ASSESSMENT OF FACTORS INFLUENCING ACHIEVEMENT OF VALUE FOR MONEY IN EXECUTION OF WORK CONTRACTS WITHIN LOCAL AUTHORITIES: A CASE OF SONGEA DISTRICT COUNCIL, RUVUMA, TANZANIA

By
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Dissertation Submitted to Mzumbe University Dar es Salaam Campus College in Partial/Fulfilment of the Requirements for the Degree of Master of Science in Procurement and Supply Chain Management (MSC-PSCM) of Mzumbe University

2013
CERTIFICATION

We, the undersigned, certify that we have read and hereby recommend for acceptance by the Mzumbe University, a dissertation/thesis entitled Assessment of Factors Influencing Achievement of Value for Money in Execution of Work Contracts within Local Authorities: A Case of Songea District Council, in partial/fulfilment of the requirements for award of the degree of Master of Science in Procurement and Supplies Chain Management of Mzumbe University.

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Internal Examiner

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I, Allan A. M. Mbunga, declare that this thesis is my own original work and that it has not been presented and will not be presented to any other university for a similar or any other degree award.

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A research work is difficult task to accomplish which requires enough times, intelligence, corporation from other people and financial resources necessary to compile the research report in the required standard. Therefore I would like to thank the Almighty God for guiding and protecting me to up this last level of acquiring a Master of Science in Procurement and Supply Chain management (M.Sc. PSCM) Degree.

This research paper did not exist by chance but is the result of many individuals for whose contribution I am highly conscious and to whom I would like to note my obligation and my sincere thanks, even though I cannot mention. Special thanks go to Tunduru District Council Management for granting a permission to pursue my studies at Mzumbe University smoothly.

I extend my special thanks to the devoted professional Dr. Felician Barongo for his tolerance, many valuable corrections and for supervising me from research proposal to the final report writing of this research paper. His talents and practical inclination helped to give this research its hands on. He is not only competent but also helpful and represents a mastery of the research supervision that he is unselfishly poured on me and I learnt from him every day. Sincerely he deserves all kinds of credits.

I also extend my warmest appreciation to my beloved wife Mrs. Cashilde Clemency Mbunga and our children Annette, Annither, and Faraja for being tolerant and patient when I was away from them. To them and many others who have contributed to the accomplishment of this work, I am grateful.
DEDICATION
This work is dedicated to my wife Mrs. Cashilde Mbunga and my daughters Annette, Anither and Faraja with whom we share good and bad issues.
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tr>
<td>AO</td>
<td>Accounting Officer</td>
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<tr>
<td>BCC</td>
<td>British Construction Council</td>
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<td>CAG</td>
<td>Controller and Auditor General</td>
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<td>CoW</td>
<td>Clerk of works</td>
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<tr>
<td>CPRP</td>
<td>Constructions Procurement Reform Programme</td>
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<td>NAO</td>
<td>National Audit Office</td>
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<td>PEs</td>
<td>Procuring Entities</td>
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<td>PMO-RALG</td>
<td>Prime Minister’s office, Regional Administration and Local Government</td>
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<td>PMU</td>
<td>Procurement Management Unit</td>
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<tr>
<td>PPA</td>
<td>Public Procurement Act, No 21</td>
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<td>PPR</td>
<td>Public Procurement Regulation, 2005</td>
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<td>Public Procurement Regulation Authority</td>
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<td>TB</td>
<td>Tender Board</td>
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<td>TEC</td>
<td>Technical Evaluation Committee</td>
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<td>VfM</td>
<td>Value for money</td>
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ABSTRACT

The purpose of this research work is to study the influence of performance of the Employer, Contractor and operating environment variables on execution of work contracts in Local Authorities. The study has been conducted at Songea District Council where variables influencing value for money achievements in implementation of work contracts have been critically analysed.

A research was designed with respect to research objectives and thereafter used for data collections. The reason for this choice based on the financial, time constraints and in accordance with actual requirements of the study. Various data collections methods such as interviews, questionnaires, documentations and direct observation were applied. Sample was chosen so as to make the topic easier and practicable.

A study used both; primary and secondary data. The target unity of study was employees of Songea District Council responsible for procurement of works in different ways. The study targeted to have a sample of 30 respondents in order to have better representation. The study applied judgmental non probability sampling technique to population.

The results from this study provide organisation with useful insights of factors influencing performance of work contracts in Local Authorities and other Public Organizations for primary objectives of managing achievements of value for money. The conclusion and recommendation which are drawn from this study is that understanding the factors influencing achievement of value for money in execution of work contracts would enable Local Authorities and Public Organizations at large have infrastructures capable of stimulating and sustaining Tanzanian national economy in various ways.
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CHAPTER ONE

INTRODUCTION AND BACKGROUND TO THE PROBLEM

1.1 Introduction
In procurement management context value for money is the actual situation in which economic worth of work projects at any given stage is equivalent or equal to the amount of money spent for the same. Value for money (VfM) is also known as economy, (The public Procurement Acts, 2004.)

Besides above explanations, value for money can also be described as the appropriate utility derived from work projects or actual value of money spent for project works in relation to worth of the projects (Business dictionary, 2013).

1.2 Background of Problem
In Tanzania the Public Procurement Act, 2004 and the Public Procurement Regulations, 2005/2007 was established to manage procurement functions in all Public Organizations including Local Authorities. They have replaced Stores Regulations Part (iii) of 1965. Among other key objectives of the Laws and Regulations is that they require implementations of Work contracts in a view to achieve value for money (economy), (PPA, 2004).

Achievement of value for money has been common problem to almost all Local Authorities, Public Organizations as well as all construction industries at large. Achievements value for money problem is a worldwide issue facing almost all construction industries globally. In other words value for money achievement has been explained in various ways which implies to become global problem.

When an assessment is done at any stage of project implementation or at completion stages, economic value of the project (monetary worth) is usually found to be less than the actual amount of money which has been spent to bring the project at that stage. This problem prevails in Tanzania as well as in other countries World wide.
An example of difficulties to achieve value for money has been noted in European Countries in which we have the Constructions Procurement Reform Programme (CPRP) being formulated in Ireland for the sake of assuring responsive achievement of value for money in work projects (Government Procurement, 2013). Difficulties to achieve value for money in work projects particularly in buildings has also been being facing considerable number of Nations worldwide. For example in England in April 2011 a project known as Priority School Building Programme was imposed for the aim of rehabilitating the most dilapidated school buildings.

As a matter of fact when evaluation done at the end of the project it was realized unsuccessful as 50% of school buildings did not achieve value for money; The Government of England decided the work to be repeated through other maintenance funds (BBC, 2013). The other global indicator of there being value for money achievements problem is the practice of quality control measures which is done in all types of construction industries in various steps of the process. Basically quality control activities aim at assuring intended value for money is achieved.

In implementations of work contracts it is a common strategy that a Clerk of work or sometimes called project Supervisor/Manager to be appointed for closer supervision of the project. Primarily the Clerk of works (CoW) has an obligation of closer monitoring of the projects for intended achievement of value for money, (Commitment Matters, 2013)

Generally there are many examples which can provide us sense of evidence of the existence of problem of value for money achievements in Local Authorities and globally. Here the Researcher has briefly mentioned few of them for convenience of conducting this study

1.3 Statement of Problem
Desire to achievement value for money in work projects continues to be one of the strategies within Local Authorities and other Public Organizations in Tanzania as an attempt to eradicate the problem in question, (PPR, 2007).
In Tanzanian Public Organizations one of the indicators of there being value for money achievement problem is the executions of value for money special audit by the Office of the CAG. Value for money audit are being executed on annual bases or as special/surprise bases depending upon the circumstances or objectives of the exercise. Its key objective is to observe compliance of work projects for the achievement of value for money in Local Authorities and in Public Organizations as well.

Furthermore it has been addressed in the Public Procurement Regulations, 2007; Regulation No. 5 that all work procurement undertakings must be implemented in a view that the amount of money paid would represent best value of procurements. This clause apart from other objectives, gives a very clear notion of there being weakness for value for money achievements in executions of work projects.

The problems of achievement of value for money has also been addressed in the Regulations, 2007 where under regulation 17 (c) and (d) respectively Council Councillors have been given powers to inspect all work projects and thereafter to instruct the AO to carry out value for money audit where not satisfied with value for money standards. This indicates seriousness of value for money achievement in implementation of work projects.

On the other hand in Tanzania mainland, we have an altitude in which a National Freedom Touch is being run throughout the Districts every year. One of the objectives of National Freedom Touch movements is to letdown foundation stones to new work projects and to open up all completed work projects.

As a matter of fact it has been very common as from year to year that many projects fail to be opened due to failure to have respective value for money. This indicates that large percentage of work projects in Local Authorities lack value for money or economy. It is from this evidence that value for money achievement is considered to be a very serious and common disease which needs immediate prevention and cure.
Besides above mentioned issues it is also common to hear Councillors in Local Authorities complaining in Finance Committee meetings as well as in Full councils meetings about poor performance of value for money in work projects. Complains are to almost all Local Authorities in Tanzania Mainland. It is for this reason that we are convinced to the agreement that there is serious problem of achievement for value for money in Local Authorities.

As a result of problem of achieving value for money we have many contracts being terminated just before they come to an end. Examples include termination of tarmac road construction project in Songea Municipality, termination of the Madaba II Irrigation Scheme project in Tunduru District Council. Through all these examples we learn as to how achievement of value for money has been common disease in Local Authorities.

In Central Government achievement of value for money in work projects has also been a great problem. In several occasions and as from time to time we have head the Minister for works and infrastructure complaining and taking serious and immediate measures upon Local and Foreign Contractors whose projects do not comply with contract terms in terms of acquiring value for money. This indicates how serious the problem is.

For example some of contracts are terminated while others are ordered to be reworked in order to meet standards as have been stipulated in clauses of contracts. Examples of terminated projects include; construction of trunk road of Mbeya-Chunya- Makongoloss to bitumen standard in Mbeya Region and construction of trunk road of Marangu-RomboMkuu-Mwika to bitumen standard in Kilimanjaro Region. Projects to be reworked include the construction of trunk road of Kurasini-Kilwa tarmac road in Dar es Salaam and construction of trunk road Nangurukuru-Lindi Urban to bitumen standard in Lindi Region.

In work contracts it is common to both, local and International contracts that performance bonds and retention money clauses are there to guide the contractor
against deviations for required value for money when work contracts are being executed.
It is common in execution of work contracts to set aside an agreed percentage of retention money. The money is set aside without being paid to the contractor for a given period of time. The objective of retention money is to act as a guarantee against value for money for agreed period of time after project handing over in accordance with the clause in special condition of contract. It indicates as to how assurance for required value for money contributes to problems of performance.

1.4 Research Objectives
General Research Objective
The main research objective was to study value for money achievements in work contract as being influenced by the performance of the employer, contractor and operating environment variables.

1.4.1 Specific Research Objective
The following were specific objectives.

i. To analyse the performance of an employer towards value for money achievements in executions of work contracts.

ii. To analyse the performance of the contractor towards value for money achievement in executions of work projects.

iii. To identify variables hindering value for money achievement in execution of work contracts which are beyond the contractor and the Employer?

1.5 Research Question
1.5.1 General Research Question
Whether the value for money achievement in execution of work contracts is influenced by the performances of the employer, contractor and operating environment?
1.5.2 Specific Research Questions

i. How Employers performance influences value for money achievement in execution of work contract?

ii. How Contractors performance hinders value for money achievement in execution of work contract?

iii. How value for money achievement can be influenced by the operating environment variables?

1.6 The Significance of the study

As far as the obligations of Procuring Entities in preparations and executions of procurement plans are concerned this study will have the following significances:

This study will provide suggestions and solutions to be applied in User Departments within Public Procurement Entities so as to enable them prepare properly their technical specifications. Technical specifications have direct impact on the achievements for value for money in works projects, (PPRA, Tanzania Procurement Journal 2008). Requirements have to be forecasted with respect to actual achievements of the project. Another significance of this study goes to the Procurement Management Unit (PMU) which is responsible for management of procurement process within the Procuring Entities. This study will provide the (PMU) with sufficient suggestions; solutions and technical capabilities to enable manage procurement process in a view to achieve value for money.

This study will also provide suggestions and solutions to the Tender Boards (TB) in the sense that award decisions should be done in a view of obtaining lowest and responsive Bidder. It is a matter of fact that Bidder who is responsive can do the works with little problems and hence avoid value for money problems in a great deal.

The study will be of significance to procurement Professionals and Academicians specifically in terms of provisions understanding of the factors which they have to take into account for the achievements of value for money (The economy) in
implementations of works contracts. These factors will provide with guidance against deviations which may hinder achievements of value for money.

This study will be of significance to all members of technical evaluation committee (TEC). It will enable TEC understand that evaluation process need to be done as careful as possible so that appropriate recommendations should be given to responsive bidder.

This study will be of significance to AO who have been given the responsibilities over procurement process and contract signing (The Public Procurement Act, 20040). Understanding the degree the factors have on the achievement of value for money will enable the AO monitor the procurement process quiet closely. The study will be significant to Internal Auditors, NAO and PPRA Department of monitoring and compliance. After knowing in advance the degree the factors have on achievement of value for money they will be in a position to execute auditing with little difficulties.

This study will also be of significance to all Students wishes to pursue research methodology studies within their carrier and those wishes to write research proposals for any type of academic and professional awards.

1.7 Limitations and Delimitations of the Study
In conducting this study the Researcher expected to face various problems which could limit research performance. The following are limitations and ways through which the Researcher has applied for relevant solutions.

1.7.1 Limitations of the Study
The study area that covers the assessment of factors which can influence achievement of value for money in implementation of works projects has been affected by other factors apart from those elaborated in research objectives. The following are limitation factors which have affected executions of the research study:
i) **Availability of funds or budgetary constraints**

The Researcher faced the problem of insufficiency of funds to meet various research demands throughout when research activities were conducted. These problems have been accelerated by the fact that Public Employers and Loan Board in Tanzania do not provide sponsorships to Students who pursue Masters and PhD degree courses.

ii) **Time frame**

The second limitation of this study was limited time. Limited time realized due to the fact that the Researcher is a Civil Servant. For that reason He was required to conduct research study while executing some of his responsibilities to the Employer.

iii) **Accessibility of Data**

Data concerning draft of the auditing findings, procurement process, poor supervision, lack of working capital and lack of technical personnel during procurement process and procurement reports was sometimes difficult to be provided by some of the Staff within Songea District Council.

iv) **Availability of Respondents**

It is also anticipated that some of the Employees to whom questionnaires could be given were reluctant to respond as quickly as needed. Failure to respond timely was accelerated by the fact from time to time Respondents were busy for their core objectives. The other reason for the Respondents failure to respond quickly was caused by lack of confidence for answers required to the questionnaires.

v) **Language**

Language is another limitation factor especially when dealing with the procurement report which was being written in Kiswahili. The Researcher here had a duty of doing translations form Kiswahili to English language.
vi) **Salary/Allowances**
Due to limited financial capabilities the Researcher faced difficulties to provide salaries/allowances to Respondents and others who facilitated this exercise in one way or another.

vii) **Record keeping**
Poor record keeping in Songea District Council the Organization sampled for the executions of this research study. Improper record keeping increased time of collecting data. Here the Researcher applied his experience in Local Authorities to overcome the problem.

1.7.2 Delimitations of the study
The anticipated problems to be faced during implementations of this research study as have been elaborated in the limitations of the study above have been eliminated by the applications of the following research strategies.

   i) **Financial limitations**
The Researcher have reduced the sample size to as sufficient level as possible (n=30) and use questionnaire data collection technique in order to reduce the gravity of financial implications.

   ii) **Time limitations**
The Researcher decided to make a very tight work plan which has enabled activities to be performed and completed within very short period of time. This has been done by synchronizing the activities of data collections, recording, processing and analysis. The Researcher used the reasonable sample size (n=30) which saves time.

   iii) **Access to data**
The Researcher had the duty of providing clear explanations as for the benefits and purpose of the Research study. He also clarified benefits of the research study to the Organization as well as to the Respondents.
iv) **Availability of Respondents**

The Researcher was very selective in selecting Respondents. Mostly Planning Officers, Head of departments, Internal Auditors, NAO, AO and PMU Staffs are given questionnaires. It was the sincere hope of the Researcher that these Respondents were in a position for quick and most reasonable responses.

iv. **Language**

The Researcher applied His experience in Local Government Authorities proceedings to assure that the procurement reports which are written in Kiswahili are properly translated into English language for the purpose of executing the research study accordingly.

v) **Salaries/allowances**

The Researcher clarified benefits of the research study to the Organization so as to convince the respondents ignore the minor allowance and they were claiming and instead relay upon the benefits of the research study towards the Organization it itself at large.

vi) **Record keeping**

The problem of poor record keeping which could affect time frame has been solved by experience the Researcher has in Local Government Authorities and also by application of well-organized work schedule or plan. Researcher’s experience enabled easy access to data whenever record keeping problems were noted.
CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction
This chapter consists of both theoretical bases of research as well as the empirical studies. It provides review of theoretical literatures, conceptual definitions of relevant variables applicable in the study followed by empirical literature and conceptual framework.

Dependent and independent variables have been technically linked together to provide a framework which facilitate searching for how value for money achievements in execution of work contracts are being influenced.

2.2 Theoretical Literature
2.2.1 Conceptual Definition
2.2.1.1 Works contract
Works contract is any standard legal agreements between the Client/Employer and Customer/Contractor which stipulates terms and conditions to fulfilled in executions of construction, reconstructions, demolitions, repair or renovation of buildings, structures, roads, airfield or irrigation schemes, (The Public Procurement Act, 2004).

2.2.1.2 Value for money
On the other hand value for money or economy may be defined as the optimum monetary worth of work projects at any given stage of its implementations. Value for money tries to explain what is to be achieved in terms of intended quality of work projects. Value for money will also imply fitness of the project work for intended purpose at completion stage, (Materials Management Journal 2007).
2.2.1.2 Procurement process
Procurement process can be defined as the successful stages in the procurement cycle including planning, invitations, choice of appropriate procedure, means to solicit offers, examination and evaluations of the offers, contract award and contract execution and management, (The Public Procurement Acts: 2004).

2.2.1.3 Local Government Authority
Local Government Authority may be defined as all City Councils, Municipal Councils, Town Councils and District Councils in the United Republic of Tanzania, (The Local Government Authority Tender Boards Regulations, 2007). The Local Authorities in Tanzania are under Prime Minister’s office, Regional Administration and Local Government, PMO-RALG.

2.2.1.4 Songea District Council
Songea District Council is one of the Local Authorities where case study of this research programme has been undertaken. It is one among the five Local Authorities within Ruvuma Region. Others are Mbinga, Namtumbo, Tunduru, Mbamba-bay District Councils and Songea Municipal Councils.

2.2.1.5 Total quality management
According to (Donald W Dobler; 1990) total quality management (value for money management) can be expressed in many different ways depending upon one’s perceptions, but for the scope of his text book Purchasing and Supply Management quality may be defined in three basic ways namely:

In absolute terms
In absolute terms quality is explained as the function of excellence intrinsic value or grade which is determined over specified period of time. It is taken into consideration that absolute quality is the “prime” one which means highest quality. In practise it is almost impossible to achieve highest qualities to goods, works and consultancy services. In the past value of gold was used in comparing values of various performances or standards.
Relative to a perceived need
In practise relationship to a need of function is very much important to be considered. The way in which an item or a given a requirement fit for the required purpose is also taken as quality or value for money or economy.

Conformance with stated requirements
This is a little bit similar or relative to a perceived need as has been explained above. The main difference here is the fact that performance of a stated requirement has been given higher priorities.
In the text the Author has expressed various factors which influence qualities or value for money in a view to achieve intended qualities. Some of the factors in accordance with the Author are as follows

Material specifications
This refers to the way in which item or requirements are clearly descried in a view to enable them get understood. Considerations should be given to production factors, commercial purchasing considerations, production factors and frequently marketing factors. It is therefore taken into account that appropriate material specification is the basic issue in achievement of value for money or economy in any procurement process.

Selection of Supplies
Proper selection of Suppliers is another key issue in the achievement of value for money or economy in since that competent Suppliers are the ones who can perform better. If selection is not proper then inferior supplier can be selected and hence poor value for money/economy can be achieved. This procurement process is highly depending upon the functions or roles performed by the procurement Department.

Testing
The Author has also explained testing as one the factors which can be applied to control value for money/economy in procurement processes. According to the text
testing are to be done at any required stages in order to avoid deviation as for the targeted achievement for value for money.

### 2.2.1.6 Effect of contract management

Value for money (VfM) can be accelerated by poor contract management. This refers to the overall contract administration as from the beginning to when the contract come to its end point in order to avoid risks of deviations towards required objectives (purchasing-procurement, 2013).

It has also been explained that value procurement is the core principle underpinning Public procurement to avoid deviations and compliance to procurement process, promoting the uses of resources in an effective, efficient and ethical manner but also making decision in accountable and transparent ways (Materials Management Journal 2007).

### 2.2.1.7 Value for money in procurement is not only about what has been spent as price

Value for money takes us further to the analysis of conditions for participation as well as evaluation of benefits achievable, Procurement process in a view to achieve value for money may include the following factors;

i. Fairness for the whole process
ii. Experience of the Contractors
iii. Flexibility (ability for innovations and adoptability)
iv. Environmental sustainability
v. Whole of the life time and cost, (Finance. 2013)

In some other cases it is can thus argued that value for money is a combination basing of both the monetary cost of project in regard to the quality of the same at a given stage. Value for money is in most cases applicable to Public procurements and has an impact to the macro economy in terms of both consumption as well as investment spending,(Scotland procurement policy, 2005).
In the area of purchasing, researchers have studied patterns in the organization of purchasing, identified contextual factors that influence its design or analyzed the contribution of the Purchase Organization to purchasing performance (PP) or the performance of the entire organization. Although a large number of works have appeared that study the organization of purchasing, several authors noted that prior research has been widely unstructured and that a more systematic approach towards research on the purchase organization is necessary (Trent and Monczka 2003; Gelderman and Semeijn 2006; Quintens, Pauwels, and MatthysSENS 2006a; Trautmann, Turkulainen, Hartmann, and Bals 2009).

2.3 Empirical Literature
There are many studies related to factors influencing value for money achievements in execution of work contracts. In this study empirical literature has been conducted to the experience of past Researchers and Authors from Tanzania as well as from outside Tanzania. Empirical literature review has been conducted with the objective of searching knowledge related to factors influencing achievements of value for money in execution of work contracts.

2.3.1 Empirical Study from Tanzania
A study was conducted about contribution of poor contract management towards achievement of value for money in the executions of goods, works and service contracts, (Renatus, 2009).

In the study it was noted that there are some factors which hinder management of procurement contracts in Public Organizations. The study also pointed out that primarily contract management intends to guard contract execution for value for money achievements for goods, works and provision of services.

In his study it was concluded that poor contract management plays a great role in failure to achieve value for money (VfM) for the acquisition of goods, works and services.
According to the study, failure for value for money achievements can be accelerated by the environments through which contract implementations are being executed, the risks and the appropriate management style. Other factors includes defining clearly the obligations of the Contract Manager, establishment of reporting systems, monitoring closely performance of the Contractor, holding review through regular technical meetings and executing project auditing as appropriate as possible.

On the other side the study recommend that fair and effective contract management should start with preparations of standard contract documents. As a matter of fact it is through well prepared contract document that the project managers will have tools for managing contract effectively.

The Researcher advises and recommends that procurement process has to be adhered to throughout the process. He also insisted on the importance of timely award of contracts, the application of liquidated damage clause for late contractors/Suppliers, compliance to technical specifications and executing capacity building to practitioners.

It has also advised that effective tendering proceedings for the achievement of value for money (VfM) in Public Institutions are linked with some relevant factors. In his study the Researcher was inquisitive at understanding the degree to which tendering procedures hinder the achievement of value for money (VfM) in Financial Institutions According to (Sabuni, 2009).

In this study the Researcher suggested that tendering procedures is one of the factors which contribute to the value for money problem if not properly managed by responsible Officers. However the impact of the ways through which poor procurement proceedings affect value for money was not proved quantitatively. The Researcher suggested that capacity building to all procurement Practitioners should be conducted at least once per year in order to create awareness of tender procedures to Tender Board and PMU Staff. The Researcher suggested adherence to
The Public Procurement Acts and Regulations so as to be able to acquire responsive Bidder who will manage to execute the contract in a view to achieve the actual or real value for money. He also suggested that the Technical Evaluation Team should be properly appointed so that the recommended Bidder becomes the one with required competences. Sometimes trainings on evaluation process should be done accordingly.

2.3.2 Empirical Study from Outside Tanzania
According to Wikipedia (2013), contract management is also known as contract administration and involves Customers, Employees and Contractors on the other side. In this study contract management in a view to achieve value for money starts with appropriate negotiations of term and condition of the respective contracts. Contract management is the continuous process of systematic and efficient approach to contract creations, examinations and analysis for the purpose of maximizing physical, financial and economic performance.

Contract management in a view to achieve value for money starts with well organization of all material bases and proper managements of other relevant cost elements (Antiessays, 2013). In order to come up with effective value for money control quantities should be divided into base and optional quantities in separate line items. Price applicable should be properly evaluated before being aggregated to the contract. The basic objective is to have valid contract document which will enable contract management in a view to achieve value for money or economy.

2.4 Conceptual Framework
Conceptual framework is a detailed research plan which shows relationship between dependent and independent variables. It is a research mechanism which will provide means of finding out solutions to the research problems as has been stated in chapter one of this study. The conceptual framework is presented below (Figure 2.1).
The fundamental independent variables of the study are as follows:

**Equipment**
It refers to all required sets of plants required for the executions of a particular work project to the intended quality level.

**Liquidities**
It refers to financial positions or financial capabilities the contractor has for the implementations of a particular work project.

**Personnel**
This refers to the number of key working technical staff together with their corresponding qualifications and experience in similar project work.

**Tendering proceedings**
It refers to the number of competitive activities done by the tender board, PMU, TEC, AO and user department in acquisition of responsive contractor
**Supervision**

Refers to the job done by the contract management team together with the contract Manager. It involves closer monitoring of the work project from the beginning up to an end.

**Technical specifications**

It refers to all technical detailed descriptions of materials to be used in executions of work project.

**Political Interference**

Is the situation in which Politician influences or intervenes procurement process in order to favour interested Bidders.

Testing facilities: It refers to all testing instruments, mechanism and laboratories relevant for testing of qualities of materials to be used in work.

**2.4.1 Relationship between Variables**

In this study variables have been classified as independent on one side and dependent on the other hand. There is a very clear relationship between independent and dependent variables in the following manner;

Firstly, all independent variables are the determinants of all dependent variables in sense that dependent variables are caused by independent variables.

Secondly, the contribution of each independent variable to the cause of dependent variables may not necessarily be the same. In most cases the contribution will depend upon the strength of each separate independent variable at different times. To what degree are these variables related are be found when data analysis of this study will be conducted immediate after data collections.

Achievement of value for money in works contracts is likely to be influenced by factors from the side of both, the Employer and the Contractor.
2.5 Research Gap
With reference to above literature review it is clearly shown that a lot of theories have been presented about value for money and quality control and managements. The Researcher has conducted an intensive and critical literature review within Tanzania as well as from outside Tanzania.

I both theories nothing have been addressed about factors influencing achievement of value for money in executing works contracts. In other words the research for the factors influencing achievement of value for money in implementations works contract has not been conducted to the level of this study yet. It is with the aid of this literature review that knowledge gape has been realized and that the Researcher became inquisitive at searching for the factors influencing achievements of value for money in the executions of work contracts.
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction
This chapter describes all of research methodologies which have been applied in the study. It includes the area at which the study has been conducted (Study area), research design, study approach, population, sampling, data collection and analysis methods. The chapter also explains types of research instruments which have been applied in data collection exercise.

3.2 Study Area
The Songea District Council has been selected to be the study area. The reasons behind this selection is for the experience of the Researcher upon easy access to data, relatively lower cost and time to be used for data collection and significantly to time as the Authority is situated closer to Researcher’s place of residence.

3.3 Research Design
Research design is a systematic plan which employs means of answering research questions as have been elaborated in chapter one. Research design should explain as from where data are to be collected and consider the constraints to this exercise, for example access to data, time, location and money (Saunders, 2009). Research design is a detailed blue print required to provide guidance to the research study towards intended objectives. It is a major tool for data collection, measurements and analysis, (Kothari, 2004).

Research design in this study is a systematic programme through which data collection from targeted population and analysis of data relevant to the objective of the research study executed. A case study strategy has also been for reason of its flexibility over different research methods applicable such as interview with Respondents, group discussion and observations. It is the objective and hope of the Researcher that through this
technique He will be able to collect reliable and valid data within estimated time frame.
A case study strategy has specifically been employed in this study for the reason of its ability to provide answers to questions of why? What? and also why? These three answers will enable the Researcher achieve solution to the research questions with little difficulties.

3.4 Research Approach
In this study the Researcher required employing qualitative research approach. Qualitative research approach is the one which is to be used whenever the Researcher applies non-numerical data such as words, pictures, video clips etc, (Saunders 2009). The nature of this study which requires assessing the impact of some variables upon achievement of value for money has to be executed qualitatively. Qualitative approach will enable Researcher to collect data and facts in depth through questionnaires, interview and observations.

On the other hand qualitative approach enabled the Researcher for an opportunity to have direct contact with Respondents and hence be able to get clarifications of issues which have not been understood before.
Direct interactions between the Researcher and Respondents also play a great role as it enables sharing of different views they have. It enable them learn and share different experiences phenomenon happening within real life of selected population sample, (Saunders, 2009).

3.5 Population
Population refers to all subjects who are under the said research observation or executions. This means that the terminology population does not specifically refer to human being but rather to any object as far as the interest of the study is concerned. The full set of cases from which the sample is taken is called a population and not necessarily be a set of people (Saunders 2009).
In this study the population were all Regional Secretariats, City, Municipalities and District Councils (Local Authorities) available under Prime Minister’s Office, Regional Administration and Local Government

3.5.1 Type of Research
This study is exploratory. Exploratory study is the one which intend to establish causal relationship between variables, (Saunders, 2009). The employment of exploratory study is due to the fact that the objective of this study is to assess as to how mentioned factors hinder value for money achievements is execution of works contracts. This objective requires exploratory study to establish causal relationship between variables as they affect value for money achievements in different stages of work implementations. Chapter two of this study particularly in research modals explains in detail about how causal relationship between variables is to be searched.

3.6 Population Sample and Sampling Procedures

3.6.1 Sample Size
Sample size refers to the total number of items or members selected from targeted population after a sampling frame has already been defined,( Kothari C. R 2004). In this study sample frame will contain Members such as Head of Departments, Chairperson of the Tender Board, Procurement Management Unit Staff, other two Staffs, Internal Auditor and Site Engineers or Technicians.

This set of Songea District Council Employees will form a targeted group of Respondents to whom questionnaires are to be issued for execution of the study. Thereafter questionnaires will be collected for further steps of the study.
Table 3.1: Sample Size

<table>
<thead>
<tr>
<th>S/No</th>
<th>Sample Group</th>
<th>Sample Size</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tender Board</td>
<td>4</td>
<td>13.3</td>
</tr>
<tr>
<td>2</td>
<td>PMU</td>
<td>6</td>
<td>20.0</td>
</tr>
<tr>
<td>3</td>
<td>Head of Departments</td>
<td>4</td>
<td>13.3</td>
</tr>
<tr>
<td>4</td>
<td>Internal Audit</td>
<td>6</td>
<td>20.0</td>
</tr>
<tr>
<td>5</td>
<td>Civil Technicians</td>
<td>6</td>
<td>20.0</td>
</tr>
<tr>
<td>6</td>
<td>Other Staff</td>
<td>4</td>
<td>13.3</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>30</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Researcher, (2013)

3.6.2 Sampling Procedures
In general sampling procedures depend upon either the study is qualitative or quantitative research. Quantitative research approach requires probability sampling while qualitative research approach requires Non-probability sampling, (market research, 2013).

In this study sampling and sampling procedures will be of qualitative research approach and it is for this reason that Non-probability procedures must be applied. Departments will be selected and thereafter members to allocated questionnaires are to be selected for the relevant base of simple random or purposive ways. The following table shows how sampling and sample procedures will be done.
3.7 Data collections Methods and Instruments
In this study method for data collections to be employed will both, that is Primary Data and Secondary Data. Elaborations as to how these two methods are and will be applied in the study are as follows.

Questionnaires
Questionnaires have been designed, prepared and had been distributed to respective Respondents within Songea District Council in order to gather primary data. Questionnaires have been designed in such a way that data collected will enable analysis of the factors hindering achievement of value for money in work projects within Local Authorities. Sample of questionnaires can be found in appendix one.

Interview
Personal interview was among primary data collection methods. In applying interview the Researcher asked question on face to face bases with targeted Respondents including TB members, PMU Staff, HoD, Internal Auditors, Members of Audit Committee, Civil Technicians and Staff Members.

<table>
<thead>
<tr>
<th>S/N</th>
<th>Respondent(Title)</th>
<th>Total</th>
<th>Sampling Technique</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Head of Departments</td>
<td>4</td>
<td>_</td>
</tr>
<tr>
<td>2</td>
<td>PMU Staff</td>
<td>6</td>
<td>Simple Random</td>
</tr>
<tr>
<td>3</td>
<td>Internal Auditor&amp; Audit Committee</td>
<td>6</td>
<td>Simple Random</td>
</tr>
<tr>
<td>4</td>
<td>Technical Staff</td>
<td>6</td>
<td>_</td>
</tr>
<tr>
<td>5</td>
<td>Chairperson/Member of TB</td>
<td>4</td>
<td>_</td>
</tr>
<tr>
<td>6</td>
<td>Other Staff</td>
<td>4</td>
<td>Simple Random</td>
</tr>
<tr>
<td></td>
<td><strong>Grant Total</strong></td>
<td><strong>30</strong></td>
<td><strong>16</strong></td>
</tr>
</tbody>
</table>

Source: Researcher, (2013)
Documentary Review

This method was applicable in searching for (additional) secondary data appropriate to the research study. Data were collected from different text books, journals, pamphlets, research reports and other publications available within the office. Primary and secondary data together enabled the study carried on successfully. Recording and codification were done with care in order to avoid deviations from the objectives of the study.

3.7 Types of Data

3.7.1 Primary Data

Generally primary data are the ones which have been collected fresh and for the first time and must have original characteristics. These data are collected in order to be used in the specific ongoing research study (Saunders 2009). Primary data is the original materials. Information for which the Researcher has no personal knowledge is not primary data although they may be used in research studies once relevant and appropriate (Primary, 2013).

In this research study primary were collected by application of questionnaires to Respondents as have been demonstrated in tables in 3.7.1 and 3.7.2 above respectively.

3.7.1 Secondary data

Generally secondary data are those which have already been collected by other Researcher and have already been used for purposes other than the ongoing research study. That means the data are used again for secondary purposes. Secondary data are those which have been collected by another Researcher regardless of whether it is a group people or just an individual person. The data must be originally been used in another purposes but now are being manipulated out so as to fit in the ongoing research study (Blurtit, 2013).

In this research study secondary data will be used as well. The researcher collected secondary data from the office of NAO and PPRA in order to support primary data.
It is on the other hand the hope of the Researcher that combination of primary data and secondary data yield significant result as far as data analysis is concerned. Documentation from various publications such as journals, audit reports, NAO and PPRA websites, newspapers and minutes of the meetings have been accessed in order to search for secondary data. In so doing care is to be taken so that all collected secondary data should be with required degree of validity and reliability.

3.8 Data Management
In the context of research methodology data management is the process whereby data are properly collected, received, checked, verified, analysed, converted to any desirable forms and computerised in order to achieve intended research objectives, (Michael Arrighi,2000).

In this study threat to data quality which is highly linked with data collections and modifications will be controlled by prevention of errors, elimination of inconsistency, avoiding omission of data, avoiding misrepresentations and oversight through getting a feel for the data.

3.8.1 Reliability
In any research study data collected must be reliable. In order to have accurate data the Researcher has to be careful especially when applying secondary data. Secondary data refers to all data which have already been used for the purposes other than ongoing research study. It is for this reason that a Researcher has to observe the data in detail so as to able to conclude as whether they are suitable for the intended research purposes or not (Kothari, 2007).

Reliability of data also refers to data collected which are not subject to sampling errors. Sampling errors can be attributed to many types of sources and some of them are as follows;
3.8.2 Validity
Validity may also imply precise and exact results acquired from the data collected. In technical term a measure can lead to produce proper and correct conclusion or results (Statistics solution, 2013).

3.9 Data analysis Procedures
Generally data analysis is a process through which data are inspected, cleaned, transformed and then modelled with a goal of utilising them for the intended research studies.

Analysis techniques for qualitative data involved breaking down data and to do clarifications of the nature of the data as it is and thereafter checking for relationship between variables with respect to the research study. It will involve sub processes of data reductions (data editing), data display, data drawing tables/figures (codifications) and then verifications of conclusions (Saunders, 2009).
CHAPTER FOUR

REPRESENTATION OF FINDINGS AND ANALYSIS

4.1 Introduction
In chapter three we have description of research methodology of this study. This chapter continues with presentation of the research findings of the study. All results presented in this chapter are basing on the data collected form the Respondents. All Respondents of this study are from Songea District Council where the research study has been carried on.

Data have been collected from 30 Respondents (n=30) where presentation started with biographical overview of the sample and thereafter continued with analysis of variables hindering value for money achievements in executions of work contracts. Research results are presented as with respect to three specific objectives and questions of the study. Firstly the findings describe factors hindering work contracts quality which are also linked with Employers performance. Secondly findings are linked with the performance of the Contractor and thirdly are the analysis of factors beyond the performance of the Contractor and the Employee.

4.2 Bibliographic Analysis
Questionnaires were issued to thirty (n=30). Respective biographic analysis have been summarised in terms of age groups, gender balance, education status and marital status of Respondents.

4.2.1 Respondents Distribution by Age
Age distribution in this study was essential variable due to the fact that Adult Persons always come up with reasonable answers which lead to efficient data which on the other hand influences the objectives of this study. As it can be noted in figure 4.1 all Respondents were above eighteen (18) years of age which means that they had capacity of understanding questionnaires clearly and provide required data.
The age structure of Respondents from Songea District Council has been summarized in the following table:

### Table 4.1 Age Structure

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-35 Years</td>
<td>10</td>
</tr>
<tr>
<td>36-45 Years</td>
<td>18</td>
</tr>
<tr>
<td>46-60 Years</td>
<td>2</td>
</tr>
<tr>
<td>61 and above</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>30</strong></td>
</tr>
</tbody>
</table>

Source: Research Data 2013

From table 4.1 out of 30 representatives 33% are Youth, 60% are middle age adults while 7% are of old ages. Above 61 years of age is for Employees working under contracts and as it can be seen from the table there were no respondent.

### 4.2.2 Respondents distribution by Gender

Gender balance was also among important variable of the study as it was intended to avoid gender biasness. It was quiet necessary to assure that data are obtained from all types of gender (Males and Females) as it can be noted in figure 4.2 below.

Out of a total number of 30 interviewed Respondents 22 are Males representative while 8 are Females representatives with equivalent of 73% and 27% respectively. The ratio of gender representation is 2.7:1 respectively.

The gender distribution of Respondents is composed with Representative Employees form appropriate Departments and Sections as have been elaborated in sample size distribution table 2. The gender composition of representatives can summarised in table 4.2 and figure 4.2 below.
Table 4.2 Gender Analysis of Respondents

<table>
<thead>
<tr>
<th></th>
<th>Females</th>
<th>Males</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8</td>
<td>22</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>27%</td>
<td>73%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Research Data, 2013

Furthermore the gender structure of Respondents from Songea District Council can be represented by Figure 4.3 below.

4.2.3 Educational Status of Respondents
This variable is also important because it was intended to collect data from Respondents with academic capability of understanding the questionnaires and then be able to relate to what happens on the ground in terms of executions of work contracts. In this study education status of Respondents has direct influence to specific and general objectives.

As a matter of fact this study needed Respondents with secondary education and above. As it can be seen from figure 4.3 no one among Respondent had primary education level.

Table 4.3 Education Status of Respondents

<table>
<thead>
<tr>
<th>P/school</th>
<th>Sec.</th>
<th>Certificate</th>
<th>1st Degree</th>
<th>Masters</th>
<th>CPA/CPSP</th>
<th>Ph.D</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>2</td>
<td>6</td>
<td>12</td>
<td>4</td>
<td>6</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>0%</td>
<td>7%</td>
<td>20%</td>
<td>40%</td>
<td>13%</td>
<td>20%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Source: Research Data 2013

Distribution of Respondents in terms of education status shows that they have enough standard for understanding and answering questionnaires.
4.2.4 Marital Status
Out of 30 Respondents 24 of them are married with equivalency of 80% while 6 with equivalency of 20% are not married. Marital status of Respondents can be analysed by the following table and figure.

Table 4.4: Marital Status of Respondents

<table>
<thead>
<tr>
<th></th>
<th>Married</th>
<th>Single</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>24</td>
<td>6</td>
<td>30</td>
</tr>
<tr>
<td>Percentage</td>
<td>80%</td>
<td>20%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Research Data, 2013

Distribution of Respondents from table 4.5 as with respect to their marital status shows that 80% are married and 20% single.

4.3 Analysis of Findings and Discussions
Analysis for the factors hindering achievement for value for money in implementation of work contracts have been done by questionnaires from 30 Representatives (n=30). Distributions of Respondents or Respondents structure form Songea District Council have been studied in order to acquire their contributions for the study. The table below provides description of Respondents for the study.

- HoD - Head of Departments
- PMU - Procurement Management Unit Staff
- IO - Internal Auditors and Audit committee Members
- TS - Technical Staff (Employed Engineers and Civil Technicians)
- TB - Members of Council Tender Board
- OS - Miscellaneous Staff

Table 4.5 Distribution of Respondents

<table>
<thead>
<tr>
<th></th>
<th>HoD</th>
<th>PMU</th>
<th>IO</th>
<th>TS</th>
<th>TB</th>
<th>OS</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequency</td>
<td>4</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>4</td>
<td>4</td>
<td>30</td>
</tr>
<tr>
<td>Percentage</td>
<td>13.3%</td>
<td>20.0%</td>
<td>20.0%</td>
<td>20.0%</td>
<td>13.3%</td>
<td>13.3%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Research Data 2013
Data from table 4.6 shows that 13.3% of interviewed respondents are from Head of Departments, 13.3% is for miscellaneous staff and another 13.3% stands for Council Tender Board. Procurement Management Unit has 20% of Respondents while Internal Audit and Technical Staff have 20% each. Distribution of Respondents has covered all groups of staff within Songea District Council responsible for managing procurement process and acquisition of value for money. The structure of Respondents may further be analysed by the following histograms:

4.3.1 Availability of working equipment (Plants)
This variable is very essential to the objectives of the study because availability of working equipment (plants) has direct influence/contributions to value for money in execution of work contracts. Failure to have adequate plants or having weak plants leads to poor performance of contract implementations and hence poor achievements of value for money. In the context of implementation of work contracts plants and equipment means Graders, water bowsers, excavators, rollers, hand compactors, row beds, and bitumen cheeping and other related requirements.

From table 4.7 it has clearly been shown that all representatives agreed that availability of plants and equipment hinder achievement of value for money for about 100%.

Table 4.6 Availability of Plants and Equipment

<table>
<thead>
<tr>
<th>Variable</th>
<th>frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>18</td>
<td>60</td>
</tr>
<tr>
<td>Agree</td>
<td>12</td>
<td>40</td>
</tr>
<tr>
<td>Neither Agree nor Disagree</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Middle Agree</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>30</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Research Data, 2013
4.3.1 Availability of Appropriate Key Working Personnel

In this study availability of key working Staff is one of important variables as it has direct impact to performance of work contracts. As a matter of fact lack of key working staff leads to failure to perform any contract work and then poor value for money achievements. Key working staff means Engineers, Technicians and Masons relevant to the requirements of implementations of a given work contract.

Five items have been tested in order to have representatives’ feelings about variable. Table 4.8 shows clearly that 86.66% of Respondents agreed that availability of key working staffs hinder achievements of value for money in implementation of work contracts.

Table 4.7 Availability of Key Working Personnel

<table>
<thead>
<tr>
<th>Variable</th>
<th>frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>18</td>
<td>60</td>
</tr>
<tr>
<td>Agree</td>
<td>8</td>
<td>26.6</td>
</tr>
<tr>
<td>Neither Agree nor Disagree</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Middle Agree</td>
<td>2</td>
<td>6.6</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>2</td>
<td>6.6</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>30</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Research Data, 2013

4.3.2 Contractors’ Financial Liquidities (Capital)

In order to have feelings of representatives about contributions of this variable towards achievements of value for money five items were tested. The outcomes of representatives have been clearly shown in table 4.9 below.
Table 4.8 Contractors’ Financial Liquidities

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>18</td>
<td>60</td>
</tr>
<tr>
<td>Agree</td>
<td>8</td>
<td>26.6</td>
</tr>
<tr>
<td>Neither Agree nor Disagree</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Middle Agree</td>
<td>2</td>
<td>6.66</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>2</td>
<td>6.66</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>30</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Research Data, 2013

4.3.1 Poor Supervision by Project Manager (Work Supervisor)

This variable has been tested by five items in order to get feelings of the Representatives. According to table 4.10 about 88.66% (33.33+53.33) of the Respondents have agreed that the poor supervision of implementations of work contracts lead to poor achievements of value for money in Songea District Council. This variable is very important to the scope of this study because lack of proper supervision has direct influences on achievements of value for money. Project Manager is the one with relevant work qualifications and experience who has been given obligations of closer monitoring performances of work contracts.

Table 4.9 Poor Supervisions

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>81-100%</td>
<td>10</td>
<td>33.33</td>
</tr>
<tr>
<td>61-80%</td>
<td>16</td>
<td>53.33</td>
</tr>
<tr>
<td>41-60%</td>
<td>2</td>
<td>6.66</td>
</tr>
<tr>
<td>21-40%</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>0-20%</td>
<td>2</td>
<td>6.66</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>30</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
4.3.3 Tendering Proceeding
This variable has been applied for testing in order to have Respondents’ feelings about how value for money achievements can be influenced by inferior tendering proceedings. A total number of five items were tested.

The reactions of Representatives have been clearly shown in table 4.11 where 86.66% (40.00+46.66) agreed that the poor tendering proceedings influences achievements of value for money in implementations of work contracts within Songea District Council. However an equivalent of 13.32% from items of mildly agree and strongly disagree have rejected the variable.

The variable is of great importance to the objectives of this study because poor tendering proceedings leads to acquisitions of weak contractors who fail to implement work contracts to the required standards and as a result poor value for money is realized. Tendering proceedings start at the stage of procurement planning and come to an end when contract for work is signed by responsible parties.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>12</td>
<td>40</td>
</tr>
<tr>
<td>Agree</td>
<td>14</td>
<td>46.66</td>
</tr>
<tr>
<td>Neither Agree nor Disagree</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Middle Agree</td>
<td>2</td>
<td>6.66</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>2</td>
<td>6.66</td>
</tr>
<tr>
<td>TOTAL</td>
<td>30</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Research Data, 2013

4.3.2 Impact of Technical Specifications
This variable has also been applied for testing in order to have Respondents’ feelings about how value for money achievements can be influenced by inferior preparations of technical specifications.

A total number of five items were tested. The reactions of Representatives have been clearly shown in table 4.11 where 80% (23.33+66.66) agreed that poor preparations of technical specifications influences the achievements of value for money in
implementations of work contracts within Songea District Council. However an equivalent of 19.98% from three items has rejected the variable.

**Table 4.11 Poor Technical Specifications**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>81-100%</td>
<td>4</td>
<td>13.33</td>
</tr>
<tr>
<td>61-80%</td>
<td>20</td>
<td>66.66</td>
</tr>
<tr>
<td>41-60%</td>
<td>2</td>
<td>6.66</td>
</tr>
<tr>
<td>21-40%</td>
<td>2</td>
<td>6.66</td>
</tr>
<tr>
<td>0-20%</td>
<td>2</td>
<td>6.66</td>
</tr>
<tr>
<td>TOTAL</td>
<td>30</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Research Data, 2013

4.3.3 **Availability of Plants for hire and Material Laboratories**

The variable above was tested against five items. The objective here was to assess the reactions of Respondents about how value for money achievements in implementations of work contracts is being influenced by availability of plants for hire as well as material laboratories.

Availability of plants for hire and material laboratories have direct influence to the objectives of this study because lack of these facilities lead to failure to perform work contracts to the required standards.

Table 4.12 shows clearly that 88.66% of 30 Respondents agreed the fact that availability of plants for hire and material test laboratories affects value for money achievements in the implementation of work contracts in Songea District Council.
Table 4.12 Poor availability of Plants for Hire and Material Laboratories

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>81-100%</td>
<td>10</td>
<td>33.33%</td>
</tr>
<tr>
<td>61-80%</td>
<td>16</td>
<td>53.33%</td>
</tr>
<tr>
<td>41-60%</td>
<td>2</td>
<td>6.66%</td>
</tr>
<tr>
<td>21-40%</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>0-20%</td>
<td>2</td>
<td>6.66%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>30</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Research Data, 2013

4.3.4 Political Interference by Politicians/Councillors

This variable has been applied for testing in order to have Respondents’ feelings about how value for money achievements can be influenced by improper tendering decisions caused by political interference by Councillors, higher level Officials and other Politicians. A total number of five items were tested against this variable. Political interference and interventions lead to achievement of weak contractors who fail to perform work contract as it required. It is for this reason that this variable has become important to the objectives of this study. However an equivalent of 20.00% from items of neither agree nor disagree, middle agree and others or the rest who disagree have rejected the variable.

Table 4.13: Political Interference by Politicians/Councillors

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>8</td>
<td>26.67%</td>
</tr>
<tr>
<td>Agree</td>
<td>16</td>
<td>53.33%</td>
</tr>
<tr>
<td>Neither Agree nor Disagree</td>
<td>4</td>
<td>13.33%</td>
</tr>
<tr>
<td>Middle Agree</td>
<td>2</td>
<td>6.67%</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>0</td>
<td>%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>30</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Research Data, 2013
4.3.5 **Average Value for Money**

This variable have been applied in order to test the awareness of representative respondents about average percentage of value for money the Council achieve in implementations of work contracts.

The reactions of Representatives have been clearly shown in table 4.11 where 80.00% (6.67+73.33) % agreed that improper tendering decisions caused by political interference by Councillors, higher level Officials and other Politicians influences achievements of value for money in implementations of work contracts within Songea District Council.

However an equivalent of 20.00% from items of neither agree nor disagree, mildly agree and strongly disagree have rejected the variable.

**Table 4.14 Average Value for Money**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>81-100%</td>
<td>2</td>
<td>6.67</td>
</tr>
<tr>
<td>61-80%</td>
<td>22</td>
<td>73.33</td>
</tr>
<tr>
<td>41-60%</td>
<td>6</td>
<td>20</td>
</tr>
<tr>
<td>21-40%</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>0-20%</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>30</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Research Data, 2013*

The above respondents’ test outcomes approves that there is problem of value for money achievements in executions of work projects within Songea District Council caused by various factors.
CHAPTER FIVE

DISCUSSION OF FINDINGS

5.1 Introduction
The main objective of this research study is assessing the impact of variables on achievements of value for money in implementations of work contracts within Local Government Authorities. Specifically the study intended to deal with three specific objectives namely:

i. To analyse the performance of an employer towards value for money achievements in executions of work contracts.

ii. To analyse the performance of the contractor towards value for money achievement in executions of work projects.

iii. To identify variables hindering value for money achievement in execution of work contracts which are beyond the contractor and the Employer.

This chapter is very significant due to the fact that it discusses the findings of the research results as with respect to the objectives of the study. The chapter will be centered in providing summary of what have been conducted in terms of value for money achievements in implementations of work contracts against all variables studied.

In chapter 4 a total number of nine (9) variables have observed and analysed. The primary objective was to assess number of ways through which they have contributions in influencing value for money achievements in the executions of work projects. The variables which have been assessed in this study are as follows:

i. Availability of working facilities (Plants and Equipment)

ii. Availability of appropriate key Personnel

iii. Contractors’ financial liquidities (Capital)

iv. Supervision

v. Tendering proceedings
vi. Technical specifications  

vii. Materials laboratories and equipment for hire  

viii. Interference in tendering decisions.  

ix. Average percentage of value for money achievements  

All variable have been deeply assessed in order to have their impact on the study and in particular to the research objectives as follows:

**5.2 Availability of working facilities (Plants and Equipment)**

Availability of working facilities as has been applied in this study means ability of work contractors to possess reliable number and qualities of plants and equipment relevant for performing appropriate work project at required level as well completion of the tasks within agreed time.

As a matter of fact plants and equipment so required are found in the contract document of respective work projects. In order to manage execution of the project work the respective Contractor is required to have all plants and equipment as has been stipulated in the special conditions of respective contract document.

In an attempt to know the impact of availability of working facilities to the achievement of value for money a variable with five items was tested to the respondents. The respondents were given an equal chance to respond to strongly agree, agree; neither agrees nor disagrees, mildly agree and strongly disagree. The results shows all respondents agreed that availability of working facilities hinder value for money achievements by 100%. It is from item one (strong agree) and two (agree) of the questionnaire which had 60% and 40% respectively.

The response of Respondents indicates that in Songea District Council the issues of plants and equipment are very serious to the achievement of value for money. It is one of the factors which play a great role in hindering qualities of work projects. The summary of what the Respondents recommended has been shown in the following table.
Table 5.1 Availability of Working Facilities

<table>
<thead>
<tr>
<th></th>
<th>Strong Agree</th>
<th>Agree</th>
<th>Neither Agree</th>
<th>Mildly agree</th>
<th>Disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>60%</td>
<td>40%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Resource Data, 2013

The results imply that contractors in Songea District Council lack adequate plants to meet the demands of performing contract works at required levels. The effect of inadequate working facilities has a considerable impact on achievements of value of money in work contracts. It includes failure for a contractor to meet the requirements of technical specifications in implementations of the respective contract.

5.3 Availability of Key Working Personnel

Availability of appropriate working key technical Personnel was another variable which was tested to the Respondents. Generally in executions of work contracts technical Personnel includes the following:

i. Civil engineers, all who holds degree in civil Engineering and with enough experience in performing respective work contract

ii. Civil Technicians, holders of full technical certificates (FTCs)

iii. Quantity Surveyors, holders of degree in building constructions

iv. Plant Operators, all who have knowledge and skills of operating plant for construction works.

v. Plumbers, Masonry and sometimes Carpenters.

All the above said Workers do play a great role in the implementation of work contracts and also towards achievements of value for money or intended qualities. This variable was tested against Respondents through five items.
All Respondents were given an equal chance to respond to strongly agree, agree, neither agree nor disagree, strongly disagree and disagree. The summary of Respondents can be shown in the following table.

Table 5.2: Respondents Summary of key Personnel

<table>
<thead>
<tr>
<th>Strong Agree</th>
<th>Agree</th>
<th>Mildly Agree</th>
<th>Neither Agree nor Disagree</th>
<th>Strongly Disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>60.00%</td>
<td>26.66%</td>
<td>0%</td>
<td>6.66%</td>
<td>6.66%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Research Data, 2013

A total of 86.66% from strong agree item with 60% and agree item with 6.66% show that availability of appropriate technical personnel influences the achievements of value for money in the execution of work contracts.

When we say there is lack of key working technical personnel we mean that contractors misses required number of Workers as has been elaborated in (i) to (v) above. Apart from required number of technical Workers qualifications and experience of work force is an also essential criteria on lack of technical Personnel especially within Songea District Council as well as in Up-country surroundings has been accelerated by various factors namely:

i) **Training Institutions:** In Tanzania number of Higher learning Institutions which offer degree and diploma in engineering are not reliable in number. It therefore leads to lack of qualified technical Personnel in Songea District Council and other Local Authorities.

ii) **Un fair perceptions:** There is an altitude that many technical Personnel need to stay in large Cities like Dar es Salaam while ignoring working in Up-Country areas. This lead to lack of technical Personnel in Songea District Council and other surroundings.
iii) **Wrong perception:**

There is a very wrong perception among many Tanzania Students that Science subjects and mathematics are difficult and for that altitude they escape studying technical studies. This notion has an effect to lack of technical Personnel in Songea District Council as well as other Local Authorities in Tanzania Mainland.

iv) **Growth of construction industry:**

In Tanzania construction industry has grown in which many construction Firms have been registered throughout the country. As a matter of fact the number of civil technical personnel available is not reliable for such large number of construction Firms.

An argument of lack of appropriate technical working Personnel carries more weight when issues related to executions of work contracts are being addressed. It is said so because contributions of Civil Engineers and Civil Technicians towards achievements of value for money in executions of work contracts are of primary importance.

As have been noted form respondents that in Songea District Council about 86.66% of Respondents agree that lack of technical key Staff lead to poor value for money achievement in performing work contracts.

**5.4 Weak Financial Liquidities**

This variable was tested to Respondents by five items through questionnaire. The result is that about 86.665% of Respondents agreed that poor financial liquidities (weak financial positions) have considerable impact in value for money achievements. Furthermore the results can be summarised as follows:
Table 5.3: Weak Financial Liquidities

<table>
<thead>
<tr>
<th>Strong Agree</th>
<th>Agree</th>
<th>Mildly Agree</th>
<th>Neither Agree nor Disagree</th>
<th>Strongly Disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>60.00%</td>
<td>26.66%</td>
<td>0%</td>
<td>6.66%</td>
<td>6.66%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Research Data, 2013

This variable (weak financial liquidities) is of significant of its kind in the implementations of work contracts. Financial liquidity is also known as capital. As a matter of fact capital is one of very essential requirements of not construction works but rather to all other types of business all over the World.

It is for this reason that failure to have adequate capital lead to poor achievement of value for money in implementation of work projects in Songea District Council as well as in other Local Authorities. Sometimes poor financial liquidities may cause the following features in implementations of work contracts:

i. Delay work schedule: One of the results of weak financial liquidities (weak capital) is that contractors fail to comply with agreed programme of work schedule. This lead to delays and hence unnecessary time extension and sometimes deductions of liquidated damages to respective Contractors.

ii. Poor performances

Weak financial liquidities have direct impact on poor value for money of project work as a whole. This is accelerated by the fact that Contractors with weak financial liquidities tend to buy cheap materials which do not have required standard in the implementation of respective work contract.

In Songea District Council weak financial liquidities affects value for money by 86.66%.

iii. Termination of contracts.
Weak financial liquidities sometimes lead to unnecessary contracts terminations as Contractors prove failure to complete project works timely. This lead to contract terminations and payments of liquidated damages for the period of delay of respective items.

5.5 Poor Supervision by Project Manager

In perfuming work contracts a Project Manager or sometimes known as work Supervisor is appointed by the Accounting Officer of respective Procuring Entity with respect to Section 128 of Procurement Acts, 2004. The Project Manager is given all duties of ensuring that value for money is enhanced in implementations of work contracts. He or She is the only personnel who work closely with the project in order to avoid deviations which at the end may result into poor performances.

In testing this variable five items were applied against Respondents at Songea District Council. The summary of what the Respondents recommended is as in the following table.

<table>
<thead>
<tr>
<th>Table 5.4: Poor Supervision by Project Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>81_100%</td>
</tr>
<tr>
<td>33.33%</td>
</tr>
</tbody>
</table>

Source: Research Data, 2013

From the summary above it can be noted that about 86.66% agreed that poor supervision in Songea District Council has direct impact on the achievements of value for money in the executions of work contracts. Poor supervision can be accelerated by various factors namely:

i. **Inefficiency**
Sometimes appointed work supervisor may be not efficient enough for managing ongoing contract. As a result of this Contractor is left free or even alone at site doing whatever favourable for him and without following terms of contract properly. In a view to achieve value for money efficient Work Supervisor are required to perfume the following activities;

- Prepare appropriate work plan
- Prepare relevant and economical rate build up
- Arrange programme or schedule for routine inspections
- Preparations of interim payment certificate as per respective measurement sheets
- Report to the Accounting Officer any serious deviation likely to occur and suggest relevant technical step for overcoming the same.
- Maintain record keeping of daily performance.

ii. **Collusion**
The other factor which may lead to poor supervision is Collusion between Work supervisor and the Contractor which is also related to corruption. In this issue the Contractor together with Work supervisor arrange to deliver sub-standard in order to achieve illegal benefits from savings.

iii. **Poor Knowledge**
Another source of poor supervision is caused by weak ability of the Supervisor himself in managing the contract activities. This happens when the Supervisor lacks reliable knowledge and experience of doing supervision work.

As a matter of fact poor supervision has direct impact upon value for money achievements in execution of work projects. In Songea District Council poor supervision by technical staff available plays a great role in contributing to poor value for money achievements.
5.6 Poor Technical Specifications

This variable was tested to Respondents by application of five items. The first item was strong agree which scored about 13.335% and the second item was agree which had a score of 66.66%. These items can be combined together to a total of 80% showing that poor technical specifications lead to poor achievements of value for money in execution of work contracts.

On the other side 6.66% of all Respondents were neutral while 14% disagreed the variable that poor technical specifications hinder value for money achievements. It can be seen from the results that large percentage of Respondents agreed that poor technical specifications in Songea District Council hinder value for money achievements. The results of respondents can be summarised in the following figure.

<table>
<thead>
<tr>
<th>Strong Agree</th>
<th>Agree</th>
<th>Neither Agree</th>
<th>Strong Disagree</th>
<th>Disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>13.33%</td>
<td>66.66%</td>
<td>6.66%</td>
<td>6.66%</td>
<td>6.66%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Resource Data, 2013

Due to the fact that Department of Works is the one which bear an obligations of preparations of technical specifications then all blames should be directed to this area. At any particular moment cases of poor value for money achievements associated with poor technical specifications must be linked with the District Engineer and His or Her technical staff.

5.7 Availability of Plants for Hire and Materials Laboratories

This is one of the essential variables in any construction industry. It has direct contribution towards quality assurance and achievements of value for money. In order to be practical this variable require qualified number of Staff as well as testing equipment.
In this study, the respondents have been tested through five items in the questionnaire. The items include a range of 81-100% which has scored an average of 33.33%, 61-80% has a score of about 53.33%, 41-60% with a score of about 6.66%, 21-40% with zero percentage and finally 0-20% with 6.66%.

In totality, about 89% of all respondents agreed that lack of plants and material laboratories at Songea contributes towards poor value for money in work projects. This result can be supported by the fact that in Ruvuma Region there is no material laboratory in any of the Local Authorities.

Once materials test is required, then other institutions outside Ruvuma are used although in very minor cases. It implies that a lot of work activities in Songea District Council are done without material test. Through this environment achievement of value for money cannot be achieved at the required level.

Lack of material laboratories or failure to utilize material laboratories lead to utilization of sub-standard materials in work projects such as building construction, road works, irrigation schemes, construction of piped water supply projects and other structures.

Responses of respondents can be shown in the following table:

<table>
<thead>
<tr>
<th></th>
<th>81_100%</th>
<th>61_80%</th>
<th>41_60%</th>
<th>21_40%</th>
<th>0_20%</th>
<th>100%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>33.33%</td>
<td>53.33%</td>
<td>6.66%</td>
<td>0%</td>
<td>6.66%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Research Data, 2013

It has also learnt through observations that in Ruvuma Region there is no any Firm which is dealing with plants for hire. Once plants and equipment are needed for execution of work projects then consultations with Firms out of Ruvuma must be consulted.
As it is known to all of us performing civil and building works properly without having appropriate tools such as plants and equipment is impossible. It is for that reason that achievement of value for money in execution of work contracts in Songea District Council becomes difficult. Mostly Contractors and Songea District Councils’ technical Personnel applies try and error methodology for approving standards. For example when sample of gravel is required for selection of a borrow point no scientific mechanism is being applied. As a result of this there is very huge probability of selecting sub-standard gravel and hence sub-standard road work (This is poor value for money achievement).

In response of the questionnaire about 6.66% disagreed the fact that availability of plants for hire and materials laboratory lead to poor achievement of value for money. This percentage is too small and can be ignored in further analysis of the study.

5.8 Tendering Proceedings

Tendering proceedings or bidding procedures as has been applied in this study means all procurement activities undertaken for the objectives of acquisition of Contractors for work contracts. In addition the said tendering proceedings must have compliance with Public Procurement Laws and Regulations available.

In this study the variable tendering proceedings has been tested by a total number of five items. All Respondents were given equal chances to come up with their expertise as for the understandings about tendering proceedings within Songea District Council.

The results of response of Respondents are as follows:

<table>
<thead>
<tr>
<th>Strong Agree</th>
<th>Agree</th>
<th>Neither Agree</th>
<th>Mildly Agree</th>
<th>Disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>40%</td>
<td>46.66%</td>
<td>0%</td>
<td>6.66%</td>
<td>6.66%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Resource Data, 2013
As it can be shown in table 5.8 above 40% of Respondents who strongly agreed plus 46.66% of Respondents who agreed make a total of 86.66% of Respondents who agreed the variable.

From this result it can be said that in Songea District Council poor tendering proceedings have an impact on the achievement for value for money by 86.66%. Generally poor tendering proceedings may result into acquisition of Contractor who is not responsive. Weak Contractors end up with poor performances and this is what poor value for money means.

Besides the above said results about 6.66% of Respondents mildly agreed while 6.66% strongly disagreed the variable. All who disagreed the variable make a total of 14% approximately. This percentage is minor in the essence of its magnitude and hence for the relevance of this study can be ignored without altering the outcomes.

Unfair tendering proceedings in connection with Public Procurement refers to undertakings namely:

i) Transparency of bidding process: This means all bidders have to be given all information relevant to bidding process at the same time and manner.

ii) Equity handling of all bids: This that all bids have to be handled in equal weights. There should not be any type of discrimination which favours or suppress bidders throughout the process.

iii) Fair evaluation of bids: In any procurement proceedings evaluation is essential mechanism which proposes successful bidders and unsuccessful bidders. It is for this reason that Technical Evaluation Team is required to fair by avoiding biasness when doing evaluation jobs.

iv) Reliable time for bidding: Time for bidding process has been stipulated in the Public Procurement Regulation, 2005 in the third schedule. It is recommended that compliancy to this schedule must be adhered to in order to enable Bidders to have reliable time for processing bids.
v) Fair award decision: Award decisions are executed by respective Tender Boards. It is recommended that there must be fairness for the decisions.

vi) Fair negotiations: This refers to the equality of negotiations criteria applied to all contractors.

It should be taken into account the fact that unfair tendering proceedings are highly linked with any or all of the following basic reason:

i) Desire of the PEs to favour some Contractors (Corruptions)
ii) Desire of some Contractors to force winning the tender (undue influence)
iii) The PEs lacks qualified work force: This addresses the issues related to proper qualification of work force responsible for procurement process within the Procuring Entity.
iv) Political interference.

5.9 Political Interventions by Politicians

This variable is essential to be analysed at any particular moment issues of Local Authorities are analysed. The generic environments of all Local Authorities including Songea District Council cannot be successfully addressed without mentioning political frameworks.

As a matter of facts all Local Authorities in Tanzania mainland are characterised by political structure in which we have some Politicians who work with Councils’ Officials on behalf of the Citizens.

It is for this reason that this study could not be carried on without assessing the interventions and influence of these Politicians on procurement proceedings and the way may lead to poor achievements of value for money in executions of work contracts. Songea District Council has a total of 38 Councillors in which 8 are for special cities for Women and 30 are Wards’ representatives.

The variable was tested by five items to all Respondents. All of them were given an equal opportunity through which they have expressed their fillings about political interventions. The results of the Respondents are as follows:
Table 5.8: Political Interventions

<table>
<thead>
<tr>
<th></th>
<th>Strong Agree</th>
<th>Agree</th>
<th>Neither Agree</th>
<th>Mildly agree</th>
<th>Disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>26.66%</td>
<td>53.33%</td>
<td>13.33%</td>
<td>6.66%</td>
<td>0%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Resource Data, 2013

As it can be noted from results above no one of Respondents disagreed that there is political interference. This can be supported by 0% from the item Disagree. It can be concluded from this item that in Songea District Council political interventions have a considerable impacts on poor achievement of value for money in executions of work contracts.

Apart from above results we have a total of 80% agreed that political interventions have a considerable impact on poor achievements of value for money in executions of work contracts in Songea District Council. The results are from summations of strong agreeing and agree items.

Political interventions and interferences refer to any influence or conspiracy of Councillors and other politicians towards favouring Bidders. In most cases the favour aims at awarding a Bidder who is not responsive.

It should be taken into consideration the facts that once award decisions are done to irresponsive Bidders the poor value for money is inevitable. This is how political intervention and interference lead to poor achievements of value for money in Songea District Council.

However in table of results above about 13.33% of Respondents neither agreed nor disagreed. In other words this group of Respondents are hanging between the lines (neutral respondents). For the objectives of this study this percentage of Respondents is minor and may be totally ignored without affecting objectives of the study.

5.10 Average Value for Money

In order to have average value for money within Songea District Council this variable was tested and Respondents recommended accordingly. The results shows
that general score for value for money is about 80% and that the Council fails to score 20%.

Failure to score the remaining 20% is accelerated by nine (9) factors which have been deeply discussed at the beginning of this chapter. The factors hinder achievements of value for money in execution of work contracts in different ways and times.

**Figure 5.1 Summary of Effects of factors**

![Bar chart showing the percentage effects of various factors on value for money.](image)

**Source: Research Data, 2013**

The percentage through which the factors hinder achievements of value for money has been clearly shown in figure 5.1 above. The following is the elaboration of abbreviations of the factors as have been used in figure above.

i. **Kpes**- Availability of appropriate Key Working technical Personnel
ii. **FLql**- Financial Liquidity of Contractors (financial capability of Contractors)
iii. **Psup**- Poor Supervision by Project Manager
iv. **Lab**- Availability of Material Laboratories and plants for hire
v. **TP**- Compliance to tendering proceedings during bidding stages
vi. **Polit**- Political interventions and interferences during bidding stage
vii. **P&Eq**- Capability of Contractors in terms of plants and equipment
viii. **SPECS**- Availability of proper technical specifications
ix.  AVER- Average score for value money achievements

In this study all above variables have been assessed in terms of their contributions towards achievements of value for money in executions of work contracts in Songea District Council.

CHAPTER SIX

SUMMARY CONCLUSION AND RECOMMENDATIONS

6.1 Introduction

This chapter presents the summary of findings, conclusion and thereafter recommendations of the study basing on data collected from the field. It also points
out the needs for further research activities which have not yet been covered in this study. Finally but not least the chapter highlights the achievements of the study in terms of importance of knowing the influences of searched variables in achievements of value for money in executions of work contracts within Local Government Authorities in Tanzania mainland.

6.2 Summary of the Study
This study intended to provide knowledge the ways performance of work contracts are being influenced by eight variables variables. Chapter six has been driven by the studies from all data obtained from the field work. Furthermore the chapter has pointed out the needs for more research activities in some area which have not yet been clear through the performance of this study.

Finally but not least the study has highlighted the achievements of the research in terms of how value for money achievements are being influenced by variables highlighted in conceptual framework. The study had been carried at Songea District Council but the achievements can be applicable to all Local Government Authorities and other Public Organizations.

The objectives of this study have been successively achieved through data collection, analysis and interpretations. The target of this study was to achieve answers to main and specific research questions. The objective has been achieved and can be summarised as follows.

i) To assess as to how value for money achievement in execution of work contracts is influenced by the performances of the employer, contractor and operating environment. This was within research main objectives whereby figure 5.1 in chapter five provides solution for the objective. In the figure variables and corresponding percentage have been clearly shown in the histograms.
ii) Assessment of the ways Employers performance influences value for money achievement in execution of work contract has been successfully done. From the side of Employer variables assessed were technical specifications which influences by 80%, Poor Supervisions by 86% and Effectiveness in tendering proceedings by 80%. Reference is to be made from chapter (iv) and figure 5.1 in chapter (v).

iii) Assessment of factors form the side of Contractors performance influences value for money achievements in execution of work contract have completely been done. As can be viewed form chapter four availability of appropriate key Personnel hinder VfM by 86%, financial capability influences by 90% and availability of plants and equipment influences by 100%.

iv) Assessment of the ways value for money achievement can be influenced by the operating environment variables has also been completed. In accordance with chapter five and figure 5.1 in chapter (v) availability of material laboratory influences by 86% and Political interference influences by 86%

6.3 Finding
Assessment of variable influencing value for money achievements in execution of work contracts has been concluded by analysis of what has been reacted by the research respondents.

From underlying assumptions in literature review in chapter two it follow that if a variable has an impact to hindrance of value for money achievement in between 67.2% to 100% then it is said to have high impact.

6.4 Contribution of the Study
The contribution of this study is that it provides in-depth analysis of achievements for the value for money as can be influenced by performance of the Employees, Contractors and other environmental variables in number of ways and at different stages of operations.
The study went further at identifications of key variables influencing achievements of value for money in the executions of work contracts in Local Authorities. These variables are of great obstacles in quality control and management and in various stages/levels of performing work contracts in Local Authorities as well as in other Public Institutions at large. It is for this reason that the contributions of the study becomes of great importance.

6.5 Policy Implication
Assessments of the impact of searched variable to the achievements of value for money in the executions of work contracts have a lot of policy implications. It is recommended that all Public Organs responsible for the obligations of formulating procurement policies as well as those responsible for monitoring compliance will benefit from the outcomes of this study in the following ways:

i) Contract objectives: Overall objectives of work contracts are to achieve to come to an end with required value for money achievements. This study provides bases through which objectives can be achieved.

ii) Directorate of Procurement Policy: As long as one of the functions of this Directorate is procurement policy making, this study will provide bases for policy formulation in a view to achieve targeted value for money in implementations of work contracts in Local Authorities and in Public Organizations.

iii) To PPRA: This study will enable Directorate of monitoring and compliance within PPRA in procurement audit. Knowing variables affecting value for money achievements provides bases through which performance audit can be executed and audit opinions may be provided.

iv) Policies in a view to control effects of variables can be imposed through uses of the outcomes of this study. Institutions responsible for doing this like CRB, NCC and other related Institutions are the once to be benefited by the outcomes of this study.
v) The Office of CAG will also get a lot of benefits for value for money audit in Local Authorities especially at the moment work performances are audited.

6.6 Recommendations for Further Research Studies

Due to the fact that work contracts are being performed by many Organizations and in various ways then there is a great need for doing further studies for the factors influencing values for money achievements in execution of work contracts which have not yet been covered. It is recommended that all uncovered studies have to be researched in immediate future for the betterment of Local Government Authorities and other Organization executing work contracts. The following are the views of the Researcher for the immediate needs for further studies.

The assessment of the ways corruption and fraud influences achievements of value for money in the execution of work contracts within Local Government Authorities and in Public organizations. Corruption should be assessed to both the receiver as well as to the donor. Fraud should be searched to Government Official and Contractors.

In Local Government Authorities funds for work projects are received very late as compared to procurement plans and financial budgets available. There is a need to assess the influence of late received funds as to the achievements of value for money in executions of work contracts. Assessment has also to be done for the effect of less received funds in comparison to respective financial budgets.

In drafts of work contracts clause which stipulates how force major (unknown factors) may be treated just in case they occur. Besides including the clauses still there is a need to study the assessment of the influence of weather and climate conditions in executions of work contracts. Study area has to be selected form up country Local Government Authorities where heavy rainfalls, wind and earthquakes are at a great deal.
In this study a variable which assess how political interference affects value for money achievements has been carried on. On the other side there is a great need to study how interference by Government Officials together with their conflicts of interest influences value for money achievements in executions of work contracts. There is a need to study how perceptions Communities surrounding the environment where the contract is being implemented influences value for money in executions of work contracts.

The best example of influence of the reactions and behaviours of Communities to the implementation of work contracts can be taken from Mtwara Residences who refused construction of gas pipeline to Dar es Salaam for reasons best known to themselves. Another example is for local coal mining at Lituhi village in Mbinga District, Ruvuma where Residents oppose mining activities as they fear environmental impacts. It is the view of the Researcher that influence of communities around surroundings where work contracts are being executed should be studied in detail.

6.7 Conclusion and Remarks
Analysis of eight factors influencing value for money achievement has come to the stage of knowing impact of each factor basing on data achieved form field works. It is for this reason that this study has a lot of contributions to all Local Government Authorities and Public Procuring Entities at large.
Successful Local Authority has to be attentive on all eight variables observed in this study in order to avoid deviation in the implementation of work contracts. Furthermore all stakeholders in contract implementations must play they are roles so as to assure that the variables are being treated quiet fairly in order to achieve intended value for money standards in the implementation of work contracts.
The conclusion which is drawn from this study is that understanding the factors influencing achievement of value for money in execution of work contracts would enable Local Government Authorities and Public Organizations at large have infrastructures capable of stimulating and sustaining Tanzanian National economy in various ways.
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APPENDICES

QUESTIONNAIRE

Dear Respondents,
Thank you for allocating part of your time for answering these questionnaires. I surely inform all of you that primary objectives of this study are to assess the degree to which value for money achievements (VfM) is being influenced by eight (8) variables within Local Authorities.

It is for the same reason that Songea District Council has been selected as a sample of a targeted population in order to represent all other Local Government Authorities available within Tanzania mainland.

In order to respond properly to the questionnaires you’re requested either to fill the blank space provided or where appropriate to tick the spaces provided accordingly.

On the other hand I hereby assure the respondents that all information provided in this study will only be used for appropriate/relevant academic purposes and that the information will be handled with highest possible degree of confidentiality and integrity.

1.0 **Respondent’s full name** ……………………………………………………………………………………………
   Contact Address………………………………….Mobile phone………………………………
   Position in the Council………………………………………………………………………………
   Sex particulars: Female ( ) Male ( )

2.0 **Marital status**
   Single ( ) Married ( )

3.0 **Education background**
   What is your highest level of education?
   Primary education ( )
   Secondary education ( )
   Professional certificate ( )
   First degree ( )
   Masters/Postgraduate diploma ( )
   Ph.D. ( )
   Specify other education qualification apart from the above mentioned if any………………………………………………………………………………

4.0 **Age limits.**
   Between 18-35 years of age ( )
Between 36- 45 years of age ( )
Between 46- 60 years of age ( ) (Please, tick appropriate space)
Above 60 years of age ( )

5.0

6.0 Availability of working facilities (plants and equipment).
How do you fill about the following statement?
Inferior or inadequate Contractors’ working equipment contributes to poor achievement of value for money (Vfm) in executions of works contracts in Songea District Council.
Strongly agree ( )
Agree ( )
Neither agree nor disagree ( ) (Please, tick appropriate space)
Mildly agree ( )
Strongly disagree ( )

6.0 Availability of appropriate Company working key Personnel. How do you respond to the following statement?
Lack of required level of technical key Personnel has considerable effect on achievement of value for money in implementations of works contracts.

Strongly agree ( )
Agree ( )
Neither agree nor disagree ( ) (Please, tick appropriate space)
Mildly agree ( )
Strongly disagree ( )

7.0 Contractors financial liquidities (financial capabilities/capital)
In general do financial position of any given Contractor affects quality of performances of work contracts?
Strongly agree ( )
Agree ( )
Neither agree nor disagree ( ) (Please, tick appropriate space)
Mildly agree ( )
Strongly disagree ( )

8.0 Poor supervision by project Manager (Works Supervisor).
According to Procurement Regulations, 2004 sub-regulation 128 works supervisor has been given responsibility for supervising work projects. How can poor supervision lead to failure to achieve value for money (VfM) in works projects?
81-100% of value ( )
61-80% of value ( )
41-60% of value ( ) (Please, tick appropriate space)
21-40 of value ( )
0-20% of value ( )

9.0 Tendering proceedings. How do you react to the following statement?
Inappropriate tendering proceedings in Songea District Council may lead to acquisition of weak works Contractor and hence poor achievement of value for money.
Strongly agree ( )
Agree ( )
Neither agree nor disagree ( ) (Please, tick appropriate space)
Mildly agree ( )
Strongly disagree ( )

10.0 Technical specifications. How do you consider the following question?
How often do poor technical specifications in Songea District Council affect achievement of value for money in executions of works contracts?
81-100% of value ( )
61-80% of value ( )
41-60% of value ( ) (Please, tick appropriate space)
21-40 of value ( )
11.0 **Availability for equipment for hire and testing or material laboratories.** To what degree is value for money achievements being hindered by lack of these facilities?

- 81-100% of value (  )
- 61-80% of value (  )
- 41-60% of value (  )  (Please, tick appropriate space)
- 21-40 of value (  )
- 0-20% of value (  )

12.0 **Political interference by Politicians/Counsellors/Higher level management Officials.**

How do you feel about the following fact?

Sometimes achievement of value for money in executions of work projects is being hindered by enter visions of Politicians/Counsellors/Higher level management Officials.

- Strongly agree (  )
- Agree (  )
- Neither agree nor disagree (  )  (Please, tick appropriate space)
- Mildly agree (  )
- Strongly disagree (  )

13.0 **General issues related to value for money in work projects.** With respect to your experience with projects within Songea District Council, what is your position about the following question?

As to what average percentage of economic worth of completed work projects do the Council achieve?

- 81-100% of value (  )
- 61-80% of value (  )
- 41-60% of value (  )  (Please, tick appropriate space)
21-40 of value  (  )
0-20% of value  (  )