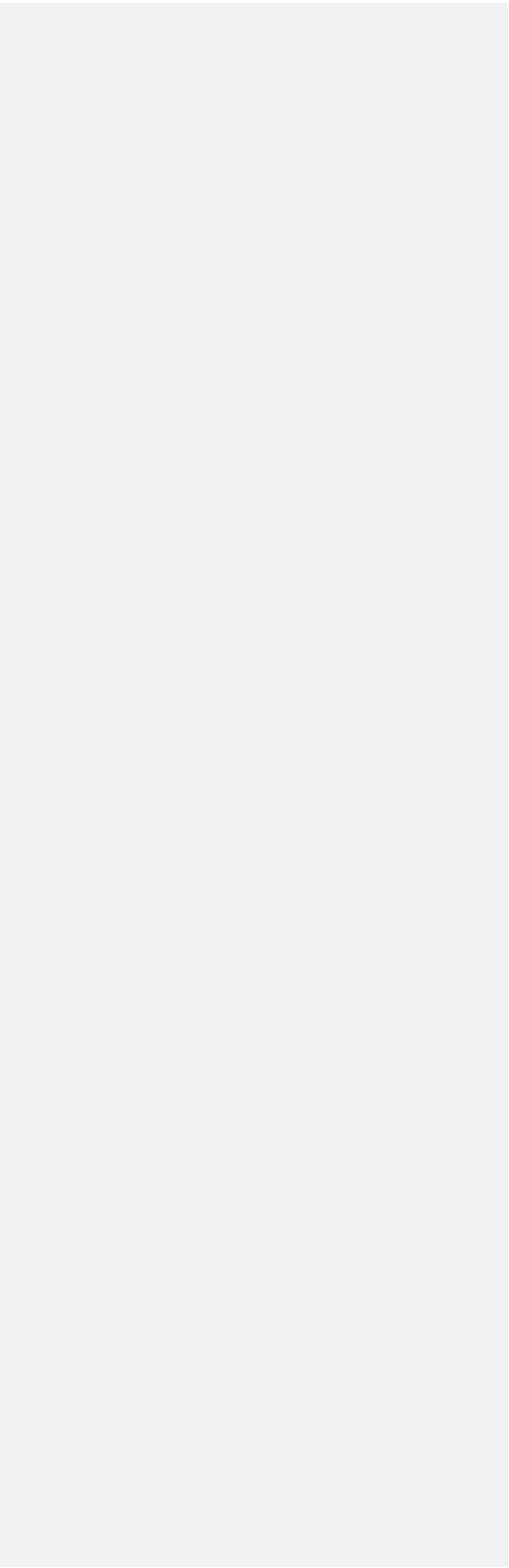
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Acronyms

| | |
|------|---|
| PDEs | Procuring and Disposing Entities |
| PPDA | Public Procurement and Disposal of Assets Authority |
| SPSS | Statistical Package for Social Sciences |

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DEDICATION

I dedicate this work to my mother, Annet Nagitta, my children Sarah Tracy Nantaba, Martha Nabisere and Christine Najjingo without forgetting my sisters and brothers who encouraged me, through their prayers from the beginning of my studies to the end of this dissertation.

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Further, I would like to thank my family members especially my husband and children for their understanding, patience and their everlasting support and encouragement in so many ways. I wish to state hereby that all deficiencies or errors that may be contained in this document are absolutely my responsibility.

ABSTRACT

The study examined the determinants of non-compliance in public procurement in Uganda. To explore the effect of professionalism on public procurement, examine the effect of familiarity on public procurement and to assess the effect of organizational culture on public procurement. The study used a case study design and the study focused on Civil Aviation Authority. The population of the study was 90 respondents and the sample size was 73 though the actual respondents were 58. The study used both qualitative and quantitative research approaches for data collection. The study indicated that there is a positive moderate relationship between professionalism and public procurement presented by 0.532. The study indicated that there is a positive relationship between familiarity and public procurement represented by 0.446. The study indicated that there is a positive relationship between organizational culture and public procurement presented by 0.316. The study concludes that the procurement officers have capacity to negotiate contracts since procurement is recognized as a profession. The study concludes that the organization has a budget to cater for continuous training of procurement officers since the organization is an association of a professional body. The study concludes that staffs are well conversant with the legal obligations to follow the procurement regulations. The study concludes that the overall knowledge of procurement rules is low among the procuring officers since there are complaints raised about the tender processes. The study concludes that sometimes public procurement regulations are ignored by the procuring officers. The study concludes that efficient communication increases commitment of procuring officers. The study concludes that organizational culture increases commitment of goals and objectives of public procurement. The study recommends that the findings will facilitate future researchers who choose to conduct empirical studies on public procurement compliance in Uganda and other geographical contexts. This will also be of significant benefit to policy makers in understanding how to improve public procurement compliance and reduce the negative consequences of non-compliance. By enhancing compliance, vast resources usually lost through non-

compliance and corruption in public procurement will be saved. This study also revealed that public procurement rule compliance generates a mixture of both negative and positive consequences. The study may guide management and policy makers in ensuring compliance in public procurement while minimizing its negative consequences such as slow service delivery due to bureaucratic delays, low employee motivation due to deprived discretion imposed by procurement rules and cognitive dissonance emanating from forced compliance.

CHAPTER ONE

GENERAL INTRODUCTION

1.0 INTRODUCTION

Gelderman et al (2006) advances reasons for non-compliance as explained by the tendency to avoid red tape involved in the procurement process hence Laws and regulations have to be respected in the organization which carry out procurement. Sewanyana, (2009) asserts that the type of goods and services procured sometimes influence the degree of compliance with the procurement regulations hence mandated compliance officers have to provide disincentives. European Commission (2007) explained that non-compliance can arise in areas of advertising procedures, application of unlawful contract award, selection criteria and insufficient or discriminatory definition of the subject-matter of the contract as well as negotiation during the award procedure. This means that in some instances contracts are awarded by open or restricted procedure but the contracting authorities negotiate with the bidders during the award procedure, except where the discussions are solely intended to clarify or supplement the content of their bids.

Public Procurement has received increased attention since organization have to ensure that they have good keeping of procurement records for accountability and transparency purpose (Thai, 2005). In order to improve the management of public procurement, many organizations seek appropriate approval for the procurement process to reduce non-compliance issues (Arrowsmith and Trybus, 2003). This is because of its sheer magnitude and used as a tool for achieving economic, social and other objectives. Arrowsmith et al (2000) stated that maintaining integrity in public procurement is one of the most important pillars of modern national procurement systems. Therefore challenges in public procurement go beyond procurement regulations to include procurement process, methods, organizational structure and work force.

The issue of public procurement non-compliance has triggered a lot of debate in recent years (Eyaa and Oluka, 2011). Despite this, Karjalainen et al (2009) contend that there are high rate of non-compliance in purchasing and supply management in public procurement. This is surprising given that public procurement has been employed as a vital instrument for achieving economic, social and other objectives. Enforcement to adhere to rules and regulations ensure compliance to public procurement rules in order to achieve compliance with the procurement rules (Zubicic and Sims, 2011). Sparrow (2000) stressed that enforcement on compliance has to be taken seriously since Non-compliance affects achievements of organization objectives and goals.

1.1 BACKGROUND TO THE STUDY

Compliance has been around as long as people have been doing business. Whenever an employer instructs employees about the law, the employer performs a compliance function. Non-compliance is a distinct concept from compliance just as researchers have shown for such opposites as love and hate and positive/negative affectivity (Lewick et al, 1998). Whereas compliance is the degree to which an agent adheres to principal's directives, policies and procedures, non-compliance is the degree to which an agent initiates deviant policies and procedures that are not approved by the principal (Dickey et al, 2007). This means that procurement officers were blamed for malpractice and non-compliance to the procurement policies and procedures.

Public procurement is government activity of purchasing goods and services to enable it perform its functions hence organization has to ensure that procurement procedures are used while acquiring goods, services and works (Arrowsmith, 2010). Arrowsmith (2010) brings in important elements of procurement namely procurement planning, contract placement and contract administration. Thai (2006) argues that public procurement deal with a wide range of issues and therefore staffs need to have knowledge about procuring goods and services. They include balancing pressure between competing socio-economic objectives and national or global competition as mandatory requirements by regional

and international trade agreements, striking a balance on issues of fairness, transparency and parity, ensuring maximum competition to ensure value for money and exploiting new technology such as e-procurement to achieve efficiency.

The enforcement of compliance to public procurement regulations may make violators more sophisticated in how to prevent, and conceal detection by the authorities since Non-compliance increases the procurement costs (Zubicic and Sims, 2011). According to Zubicic and Sims (2011), enforcement action and increased penalties lead to greater levels of compliance with laws because non-compliance causes losses to the organization. Raymond (2008) noted that bidders are allowed to verify whether the procurement processes conform to the prescribed procedures since non-compliance affects the reputation of the procuring entity.

1.2 STATEMENT OF THE PROBLEM

Audits carried out by the PPDA in the financial years 2006/2007 and 2007/2008 revealed that the levels of non - compliance with the regulations was very high and procurement regulations were being flaunted, PPDA Audit Reports (2006/2007; 2007/2008).

According to Anti-corruption Coalition Uganda (ACCU), Uganda loses Uganda Shillings 200 Billion annually, as a result of flaws in public procurement processes. This position is confirmed by the Transparency International Report (2009) on Uganda which revealed that public procurement is marred by high levels of non – compliance with procurement regulations. Procurement officers and persons involved in procurement activities use wrong methods leading to high procurement costs, poor quality purchases, late deliveries or no deliveries at all. For example, during preparations to host the Common Wealth Heads of Government Meeting (CHOGM) that Uganda hosted in November 2007, there were very many cases of non - compliance with procurement regulations. In one case, the value of the procurement to be made exceeded Uganda Shillings 100 Million and the direct procurement method was used as opposed to the competitive procurement method that ought to be used in such cases as

required by the law CHOGM Report (2010). The Global Integrity Report on Uganda (2008) contends that the majority of government contracts are not awarded according to established procurement procedures thus underpinning the argument that compliance is not observed. This situation if not checked, may lead to non-attainment of the government objectives and poor service delivery.

Despite efforts by the Public Procurement and Disposal of Assets Authority (PPDAA) to put in place measures to improve compliance (PPDA Capacity Building Strategy Report (2011-2014), compliance levels continue to be low in public entities in Uganda as indicated in procurement audits carried out in PDEs. However, there is need to understand the reasons for non-compliance. The study sought to fill the gap by explaining the determinants of non-compliance in public procurement in Uganda.

1.3 OBJECTIVES OF THE STUDY

1.3.1 GENERAL OBJECTIVES

The purpose of the study focused on the determinants of non-compliance in public procurement in Uganda.

1.3.1.1 OBJECTIVES OR SPECIFIC OBJECTIVES

- I. To examine the effect of professionalism on public procurement
- II. To examine the effect of familiarity on public procurement
- III. To examine the effect of organizational culture on public procurement

1.4 RESEARCH QUESTIONS

1. What is the effect of professionalism on public procurement?
2. What is the effect of familiarity on public procurement?
3. What is the effect of organizational culture on public procurement?

1.5 SCOPE OF THE STUDY

1.5.1 GEOGRAPHICAL SCOPE

The study was conducted at Civil Aviation Authority headquarters located at Airport Road, P. O. Box 5536, Entebbe. The choice was due to the number of procurement activities carried out in that public organization.

1.5.2 CONTENT SCOPE

The study mainly focused on professionalism, familiarity, and organization culture to find out whether non-compliance influences procurement performance management, organization behaviour, and accountability.

1.5.3 TIME SCOPE

The study considered information relating to the period of 2014-2016 in order to capture previous and latest statistics and trends to ensure reliability and validity for the presented findings.

1.6 SIGNIFICANCE OF THE STUDY

This study of reasons for non-compliance in public procurement in Civil Aviation Authority provided information to various stakeholders as follows:

The Government of Uganda through Civil Aviation Authority will benefit from the study as a source of information and foundation for the designing of policies that can help to improve and control public procurement.

The study provided lessons that may help Civil Aviation Authority to come up with appropriate measures to address problems resulting from non-compliance.

The study may provide useful findings that may be used by researchers as references for further investigations in non-compliance and public procurement management.

1.7 JUSTIFICATION OF THE STUDY

According to the procurement policies of ABA, it was noted that, the procurement of goods, works, and services has a major impact on the successful execution of a project. To a large extent the quality, cost, and timely completion of a project depend on the management of procurement.

The application of sound policies and practices, characterized by equitable, fair, and open procedures, is indispensable, not only for creating dependable and stable markets that are able to attract efficient contractors and suppliers, but also to safeguard the principle of accountability and the cost-effective use of public funds.

The realization that with managing supplies strategically, firms can save huge amounts of money, has led firms to begin to invest in this area of management (Cousins and Spekman, 2003). Thus, more and more attention is placed on purchasing activities in organizations, which has led to the restructuring of purchasing functions and the search for optimal purchasing processes in different product and service categories in different contexts (Parikh and Joshi, 2005; Laios and Moschuris, 2001).

1.8 DEFINITIONS OF KEY TERMS

Determinants of non-compliance are the reasons as to why actors disregard laws and regulations including standards and policies.

Non-compliance is the degree to which an agent initiates deviant policies and procedures that are not approved by the principal (Dickey et al, 2007).

Public Procurement is the acquisition by purchase, rental, lease, hire purchase, license, tenancy, franchise or any other contractual means of any type of works, services or supplies or any combination by a procuring entity using public funds.

Professionalism is a collection of attributes: competency, reliability and accountability, honesty and integrity, self-control, flexibility, respect for others and professional image which need to be developed over time says Penny Clarke, (2015) student Accountant. Therefore, it is the skill, good judgment and polite behaviour that is expected from a person who is trained to do a job well.

Familiarity is how well the procuring officers are aware and understand the public procurement regulations.

Organizational culture is away an organization does its activities uniquely through its particular norms, assumptions, and beliefs.

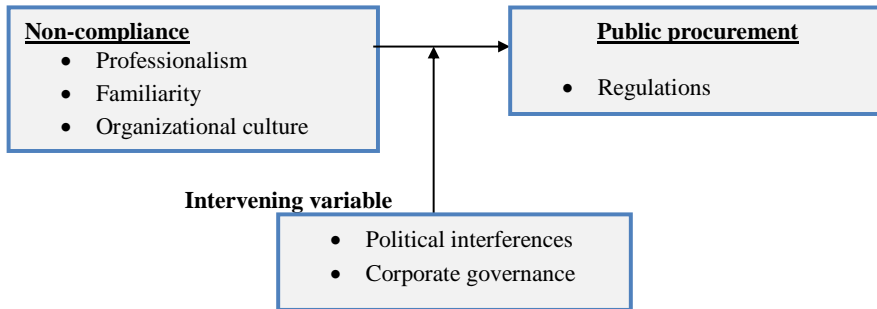
Political interference is the involvement of political leaders in carrying out of the procurement process.

Procurement Regulations are rules, laws and sanctions as enforcement mechanism in procurement.

1.9 CONCEPTUAL FRAMEWORK

To understand what determine non-compliance, it is necessary to know how political interferences and corporate governance affect public procurement. Non-compliance practices like; professionalism, familiarity and organizational culture have to be well administered and this affects the dependent variable that is public procurement in terms of regulations.

Figure 1-0 Conceptual Framework



Source: Eyaa and Nagitta (2011) and modified by the researcher (2017)

Eyaa and Nagitta (2011) assert that management of the purchasing function is seldom based on an explicit policy and therefore non-compliance is effective when procurement officers are professional, familiar with procurement rules and have a good culture. Public procurement is government activity of purchasing goods and services to enable it perform its functions (Arrowsmith (2010). Arrowsmith (2010) brings in important elements of procurement namely procurement planning, contract placement and contract administration. Thai (2006) argues that public procurement should deal with a wide range of issues.

They include balancing pressure between competing socio-economic objectives and national or global competition as mandatory requirements by regional and international trade agreements, striking a balance on issues of fairness, transparency and parity, ensuring maximum competition to ensure value for money and exploiting new technology such as e-procurement to achieve efficiency. However the relationship is affected by economic factors such as levels of poverty, inflation rate, and unemployment which can affect firm sustainability and institution policies that alter the context of management practices and the way they are implemented can either improve or affect firm sustainability.

1.10 CONCLUSION

The chapter has given an insight into the aim of the study and stated clearly the problem that led to this study. The first section is the background to the study which helps create a better understanding of the variables involved in this study. The second part identifies the gaps which exist in literature that has led to this study and clearly discuss these gaps. The third section discusses clearly the objective and scope of this study and the key terms that are be used in this study will be defined. Lastly, the conceptual framework depicts how the study variables relate to each other

CHAPTER TWO

LITERATURE REVIEW

2.0 INTRODUCTION

This study will establish the relationship between familiarity, professionalism, institutional factors and non-compliance with public procurement regulations in Uganda. The key concepts in the study problem will therefore be non-compliance and public procurement regulations. While there may be common beliefs that public procurement regulations is associated with compliance, there is need to make reference to other studies conducted in areas related to the concepts specifically, and the study problem in general. This chapter comprises the descriptions of non-compliance and public procurement regulations, actual review and the conclusion. The researcher will be expected to follow that order in order to find out the effect of non-compliance in public procurement in Uganda.

2.1 OVERVIEW OF THE VARIABLES

2.1.1 NON-COMPLIANCE WITH PUBLIC PROCUREMENT REGULATIONS

Compliance has been around as long as people have been doing business. Whenever an employer instructs employees about the law, the employer performs a compliance function. Non-compliance is a distinct concept from compliance just as researchers have shown for such opposites as love and hate and positive/negative affectivity (Lewick et al, 1998). Whereas compliance is the degree to which an agent adheres to principal's directives, policies and procedures, non-compliance is the degree to which an agent initiates deviant policies and procedures that are not approved by the principal (Dickey et al, 2007). This means that procurement officers were blamed for malpractice and non-compliance to the procurement policies and procedures.

Gelderman et al (2006) advances reasons for non-compliance as explained by the tendency to avoid red tape involved in the procurement process hence Laws and regulations have to be respected in the organization which carrying out procurement. Sewanyana, (2009) asserts that the type of goods and services procured sometimes influences the degree of compliance with the procurement regulations hence mandated compliance officers have to provide disincentives. European Commission (2007) explained that non-compliance can arise in areas of advertising procedures, application of unlawful contract award and selection criteria and insufficient or discriminatory definition of the subject-matter of the contract and negotiation during the award procedure. This means that in some instances contracts are awarded by open or restricted procedure but the contracting authorities negotiate with the bidders during the award procedure, except where the discussions are solely intended to clarify or supplement the content of their bids.

Payan and McFarland (2005) stipulate that organization processes and mechanisms are in place to encourage compliance with relevant norms hence compliance occurs when the target performs a requested action when is apathetic about it, rather than enthusiastic, and puts in only a minimal or average effort. Telgen et al (1998) asserts that management of the purchasing function is seldom based on an explicit policy and therefore non-compliance considered a strategic priority in policies. Lisa (2010) stressed that there should be reflection on culture in terms of compliance since non-compliance could arise due to failure to buy products in the right quantities and at the right specifications and prices resulting in higher total cost of ownership. This means that inefficient and ineffective procurement processes, resulting in long cycle times, opaqueness and ambiguity in the procurement process resulting in leakages and corruption are reduced.

2.1.2 PUBLIC PROCUREMENT

Public procurement is the acquisition of goods, services and works by a procuring entity using public funds (World Bank, 1995). It is also defined as the acquisition by purchase, rental, lease, hire purchase,

license, tenancy, franchise or any other contractual means of any type of works, services or supplies or any combination (PPDA Act 1, 2003, as amended 2011). Public procurement has for years been of great concern to both developed and developing countries as it shares the biggest percentage of the total expenditure. The level of compliance to procurement regulations in public procurement can therefore determine whether a government meets its goals and objectives or not as well as affect many internal and external stakeholders (Development Assistance Committee, 2005).

Public procurement is government activity of purchasing goods and services to enable it perform its functions hence organization has to ensure that procurement procedures are used while acquiring goods, services and works (Arrowsmith, 2010). Arrowsmith (2010) brings in important elements of procurement namely procurement planning, contract placement and contract administration. Thai (2006) argues that public procurement deal with a wide range of issues and therefore staffs need to have knowledge about procuring goods and services. They include balancing pressure between competing socio-economic objectives and national or global competition as mandatory requirements by regional and international trade agreements, striking a balance on issues of fairness, transparency and parity, ensuring maximum competition to ensure value for money and exploiting new technology such as e-procurement to achieve efficiency.

Public Procurement has received increased attention since organization have to ensure that they have good keeping of procurement records for accountability and transparency purpose (Thai, 2005). In order to improve the management of public procurement, many organizations seek appropriate approval for the procurement process to reduce non-compliance issues (Arrowsmith and Trybus, 2003). This is because of its sheer magnitude and used as a tool for achieving economic, social and other objectives. Arrowsmith et al (2000) stated that maintaining integrity in public procurement is one of the most important pillars of modern national procurement systems. Thai (2005) asserts that challenges in public

procurement go beyond procurement regulations to include procurement process, methods, organizational structure and work force.

2.1.3 RELATIONSHIP BETWEEN NON-COMPLIANCE AND PUBLIC PROCUREMENT

The issue of public procurement non-compliance has triggered a lot of debate in recent years (Eyaa and Oluka, 2011). Despite this, Karjalainen et al (2009) contend that there are high rate of non-compliance in purchasing and supply management in public procurement. This is surprising given that public procurement has been employed as a vital instrument for achieving economic, social and other objectives. Enforcement to adhere to rules and regulations ensure compliance to public procurement rules in order to achieve compliance with the procurement rules (Zubcic and Sims, 2011). Sparrow (2000) stressed that enforcement on compliance has to be taken seriously since Non-compliance affects achievements of organization objectives and goals.

The enforcement to compliance to public procurement regulations may make violators more sophisticated in how to prevent, and conceal detection by the authorities since Non-compliance increases the procurement costs (Zubcic and Sims, 2011). According to Zubcic and Sims (2011), enforcement action and increased penalties lead to greater levels of compliance with laws because non-compliance causes losses to the organization. Raymond (2008) noted that bidders are allowed to verify whether the procurement processes conform to the prescribed procedures since non-compliance affects the reputation of the procuring entity.

The possibility of review is also a strong incentive for procurement officials to abide by the rules (Hui et al 2011). Firms might choose to implement ineffective compliance systems if legal violations may be profitable in cases where the legal system under-enforces, either because penalties are set too low or because detection is imperfect or ineffective. This means that the threat of legal sanctions is essential to regulatory compliance and that enforcement action has a cumulative effect on the consciousness of

regulated companies and it reminds companies and individuals that violators will be punished and to check their own compliance programs.

2.2 EFFECT OF PROFESSIONALISM AND PUBLIC PROCUREMENT

De Boer and Telgen (1998) noted that cause of non-compliance is lack of professionalism and therefore professionalism in procurement activities reduces non-compliance. The PPDA Audit Report (2008) revealed that lack of professionalism was high amongst public procurement officers in Uganda and this can still be attributed to the fact that the profession is still young in Uganda. This position is confirmed by Basheka and Mugabira (2008) who state that the level of professionalism in public procurement is low or non-existent. Dobler and Burt (1996) noted that the procurement officers have capacity to negotiate contracts since procurers have specialized knowledge and often long and intense preparation including instruction in skills and methods in negotiations of procurement contracts. This means that by maintaining force of organization or concerted opinion have high standards of achievement and conduct, and committing to its members in rendering of a service.

Peterson and Van Fleet (2004) stressed that public procurement recognized as a profession hence essential features of a profession like; demonstration of competence by professional by passing a test; maintenance of integrity by adherence to a code of conduct; service provided for the public good and that the profession is organized have to be followed. The professionals must be seen as champions of efficiency and effectiveness and must acknowledge the challenges and their various forms, and their sources (Hwang and Powell, 2009). The requirements to educate professionals and equip them with new and higher-level skills have consequently become urgent (Sauber et al, 2008). This means that a professional skill ensures that tasks are performed in specific cognitive process that is related to some particular task.

Procurement professionals need to acknowledge and devise strategies for managing all these complex challenges. However, Lan et al (2005) stated that finding, hiring and retaining dedicated, energetic, and ethical employees with special skills is always hard. Professionalism is a key mechanism and a primary target of institutional change, the precise role of professions and professional service firms in processes of institutional change remain under-theorized and therefore the organization has a budget to cater for continuous training of procurement officers (Scott, 2008). Lysons (2000) assert that the evolution of professionalism in purchasing has been largely influenced by the establishment of institutions concerned with the concept of promoting professional purchasing. This means that the creation of various associations of specified purchasing knowledge and techniques thinkers in almost all disciplines.

Dickey et al (2007) explained that professionalism in public procurement allows for functionality, transparency and significant savings in public expenditure and this partly explains why organization should be an association of a professional body. It has always been argued that professionalism is assumed to be desirable and valuable in its own right (Steiner, 2001). There is a number of indicators that clearly guide the path to professionalism and these include legislative framework, Institutional framework, professional staff transparency and modernization procedures like use of information and communications technology among other adequacies. It is therefore important that all the stakeholders involved in the procurement system fully understands and coordinates work easily.

According to wisegeek (2016), a procurement professional is responsible for the purchasing activity of a business or organization, and for one to become professional, candidates must have a combination of education and work experience in procurement. In Uganda, procurement reforms intended to increase the levels of procurement professionalism have been implemented in the country since the enactment of the procurement Act Cap 2003. According to PPDA (2003) noted that training was still required at all levels, given the low levels of procurement professionalism The common areas cited for training

included; roles of all key actors in the procurement process, procurement and disposal planning, specification writing, bid evaluation, contract management and disposal of public assets.

2.3 EFFECT OF FAMILIARITY AND PUBLIC PROCUREMENT

The procurement exercise follows steps according to the PPDA of 2003. Gelderman et al (2006) noted that familiarity with regulations ensures that all the stakeholders involved in the procurement exercise obtain fair treatment in order to improve public procurement. Familiarity with regulations include; planning for the required procurement over a given period, identifying the source of the items, highlighting specifications/initiation of procurement, determination of procurement procedure, Sourcing (soliciting) offers, evaluation of offers, post qualification, commencement of contract, contract performance (delivery) and management, record keeping and accountability, payment and post contract performance (PPDA, Act, 2003). However, most of purchasers are not completely clear about these steps and public procurement and disposals regulations.

Lack of clarity and familiarity on rules is believed to increase the possibilities for hasty non-compliance (Gelderman et al, 2006). This means that compliance with the formal elements gives an indication of knowledge of rules. Rossi (2010) stressed that public purchasers will comply with rules if they perceive them as clear and if the public purchasers are educated and trained it will translate into increased compliance with the directives. Eyaa and Oluka, (2011) argued that poor non-compliance is as a result of unfamiliarity with Procurement rules hence staff have to be well conversant with the legal obligations to follow the procurement regulations. This means that the perceptions with respect to the un-clearness of the rules will influence the chance that public Purchasers will not comply with the rules.

According to De Boer and Telgen (1998), one of the factor causes of non-compliance with procurement regulations is the level of familiarity with the procurement regulations. Tukamuhabwa (2012) indicated that the high levels of non-compliance partly attributable to the complex legislative requirements since

the overall knowledge of procurement rules is low among the procuring officers. Lazarides (2011) also adds that compulsory compliance is the result of among other factors clarity or lack of vagueness of provisions. This means that the level at which goods and services should be aggregated and the treatment of discrete operating units within the same public agency. Ambiguity in the public procurement procedures may provide a chance for dubious acts including opaque tendering and discriminate supplier selection which may progress into poor compliance levels; moreover some theorists have noted that deficient familiarity of the procurement procedure by all the internal stakeholders may affect compliance (Eyaa and Oluka, 2011).

The Public Procurement and Disposal Regulations, (2003) directives provide a number of rules of conduct for the whole tendering process. It is possible that the level of familiarity with the regulations is still low. On the other hand, it is possible that those who are familiar with the regulations know it so well that they know how to beat the loopholes to their advantage. It is worth noting that the ambiguity in the public procurement procedures may provide a chance for dubious acts including opaque tendering and discriminate supplier selection which may progress into poor compliance levels. De Boer and Telgen (1998) noted that deficient familiarity of the procurement procedure by all the internal stakeholders may affect compliance hence there are complaints raised about the tender processes. The public procurement and disposal activities are conducted in a manner which promotes Transparency, accountability and fairness in the procurement process. Procedures in public procurement are time consuming in combination with much paper work (De Boer and Telgen, 1998). These procedures are criticized because they are not in line with best practices relating to Purchasing Processes.

According to Lian and Laing (2005), it is believed that most efficient purchasing mechanisms may not be open to competitive tendering. Procurement directives prohibit negotiation during and after the tender procedure and this is a form of the inefficiency of rules. Sometimes public procurement regulations are ignored by the procuring officers for the case of complex procurement, it's argued that

there is a good commercial reason for carrying out negotiation with firms at all stages of purchasing process (Arrowsmith, 1998). Though procurement regulations outlaws negotiations, procurement directives bars any extension of contracts without going to the market, but in the practical context public buyers prefer to renew a contract rather than issuing new contracts (Jones,1997). Gelderman (2006) noted that professional buyers would rather exclude poor performing suppliers from the tendering procedure since they are counterproductive and makes the procurement and tendering process cumbersome for no justifiable reason.

2.4 ORGANIZATIONAL CULTURE AND PUBLIC PROCUREMENT

Organizational culture is often explained as the way things are done (Bower, 1966) Dickson et al, (2004) noted that factors that affect the creation and evolution of organizational culture, include presence or absence of competitors, economic conditions, nature of the business, and nature of the employee. This probably implies that the way of life in an organization is determines how an organization is structures and how the structure help management to achieve their goals. The culture is viewed as the humanizing element of corporate business which helps to establish expectations between employees and the organization in line with sales volume (Haberberg and Rieple, 2008). The organizational culture foster trust, facilitates communications, and builds organizational commitment which lead to improvement in public procurement

Organizational culture also has a direct influence on procurement cost. This is depicted by Koontz (2010) who argues that companies are faced with the need for a system that reduces costs and coordinates sales and marketing service efforts to provide a positive experience for their customers. As companies attempt to shed old habits and begin to view procurement as a strategic resource from which a competitive advantage can be gained, there is a great deal of corporate baggage that must be shed. According to Arrowsmith and Trybus (2003), in preparation of Procurement Plans user departments are required to conduct a need analysis in order to identify and evaluate needs of respective units to inform

decisions on resource allocation, grant funding, and planning. This means that the process of analyzing procurement needs involves looking at the overall objectives of the organization, performance contracts, legal requirements, expectations and requirements of other interested parties.

According to Owens and Valesky (2007) Culture in an organization is developed over a period of time and this takes on particular norms, assumptions, and beliefs which influence public procurement. This implies that the behaviors of procurers are influenced by individuals' interaction with the intangible characteristic of the organization's environment. Persons in procurement department will approach internal and external problems with a consistent set of solutions that has continually worked for the group through efficient communication which increases commitment of procuring officers (Lawal, 2005). New members are taught the inner workings of the solutions as the right way to perceive and think about problems and this leads to improvement in public procurement process (Davoudi, 2013).

Organizational culture increases commitment of goals and objectives of public procurement since the basic assumptions and beliefs are shared by members of the organization, and direct the way in which procurement processes are approached (Owens and Valesky, 2007). Organization should promote a supportive procurement culture which is internally oriented and reinforced culture where core beliefs of the organization are entrusted to procurement officers through commitment (Sok et al, 2014). This means that management through supportive culture has to ensure there is a balance between work-home relationship and an organization should be mindful of the extent to which organizational culture impacts on employees' home lives, as well as work lives and take an action to shape it immediately in order to improve public procurement.

Ritchie (2000) pointed out that motivational instrument which promotes the employees to perform smoothly and ensures better productivity should be availed and the organization should focus on specific areas that strengthen leadership as perceived by personnel. For example, Tharp, (2009) emphasized the stages of culture across the organization should focus on how culture makes an impact

on employees' psychology and commitment. Haberberg and Rieple (2008), organizational culture encompasses the shares, articulates, or not articulates values, beliefs, and behaviors which contribute to employee commitment to achieve business goals. This means that an organizational culture is viewed as a factor that guides behavior and shapes organizational decision-making. The organization has to focus on the relationship with suppliers and community by taking corrective actions when procurement officer's behavior become unacceptable to the organization (Heskett, 2011).

Hofstede and Peterson (2000) argue that societal cultures are differentiated by values whereas organizational cultures are differentiated by practices. Dickson et al, (2004) presume that cultural dimensions operate at both the society as well as the organizational level and that the same concept can be used for both societal and organizational levels. Herseovitch et al (2002) noted that organizational culture is linked to employees' commitment to organization. Employee commitment ensures that employee identifies with the organization and wants to continue actively participating in public procurement (Nystrom, 1993). Lau and Idris (2001) affirmed that organizational culture through communication increases commitment because it reflects the relative strength of employees' attachment or involvement with the organization.

2.5 POLITICAL INTERFERENCE, NON-COMPLIANCE AND PUBLIC PROCUREMENT

Public procurement is considered an inherently a politically sensitive activity (Schapper et al; 2006). Murray (2009) contended that in public procurement, managers take on the role of agent for elected representatives and therefore procuring officers have to be given autonomy to make independent decisions. However, Pillary (2004) argues that senior officials and political leaders use public office for private gain and this has weakened the motivation to remain honest. Raymond (2008) stressed that professional and job-related responsibilities should be placed before political interests or individual interests since ministers and political parties receive clandestine payments in government procurement. This ultimately interferes with the procurement process and constrains compliance.

Lodhia and Burritt (2004) recognize that social and political influences have an important bearing on economy since political interference ensures equitable distribution of resources in neglected areas. This means that one of the major obstacles to the procurement system is ministerial interference with the tender process where ministers intervene and influence tender awards. The threat of being suspended or fired has in many cases intimidated public officers into obeying illegal ministerial directives leading to non-compliance (Akech, 2005). Hui et al (2011) asserted that interference from the local politicians, businesspersons, members of parliament and very influential top management individuals has interrupted the procurement processes and deterred transparency.

In Uganda, many political figures especially government ministers have been implicated in high value procurement related scandals such as the US\$550 million Bujagali Dam hydro-electric project (Prayas Energy Group, 2002), CHOGM Summit in which 1.6 billion Ugandan shillings was lost in dubious deals, Global fund scandal , the influence peddling in the purchase of Temangalo land by National Social Security Fund and the political interference and conflict of interest in the procurement of a communication system in which the contract was inflated by about 4.1 billion Ugandan shillings (The Monitor 15th November, 2010). Coviello and Gagliarducci (2010) further stated that political influence in public sector management limits information, transparency and favour is extended without management being held to account and there has to be regular reviews to ensure probity is being considered and achieved.

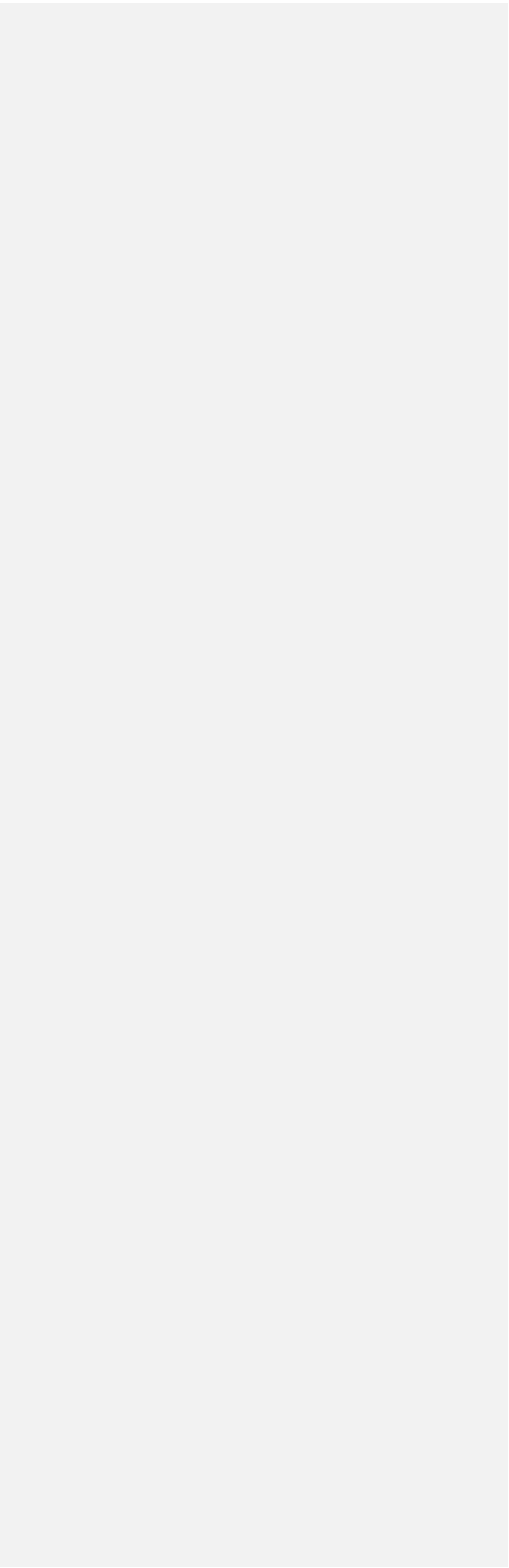
2.6 CORPORATE GOVERNANCE, NON-COMPLIANCE AND PUBLIC PROCUREMENT

According to Collier (2002), corporate governance refers to the mechanisms by which corporations are directed and controlled, and by which those who direct and control corporations are monitored and supervised and made accountable for their actions. Collier (2002) further maintains that enforcement has a greater regulatory impact beyond the violators and reminds directors and others involved in corporate management of their responsibilities and the risks attached to a failure to fulfill those

responsibilities. Imperato (2005) also argues that enforcement action aiming at ensuring compliance plays an important role in corporate governance because cost saving in public procurement expenditure enhances national economic growth.

To ensure that effective corporate governance standards are employed and corporate scandals are best prevented, frequent monitoring and enforcement should be ensured by taking proactive actions to ensure continuous supply of scarce resources (Proimos, 2005). This should consist of setting the rules and effectively monitoring compliance and enforcement to public procurement regulation (Okeahalam, 2004). Similarly, Eyaa and Oluka, (2011) stated that complying with the new procurement and disposal law automatically improves governance since better pay and other incentives to procurement officers improve public procurement management. It was also asserted that the external drivers of good corporate governance are laws, rules and institutions that provide a competitive playing field and discipline the behaviour of managers and shareholders (Okeahalam, 2004).

Hui et al (2011) stipulates that efficient and effective public procurement management is one of the most effective preventive mechanisms for it promotes transparency and accountability, health, facilitates oversight and provides a good basis to prevent corruption. Rossi, (2010) noted that formal controls must first be defined, agreed, and applied top-down internally within an organization if they are to be effective. An organization with a genuine commitment to legal compliance is evidenced by top management's dedication to ethical corporate behavior (Krawiec, 2003). As cited in Heneghan and O'Donnell, (2007), a compliance culture in an organization must start in the boardroom and should be reflected and evidenced in directors' own behaviours and attitudes. Obanda, (2010) stipulated that strong institutional support at top levels of government is needed by procurement personnel in order to promote integrity, monitor the public procurement process and apply procurement law appropriately.



2.7 CONCLUSION

In this chapter the researcher has reviewed literature and has established that non-compliance is a vital element for public procurement and therefore should be taken with great consideration since they are a central element to their public procurement.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 INTRODUCTION

In this chapter, the researcher discusses methodology of the study including the source of data, sample and sampling techniques, data instrument, data distribution and collection as well as data management and analysis are described in this section. To be able to accomplish the task at hand, there was a need to gather adequate and comprehensive data on the determinants of non-compliance on public procurement. This chapter seeks to explain the research instruments that were used in collecting data, the population of the research, sampling procedure, the type of data collected and the difficulties encountered during the research.

3.1 RESEARCH DESIGN

The research design expresses both the structure of the research problem framework organization and configuration of relationships among the variables of study and the plan of investigation used to obtain empirical evidence of the relationships (Cooper and schindler 2006). The study adopted a case study design. The study adopted both qualitative and quantitative approaches. Under the quantitative methods the researcher used questionnaires that were filled by respondents and she analyzed the data using proceedings and then presented the data in narrative quotations. The qualitative method focused on collecting descriptive information where data was collected using interview guides, analyzed using Microsoft excel and then presented in a table or in figures. The qualitative approach facilitated in depth understanding of the variables obtained from those directly involved with it. The quantitative, facilitated the establishment of relationship and manipulation of figures.

3.2 STUDY POPULATION

The research population is a group of individuals, objects, or items from which the items are taken for measurement (Kumar, 2005). The population of the study included the Marketing Department, Production Department, Accountants and Procurement Department from Civil Aviation Authority headquarters at Entebbe. The target population of this study comprised of 90 respondents (Human Resource Report, 2016).

Commented [A1]: Capitalise the first words ... Marketing Department m Production Department , Accountants Department etc

3.3 STUDY AREA

The study was conducted at Civil Aviation Authority at headquarters located at Airport Road Entebbe. The area of the research study was specifically chosen because of the number of procurement activities carried out in that public organization.

3.4 SAMPLE SIZE AND SELECTION

For ease of sampling in this study, the population size was 90, the sample was 73 basing on Krejcie and Morgan table (1970) which was used.

3.4.1 SAMPLING PROCEDURES

Sampling is a procedure of selecting a part of population on which research can be conducted and draw general conclusion from the study. Researchers have developed a number of techniques where only a sample portion of the total population is sampled and attempts to generalize the results and conclusion for the entire population. This study employed Krejcie and Morgan table (1970) to determine the sample size.

3.5 SAMPLING TECHNIQUES

According to Amin (2005), sampling technique is the process of selecting elements from a population in such a way that the sample elements selected represents the population for data collections. For this research, a simple random sampling technique was used while sampling. This method was used since it helped the researcher to get information from different people from different departments of the organization. The study also used purposive sampling technique. The purposive sampling method was used because it allows the researcher to select certain respondents for their ability to supply certain kinds of required information.

3.6 DATA COLLECTION METHODS AND INSTRUMENTS

Data collection refers to the systematic process of gathering research data on a given phenomenon (Amin, 2005). The researcher used both primary and secondary data collection methods. Both qualitative and quantitative were used to assess determinants of non-compliance on public procurement.

3.6.1 QUESTIONNAIRE

Kumar (2005) defines a questionnaire as a written list of questions, the answers to which are recorded by the respondents. It is a device for gathering information consisting of a list of questions or statements calling for information from the respondents. Usually the respondent writes in the spaces provided on the form as guided by the researcher. The questionnaire was used because of its ability to produce data which deals with the topic in depth (Westernland, 2013). Marciniak (2013) further argues that a questionnaire is advantageous because it is free from bias of the interviewee since answers are in the respondent's own words and large samples can be used and thus the results can be more valid and reliable. Self-administered questionnaires covering all the aspects of the study variables and

accompanied within a five point likert scale response continuum, that is 5= strongly agree, 4=agree, 3=undecided, 2=disagree and 1= strongly disagree, was used for this study to collect data responses.

3.7 DATA MANAGEMENT AND ANALYSIS

This involves organizing and arranging data into meaningful information that may be easily understood and retrieved when needed. The format of a typical five level likert item, for example could be (1) Strongly disagree, (2) Disagree, (3) Not Sure, (4) Agree, (5) Strongly agree. Likert scaling is a bipolar scaling method measuring either positive or negative response to a statement. This is what the researcher used to measure the independent and dependent variables to find out whether there is a positive or negative relationship between them. Findings were presented in form of tables and pie charts. This was done by the help of computer programs called SPSS Version 16 and Microsoft word. These were used to present the data collected in tabular form in order to identify the similarities and differences between the variables and finally use of inferential statistics to derive conclusion.

3.7.1 QUALITATIVE DATA ANALYSIS

This was sought into themes, say categories and patterns. This enabled the researcher to make general statements in terms of the observed attributes hence conceptualization according to Saunders, (2009).

3.7.2 QUANTITATIVE DATA ANALYSIS

Data from questionnaires was summarized, coded, tabulated and analyzed. Editing was done to improve the quality of data for coding. Coded data was then fed into the statistical package for social sciences (SPSS) which was selected for analysis since it offers a more user friendly interface and is easily be linked with Microsoft utility programs. Descriptive statistics were employed to analyze the data. According to (Cooper et al, 2001) descriptive statistics reveal characteristics of an array of data and enable the researcher to use few indices or statistics to meaningfully describe the phenomenon

under investigation. Descriptive statistics such as mean scores, standard deviation, correlation analysis and regression were presented in tables and pie charts.

3.8 QUALITY CONTROL METHODS

3.8.1 DATA VALIDITY

Data validity was ensured through subjecting the drafted tools such as the questionnaire to be reviewed by the supervisor before being granted permission to go ahead to collect data. The researcher also ensured that the right questions for the study are asked basing on the objectives. The researcher computed the content valid index to verify the validity of information obtained from the field. The formula for determining CVI:

Number of Valid items on a questionnaire

Total number of items on a questionnaire

29/37

0.78

The information obtained from the field was valid since it is above the coefficient of 0.7. This means that the information obtained from the field is valid.

3.8.2 DATA RELIABILITY

Judith, (2005) defined data reliability as the degree to which an assessment tool produces stable and consistent results. To ensure data reliability, the researcher administered data collection instrument which is questionnaires and their results were compared. Reliability of the instrument was ensured through pre-tests. The researcher computed Cronbach alpha coefficient using SPSS to determine the validity of the acquired information from the field.

Table 1: Reliability Statistics

| Items | Cronbach's Alpha | N of Items |
|------------------------|------------------|------------|
| Professionalism | .981 | 5 |
| Familiarity | .723 | 5 |
| Organizational culture | .817 | 5 |
| Public procurement | .768 | 5 |

Source: Primary Data (2017)

The finding revealed that the information is reliable since it was above the coefficient determinant of 0.5. This means that the information obtained from field can be relied on.

3.9 ETHICAL CONSIDERATIONS

The identity of individuals from whom information was obtained in the course of the research was strictly kept confidential. No information revealing the identity of any individual was included in the final report. Also, no pressure or incentive of any kind was used to encourage an individual to become a subject of research.

The researcher ensured that participation of participants is voluntary not to have forced them, the researcher also debriefed the recipients before the data was collected from them.

3.10 LIMITATIONS OF THE STUDY

The issue of finances limited the research, in that case, the researcher did not have enough funds to facilitate various activities like printing, transportation for various trips to the study area, and this was minimized by reducing on trips to the field

The outcomes were based on the information got from the respondents and therefore subjected to human errors, omissions, and possible misstatements.

However, in spite of the above, the researcher ensured that the research meets all the relevant requirements for scientific research and thereby reducing errors to the barest minimum if not eradicate them completely.

3.11 CONCLUSION

This chapter addressed the methodology that was employed in conducting the research. The methodology basically involved the methods that were used in carrying out the research. The next chapter will therefore present the findings and their analysis and interpretation. The researcher in this chapter will also get an understanding on how data will be collected and analyzed during the study. This will include understanding the population and the sample size which will be sampled during the research. Therefore, through these methods, the researcher believes the information to be presented will be of a required result that is valid and reliable.

CHAPTER FOUR

PRESENTATION, INTERPRETATION AND ANALYSIS OF FINDINGS

4.0 INTRODUCTION

This chapter presents the field findings, the analysis of the findings and interpretation of the data collected, these findings are presented in form of tables and graphs. The study was composed of 73 questionnaires that were issued during data collection, 58 questionnaires were returned giving a response rate of 79%.

4.1 BACKGROUND OF THE RESPONDENTS

The researcher examined the respondents' gender, age group, education level, department and the duration in the organization.

4.1.1 GENDER OF THE RESPONDENTS

The study determined gender of respondents and the findings below relate to gender.

Table 2: Gender of respondents

| | Frequency | Percentage |
|------------|-----------|------------|
| Valid Male | 38 | 65.5 |
| Female | 20 | 34.5 |
| Total | 58 | 100.0 |

Source: Primary Data. (2017)

The results presented above show that 38(65.5%) of respondents were males and 20(34.5%) were females. This may imply that during the research most of the respondents were males since they were approachable and could give their views without hesitation.

4.1.2 AGE OF RESPONDENTS

The age of respondents was established and the results are represented below

Table 3: Age range of respondents

| | Frequency | Percentage |
|-------------------|-----------|------------|
| Valid 18-25 years | 16 | 27.6 |
| 26 – 35 years | 22 | 37.9 |
| 36 – 45 years | 20 | 34.5 |
| Total | 58 | 100.0 |

Source: Primary Data (2017)

The findings revealed that 22(37.9%) of respondents were aged 26-35 years followed by those between 36-45 years 20(34.5%), and finally those between 18-25 years 16(27.6%). This possibly indicates that majority of respondents are mature enough to work with organization and this age is self driven since they have a target to achieve in terms of improving their standard of living.

4.1.3 DURATION IN THE ORGANIZATION

The study established the duration respondents have spent working for organization

Table 4: Duration in the organization

| | Frequency | Percentage |
|-----------------|-----------|------------|
| Valid 0-5 years | 36 | 62.1 |
| 6-10 years | 16 | 27.6 |
| 10-15 years | 6 | 10.3 |
| Total | 58 | 100.0 |

Source: Primary Data (2017)

The findings revealed that 36(62.1%) have worked with the organization for 0-5 years, 16(27.6%) for a period of 6-10 years 6(10.3%) for a period exceeding 10-15 years. This can imply that almost all the respondents had worked for some time in the organization and therefore they have knowledge about Non-compliance and its effect on public procurement since they provided valid data. This is possible since the airport expansion has led to expansion of operations which require additional labour who are competent to keep their jobs for this particular period since incompetence result in termination of job offer.

4.1.4 DEPARTMENTS RESPONDENTS BELONG

The study established the departments of respondents in the organization

Table 5: Departments respondents belong

| | Frequency | Percentage |
|-------------------|-----------|------------|
| Valid Procurement | 24 | 41.4 |
| Accounts | 13 | 22.4 |
| Administration | 21 | 36.2 |
| Total | 58 | 100.0 |

Source: Primary Data (2017)

The study depict that 24(41.4%) respondents belonged to procurement department, 21(22.4%) respondents belonged to administration department and 13(22.4%) respondents belonged to Accounts department. This illustrate that highest proportion of respondents belong procurement department since they are more involved in setting procurement regulations.

4.1.5 EDUCATION LEVEL OF RESPONDENTS

The researcher noted the academic qualification of respondents so that she could establish whether the people operating and managing the organization are technically skilled and also whether they have acquired formal education.

Table 6: Education level of respondents

| | Frequency | Percentage |
|---------------|------------------|-------------------|
| Valid Diploma | 17 | 29.3 |
| Degree | 20 | 34.5 |
| Masters | 12 | 20.7 |
| Others | 9 | 15.5 |
| Total | 58 | 100.0 |

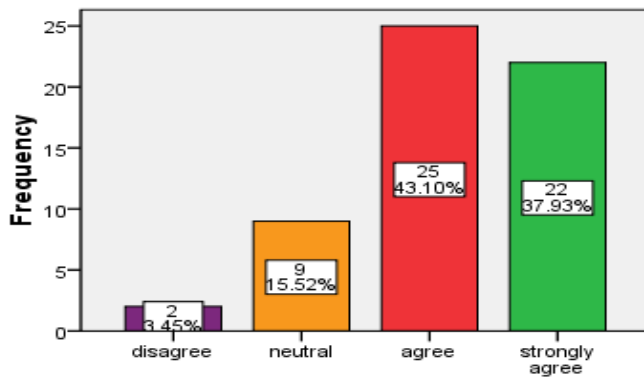
Source: Primary Data (2017)

The field findings revealed that those that had attained degree were 20(34.5%), diplomas were 17(29.3%), masters were 12(20.7%) and finally other qualifications were 9(15.5%). This possibly implies that the majorities of the employees had attained University education with degree and masters and therefore they fully understood the concept of Non-compliance and public procurement and in addition people who are required to work at the airport are beyond diploma level.

4.2 DETERMINANT OF NON-COMPLIANCE

The study examine determinant of non-compliance, the findings are in regards with the respondents' feedback from the field. The study analysis was arranged into those who strongly agreed and agreed as a category of those who support the statement, those who strongly disagreed and disagreed as a category of those who are against the statement and those who were neutral as a category of the undecided.

Graph 1: Opinion of respondents on determinants of non-compliance



Source: Primary Data (2017)

The field data indicated that 47(81%) respondents tend to agree that they have positive opinion of determinants of non-compliance, 9(15.5%) disagreed and 2(3.5%) of the respondents are indecisive. This is in line with Telgen et al (1998) who assert that management of the purchasing function is seldom based on an explicit policy and therefore non-compliance considered a strategic priority in policies. This possibly means that non-compliance can affect procurement performance.

The study further established that respondents determined determinant of non-compliance and the findings about their views are illustrated in Table 7

Table 7: Determinant of Non-Compliance

| Level of agreement | Strongly disagree | Disagree | Neutral | Agree | Strongly agree |
|--|--------------------------|-----------------|----------------|---------------|-----------------------|
| Laws and regulations are respected in the organization | 0 (0%) | 2 (3.4%) | 13 (22.4%) | 32 (55.2%) | 11 (19%) |
| Organization processes and mechanisms are in place to encourage compliance with relevant norms | 1 (1.7%) | 2 (3.4%) | 6 (10.3%) | 14 (24.1%) | 35 (60.3%) |
| Reflection on culture in terms of compliance | 0 (0%) | 2 (3.4%) | 17 (29.3%) | 27 (46.6%) | 12 (20.7%) |
| Mandate compliance officers to provide disincentives | 2 (3.4%) | 2 (3.4%) | 12 (20.7%) | 29 (50%) | 13 (22.4%) |

Source: Primary Data (2017)

The findings may imply that 43(74.1%) agreed that Laws and regulations are respected in the organization, 2(3.4%) disagreed with the statement and 13(22.4%) were indecisive in their opinions. This is in line with Gelderman et al (2006) who advances reasons for non-compliance as explained by the tendency to avoid red tape involved in the procurement process hence laws and regulations have to be respected in the organization while carrying out procurement. This can possibly mean that Laws regulations are respected in the organization.

The field data collected indicated that 49(84.4%) agreed with the statement that organization processes and mechanisms are in place to encourage compliance with relevant norms, 5.1(12.5%) disagreed with the statement and 6(10.3%) neither agreed nor disagreed with the statement since they were indecisive. This concurs with Payan and McFarland (2005) who stipulate that organization processes and mechanisms are in place to encourage compliance with relevant norms hence compliance occurs when the target performs a requested action when is apathetic about it, rather than enthusiastic, and puts in

only a minimal or average effort. This can possibly mean that organization processes and mechanisms are in place to encourage compliance with relevant norms.

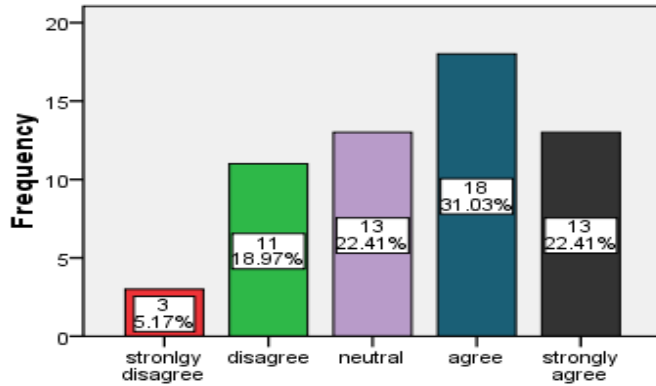
The study indicated that 39(67.2%) agreed with the statement that reflection on culture in terms of compliance, 13(16.3%) respondents disagreed with the above statement and 10(12.5%) respondent were undecided about the statement. This is supported by Lisa (2010) who stressed that there should be reflection on culture in terms of compliance since non-compliance could arise due to failure to buy products in the right quantities and at the right specifications and prices resulting in higher total cost of ownership. This can probably mean that there should be reflection on culture in terms of compliance.

The findings revealed that 42(72.4%) of the respondents agreed that mandate compliance officers to provide disincentives, 4(6.8%) of the respondents disagreed with the statement and 12(20.7%) respondents neither agree nor disagree with the statement. This is in agreement with Sewanyana, (2009) who asserts that the type of goods and services procured sometimes influences the degree of compliance with the procurement regulations hence mandated compliance officers have to provide disincentives. This can probably mean that mandated compliance officers provide disincentives.

4.3 PUBLIC PROCUREMENT

The study examined public procurement; the findings are in regards with the respondents' feedback from the field. The study analysis was arranged into those who strongly agreed and agreed as a category of those who support the statement, those who strongly disagreed and disagreed as a category of those who are against the statement and those who were neutral as a category of the undecided.

Graph 2: Opinion on public procurement



Source: Primary Data (2017)

The findings indicated that 31(53.4%) respondents had a positive opinion on public procurement in the organization, 14(24.1%) disagreed with the statement and though 13(22.4%) were not decisive about the subject matter because they were not sure in their opinions. This is explained by Development Assistance Committee, 2005) which noted that the level of compliance to procurement regulations in public procurement can therefore determine whether a government meets its goals and objectives or not as well as affect many internal and external stakeholders. This can probably mean that respondents understand public procurement

The study further emphasized that respondents determined organization and the findings about their views are illustrated in Table 8 below:

Table 8: Public Procurement

| Level of agreement | Strongly disagree | Disagree | Neutral | Agree | Strongly agree |
|--|-------------------|----------|---------|---------|----------------|
| The organization uses procurement procedures while acquiring goods, services and works | 0 | 2 | 9 | 14 | 33 |
| | (0%) | (3.4%) | (15.5%) | (24.1%) | (56.9%) |
| The staff has knowledge about procuring goods and services | 0 | 2 | 10 | 28 | 18 |
| | (0%) | (3.4%) | (17.2%) | (48.3%) | (31%) |
| The organization has good keeping of procurement records | 1 | 2 | 6 | 26 | 23 |
| | (1.7%) | (3.4%) | (10.3%) | (44.8%) | (39.7%) |
| The organization seeks appropriate approval for the procurement process | 1 | 6 | 17 | 21 | 13 |
| | (1.7%) | (10.3%) | (29.3%) | (36.2%) | (22.4%) |

Source: Primary Data (2017)

The findings can imply that 47(81%) agreed with a statement that the organization uses procurement procedures while acquiring goods, services and works, 2(3.4%) respondents disagreed with the statement and 9(15.5%) respondents were undecided about the statement. This is in line with Arrowsmith (2010) who stated that Public procurement is government activity of purchasing goods and services to enable it perform its functions hence organization has to ensure that procurement procedures are used while acquiring goods, services and works. This can possibly mean that the organization uses procurement procedures while acquiring goods, services and works.

The findings possibly imply that 46(79.3%) respondents agreed with the statement that the staffs have knowledge about procuring goods and services, 2(3.4%) respondents disagreed with the statement and though 10(17.2%) respondent were undecided about the statement. This is in agreement with Thai (2006) who stressed that public procurement deal with a wide range of issues and therefore staffs need

to have knowledge about procuring goods and services. This can probably mean that the staffs have knowledge about procuring goods and services

The field data collected indicated that 49(84.5%) respondents agreed with the statement that the organization has good keeping of procurement records, 3(5.1%) respondents disagreed with the statement and though 6(10.3%) respondents neither agree nor disagree with the statement. This concurs with Thai (2005) who noted that public Procurement has received increased attention since organization have to ensure that they have good keeping of procurement records for accountability and transparency purpose. This can possibly mean that the organization has good keeping of procurement records.

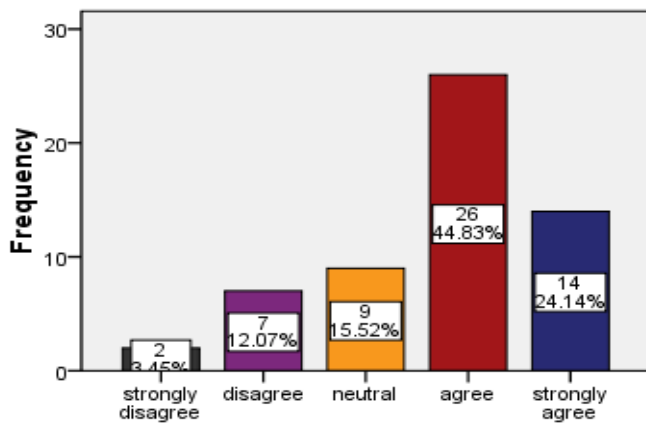
The study indicated that 62(58.6%) of the respondents agreed that the organization seeks appropriate approval for the procurement process, 7(12%) of the respondents disagreed with the statement and however 17(29.3%) of the respondents were not sure about the statements since they were undecided. This is supported by Arrowsmith and Trybus (2003) who explained that in order to improve the management of public procurement, many organizations seek appropriate approval for the procurement process to reduce non-compliance issues. This can probably mean that the organization seeks appropriate approval for the procurement process.

4.4 OPINIONS OF NON-COMPLIANCE AND PUBLIC PROCUREMENT

The study examined opinions of non-compliance and Public procurement; the findings are in regards with the respondents' feedback from the field. The study analysis was arranged into those who strongly agreed and agreed as a category of those who support the statement, those who strongly disagreed and disagreed as a category of those who are against the statement and those who were neutral as a category of the undecided.

Graph 3: Opinions of Non-compliance and Public Procurement

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Source; Primary Data (2017)

The findings indicated that 40(68.9%) respondents agreed that compliance improves public procurement, 9(15.5%) of the respondents disagreed with the statement and however 9(15.5%) were neutral with the statement. This is in agreement with Zubcic and Sims (2011) who noted that enforcement to adhere to rules and regulations ensure compliance to public procurement rules in order to achieve compliance with the procurement rules. This possibly means that compliance improves public procurement

The study further emphasized that respondents determined opinion of non-compliance improves public procurement and the findings about their views are illustrated in Table 9 below:

Table 9: Opinions of Non-compliance and Public Procurement

| Level of agreement | Strongly disagree | Disagree | Neutral | Agree | Strongly agree |
|--|-------------------|--------------|---------------|---------------|----------------|
| Non-compliance affects achievements of organization objectives and goals | 1 (1.7%) | 8 (13.8%) | 15 (25.9%) | 21 (36.2%) | 13 (22.4%) |
| Non-compliance increases the procurement costs | 1 (1.7%) | 3 (5.2%) | 12 (20.7%) | 23 (39.7%) | 19 (32.8%) |
| Non-compliance affects the reputation of the procuring entity | 1 (1.7%) | 2 (3.4%) | 6 (10.3%) | 17 (29.3%) | 32 (55.2%) |
| Non-compliance causes losses to the organization | 4 (6.9%) | 11 (19%) | 15 (25.9%) | 15 (25.9%) | 13 (22.4%) |

Source: Primary Data (2017)

The findings estimated that 34(58.6%) agreed that non-compliance affects achievements of organization objectives and goals, 9(15.5%) respondents disagreed with the statement and 15(25.9%) respondents were undecided. This is in line with Sparrow (2000) who stressed that enforcement on compliance has to be taken seriously since non-compliance affects achievements of organization objectives and goals. This can possibly mean that non-compliance affects achievements of organization objectives and goals.

The findings may imply that 42(72.5%) respondents agreed that non-compliance increases the procurement costs, 4(6.9%) respondents disagreed with the statement and 12(20.7%) respondent were undecided about the statement. This is in agreement with Zubcic and Sims (2011) who stressed that the enforcement to compliance may make violators more sophisticated in how to prevent, and conceal detection by the authorities since non-compliance increases the procurement costs. This can probably mean that non-compliance increases the procurement costs.

The findings can imply that 49(84.5%) respondents agreed that non-compliance affects the reputation of the procuring entity, 4(5.1%) respondents disagreed with the statement and 6(10.3%) respondents neither agree nor disagree with the statement. This is supported by Raymond (2008) who noted that bidders are allowed to verify whether the procurement processes conform to the prescribed procedures since non-compliance affects the reputation of the procuring entity. This can possibly mean that non-compliance affects the reputation of the procuring entity.

The findings possibly imply that 28(48.2%) respondents agreed that non-compliance causes losses to the organization, 15(25.9%) of the respondents disagreed with the statement and 15(25.9%) of the respondents were not sure about the statements. This concurs with Zubcic and Sims (2011) who stressed that enforcement action and increased penalties lead to greater levels of compliance with laws because non-compliance causes losses to the organization. This can probably mean that non-compliance causes losses to the organization.

Table 10: Correlation analysis between Non-compliance and Public Procurement

| | | Non-compliance | Public procurement |
|--------------------|---------------------|----------------|--------------------|
| Non-compliance | Pearson Correlation | 1 | .413** |
| | Sig. (2-tailed) | | .005 |
| | N | 58 | 58 |
| Public procurement | Pearson Correlation | .413** | 1 |
| | Sig. (2-tailed) | .005 | |
| | N | 58 | 58 |

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

Source: Primary Data (2017)

The study again determined the relationship between non-compliance and public procurement. Pearson correlation value $r = 0.413^{**}$ $p < 0.005$ indicated that there is a positive relationship between non-compliance and public procurement. This implies non-compliance improves public procurement by 0.413. This is stressed by Zubcic and Sims (2011) who noted that the enforcement to compliance to

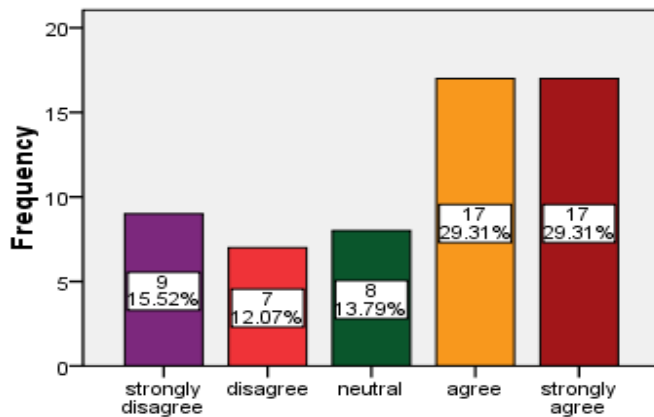
public procurement regulations may make violators more sophisticated in how to prevent, and conceal detection by the authorities since Non-compliance increases the procurement costs. This possibly means that there is non-compliance but management tries to eliminate non-compliance by ensuring compliance awareness according to public procurement rules as stipulated by PPDA Act.

4.5 PROFESSIONALISM AND PUBLIC PROCUREMENT

The study examined professionalism and non-compliance; the findings are in regards with the respondents’ feedback from the field. The study analysis was arranged into those who strongly agreed and agreed as a category of those who support the statement, those who strongly disagreed and disagreed as a category of those who are against the statement and those who were neutral as a category of the undecided.

The findings wanted to determine professionalism and non-compliance and graph 4 below indicates the findings.

Graph 4: Procurement officers understand Public Procurement



Source: Primary Data (2017)

The field data collected indicated that 34(59.6%) agreed that professionalism and non-compliance, 16(27.6%) of the respondents disagreed with the statement and 8(13.7%) were indecisive with the

statement. This is line with De Boer and Telgen (1998) who noted that cause of non-compliance is lack of professionalism and therefore professionalism in procurement activities reduces non-compliance. This can probably mean that organization should focus on ensuring professionalism in order to reduce non-compliance.

The study further emphasized that respondents determined professionalism and non-compliance and the findings about their views are illustrated in Table 11 below

Table 11: Professionalism and Public Procurement

| Level of agreement | Strongly disagree | Disagree | Neutral | Agree | Strongly agree |
|--|--------------------------|-----------------|----------------|--------------|-----------------------|
| The procurement officers have capacity to negotiate contracts | 1 | 0 | 5 | 11 | 41 |
| | (1.7%) | (0%) | (8.6%) | (19%) | (70.7%) |
| Procurement is recognized as a profession | 1 | 2 | 6 | 16 | 33 |
| | (1.7%) | (3.4%) | (10.3%) | (27.6%) | (56.9%) |
| The organization has a budget to cater for continuous training of procurement officers | 0 | 1 | 3 | 12 | 42 |
| | (0%) | (1.7%) | (5.2%) | (20.7%) | (72.4%) |
| The organization is an association of a professional body. | 1 | 2 | 6 | 29 | 20 |
| | (1.7%) | (3.7%) | (10.3%) | (50%) | (34.5%) |

Source: Primary Data (2017)

The findings may imply that 52(89.7%) respondents agreed that the procurement officers have capacity to negotiate contracts, 1(1.7%) respondents disagreed with the statement and 5(8.6%) respondents were undecided. This is in line with Dobler and Burt (1996) who noted that the procurement officers have capacity to negotiate contracts since procurers have specialized knowledge and often long and intense preparation including instruction in skills and methods in negotiations of procurement contracts. This can mean that the procurement officers have capacity to negotiate contracts in the organization.

The data obtained possibly implies that 49(84.5%) respondents agreed that procurement is recognized as a profession, 3(5.2%) respondents disagreed with the statement and 6(10.3%) respondent were undifferentiated about the statement. This concurs with Peterson and Van Fleet (2004) who stressed that public procurement recognized as a profession hence essential features of a profession like; demonstration of competence by professional by passing a test; maintenance of integrity by adherence to a code of conduct; service provided for the public good and that the profession is organized have to be followed. This can possibly mean that procurement is recognized as a profession in the organization.

The field data may imply that 54(93.1%) respondents agreed that the organization has a budget to cater for continuous training of procurement officers, 1(1.7%) respondents disagree with the statement and 3(5.2%) respondents neither agree nor disagree with the statement. This is supported by Scott (2008) who stressed that professionalism is a key mechanism and a primary target of institutional change, the precise role of professions and professional service firms in processes of institutional change remain under-theorized and therefore the organization has a budget to cater for continuous training of procurement officers. This can possibly mean that the organization has a budget to cater for continuous training of procurement officers.

The findings can imply that 49(84.5%) respondents agreed that the organization is an association of a professional body, 3(5.1%) of the respondents disagreed with the statement and 6(10.3%) of the respondents were not sure about the statements. This is in agreement with Dickey et al (2007) who explained that professionalism in public procurement allows for functionality, transparency and significant savings in public expenditure and this partly explains why organization should be an association of a professional body. This can probably mean that the organization is an association of a professional body.

Table 12: Correlation analysis between Professionalism and Public Procurement

| | | Professionalism | Public procurement |
|--------------------|---------------------|------------------------|---------------------------|
| Professionalism | Pearson Correlation | 1 | .532** |
| | Sig. (2-tailed) | | .005 |
| | N | 58 | 58 |
| Public procurement | Pearson Correlation | .532** | 1 |
| | Sig. (2-tailed) | .005 | |
| | N | 58 | 58 |

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

Source: Primary Data (2017)

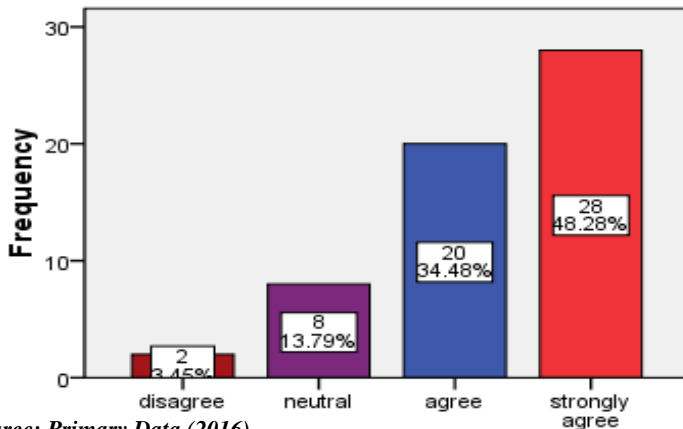
The study again determined the relationship between professionalism and public procurement. Pearson correlation value $r = 0.532^{**}$ $p < 0.005$ indicated that there is a positive moderate relationship between professionalism and public procurement. This implies professionalism improves public procurement by 0.532. This is supported by Dickey et al (2007) who explained that professionalism in public procurement allows for functionality, transparency and significant savings in public expenditure and this partly explains why organization should be an association of a professional body. It has always been argued that professionalism is assumed to be desirable and valuable in its own right (Steiner, 2001). There is a number of indicators that clearly guide the path to professionalism and these include legislative framework, Institutional framework, professional staff transparency and modernisation procedures like use of information and communications technology among other adequacies.

4.6 FAMILIARITY AND PUBLIC PROCUREMENT

The study examined familiarity and non-compliance; the findings are in regards with the respondents' feedback from the field. The study analysis was arranged into those who strongly agreed and agreed as a category of those who support the statement, those who strongly disagreed and disagreed as a category of those who are against the statement and those who were neutral as a category of the undecided.

The findings wanted to determine familiarity and non-compliance and graph 5 below indicates the findings

Graph 5: The procuring officers are clear with the application of Public Procurement



Source: Primary Data (2016)

The field data indicated that 48(82.6%) respondents agreed that the procuring officers are clear with the application of public procurement, 2(3.4%) of the respondents are neutral, 8(13.7%) disagreed. This is explained by Gelderman et al (2006) who noted that familiarity with regulations ensures that all the stakeholders involved in the procurement exercise obtain fair treatment in order to improve public procurement. This can probably mean that the procuring officers are clear with the application of public procurement.

The study further emphasized that respondents determine whether familiarity and non-compliance stated in Graph 5 was valued and the findings about their views are illustrated in Table 13.

Table 13: Familiarity and Public Procurement

| Level of agreement | Strongly disagree | Disagree | Neutral | Agree | Strongly agree |
|--|-------------------|--------------|---------------|---------------|----------------|
| Staff are well conversant with the legal obligations to follow the procurement regulations | 7 (12.1%) | 6 (10.3%) | 13 (22.4%) | 19 (32.4%) | 13 (22.4%) |
| The overall knowledge of procurement rules is low among the procuring officers | 5 (8.6%) | 7 (12.1%) | 10 (17.2%) | 18 (31%) | 18 (31%) |
| There are complaints raised about the tender processes | 5 (8.6%) | 8 (13.8%) | 14 (24.1%) | 15 (25.9%) | 16 (27.6%) |
| Sometimes public procurement regulations are ignored by the procuring officers | 8 (13.8%) | 7 (12.1%) | 5 (8.6%) | 21 (36.2%) | 17 (29.3%) |

Source: Primary Data (2017)

The findings may imply that 32(54.8%) respondents agreed that staffs are well conversant with the legal obligations to follow the procurement regulations, 13(22.4%) respondents disagreed with the statement and 13(22.4%) respondents were undecided about the statement. This is in line with Eyaa and Oluka, (2011) who stated that poor non-compliance is as a result of unfamiliarity with Procurement rules hence staff have to be well conversant with the legal obligations to follow the procurement regulations. This can possibly mean that staffs are well conversant with the legal obligations to follow the procurement regulations

The findings can imply that 36(62%) respondents agreed that the overall knowledge of procurement rules is low among the procuring officers, 12(20.7%) respondents disagreed with the statement and though 10(17.2%) respondent were undecided about the statement. This is in agreement with Tukamuhabwa (2012) who indicated that the high levels of non-compliance partly attributable to the complex legislative requirements since the overall knowledge of procurement rules is low among the procuring officers. This can probably mean that the overall knowledge of procurement rules is low among the procuring officers.

The findings possibly implies that 56(53.5%) respondents agreed that there are complaints raised about the tender processes, 13(22.4%) respondents disagreed with the statement and 14(24.1%) respondents neither agree nor disagree with the statement. This is supported by De Boer and Telgen (1998) noted that deficient familiarity of the procurement procedure by all the internal stakeholders may affect compliance hence there are complaints raised about the tender processes. This can possibly mean that there are complaints raised about the tender processes.

The findings may imply that 38(65.5%) respondents agreed that sometimes public procurement regulations are ignored by the procuring officers, 17(25.9%) of the respondents disagreed with the statement and 5(8.6%) of the respondents were not sure about the statements. This concurs with Arrowsmith (1998) who noted that sometimes public procurement regulations are ignored by the procuring officers for the case of complex procurement, it's argued that there is a good commercial reason for carrying out negotiation with firms at all stages of purchasing process. This can probably mean that sometimes public procurement regulations are ignored by the procuring officers.

Table 14: Correlation analysis between Familiarity and Public Procurement

| | | Familiarity | Public procurement |
|--------------------|---------------------|-------------|--------------------|
| Familiarity | Pearson Correlation | 1 | .446** |
| | Sig. (2-tailed) | | .005 |
| | N | 58 | 58 |
| Public procurement | Pearson Correlation | .446** | 1 |
| | Sig. (2-tailed) | .005 | |
| | N | 58 | 58 |

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

Source: Primary Data (2017)

The study again determined the relationship between familiarity and public procurement. Pearson correlation value $r = 0.446^{**}$ $p < 0.005$ indicated that there is a positive relationship between familiarity and public procurement. This can possibly mean that familiarity improves public procurement by

0.446. This is stressed by De Boer and Telgen (1998) who noted that one of the factor causes of non-compliance with procurement regulations is the level of familiarity with the procurement regulations. Tukamuhabwa (2012) indicated that the high levels of non-compliance partly attributable to the complex legislative requirements since the overall knowledge of procurement rules is low among the procuring officers.

4.7 ORGANIZATIONAL CULTURE AND PUBLIC PROCUREMENT

The study examined organizational culture; the findings are in regards with the respondents' feedback from the field. The study analysis was arranged into those who strongly agreed and agreed as a category of those who support the statement, those who strongly disagreed and disagreed as a category of those who are against the statement and those who were neutral as a category of the undecided.

Table 15: Organizational Culture and Public Procurement

| Level of agreement | Strongly disagree | Disagree | Neutral | Agree | Strongly agree |
|---|-------------------|----------|---------|---------|----------------|
| Efficient communication increases commitment of procuring officers | 6 | 8 | 9 | 18 | 17 |
| | (10.3%) | (13.8%) | (15.5%) | (31%) | (29.3%) |
| Organizational culture increases commitment of goals and objectives of public procurement | 9 | 7 | 13 | 17 | 13 |
| | (15.5%) | (12.1%) | (22.4%) | (29.3%) | (22.4%) |
| The organization focuses on specific areas that strengthen leadership as perceived by personnel | 6 | 6 | 12 | 23 | 11 |
| | (10.3%) | (10.3%) | (20.7%) | (39.7%) | (19%) |
| The organization focuses on the relationship with suppliers and community | 5 | 6 | 8 | 20 | 19 |
| | (8.6%) | (10.3%) | (13.8%) | (34.5%) | (32.8%) |

Source: Primary Data (2017)

The findings can imply that 35(60.3%) respondents agreed that efficient communication increases commitment of procuring officers, 14(24.1%) respondents disagreed with the statement and 9(15.5%) respondents were undecided about the statement. This is in line with Lawal (2005) who stressed that persons in procurement department will approach internal and external problems with a consistent set

of solutions that has continually worked for the group through efficient communication which increases commitment of procuring officers. This can possibly mean that efficient communication increases commitment of procuring officers.

The findings possibly imply that 30(51.7%) respondents agreed that organizational culture increases commitment of goals and objectives of public procurement, 16(27.6%) respondents disagreed with the statement and though 13(22.4%) respondent were undecided about the statement. This is in agreement with Owens and Valesky (2007) who noted that organizational culture increases commitment of goals and objectives of public procurement since the basic assumptions and beliefs are shared by members of the organization, and direct the way in which procurement processes are approached. This can probably mean that organizational culture increases commitment of goals and objectives of public procurement in the organization.

The findings possibly imply that 34(58.7%) respondents agreed that the organization focuses on specific areas that strengthen leadership as perceived by personnel, 12(20.7%) respondents disagreed with the statement and 12(20.7%) respondents neither agree nor disagree with the statement. This is supported by Ritchie (2000) who noted that motivational instrument which promotes the employees to perform smoothly and ensures better productivity should be availed and the organization should focus on specific areas that strengthen leadership as perceived by personnel. This can possibly mean that the organization focuses on specific areas that strengthen leadership as perceived by personnel.

The findings may imply that 39(67.3%) respondents agreed that the organization focuses on the relationship with suppliers and community, 11(19%) of the respondents disagreed with the statement and 8(13.8%) of the respondents were not sure about the statements. This concurs with Heskett, 2011) who noted that the organization has to focus on the relationship with suppliers and community by taking corrective actions when procurement officer's behavior become unacceptable to the

organization. This can probably mean that the organization focuses on the relationship with suppliers and community.

Table 16: Correlation analysis between Organizational Culture and Public Procurement

| | | Organizational culture | Public procurement |
|------------------------|---------------------|------------------------|--------------------|
| Organizational culture | Pearson Correlation | 1 | .316** |
| | Sig. (2-tailed) | | .005 |
| | N | 58 | 58 |
| Public procurement | Pearson Correlation | .316** | 1 |
| | Sig. (2-tailed) | .005 | |
| | N | 58 | 58 |

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

Source: Primary Data (2017)

The study again determined the relationship between organizational culture and public procurement. Pearson correlation value $r = 0.316^{**}$ $p < 0.005$ indicated that there is a positive relationship between organizational culture and public procurement. This can possibly mean that organizational culture improves public procurement by 0.316. This is stressed by Owens and Valesky (2007) who explained that Organizational culture increases commitment of goals and objectives of public procurement since the basic assumptions and beliefs are shared by members of the organization, and direct the way in which procurement processes are approached. Organization should promote a supportive procurement culture which is internally oriented and reinforced culture where core beliefs of the organization are entrusted to procurement officers through commitment.

4.8 POLITICAL INTERFERENCES, NON-COMPLIANCE AND PUBLIC PROCUREMENT

The study examined Political interferences, non-compliance and public procurement; the findings are in regards with the respondents' feedback from the field. The study analysis was arranged into those who strongly agreed and agreed as a category of those who support the statement, those who strongly

disagreed and disagreed as a category of those who are against the statement and those who were neutral as a category of the undecided.

Table 17: Political interference improves Non-compliance and Public Procurement

| Level of agreement | Strongly disagree | Disagree | Neutral | Agree | Strongly agree |
|---|-------------------|---------------|---------------|---------------|----------------|
| Procuring officers are given autonomy to make independent decisions | 5 (8.6%) | 7 (12.1%) | 10 (17.2%) | 23 (39.7%) | 13 (22.4%) |
| Professional and job-related responsibilities are placed before political interests or individual interests | 7 (12.1%) | 14 (24.1%) | 9 (15.5%) | 16 (27.6%) | 12 (20.7%) |
| Political interference ensures equitable distribution of resources in neglected areas | 1 (1.7%) | 3 (5.2%) | 14 (24.1%) | 19 (32.8%) | 21 (36.2%) |
| There are regular reviews to ensure probity is being considered and achieved | 5 (8.6%) | 9 (15.5%) | 4 (6.9%) | 21 (36.2%) | 19 (32.8%) |

Source: Primary Data (2017)

The findings possibly imply that 36(62.1%) respondents agreed that procuring officers are given autonomy to make independent decisions, 12(20.7%) respondents disagreed with the statement and 10(17.2%) respondents neither agree nor disagree with the statement. This is supported by Murray (2009) who contended that in public procurement, managers take on the role of agent for elected representatives and therefore procuring officers have to be given autonomy to make independent decisions. This can possibly mean that procuring officers are given autonomy to make independent decisions

The data obtained indicated that 28(48.3%) respondents agreed that professional and job-related responsibilities are placed before political interests or individual interests, 21(36.2%) respondents disagreed with the statement and 9(15.5%) respondent were undecided about the statement. This is in line with Raymond (2008) who stressed that professional and job-related responsibilities should be

placed before political interests or individual interests since ministers and political parties receive clandestine payments in government procurement. This can probably mean that professional and job-related responsibilities are placed before political interests or individual interests.

The findings may imply that 40(69%) respondents agreed that political interference ensures equitable distribution of resources in neglected areas, 4(6.9%) respondents disagree with the statement and 14(24.1%) respondents were indecisive with the statement. This is supported by Lodhia and Burritt (2004) who recognize that social and political influences have an important bearing on economy since political interference ensures equitable distribution of resources in neglected areas. This can possibly mean that political interference ensures equitable distribution of resources in neglected areas.

The findings can imply that 40(69%) respondents agreed that there are regular reviews to ensure probity is being considered and achieved, 14(24.1%) of the respondents disagreed with the statement and 4(6.9%) of the respondents were not sure about the statements. This is agreement with Coviello and Gagliarducci (2010) further stated that political influence in public sector management limits information, transparency and favour is extended without management being held to account and there has to be regular reviews to ensure probity is being considered and achieved. This can probably mean that there are regular reviews to ensure probity is being considered and achieved

4.9 CORPORATE GOVERNANCE, NON-COMPLIANCE AND PUBLIC PROCUREMENT

The study examined corporate governance, non-compliance and public procurement; the findings are in regards with the respondents' feedback from the field. The study analysis was arranged into those who strongly agreed and agreed as a category of those who support the statement, those who strongly disagreed and disagreed as a category of those who are against the statement and those who were neutral as a category of the undecided.

Table 18: Corporate governance improves Non-compliance and Public Procurement

| Level of agreement | Strongly disagree | Disagree | Neutral | Agree | Strongly agree |
|--|-------------------|----------|---------|---------|----------------|
| Cost saving in public procurement expenditure enhances national economic friends | 6 | 7 | 9 | 17 | 19 |
| | (10.3%) | (12.1%) | (15.5%) | (29.3%) | (32.8%) |
| There are proactive actions to ensure continuous supply of scarce resources | 6 | 9 | 6 | 19 | 18 |
| | (10.3%) | (15.5%) | (10.3%) | (32.8%) | (31%) |
| Better pay and other incentives improve public procurement management | 7 | 8 | 9 | 20 | 14 |
| | (12.1%) | (13.8%) | (15.5%) | (34.5%) | (24.1%) |
| Effective and efficient public procurement management enhances health | 8 | 5 | 4 | 22 | 19 |
| | (13.8%) | (8.6%) | (6.9%) | (37.9%) | (32.8%) |

Source: Primary Data (2017)

The field data may imply that 36(62.1%) agreed with the statement that cost saving in public procurement expenditure enhances national economic friends, 13(22.4%) of the respondents disagreed with the statement and 9(15.5%) were indecisive with the statement. This concurs with Imperato (2005) who affirmed that enforcement action aiming at ensuring compliance plays an important role in corporate governance because cost saving in public procurement expenditure enhances national economic growth. This possibly implies that cost saving in public procurement expenditure enhances national economic friends

The data obtained possibly imply that 37(63.8%) respondents agreed that there are proactive actions to ensure continuous supply of scarce resources, 15(25.8%) respondents disagreed with the statement and 6(10.3%) respondent were undecided about the statement. This is in line with Proimos (2005) who emphasized that to ensure that effective corporate governance standards are employed and corporate scandals are best prevented, frequent monitoring and enforcement should be ensured by taking

proactive actions to ensure continuous supply of scarce resources. This can probably mean that there are proactive actions to ensure continuous supply of scarce resources.

The findings can imply that 34(58.6%) respondents agreed that better pay and other incentives improve public procurement management, 15(25.8%) respondents disagree with the statement and 9(15.5%) respondents were indecisive with the statement. This is in line with Eyaa and Oluka, (2011) who stated that complying with the new procurement and disposal law automatically improves governance since better pay and other incentives to procurement officers improve public procurement management. This probably implies that better pay and other incentives improve public procurement management,

The findings may imply that 41(70.7%) of the respondents agreed that effective and efficient public procurement management enhances health, 14(24.1%) of the respondents disagreed with the statement and 4(6.9%) of the respondents were not sure about the statements. This concurs with Hui et al (2011) who stipulates that efficient and effective public procurement management is one of the most effective preventive mechanisms for it promotes transparency and accountability, health, facilitates oversight and provides a good basis to prevent corruption. This can probably mean that effective and efficient public procurement management enhances health.

4.10 REGRESSION ANALYSIS

A regression analysis was run and the study has presented the Model summary of non-compliance and public procurement. The regression analysis run produced the following findings in determination of the impact of non-compliance on public procurement.

Re: Model Summary of Non Compliance

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .597 ^a | .356 | .344 | .962 |

a. Predictors: (Constant), opinion

The summary illustrates that non-compliance affects public procurement by 34.4%. The regression of 34.4% is a worrying statistic in an organisation. This is probably due to failure to respect the laws and regulations, organizational procedures and mechanisms to emphasize compliance. It may also be that staff do not consider procurement as a profession. Therefore, rules affect only a small percentage. Appendix 1 has other tables illustrating the regression analysis.

However, the statistical representation of 34.4% of determinants of non-compliance on public procurement can be changed to a more positive level. This change can be done through taking procurement skills assessment and training staff through refresher courses, workshops, seminars and conferences where staff meet and share experiences.

The organization should also consider recruiting professional staff who will carry out procurement as a profession. The recruitment of trained and professional staff will help in ensuring public procurement meets the respective standards and requirements.

The regression illustrates that there is positive and significant relationship between determinants of non-compliance and public procurement represented by R 0.597, the coefficient value of adjusted R

square is 0.344 indicates that if determinants of non-compliance are reduced, it resulted in a positive effect of 34.4% in public procurement.

This was in line with Sewanyana, (2009) who asserts that the type of goods and services procured sometimes influences the degree of compliance with the procurement regulations hence mandated compliance officers have to provide disincentives. This means that organization can improve public procurement due to reduction in non-compliance. Lisa, (2010) states culture has to be characterized by specific values such as openness, trust and honesty so that employees engage in compliance behaviours, which collectively will contribute to organizational compliance.

4.10 CONCLUSION

The analysis of the primary data indicates that variables; professionalism, familiarity and organizational culture all have a positive effect on public procurement as it has been revealed in the findings. This may imply that those minor deviations still exist and therefore further explanation and summary of findings is presented in Chapter Five.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 INTRODUCTION

The chapter presents the summary of the main findings from the study, the conclusions and the recommendations made by the study. The major objective of the study was to investigate the determinants of Non-compliance on public procurement

5.1 SUMMARY AND CONCLUSIONS

5.1.1 SUMMARY OF BIO DATA

The study established an interesting demographic where: 65.5% males, 34.5% females; 72.4% respondents were between 26 - 45 and 62.1% have worked for the organization less than 5 years. It further established that the respondents were qualified. The study feels that the demographic has an effect on the findings.

5.1.2 PROFESSIONALISM AND PUBLIC PROCUREMENT

The study indicated that there is a positive moderate relationship between professionalism and public procurement presented by 0.532. What study found out is that 52(89.7%) respondents agreed that the procurement officers have capacity to negotiate contracts, 1(1.7%) respondents disagreed with the statement and 5(8.6%) respondents were undecided. The study further found out that 49(84.5%) respondents agreed that procurement is recognized as a profession, 3(5.2%) respondents disagreed with the statement and 6(10.3%) respondent were undifferentiated about the statement. I still found out that 54(93.1%) respondents agreed that the organization has a budget to cater for continuous training of procurement officers, 1(1.7%) respondents disagree with the statement and 3(5.2%) respondents neither agree nor disagree with the statement. I furthermore found that 49(84.5%) respondents agreed that the

organization is an association of a professional body, 3(5.1%) of the respondents disagreed with the statement and 6(10.3%) of the respondents were not sure about the statements.

5.1.3 FAMILIARITY AND PUBLIC PROCUREMENT

The study indicated that there is a positive relationship between familiarity and public procurement represented by 0.446. What the study found out is that 32(54.8%) respondents agreed that staffs are well conversant with the legal obligations to follow the procurement regulations, 13(22.4%) respondents disagreed with the statement and 13(22.4%) respondents were undecided about the statement. The study further found out that 36(62%) respondents agreed that the overall knowledge of procurement rules is low among the procuring officers, 12(20.7%) respondents disagreed with the statement and though 10(17.2%) respondent were undecided about the statement. The research still found out that 56(53.5%) respondents agreed that there are complaints raised about the tender processes, 13(22.4%) respondents disagreed with the statement and 14(24.1%) respondents neither agree nor disagree with the statement. The findings determined that 38(65.5%) respondents agreed that sometimes public procurement regulations are ignored by the procuring officers, 17(25.9%) of the respondents disagreed with the statement and 5(8.6%) of the respondents were not sure about the statements.

5.1.4 ORGANIZATIONAL CULTURE AND PUBLIC PROCUREMENT

The study indicated that there is a positive relationship between organizational culture and public procurement presented by 0.316. What the research found out is that 35(60.3%) respondents agreed that efficient communication increases commitment of procuring officers, 14(24.1%) respondents disagreed with the statement and 9(15.5%) respondents were undecided about the statement. The study still found out that 30(51.7%) respondents agreed that organizational culture increases commitment of goals and objectives of public procurement, 16(27.6%) respondents disagreed with the statement and though

13(22.4%) respondent were undecided about the statement. The research further found that 34(58.7%) respondents agreed that the organization focuses on specific areas that strengthen leadership as perceived by personnel, 12(20.7%) respondents disagreed with the statement and 12(20.7%) respondents neither agree nor disagree with the statement. The study furthermore found out that 39(67.3%) respondents agreed that the organization focuses on the relationship with suppliers and community, 11(19%) of the respondents disagreed with the statement and 8(13.8%) of the respondents were not sure about the statements.

5.2 CONCLUSIONS

The study concludes that there is a positive moderate relationship between professionalism and public procurement. The research further concludes that the procurement officers have capacity to negotiate contracts since procurement is recognized as a profession. The findings furthermore conclude that the organization has a budget to cater for continuous training of procurement officers since the organization is an association of a professional body.

The research concludes that there is a positive relationship between familiarity and public procurement represented by 0.446. The study concludes that staffs are well conversant with the legal obligations to follow the procurement regulations. The study further concludes that the overall knowledge of procurement rules is low among the procuring officers since there are complaints raised about the tender processes. The research furthermore concludes that sometimes public procurement regulations are ignored by the procuring officers.

The study concludes that there is a positive relationship between organizational culture and public procurement. It further concludes that there is efficient communication increases commitment of procuring officers. The study concludes that organizational culture increases commitment of goals and objectives of public procurement. The research furthermore concludes that the organization focuses on

specific areas that strengthen leadership as perceived by personnel. It still concludes that the organization focuses on the relationship with suppliers and community.

5.3 RECOMMENDATIONS

The study recommends that procurement officers should have capacity to negotiate contracts since procurement is recognized as a profession.

It further recommends that the organization should have a budget to cater for continuous training of procurement officers on how to improve public procurement compliance and reduce the negative consequences of non-compliance.

The research recommends that management of the organization should follow PPDA regulations since sometimes public procurement regulations are ignored by the procuring officers.

It further recommends that there should be efficient communication in order to increase commitment of procuring officers.

5.4 FURTHER SUGGESTIONS FOR RESEARCH

A study should be done on the role of non-compliance of procurement officers on performance of firms.

There is also need to carry out research on reasons why many firms do not perform well after following public procurement regulations.

Commented [A3]: Put these in appendix

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APPENDICES

APPENDIX 1: REGRESSION MODELS

ANOVA^a

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|--------------|----------------|----|-------------|--------|-------------------|
| 1 Regression | 28.628 | 1 | 28.628 | 30.948 | .000 ^b |
| Residual | 51.803 | 56 | .925 | | |
| Total | 80.431 | 57 | | | |

a. Dependent Variable: OPINION

b. Predictors: (Constant), opinion

Coefficients^a

| Model | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|--------------|-----------------------------|------------|---------------------------|-------|------|
| | B | Std. Error | Beta | | |
| 1 (Constant) | -.160 | .664 | | -.241 | .810 |
| opinion | .873 | .157 | .597 | 5.563 | .000 |

a. Dependent Variable: OPINION

APPENDIX 2: QUESTIONNAIRE

Dear respondent(s),

My name is Harriet Naikoba, a student pursuing a bachelor's degree in Finance and Accounting at Uganda Martyrs University. I am carrying out a study on determinants of non-compliance in public procurement in Uganda. This research is completely for academic purposes and the information held in it will be taken with absolute confidentiality. Therefore all the assistance from you will be highly appreciated and of great importance in this study.

SECTION A (i): BACKGROUND INFORMATION

Please tick where it is appropriate

1. Gender

a) Male b) Female

2. Age

a) 18-25 years b) 26-35 years c) 36-45 years d) 46 and above

3. Duration at the workplace

a) 0-5 years b) 6-10 years c) 10-15 years d) 15years and above

4. Department of the respondent

a) Procurement b) Accounts c) Administration d) Risk management

e) others specify

5. Education level.

a) Diploma b) Degree c) Masters d) Others specify

Please tick the number that best describes your feelings on statements provided in tables below. The number represents the minimum and maximum responses to statements in table below.

1. Strongly Disagree 2. Disagree 3. Neither Agree nor Disagree
 4. Agree 5. Strongly Agree

SECTION B: DETERMINANTS OF NON-COMPLIANCE

Determinants of non-compliance are the reasons as to why actors disregard laws and regulations including standards and policies.

| Statements | 1 | 2 | 3 | 4 | 5 |
|--|---|---|---|---|---|
| What is your opinion on determinants of non-compliance? | | | | | |
| Laws and regulations are respected in your organization | | | | | |
| Organizational processes and mechanisms are in place to encourage compliance with relevant norms | | | | | |
| Reflection on culture in terms of compliance | | | | | |
| Mandate compliance officers to provide disincentives | | | | | |

Reason:.....

SECTION C: PUBLIC PROCUREMENT

Public procurement is the acquisition by purchase, rental, lease, hire purchase, license, tenancy, franchise or any other contractual means of any type of works, services or supplies or any combination by a procuring entity using public funds.

| Statements | 1 | 2 | 3 | 4 | 5 |
|--|---|---|---|---|---|
| What is your opinion on public procurement? | | | | | |
| The organization uses procurement procedures while acquiring goods, services and works | | | | | |
| The staff has knowledge about procuring goods and services | | | | | |
| The organization has good keeping of procurement records | | | | | |
| The organization seeks appropriate approval for the procurement process | | | | | |

Reason:.....

SECTION D: DETERMINANTS OF NON-COMPLIANCE AND PUBLIC PROCUREMENT

Non-compliance with procurement regulations affects the efficiency and effectiveness of the public procurement process. Thus hindering the attainment of the procuring entity’s objectives and goals.

| Statements | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| What is your opinion on effects of determinants of non-compliance and public procurement? | | | | | |
| Non-compliance affects the achievement of organization objectives and goals | | | | | |
| Non-compliance increases the procurement costs | | | | | |
| Non-compliance affects the reputation of the procuring entity | | | | | |
| Non-compliance causes losses to the organization | | | | | |

Do you think non-compliance with the procurement regulations impacts on procurement management?

SECTION E: PROFESSIONALISM ANDNON-COMPLIANCE

Professionalism is the practical and visible application of qualities and competencies covering knowledge, appropriate skills and behaviors.

| Statements | 1 | 2 | 3 | 4 | 5 |
|--|---|---|---|---|---|
| Procurement officers understand public procurement | | | | | |
| The procurement officers have capacity to negotiate contracts | | | | | |
| Procurement is recognized as a profession | | | | | |
| The organization has a budget to cater for continuous training of procurement officers | | | | | |
| The organization is an association of a professional body | | | | | |

To what level does professionalism affect non-compliance?

SECTION F: FAMILIARITY AND NON-COMPLIANCE

Familiarity is how well the procuring officers are aware and understand the public procurement regulations

| Statements | 1 | 2 | 3 | 4 | 5 |
|--|----------|----------|----------|----------|----------|
| The procuring officers are clear with the applicability of public procurement regulations | | | | | |
| Staff are well conversant with the legal obligations to follow the procurement regulations | | | | | |
| The overall knowledge of procurement rules is low among the procuring officers | | | | | |
| There are complaints raised about the tender processes. | | | | | |
| Sometimes public procurement regulations are ignored by the procuring officers. | | | | | |

To what level does familiarity with procurement regulations affect non- compliance?

.....

SECTION G: ORGANISATIONAL CULTURE AND NON-COMPLIANCE

Organizational culture is away an organization does its activities uniquely through its particular norms, assumptions, and beliefs.

| Statements | 1 | 2 | 3 | 4 | 5 |
|---|----------|----------|----------|----------|----------|
| Efficient communication increases commitment of procuring officers | | | | | |
| Organizational culture increases commitment to goals and objectives of public procurement | | | | | |
| The organisation focuses on specific areas that strengthen leadership as perceived by personnel | | | | | |
| The organization focuses on the relationship with suppliers and community | | | | | |

To what level does organizational culture affect non-compliance

.....

SECTION H: POLITICAL INTERFERENCE, NON-COMPLIANCE AND PUBLIC PROCUREMENT

Political interference is the involvement of political leaders in carrying out of the procurement process

| Particulars | 1 | 2 | 3 | 4 | 5 |
|--|----------|----------|----------|----------|----------|
| Procuring officers are given autonomy to make independent decisions | | | | | |
| Professional and job-related responsibilities are placed before political interests or individual interests. | | | | | |
| Political interference ensures equitable distribution of resources in neglected areas | | | | | |
| There are regular reviews to ensure probity is being considered and achieved | | | | | |

To what level does political interference affect non-compliance and public procurement?

.....

SECTION I: ORGANIZATION GOVERNANCE, NON-COMPLIANCE AND PUBLIC PROCUREMENT

Organization governance is the mechanisms by which corporations are directed and controlled, and by which those who direct and control corporations are monitored and supervised and made accountable for their actions.

| Particulars | 1 | 2 | 3 | 4 | 5 |
|---|----------|----------|----------|----------|----------|
| Cost saving in public procurement expenditure enhances corporation's growth | | | | | |
| There are proactive actions to ensure continuous supply of scarce resources | | | | | |
| Better pay and other incentives improve public procurement management | | | | | |
| Effective and efficient public procurement management enhances health | | | | | |

To what level does corporate governance affect non-compliance and public procurement?

.....

Thank you for participating in this research