AN ASSESSMENT OF TENDERING PROCEDURES IN PUBLIC ORGANIZATION:
THE CASE OF COLLEGE OF BUSINESS EDUCATION (CBE)
AN ASSESSMENT OF TENDERING PROCEDURES IN PUBLIC ORGANIZATION
THE CASE OF COLLEGE OF BUSINESS EDUCATION (CBE)

By
Happiness Paul Mayavi

A Dissertation Submitted in Partial Fulfillment of the Requirements for the Award of the Degree of Master of Science in Procurement and Supply Chain Management (MSc-PSCM) of Mzumbe University, Dar es Salaam Campus College.

2013
CERTIFICATION

We, the undersigned, certify that we have read and hereby recommend for acceptance by the Mzumbe University, a dissertation/thesis entitled; An Assessment of Tendering Procedures in Public Organization: The Case of College of Business Education (CBE), in partial/fulfillment of the requirements for award of the Degree of Master of Science in Procurement and Supply Chain Management (MSc PSCM) of Mzumbe University.

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I, Happiness Paul Mayavi, declare that this thesis is my own original work and that it has not been presented to any other University for a similar or any other degree award.

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DEDICATION

This research is dedicated to my beloved family; my beloved parents P. A. Mayavi and H. A. Duru, my young sister Faith Mayavi, and my young brothers Ricardo Mayavi and Pius Mayavi who always supported and encouraged me during the whole period of my studies.

May the Lord shine you with a lot of blessings.
ABREVIATION AND ACRONYMS

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<tr>
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<td>College of Business Education</td>
</tr>
<tr>
<td>CEO</td>
<td>Chief Executive Officer</td>
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<td>CPAR</td>
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<td>FY</td>
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<td>GPN</td>
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<td>HPMU</td>
<td>Head of Procurement Management Unit</td>
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<td>MSc PSCM</td>
<td>Master of Science in Procurement and Supply Chain Management</td>
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<td>MU</td>
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<td>Terms of Reference</td>
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ABSTRACT

The purpose was to examine how effective tendering processes are at CBE. The collection of data, processing, analyzing, and presentation of primary data which were acquired by use of observation, interview, questionnaires and face to face techniques were used. Secondary data was collected by consulting various literature and documents such as management reports, text books, manuals and internet. The information represented in different forms such as tables, percentages and few narrative notes.

The finding revealed that:
(i.) The finding shows that tendering processes at CBE was not executed within the time limit thus leads into much of procurement emergencies.
(ii.) In this finding show that after award of tender being made bidders are not informed at the right time while users were not informed at all.
(iii.) Tendering procedures at CBE do not follow time frame stated in the procurement plan as the result took much of time in offering tenders to prospective suppliers, contractors or service providers.

In the view of findings the following recommendations were made;
(i.) Management should find out or put strategy to reduce time taken or spent in processing tender.
(ii.) CBE should stick on the laid down procedures while conducting procurement activities.
(iii.) There is need of employing more procurement personnel in order to add work force in the organization so as to avoid tendering procedures to be skipped.
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CHAPTER ONE

1.0 Introduction
This chapter contains background of the study, statement of the problem, objectives of the study, research questions, and significance of the study and limitations of the study.

1.1 Background of the Study
Tendering is the process through which organizations procure goods, works, services and non-consultancy services. In Tanzania, procurement of goods, services and works for public organization take up a huge proportion of the government expenditure. According to the National Audit Office for the government audited account for the financial year 2001/2002 about Tsh.1400 to 1500 billion or just over 70% of the government budget is expended annually by the government through procurement.

Procurement of goods, services and works is the key function in every public Institution. This is because every institution requires goods, services and works to run its operations. It is estimated that Public Procurement covers 70% of the recurrent budget and 100% of the Development budget each year. Hence, there is a need of efficiency in managing the procurement functions (PPRA, 2008).

According to PPRA (2008), procuring entities are responsible for ensuring that they provide the highest possible quality of goods and services to the public. This implies that goods and services from suppliers, contractors and service providers must be procured on the basis of best value for money, which takes into account factors such as competitive cost and their overall quality of products and services delivered.

We expect suppliers, contractors and service providers to give adequate warranty for their products or services and act in a professionally accountable manner to rectify any shortcomings. They should not take advantage of any supervision on the part of
the procuring entity. Procuring entities advertise for tenders in order to obtain maximum competition in the tendering process.

However, a good number of suppliers, contractors, consultants and service providers participate in the tenders not knowing all the requirements of the tender. The foremost requirement in tendering is that bidders should assess themselves on the ability to comply with the requirements of the tender with regards to annual turnover, experience in similar works or services (PPRA, 2008).

1.2 Statement of the Problem
Procurement includes all activities that pertain to the obtaining of goods, works and services including description of requirements, selection and invitation of tenders, preparation of tenders and award of contracts. All these activities are done through procurement process like procurement plan, preparation of tender documents, evaluation of tender documents and award of tender.

However, many organizations collapse due to poor tendering procedures. Tendering procedures when followed effectively brings good outcome. If tendering procedures are not adhered to corruption arises and tender may be awarded to unqualified bidders as indicated above as a result there will be a supply of low quality goods and services hence failure to meet the targeted objectives Mbele, (2005).

According to a study conducted by Mbele, (2005) on effectiveness of local purchasing procedures, case study of Friendship Textile Company, the study pointed out that suppliers are not appraised in their credibility and capability to supply materials in time and also there were partial delivery of materials, hence he recommended that capable and qualified supplier should be appointed.

Another study conducted by Valence (2004) on selecting suppliers through tendering, a case study of TANAPA asserts that suppliers were selected on personal interest and he recommended the purchasing should select good supplier basing on qualities. However the previous studies did not point out how lacks of technical
inputs on adherence to tendering procedure. Many organizations collapse due to tendering poor tendering practices. Now, the problem could be this area is not common at least in Tanzania as few studies have been conducted so far and the available findings cannot be enough to make a general conclusion. Hence there is a knowledge gap. It is the objective of this study to fill that gap.

1.3 Research Objectives
These are clear and specific statements that identify what a researcher wishes to accomplish as a result of doing the research, (Saunders, et al, 2009)

1.3.1 General Research Objective
The general research objective was “To find out the problems/challenges in tendering procedures in public organization.

1.3.2 Specific Research Objectives
The study was guided by the following specific research objectives:
(i.) To determine the extent to which tendering procedures leads to value for money
(ii.) To find out if the tendering procedures have been followed at CBE
(iii.) To find out whether tendering procedures are executed according to PPA, 2004

1.4 Research Question
1.4.1 General Research Question
The main research questions were “what are the problems/challenges in tendering procedure at CBE?”

1.4.2 Specific Research Question
The study was guided by the following specific research questions:
(i.) To what extent does tendering procedure at CBE leads to value for money?
(ii.) Does the tendering procedures been followed at CBE?
(iii.) Does the tendering procedure at CBE executed according to the PPA, 2004?
1.5 Significance of the Study

It is hoped that the findings of this study will shed light on the extent to which CBE adheres to the PPA, 2004 in the tendering process, whether the tendering process leads to value for money and whether there are any challenges faced by CBE in doing so. The findings of the study will also shed light on whether there are any measures taken by CBE to improve the tendering process.

The findings of the study will also be helpful to the public sector in the area of tendering procedure after adopting the recommendations from the researcher. Also, the policy makers and decision makers will equally benefit from the findings of this research; they will be in a good position to understand the tendering procedure as the basis for achieving the best value for money in public sector.

The findings of the study will serve as a guide for future reference for other researchers who will be interested to do research on the same topic. The study is a part of researcher’s academic achievement, thus it is a partial fulfillment for the award of a degree in Master of Science in Procurement and Supply Chain Management.

1.6 Limitation of the Study

In doing this research, the researcher faced various limitations namely; shortage of time, shortage of local empirical literature review and lack of financial resources. Another limitation was lack of transparency among respondents; as a result, some of the information was not available as they were considered to be confidential. Another limitation was lacks of cooperation from some respondents.

Also, the time allocated for the researcher to collect data was inadequate; the time was too short compared to the task itself. Therefore use of sample, case study and questionnaires helped the researcher to overcome this limitation. Finally, financial constraints whereby the researcher depended on her own pocket; that caused problems when she was collecting data.
To overcome the limitations faced by the researcher in this study, the researcher was forced to limit the scope of the study by focusing only on the tendering procedure used by CBE by focusing on only a few respondents from the Procurement Management Unit (PMU), Finance Department, Administration Department and User Departments.

The core areas which the researcher was intended to examine were include, but not limited to determining the challenges of tendering procedure, determining the cost of tendering procedure, determining the adherence of public procurement procedures and determining the awareness of suppliers in filling tender documents within the tendering process used by CBE.

1.7 Organization of the Study
This Research is organized in five chapters. The first chapter consists of background of the problem, statement of the problem, research questions, objectives of the study, scope of the study, limitation, significant of the study. The second chapter provides literature review and conceptual framework. The third chapter provides methodology research design, data collection techniques and data analysis.

The fourth chapter offers the presentation, analysis and discussion of findings based on objectives of the study while the fifth chapter offers the summary of findings, conclusion made by the study, recommendations made by the study and areas for further studies.
2.1 Introduction
This chapter presents theoretical literature review, empirical literature review and conceptual framework. Theoretical literature review covers various theories related to tendering; empirical literature review covers various studies conducted by other researchers on the same topic while the conceptual framework shows the relationship between various variables of the study.

2.2 Definition of Key Terms

Procurement
According to Public Procurement Act (PPA) of 2004 and its Regulations of 2005, Procurement means buying, purchasing, renting, leasing or otherwise acquiring any goods, works or services by a procuring entity spending public funds on behalf of a ministry, department or region administration of the government or public body and includes all functions that pertain to the obtaining goods or services.

Tender
According to Public Procurement Act (PPA) of 2004 and its Regulations of 2005, Tender means an offer, proposal or quotation made by a supplier, contractor or consultant in response to a request by a procuring entity.

Tendering
Lyson (2004) refers tendering as purchasing where by potential suppliers are invited to make and unequivocal offers of the price and terms which all acceptances shall be basis of subsequent contracts.
Types of Tender

Open Tender
Prospective suppliers are invited to compete for contact advertise in the press the, lowest tender generally being accepted although the advertised usually state that there are not bound to accept the lowest any under. (Lyson, 2004).

Restricted Open Tendering
Tenders are invited to compete for contact the advertising of which is restricted to appropriate technical journal or local newspaper. (Lyson, 2004).

Selective Tenders
Tenders are invited for supplier or an appraisal list that have been previously vetted regarding their competent and financial standing. (Lyson, 2004).

Serial Tendering
Prospective suppliers either an open or selective basis to tender for initial scheme on the basis that subject to satisfactory performance and present financial Programme of work will be given to the successfully control the rates and prices for the first job being the basis of the rest of the programs.

Procurement
Procurement means buying, purchasing, renting, leasing or otherwise acquiring any goods or works or services by a procuring entity spending public fund on the behalf of the ministry, department or region administration of the government or public body and includes all functions pertain to the obtaining any goods or works or services (PPA, 2004).

Supplier
Supplier means Company, corporation, organization, partnership or individual person supplying goods or services, hiring equipment or providing transport services and
who is, according to the contract, a potential party or the party to a procurement contract with the procuring entity (PPA, 2004).

**Procuring Entity (PE)**
According to PPRs, 2005 the word procuring entity means a public body and any other body, or unit established and mandated by government to carry out public functions.

**Procurement Management Unit (PMU)**
A Procurement Management Unit is a division or department in each procuring entity responsible for the execution of the procurement functions (PPA, 2004).

**User department**
A user department is any division or unit by whatever name known of that ministry, authority or other body; that initiates procurement and disposal by tender requirements and forward them to the Procurement Management Unit.

**Public Procurement**
Public procurement is the process through which official government agencies obtain goods and services, including construction services or public works. It also includes all functions pertaining to obtaining any goods, services, or construction, including description of requirements, selection of sources, evaluation of offers, preparation and award of contract (Kerisa, 2010).

**Goods**
Goods means raw materials, products, equipment and other physical objects of every kind and description, whether in solid, liquid or gaseous form, electricity, intangible assets and intellectual property as well as services incidental to the supply of the goods provided that value of the services does not exceed the value of the good themselves (PPA, 2004).
**Services**

Services means any object of procurement other than gods or works, which involve the furnishing of labor, time or effort including the delivery of reports, drawings or designs, or the hire or use of vehicles, machinery or equipment for the purpose of providing transport, or for carrying out work of any kind, with or without the provision of drivers, operators or technicians (PPA, 2004).

**Value for Money**

Value for money is defined as the optimum combination of whole-life cost and quality (or fitness for the purpose) to meet the users’ requirement also Value for Money (VFM) is an essential test against which a procuring entity must justify a procurement outcome. From the user or the targeted public point of view, value for money is the value (output) attached to some defined cost (input). Value for money is narrowly defined as concept associated with deployment of resources Vis a Vis realization of some expected output values. The user department or consumer attempts to attach value to products or services received and compares the same with resources expended. A broader definition associates value for money with the economy, effectiveness and efficiency of a product, service or process. A comparison is made between the input cost against the value of the outputs and qualitative and quantitative judgment over the manner in which the resource involved has been utilized and managed. Value for money is based therefore not only on the acquisition price/cost (economy) but also on the maximum efficiency and effectiveness of a procurement transaction (Msita, 2009).

Tendering process – Is a continuation set of actions or events that opted in order for suppliers/bidders to give an offer, proposal, and a quotation by a request of a procuring entity. The set of activities or actions which are to be performed in the tendering process are, preparation of bidding document, advertising, issue of tender document to bidders, fill the bidding document by the bidder and submit to procuring entity, opening ceremony, evaluation report to PMU, presentation of evaluation report to tender board by PMU, award of the contract and signing. (www.vsrh.hr//legislation)15:30 PM, 12/7/2013.
Procurement contract – means a person who is engaged in a profession, occupation or calling in which recourse to procurement is directly or indirectly involved and has such knowledge and experience of the practice of procurement and has been certified or registered by the procurement professional body (PPA, 2004).

**Works**

Work means all works associated with the construction, reconstruction, demolition, repair or renovation of a building, structure, road or air field. Works also means any other civil works, such as site preparation, excavation, erection, building, installation of equipment or materials, decoration and finishing. Works also means services which are tendered and contracted on the basis of performance (PPA, 2004).

**2.2 Theoretical Bases of the Study**

**2.2.1 Definition of Tendering**

According to PPA (2004), tendering means the method of procurement whereby Suppliers, Contractors or Consultants are invited by the procuring entity to compete with each other in submitting priced tenders for goods, works or services. Tender can also be defined as a request drawn by a procuring entity for offers or quotations to be made by suppliers, service providers, contractors or asset buyers.

Nair (1990) defined ‘Tender’ as the process of ascertaining availability and price of materials in sealed covers which are opened and scrutinized at a predetermined time by a tender committee. He then propounded that, the tender system includes the bidders to quote the lowest price, safeguards the interests of both the buyer as well as that of the bidders, ensures impartiality and fairness.

Margaret Griffiths and Ivor Griffiths (2002), propounded that ‘Tender’ may be seeking to establish two different types of contract between the person inviting the offer and the person submitting the successful tender, and there by entering in a
contract. Jonathan (2002) explains ‘Tendering’ as basically a method of procurement usually done where goods or services involved are of high value.

Mrope (2005) talking note given to BBA (PLM) during procurement day said that, the reasons for tendering are making the best use of public funds and ensure value for money, put in place a fair practice in the public sector procurement, ensure maximum competition and accordingly fair treatment among suppliers, contractors and consultants.

According to the country procurement assessment review (2003) commissioned by the World Bank (W.B), the objectives of the ongoing public procurement are to ensure that procurement is conducted in a fair, transparent and accountable manner, increase the participation to the Tanzania private sector and contribute towards the creation of a sound economic climate in Tanzania.

2.2.2 Tendering Procedure

In public purchasing, procedures are usually codified within standing orders that usually prescribe a cash limit above which tenders must be invited, the forms of contract to be used and to whom and under what circumstance responsibility for evaluation of tenders may be delegated (Lyson et al, 2006). The following are procedures of inviting tenderers.

**Invitation to Tender (Advertisement)**

A procurement unit wishing to commence competitive tendering proceedings shall prepare tender notice, inviting suppliers or contractors to submit price offers for supply of goods or to undertake the service or works required.

**Issue of tender documents**

The procuring entity shall provide tender documents immediately after first publication of the tender notice and pay the required fee, if any which a receipt shall be given.
Receipt of the Tender
The secretary of the tender board shall on request give each bidder a receipt showing the time and date that the tenders were received and any tender received after deadline shall be returned unopened to the tenderer.

Tender Opening
All tenders received before the deadline time and date submission proceedings and the tender opening shall take place at or immediately after the deadline time and date given in the tender documents for the receipt of tenders, and the names of all those present at the tender opening and the organization they represent shall be recorded by the secretary of the tender board.

Tender Evaluation
The procuring entity shall evaluate on common basis, tender that have not been rejected, in order to determine the cost to the procuring entity of each tender in a manner that permits a comparison to be made between the tenders on the basis of the evaluated cost but the lowest submitted price, may not necessarily be the basis of selection and the award of contract.

Award of Contract
After approval and recommendation, if the value is within its limit of authority, the procuring entity shall accept and award contract in the form specified in the tender document. According to PPRA (2008), the award of a contract means passing the responsibility to provide goods, construction works, and services required to satisfy certain needs, at the right time.

Collaborative Environment
Business Wire (1998) explained the continuing expansion of e-business and commerce provides opportunities for improved business processes, which are more efficient and responsive, reduce the reliance on paper transactions and lead to reduced costs and time. The internet-based collaborative environment is one such opportunity.
Collaborative environments present a platform whereby various organisations involved in procurement could come together and to address procurement needs. This environment offers a standard platform for all parties involved to communicate, exchange data and information, data storage, archiving and much more.

Most of all, it initiates a drive for IT integration through data and information interchange and reuse through a common environment. This common environment (or extranet) is generally a network which uses Internet technology to link organization team members through private wide-area networks that run on public protocols. The overarching goal is fostering collaboration and information sharing Vlosky et al., (2000) and Wong (2007).

**The Tendering Process**

The tendering process contains the following major four stages;

**Stage 1: Qualification and Selection**

During this stage, the principal compiles a preferred tenderers list by assessing each main contractor’s technical qualifications and financial ability. The principal also publishes a brief project description to its preferred tenderers, and makes enquiries about their willingness to tender. Contractors who are interested in the project respond with their expression of interest.

The principal compiles a preliminary list from contractor’s qualification (technical and financial). After the preliminary query and response, the principal compiles a draft and a reserve tenderer list. According to the final confirmation of the tenderers interest, the principal compiles the final tender list. For electronic tendering, potential tenderers should be requested to make formal registration for tender.

This step is to formalize keys and communication functions for continued process. For example, a principal wants to call a tender for a project to construct a multi-level building block, and chooses to use selected tender method on an electronic tendering
system. The principal will search a register of approved prospective tenderers, whose capability has been confirmed.

According to their qualification and financial ability, the principal will compile a preliminary list, and then prepare a document which briefly describes the project. The principal sends a query to all tenderers in the primary list about their willingness to tender for the project, along with the project description. On receiving the query, the tenderers will send a response to the principal as to their interest in the project.

**Figure 2.1: Qualification and selection stage**

![Diagram](source: Wong, (2007)).

The principal then compiles a draft tender list and a reserve tender list, which only contains a small number of registrants. If there are withdrawals, the principal will choose replacements from the reserve list, and compile a final tender list. If there are no withdrawals, the principal will finalize the tender list. The principal will then inform those not invited to tender, and request tenderers in the final list to register.
Major documents generated at this stage, include submitted tenderer qualifications, project definition, tender lists compiled by principal and logged information. When handling documents, the principal must ensure that document integrity, confidentiality and authenticity are provided. All pre-tender information should be available to all potential tenderers instead of the principal’s favorite tenderer.

Figure 2.1 above shows the processes involved in qualification and selection stage. Horizontal arrows represent the communication between the principal and tenderers. Vertical arrows indicate the business flow steps. Rectangular boxes represent internal activities. Oval boxes represent communication activities.

**Stage 2: Tender Invitation and Submission**

During this stage, the principal publishes detailed contract terms for a project, and sends invitations to all the preferred tenderers in the compiled list. Contractors submit their offers to the principal for evaluation. Normally, there is a time gap between tender invitation and submission to allow interested parties to prepare tender documents that match the principal’s requirements.

Figure 2.2 above shows the processes involved in tender invitation and submission. Horizontal arrows represent the communication between the principal and tenderers. Vertical arrows indicate the business flow steps. Rectangular boxes represent internal activities. Oval boxes represent communication activities.

This stage is the starting point of the contractual process and every step has to be evidenced and be publicly verifiable. At this stage, the principal finalizes tender query documents, issue tender invitation, organize pre-tender meetings and clarify any queries made by tenderers. Tenderers prepare their tender documents and submit within the specified time frame.

After submission and deadline, the principal will reject the late tenders, and open and record the submitted tenders. The major documents generated in this stage contain tender documents prepared by the principal, invitation, minutes of meetings, notes
and reports of evaluation committee, queries of tender documents, clarification of tender documents, rejections notes, logged information and tenderer submitted documents.

**Figure 2.2: Tender Invitation and Submission Stage**

![Diagram of Tender Invitation and Submission Stage]


**Stage 3: Tender assessment**

Figure 2.3 below shows the processes involved in tender assessment. Horizontal arrows represent the communication between the principal and tenderers. Vertical arrows indicate the business flow steps. Rectangular boxes represent internal activities. Oval boxes represent communication activities.
Figure 2.3: Tender Assessment Stage

During this stage of the tendering process, the principal opens the offer (documents submitted by tenderers), and assesses each offer against the proposed quality and price. The principal will also perform post-offer open negotiations to consolidate contractual term conditions. After assessment, the principal can select a preferred tender, and next preferred tender.
For negotiation, the principal should negotiate with the preferred tenderer first. If the negotiation fails, it can then instigate negotiations with the next preferred tenderer. The principal also needs to perform other activities, such as rejecting non-compliant tenders, logging activities for handling digital documents. Documents generated in this stage are rejection notices, evaluation results, recorded negotiations, and all logged information.

**Stage 4: Tender Acceptance**

During this stage, the principal makes a decision, and awards the contract to the winning tenderer. The principal prepares formal contract evidence to finalize the contracting process. This is the final stage of the tendering process, as well as a contracting process for selecting main contractors. Steps involved are, the principal sends formal acceptance to the winner and informs the unsuccessful tenderers.

At this stage, a successful tenderer issues an acknowledgment to the principal on receipt of the acceptance and the principal prepares a formal record of the selection of the successful tenderer, and draws formal contract evidence for both parties to sign using standard forms. Documents generated in this stage include formal acceptance notice, notification and briefing of unsuccessful tenders and signed contracts.

Figure 2.4 below shows the processes involved in tender acceptance stage. Horizontal arrows represent the communication between the principal and tenderers. Vertical arrows indicate the business flow steps. Rectangular boxes represent internal activities. Oval boxes represent communication activities.
Figure 2.3: Tender Assessment Stage


According to Tanzania Procurement Journal of 29th Feb. 2008 Vol.1 No.01; defined ‘Public Procurement’ as the purchasing, hiring or obtaining by any other contractual means of goods, construction works and services by the Public sector. According to the Country Procurement Assessment Report (CPAR) 2003 commissioned by the World Bank (W.B), the objectives of the ongoing Public Procurement are;

(i.) To ensure that procurement is fair, transparent and accountable
(ii.) To increase the participation to the Tanzania Private Sector
(iii.) To contribute towards the creation of a sound economic climate in Tanzania
(iv.) To subject public procurement to effective legal and regulatory environment
(v.) Enhancing the effective use of public financial resources
Improving the availability, quality, reliability and cost of public services

Encouraging accountability and responsibility in supply management process

2.2.4 Principles of Public Procurement

According to the PPA (2004), all Public Officers and members of Tender Boards who are undertaking or approving procurement shall be guided by the following basic considerations of the public procurement policy. The need for economy and efficiency in the use of public funds and in the implementation of projects including the provision of related goods and services.

The best interests of a public authority, in giving all eligible suppliers, contractors and service providers equal opportunities to compete in providing goods or executing works or providing services Encouragement of national manufacturing, contracting and service industries. The importance of accountability, fairness and transparency in the procurement process.

2.2.5 Criteria for Tendering

According to Dobler, Donald and But (1996), observed comprehensively on sourcing potential suppliers whom will be invited to submit their bids. They identified five criteria for proper use of competitive bidding so as to comply with obtaining fair price. The value of the specific purchase must be large enough to justify the expense, to both buyer and seller.

The specification of items or services to be purchased must be explicitly clear to both buyer and seller. Also, the market must consist of an adequate number of sellers. Not only that, the seller that makes up market must be technically qualified and actively want the contract and therefore be willing to price competitively to get it.

2.2.6 Parties Involved in Tendering Process

In tendering process there are specific parties involved in the tendering procedures. These parties are;
Tender Board (TB)

According to PPA, (2004) there shall be in each Ministry; independent department of Government, region, district, local government authority and parasternal organization, a tender board for procurement of goods, services and works’ tender board is responsible for adjudication of recommendations from the procurement management unit and award of contract.

The tender board is also responsible for reviewing all applications for variations, addenda or amendments to ongoing contracts, approving tendering and contract document, approving procurement and disposal by tender procedures, ensuring that best practices in relation to procurement and disposal by tender are strictly adhered by procuring entities.

Accounting Officer (Chief Executive Officer)

According to PPA, 2004 there shall be Chief Executive Officer of the authority who shall be appointed by the president on such terms and conditions as he determines on contract for four years, renewable for only one further term. The Accounting Officer is responsible for management and operations of the authority and management of the funds, property and business of the authority.

Procurement Management Unit (PMU)

In every procuring entity there shall be established a procurement management unit staffed to an appropriate level. Functions of procurement management unit are; managing all procurement and disposal by tender activities of the procuring entity except adjudication and the award of the contract, supporting the functions of the tender board and implementing decisions of the tender board.

The Procurement Management Unit also acts as a secretariat to the tender board is responsible for planning the procurement and disposal by tender procedures, is responsible for preparing tendering document, is responsible for advertising tender opportunities, and is responsible for preparing contract document as well as issuing approved contract documents. (PPA, 2004).
User Department
The user department of procuring entity shall perform the following functions; they liaise with and assist the procurement management unit throughout the procurement or disposal by tender process to the point of contract placement, they propose technical specifications to the procurement management unit when necessary and certify for payment to suppliers, contractors or consultants. (PPA, 2004).

2.2.7 Methods of Tendering
According to PPA 2004 and its Regulations, the followings are the methods of Procurement (Tendering);

International Competitive Tendering
A Procuring entity shall invite suppliers, contractors, service providers or asset buyers regardless of their nationality, by means of a tender notice that shall be advertised nationally and internationally to submit priced tenders for goods, works or services or purchase of public assets. This form of tendering shall be used in all cases where payment may be made in whole or in part in foreign currency.

National Competitive Tendering
Procuring entity shall invite suppliers, service providers, contractors or asset buyers regardless of their nationality, by means of a tender notice advertised only in the United Republic of Tanzania, to submit priced tenders for goods, services, works or purchase of public assets. Such form of tendering may be used in cases where goods, works or services are available locally at prices below the international market.

Restricted Tendering
Procuring entity may restrict the issue of tender documents to a limited number of specified suppliers, contractors, or service providers when; suppliers, contractors or service providers have already pre-qualified further to the Public Procurement
Regulation 15. The goods, works or services required are of a specialized nature or can be obtained from a limited number of specialized contractors.

**International and National Shopping**

Shopping is a procurement method based on comparing price quotations obtained from several suppliers to ensure competitive prices, and is an appropriate method for procuring readily available off-the-shelf goods or standard specification commodities that are small in value. A tender board may approve for competition to be invited through request for quotations at international or national level.

**Minor Value Procurement**

A procuring entity may procure goods, services or minor works directly from a supplier, service provider or contractor where the value does not exceed the limit for minor value prescribed in the Second Schedule of the Public Procurement Regulations or when there is no advantage to a procuring entity is likely to be obtained by seeking further quotations or by using other methods of procurement.

**2.2.8 Advantages of Tendering**

Tendering has the following advantages; it avoids the possibility of favoritism in supplier selection as the selection is normally made by a panel or tender committee, it enables the buyer may know in advance the amount of money involved in the contract, it saves the buyer from criticism in case of unsatisfactory and it encourages competition which results in favorable prices.

**2.2.9 Disadvantages of Tendering**

Tendering has the following disadvantages, a contractor may underbid thus leading to subsequent disputes if goods or services supplied are unsatisfactory, it is unsuitable for emergencies as the time involved in the tendering is always long, some competent suppliers may get not to participate for fear of losing the competition and thus loose some of their reputation.
Also, the tendering process is very costly, it is only desirable when the value of the transaction is reasonably higher, the supplier selection process is even more complicated when bidders are equally good. Also, too even industry and the government alike is in using competitive bidding, to buy highly technical product with vague specifications.

2.3 Empirical Literature Review

Mwilunga on his research report on assessment of effectiveness of tendering procedures and regulations in Local Government (2005) commented that; Supply of goods, works and public services to the people can be effectively done through tendering. Tendering if performed in conformity to the laid down procedures and regulations as per the PPA 2004 could successfully achieved.

According to Mukasa (2003), tendering method has its advantages and disadvantages. Tender brings knowledge of new methods, technologies, products or services to the buyer, or otherwise not obtained through other purchase technique like direct purchasing. While on disadvantages he argued that tender method is not suitable for urgent requirements.

Samweli (2002) in his research on effectiveness of tendering procedure in government organization a case study of Arusha municipal council concluded that, the role is to exercise a great care in the setting objectives for financial years. That they should set achieved goals and care should be exercised during the tendering process and laying down procedures in achieving its plans.

Baraka (2010), in his report assessment of tendering procedures in procurement and value for money in higher learning institution a case study of University of Dodoma found that tender documents were not prepared in time and not in the format of PPRA standard tendering documents, tenders were not openly communicated, the general public short listed suppliers were directly contacted to participate.
2.3.1 The Application of Tendering

Although tendering is used by private sector undertaking, particularly for construction and services contracts, it’s in the public sector that tendering is most used to ensure conformity to such principles of public accountability as openness or transparency, avoidance of conflict of interest and recognition that a public office is a public trust. Guidance regarding public is found in the following source.

UK law section 135(3) the Local Government Act 1972, for example state standing orders made local authority with respect to supply of goods or materials for the execution of works shall include provision for securing competition for such contract and regulating the manner may exempt from any provision contract when the authority is satisfied by special circumstances.

Most European law in public sector purchasing is contained in UK regulation or statutory instruments. The UK public contracts (works, service & supply) (amendment regulation 2000(S12000N02009) for example sets out

(i) The thresholds for contract above which under EU directives must be applied to tendering and awards the contracts.

(ii) Rules relating to the advertising by public bodies by each other requirement must advertised in requirement journal of the European. European directives on public sector purchasing recognize three forms of tendering procedures open tenders all suppliers that respond to the contract notice are invited to tender restricted tenders, only those supplier that have been invited by the contracting authority may submit tenders, but restricted procedures will only apply where

(iii) The contract value does not justify the procedure.

(iv) The procedural costs of an open tender.

(v) The product required is highly specific in its nature.

According to Lyson (2004) although tendering is sometimes used to attain prices by private sector understanding particular in respect of construction And service construct it is public sector that tendering is most ensure the principle of public accountability sect135(3) of the local government act 1972 For example
states, starting order made by local authority with respect to supply of goods or material for the execution of work shall include provision for security completion for such contact and regulatory manner but may except from any such provision contracts for the price below that specified in standing order and may authorize the authority is satisfied that the exemption is justified by special circumstances. These provisions have been extended by.

(i) The local government planning land Act 1980 which control the Authority of local authorities to award contracts to direct organization without fair completion

(ii) The local governments Act1988 extends the concepts of compulsory competitive tendering (CCT) and require such authorities as local authorized police authorities and development cooperation open up opportunities for contracting to private sector.

(iii) The local government Act1992 extends the principles of CCT to tendering for the provision of professional or technical services to local authorities.

### 2.3.2 Benefits of Tendering

The tendering system can increase public verifiability to enhance its transparency, thereby achieving greater equity and economy for the principal. At a practical level, the traditional tendering procedure is vulnerable to abuse (Atlas et al, 2003). One common collusion is for the tenderer to induce an insider either to give special consideration to its offer and/or to reveal a competitor’s offer.

The general practice to guard against this type of collusion is to use sealed bids and to form a tendering committee or ‘tender board’. With combined schemes (checking identification, ensuring that contract is complete, reliable signature procedure, timestamp for long term verifiability) the original integrity of contract evidence can be protected and subsequent integrity violation can be detected (Peng et al, 2003).

A significant way by which the public sector differentiates from the private sector within the UK is that of the transparency required. There is an increased need for increased controls and transparency within public sector procurement due to the size
and complexity of the sector, sometimes making it an easy target for abuse, scandal and corruption.

McClelland (2006) analyzed tendering in Scotland in his study titled; “Review of Public Procurement in Scotland: Report and Recommendations”. The study made a detailed review of public sector procurement, assessment of structure, organization, practice and opportunities presented by tendering. Overall, the findings of the study highlighted the need to adopt tendering as a way of improving public procurement.

Significant findings of the study by McClelland (2006) include importance of enhancing sustainability to assist linking governmental bodies to combine buying power and thus create a more “corporate” approach for the benefit of the taxpayer. McClelland (2006) goes on to state that despite this support afforded to public bodies, it appears that significant barriers still exist on adoption of tendering.

Liao et al (2002) conducted a study into the effects that can be realized by a public organization in Taiwan when conducting tendering. The study focuses upon the efforts of a Taiwanese military organization to realize a transparent procurement environment in order to target bid collusion and work towards government specified procurement efficiency targets.

Prior to the adoption of tendering the Taiwan government found that their high-value tenders, those over $1.7million were being subject to bid collusion resulting in $0.36billion in annual avoidable costs to the taxpayer. Upon initiating a tendering system, the Taiwan Government was able to tackle bid collusion and corruption in public tendering (Liao et al, 2002).

As a result of adoption of tendering by the Taiwanese government, public confidence of the tender documents returned by suppliers is assured through the employment of electronic signatures. Laws associated with this identify document senders and assess the unreliaibleness of the valuable documents, thus aiding reductions in bid collusion (Liao et al, 2002).
Further, identified ways in which bid collusion has been tackled include the anonymity created through tendering. Through traditional tendering practice a tendering company would have to go to collect the specification documents; however, with tendering all correspondence is conducted anonymously thus eradicating the risk of bid collusion and corruption (Liao et al, 2002).

Other identified advantages of the tendering system out forward by Liao et al (2002) include reduced printing costs as tender documents can be obtained, completed and returned all online. Also, labor costs can be reduced when conducting tendering. In addition, the study noted that valuable connections between suppliers and partnering organizations were being created, thereby reducing a range of operational costs.

The study also found that adopting a tendering system does simplify procurement processes, makes them more transparent and enhances future business opportunities. Liao et al (2002) does however note that work may be required to strengthen local networks to avoid jams in communication and also, staff must be adequately trained to fully exploit the efficiency and benefits of tendering.

The study by Liao et al (2002) concludes that as a great deal of benefit is derived from adopting tendering in public procurement. These benefits comprise the transparency created, helpful in preventing bid collusion, and also the business opportunities and valuable contacts created in order to work on behalf of the public in the most cost effective way possible.

The recognized advantages of tendering include; reduced costs on labor-intensive administrative and paper costs as all processes can be performed on a computer. This creates a more sustainable tendering procedure as there will be less paper wasted if tenders can be compiled and checked on a computer. Further, time and cost savings can be realized with the process by saving on postage time and costs.
Another benefit of tendering is increased accountability. Increased accountability can be created through recording all actions in an online environment. One example of this is when an organization changes their decisions relatively late for tender document specifications. The concept of tendering is just one advantage in integrating e-business into an organization.

From an economic stand point, tendering enhances efficiency through transaction cost savings and reduced direct procurement costs. While transparency, accountability, ease of use, speedy exchange of information, including other intangible benefits such as reduced administrative costs involved in the advertisement, screening and awarding of tenders (Davila, et al, 2002).

During tendering the traditional functions and responsibilities of project team members are maintained throughout the process of tendering and do not overlap, rather the efficiency of their activities is greatly enhanced. Tendering however requires the use of a web collaboration platform through which the project team members make their contributions and queries for information (Parida, 2005).

While some cost benefits may accrue from tendering, sustainable benefits will amass from the adoption of a strategic management perspective. Tendering implementations must thus be able to strategically anticipate and manage change in the construction environment, providing ad-hoc solutions whenever necessary (Phillips and Piotrowicz, 2006).

The benefits of tendering depend on the size of the organization. A significant benefit to cost ratio must be achieved for tendering to be acceptable. Organizations already using tendering technologies report a savings of up to forty two percent in transaction costs; most of this is associated with less paper work, which translates to fewer mistakes and more efficient procurement process (Davila et al, 2002).

Administrative benefits obtainable from tendering are numerous. These come in form of reduction in workload and improved efficiencies. Government agencies and
ministries across the world seeking administrative efficiencies and cost reductions experienced in the private sector have widely embraced tendering (Coulthard et al, 2001).

Private organizations or public authorities that implement tendering also achieve efficiency gains. With tendering, all the paper work involved in the advertisement of tenders, screening of tender documents and award of tenders is substituted for new electronic collaboration and integration of tendering data by private consultant/client concerns (Davila et al, 2004).

Findings of another study by Eadie et al (2010) in Northern Ireland revealed benefits of tendering include; increased transparency, reduced costs and time compared to manual tendering methods. However, despite these reported benefits, tendering is still being impeded by legal and security issues. These challenges will have to be weighed against benefits in order to determine adoption of tendering.

A study conducted by PPRA (2010) on tendering in the construction sector in Tanzania revealed that tender documents were produced and packaged all contract documents in electronic form and were then sent by e-mail. Also, tender documents were then sent to the contractors through the client’s tendering portal. All contractors were given a web link through which they downloaded tender documents. The all returned tenders from the contractors were returned via the client’s tendering portal by uploading the tender documents. Returned tenders were opened by the client at the same time. However, there was no opportunity for the consultants involved to be present at the tender opening. To conclude tendering process, all returned tenders were sent back electronically to the contractor for analysis and reporting (PPRA, 2010).

The study also revealed that the most significant advantage of tendering is reduced cost and time. However, the exercise was also faced by various challenges such as; inconsistencies in the tender return and tender analysis phases. This could be a problem emanating from the level of proficiency in computer usage by the contractors (PPRA, 2010).
Sell (2005) explains how time and cost savings can be gained through tendering. Avoiding the postal system leads to possible reductions in the tender period or use of previously abortive time to concentrate on the production of the tender. Printing costs will drop, as well as copying and postage costs, together with the associated staff time and overhead costs.

Horsman (2001) identifies research undertaken by the Office of Government Commerce (OGC) in 2001 which claimed that if a new web-based electronic tendering system was to replace the traditional tendering system in the purchasing of products and services for civil central government, it could produce savings of as much as £13 million in 4 years and reduce suppliers’ tendering costs by £37 million.

When tenders are returned electronically there is the potential for a fairer and fuller assessment of tenders with the use of computerized analysis. Additionally many web-based systems can check automatically for unusual or incomplete entries, reducing the need for additional communications, re-tenders and time spent at the analysis stage of the process.

Brown (2006) also argues that paperwork held in electronic format is less likely to get lost or mislaid, either in the post or the office. Additionally, Preston (2001) identifies advantages tendering as being the reduction in levels of tender administration and providing a single source of information. Also, there is no duplication of any tender documentation including sending multiple e-mails or copying disks.

A study carried out with the Northern Ireland Department of Environment found that a saving of 95% on time was accrued due to the tender being sent to the contractor in an electronic form. This 95% saving was generated by elimination of the possibility of 50 pages of the tender not having to be “scanned, printed and verified”, an exercise which could have taken upwards of three hours.
Booty (2004) found that there was up to 1.5 days saved per tender, when an tendering system was introduced to their facilities management department. However, it was stressed that when tendering for large construction projects with numerous companies, this time saving could be greater. These time savings can be viewed as substantial, when seen from the employer’s perspective.

Du et al., (2004), suggested that the traditional hard copy tendering system was not as secure, as required for tenderers to feel safe that their confidentiality was protected. However, Du et al., described how the technology is available, when it is carefully integrated into the tendering system, to fully secure all access, uploads and downloads to a web-enabled tender system.

**2.3.2 Problems Associated with Tendering**

However, despite of the many benefits of tendering, Liao et al (2002) notes that the Taiwan government did encounter problems in satisfying the large degree of training required for personnel and also, possible disruptions in network connections due to heavy usage. Thus, before tendering can be fully adopted, governments must have sufficient manpower resources to deal with tendering.

Rankin et al (2005), also identify that problems arise with the communication and sharing of information through using tendering systems. For example, the contractor may have adequate skills, equipment and capabilities to complete tenders on line. But how do they communicate this information to their subcontractors who may not have such capabilities.

Another study by Lou and Ashalwi (2009) revealed lack of awareness is one of the major barriers specifically acknowledged as the principal impediment to the adoption of collaborative technology, thus determining the level of awareness of stakeholders on tendering is of utmost necessity as a prelude to assessing the level of problems or benefits encountered in its implementation.
In another study carried out by Kalu (2005), about 50.8% of the respondents indicated that they were aware of tendering, while 44.6% indicate unawareness of tendering, and a small fraction of 4.6% were not sure of knowledge about tendering. Further, while complete ignorance about tendering was not exhibited, the level of knowledge is still small.

According to Lonie and Lawyers (2007), tendering is a practice involving a complex web of legal issues, which must be known before tendering. The unguarded use of electronic technology in tendering and post-tendering has created contradictory effects, such as the tradeoff between efficiency and security. People are unsure of the legal impact of using tendering.

In the past decades, the public procurement system in Kenya has undergone significant developments from being a system with no regulations in the 1960s the introduction of the Public Procurement and disposal Act (PPDA) of 2005 has introduced new standards for public procurement reform agenda, Kenya in 2006 committed itself to become one of the 22 countries participating in the study.

<table>
<thead>
<tr>
<th>Independent</th>
<th>Dependent</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enough trained staff in PMU</td>
<td>Effective implementation of procurement function</td>
<td>i. Efficiency</td>
</tr>
<tr>
<td>Proper use of procedures and regulation</td>
<td>Effective tendering process</td>
<td>ii. Accountability</td>
</tr>
<tr>
<td></td>
<td></td>
<td>iii. Fairness</td>
</tr>
<tr>
<td></td>
<td></td>
<td>iv. Transparency</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Award of contract on time</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Delivery of goods and service on time</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Acquisition of qualified suppliers and service providers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Achievement of value for money</td>
</tr>
</tbody>
</table>

Source: Researcher’s source; (2013).

The author also explain that the tender is advertised and expression of interest are requested from the supply markets, so that tender documents may be sent out to
parties who has expressed an interest in open tendering and to those supplier on a pre-qualified list in a restricted tendering. Tenderers may request for further information or verification.

**Measurement of variables**

The tenders are analyzed with reference to the started requirement and recommendation is made as to which analysis, if any is the most attractive, may then be passed to a tender board to formally decide which the best tender is. The author concludes with the award of contract to the supplier who has offered the lowest price or is “economically most advantageous”.

According to the findings of the study, in tendering process the purchaser issues an invitation to tender either in advertisement or directly to selected vendor in which potential suppliers are invited to make an offer to supply goods or services. He concludes that in the invitation to tender the purchaser list details of their requirement which usually include an appropriate specification.

**Figure 2.1: Conceptual Framework**

![Conceptual Framework Diagram](source: Researcher’s own formulation, (2013)).

The variables under this study are qualitative and quantitative data. This means that they included the procurement department personnel, procedures used in tendering
cooperation among departments and the support from the top management which measured how CBE follows the tendering procedures as stipulated in PPA, 2004 and whether there are qualified people to handle the CBE procurement activities.
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction
This chapter presents the overall research design, location of the study, sample of the study, sample size, sampling techniques that will be used to select respondents, nature of the study, data collection techniques that will be used to collect relevant information and data analysis as well as sources of data collection techniques. Research methodology is a way to systematically solve the research problem.

3.2 Research Design
A research design is an assemblage of conditions for specifying relationships among variables in a study, operational zing these variables, and controlling effects of extraneous variables, and a plan for selecting the sources and types of information to be used in answering the research questions. This study is designed to be a case study design.

3.3 Study Area
This study was conducted at the College of Business Education. The researcher decided to conduct the study at CBE because she is an employee of the college and she is very familiar with the area of the study, this helped to simplify the study, especially in collecting data from respondents. Also, CBE is a public institution whose procurement activities are guided by the PPA (2004).

3.4 Study Population and Sample
The population of the study consisted of members of staff of CBE in various departments namely; the Procurement Management Unit (PMU), the Finance Department, the User Department, the Administration Department, the Tender Board as well as members of the management team of the college who are in one way or another involved in tendering.
Kothari (2006) defines sample as a collection of some parts of the population on the basis of which judgment is made small enough to convenient data collection and large enough to be a true representative of the population from which it had been selected. Sample size refers to a number of items to be selected from the universe to constitute a sample. The sample size consisted of 50 respondents.

3.5 Types and Sources of Data

There are two types and sourced of data namely; primary and secondary data. Primary data includes all data that the researcher will directly collect from various data sources during the research study. Secondary data includes all the data that the researcher was collected from other sources other than herself such as documents and reports.

3.6 Data Collection Methods

3.6.1 Interview Method

According to (Kothari, 2006), an interview is a set of question administered through oral or verbal communication or is a face to face discussion between the researcher and the interviewee respondent. There are two types of interviews, namely structured and unstructured interviews. Both types of interviews were used by the researcher to collect data.

3.6.2 Observation

According to Kothari (2006), observation is a data collection method that involves seeking information by the way of environment scanning. The researcher used observation method to explore the adherence to tendering procedures at CBE. The researcher spent time with members of staff in the Procurement Management Unit of CBE to observe the extent to which e-tendering has been adopted.

3.6.3 Documentary Review Analysis

Documentary review analysis is a data collection method that involves perusal of various documents such as Annual Procurement Plans. Documentary review analysis will be used to collect data and historical information on the adherence to tendering
procedures at CBE. The researcher used documentary review analysis because it enabled her to simplify the research.

3.6.4 Questionnaires
Questionnaire was formulated and used for data collection. The questionnaires were structured in two types. Type one contained open-ended questions which give the respondents an opportunity to express their opinions on the study while the second type will be a closed-end question with possible answers to choose. This provided both qualitative and quantitative information.

3.7 Reliability and Validity of Data
The researcher improved reliability by standardizing the conditions, under which the measurement takes place, not only that but also the researcher signed direction for measurement with no variation from group to group and by asking similar questions to sampled respondents. In order to achieve validity, the researcher ensures the measuring instrument provides adequate coverage of the topic.

3.8 Management and Analysis of Data
Data and information collected during the study was reduced into summary form that will be processed by normal office applications such as Microsoft Excel spreadsheet software. The findings of the research study were organized and the data was presented in the form of words, numbers and percentages by using tables, pie charts, histograms and graphs.

Quantitative data collected from questionnaires was carefully checked for correctness, and then presented in tables and figures by using words, numbers and percentages. The data was analyzed by using SPSS and presented in the form of charts and histograms. Qualitative data collected from interviews with respondents will be recorded by using tape recorders and then transcribed.
CHAPTER FOUR

4.0 Data Analysis, Presentation and Discussions

This chapter presents the analysis of the respondents’ answers. The analysis and discussion was specifically based on the research objectives and questions and the actual problem reflected or stated in the statement of the problem. Qualitative and quantitative information on each research question have been identified.

4.1 Demographic Profile of Respondents

4.1.1 Age Profile of Respondents

Age is an important demographic variable in this study because it enables the researcher to find out whether the perception of respondents towards tendering is influenced by their age. The researcher analyzed the age profile of respondents and the feedback was documented as shown in the table and figure below;

Table 4.1: Age profile of respondents

<table>
<thead>
<tr>
<th>Age Group</th>
<th>No. of respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>25-30 years</td>
<td>4</td>
<td>8%</td>
</tr>
<tr>
<td>31-35 years</td>
<td>24</td>
<td>48%</td>
</tr>
<tr>
<td>36-40 years</td>
<td>16</td>
<td>32%</td>
</tr>
<tr>
<td>41-50 years</td>
<td>6</td>
<td>12%</td>
</tr>
</tbody>
</table>

Source: Researcher’s Analysis (2013)

Figure 4.1: Age Profile of Respondents

Source: Researcher’s Analysis, (2013).
Findings of the study show that 48% of respondents are aged 31-35 years, 32% of respondents are aged 36-40 years, 12% of respondents are aged 41-50 years and 8% of respondents are aged 25-30 years.

4.1.2 Gender Profile of Respondents

Gender is an important demographic variable in this study because it enables the researcher to find out whether the perception of respondents towards tendering is influenced by their gender. The researcher analyzed the gender of respondents and the feedback was documented as shown in the table and figure below:

Table 4.2: Gender Profile of Respondents

<table>
<thead>
<tr>
<th></th>
<th>Males</th>
<th>Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of respondents</td>
<td>20</td>
<td>30</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>40%</td>
<td>60%</td>
</tr>
</tbody>
</table>

Source: Researcher’s Analysis (2013)

Figure 4.2: Gender Profile of Respondents

Source: Researcher’s Analysis, (2013).
Findings above show that 40% of respondents are males and 60% of respondents are females. These findings show that there are more female respondents than males.

### 4.1.3 Level of Education of Respondents

Level of education is an important demographic variable in this study because it enables the researcher to find out whether the perception of respondents towards tendering is influenced by their level of education. The researcher analyzed the level of education of respondents and the feedback was documented as shown in the table and figure below;

**Table 4.3: Level of Education of Respondents**

<table>
<thead>
<tr>
<th>Level of Education</th>
<th>No. of respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diploma</td>
<td>8</td>
<td>16</td>
</tr>
<tr>
<td>Degree</td>
<td>30</td>
<td>60</td>
</tr>
<tr>
<td>Post Graduate Diploma</td>
<td>7</td>
<td>14</td>
</tr>
<tr>
<td>Master’s degree</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Researcher’s Analysis (2013)

**Figure 4.3: Level of Education of Respondents**

![Graph showing the level of education of respondents]
Findings above show that 60% of respondents have degrees, 16% have diplomas, and 14% have Postgraduate diplomas while 10% have Masters Degrees.

4.1.4 Level of work Experience Respondents

Level of work experience is an important demographic variable in this study because it enables the researcher to find out whether the perception of respondents towards tendering is influenced by their level of work experience. The researcher analyzed the level of education of respondents and the feedback was documented as shown in the table and figure below;

Table 4.4: Level of Work Experience of Respondents

<table>
<thead>
<tr>
<th></th>
<th>No. of respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-2 years</td>
<td>20</td>
<td>40</td>
</tr>
<tr>
<td>3-4 years</td>
<td>16</td>
<td>32</td>
</tr>
<tr>
<td>5-6 years</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>7 years or more</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Researcher’s Analysis (2013)
Findings above show that 40% of respondents have work experience of up to 2 years, 32% of respondents have work experience of 3-4 years, 10% of respondents have work experience of 5-6 years while 8% of respondents have work experience of 7 years or more.

4.1.5 Level of Awareness of Respondents on Tendering

Level of awareness of respondents is an important demographic variable in this study because it enables the researcher to find out whether perception of respondents towards public tendering is influenced by their level of awareness. The researcher analyzed the level of awareness of respondents on tendering, and the feedback was documented as shown in the table and figure below;
Table 4.5: Level of Awareness of Respondents on Tendering

<table>
<thead>
<tr>
<th></th>
<th>No. of respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Totally aware</td>
<td>29</td>
<td>58</td>
</tr>
<tr>
<td>Not aware</td>
<td>16</td>
<td>32</td>
</tr>
<tr>
<td>Partially aware</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Researcher’s Analysis, (2013).

Figure 4.5: Level of Awareness of Respondents on Tendering

Source: Researcher’s Analysis (2013)

Findings above show that 58% of respondents are totally aware of tendering, 32% are partially aware of tendering while 10% of respondents were not aware of tendering.

4.2 The Tendering Process at CBE

The tendering process contains the following major four stages;

Stage 1: Tender Advertisement

During this stage, the Tender Board advertises tenders in various newspapers and welcomes tenders to submit their tender documents. The bidders are required to submit their tender documents in accordance to the requirements specified in the
tender advertisement. It is by using these requirements that CBE uses the criteria to qualify and or disqualify bidders.

Stage 2: Tender submission
During this stage, the Tender Board compiles a list of tenderers based on their qualifications. The qualified tenderers are then invited to submit their tender documents that express their ability and capability to execute the tender according to the project description. On receiving the query, the tenderers send a response to the principal as to their interest in the project.

Stage 3: Tender Opening
During this stage, the Tender Board invites all tenderers to the opening ceremony where tender documents are opened in the presence of all tenders. The tender board makes sure that the tenders have submitted all the necessary documents and that the tenders have complied with all requirements. Normally, there is a time gap between tender submission and tender opening.

Stage 4: Tender Assessment
The fourth stage is tender assessment. During this stage of the tendering process, the Tender Board assesses each tender document against the specified requirements. The Tender Board also performs post-offer open negotiations to consolidate contractual term conditions. After assessment, the principal can select a preferred tenderer, and next preferred tender.

Stage 5: Tender Award
During this stage, the Tender board makes the final decisions to award tenders to successful bidders. Thereafter, the Tender board prepares formal contract evidence to finalize the contracting process. This is the final stage of the tendering process, as well as a contracting process for selecting main contractors. The tender board makes a formal acceptance and the tenderer informs the unsuccessful tenderers.
After the tender has been awarded, what follows is the release of funds to tenderers so that the tendering process can be executed. After a certain time interval, the tender board conducts periodic tender evaluations to make sure that the procured goods and services are submitted in the right quantity, quality and within the agreed timeframe. The diagram below represents the stages involved in tendering at CBE.

**Figure 4.6: Tendering process at CBE**


4.3 Adherence to Tendering Procedures at CBE

4.3.1 Advertisement of Tenders is Done Properly

The researcher analyzed the feedback of respondents on whether advertisement of tenders is done properly. The findings from the analysis were documented as shown in the table and figure below;
Table 4.6: Advertisement of Tenders is done properly

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>30</td>
</tr>
<tr>
<td>Agree</td>
<td>6</td>
</tr>
<tr>
<td>Not sure</td>
<td>9</td>
</tr>
<tr>
<td>Disagree</td>
<td>3</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
</tr>
</tbody>
</table>

Source: Study Findings, 2013.

Figure 4.7: Advertisement of Tenders is done properly

Source: Study Findings, 2013.

The findings above show that 60% of respondents strongly agreed, that advertisement of tenders is done properly, 12% of respondents agreed, 18% of respondents were not sure, 6% of respondents disagreed and 4% of respondents strongly disagreed.
4.3.2 Submission of Tenders is done properly

The researcher analyzed the feedback of respondents on whether submission of tenders is conducted properly. The findings from the analysis were documented as shown in the table and figure below;

Table 4.7: Submission of Tenders is conducted properly

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>37</td>
<td>74</td>
</tr>
<tr>
<td>Agree</td>
<td>7</td>
<td>14</td>
</tr>
<tr>
<td>Not sure</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Study Findings, 2013.

Figure 4.8: Submission of Tenders is conducted properly

Source: Study Findings, 2013.

The findings above show that 74% of respondents strongly agreed that submission of tenders is conducted properly, 14% of respondents agreed, 4% of respondents were not sure, 4% of respondents disagreed and 4% of respondents strongly disagreed.
4.3.3 Tender Opening is Conducted Properly

The researcher analyzed the feedback of respondents on whether tender assessments are conducted properly. The findings from the analysis were documented as shown in the table and figure below;

Table 4.8: Tender Opening is Conducted Properly

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>40</td>
<td>80</td>
</tr>
<tr>
<td>Agree</td>
<td>8</td>
<td>16</td>
</tr>
<tr>
<td>Not sure</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>-</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>50</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Study Findings, 2013

Figure 4.9: Tender Opening is conducted properly

Source: Study Findings, 2013

The findings above show that 80% of respondents strongly agreed that tender opening is conducted properly, 16% of respondents agreed and 4% of respondents disagreed. There were no respondents who were not sure or who strongly disagreed.
4.3.4 Tender Assessment is conducted properly

The researcher analyzed the feedback of respondents on whether tender assessment is conducted properly. The findings from the analysis were documented as shown in the table and figure below;

Table 4.9: Tender Assessment is Conducted properly

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>23</td>
<td>46</td>
</tr>
<tr>
<td>Agree</td>
<td>18</td>
<td>36</td>
</tr>
<tr>
<td>Not sure</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Study Findings, 2013

Figure 4.10: Tender Assessment is conducted properly

Source: Study Findings, 2013.

The findings above show that 46% of respondents strongly agreed that tender assessment is conducted properly, 36% of respondents agreed, 10% of respondents were not sure, 4% of respondents strongly disagreed and 4% of respondents disagreed.
4.3.5 Tender Award is conducted properly

The researcher analyzed the feedback of respondents on whether tender award is conducted properly. The findings from the analysis were documented as shown in the table and figure below;

Table 4.10: Tender award is conducted properly

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Agree</td>
<td>13</td>
<td>26</td>
</tr>
<tr>
<td>Not sure</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Disagree</td>
<td>15</td>
<td>30</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>12</td>
<td>24</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Study Findings, 2013.

Figure 4.11: Tender Award is conducted properly

The findings above show that 10% of respondents strongly agreed that tender award is conducted properly, 26% of respondents agreed, and 10% of respondents were not sure, 30% of respondents strongly disagreed and 24% of respondents disagreed.
4.4 Effectiveness of CBE in Conducting the Tendering Process

The researcher analyzed the feedback of respondents on the effectiveness of CBE in conducting the tendering process. The findings from the analysis were documented as shown in the table and figure below:

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very effective</td>
<td>18</td>
<td>36</td>
</tr>
<tr>
<td>Effective</td>
<td>20</td>
<td>40</td>
</tr>
<tr>
<td>Not sure</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Less effective</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>Not effective</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>50</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Study Findings, 2013.

Figure 4.12: Effectiveness of CBE in Conducting the Tendering Process

Source: Study Findings, 2013.

The findings above show that 36% of respondents had the opinion that CBE is very effective in conducting the tendering process, 40% of respondents opined that CBE is effective, 10% of respondents were not sure, 10% of respondents opined that CBE is less effective and 4% of respondents opined that it is not effective.
4.5 Factors Hindering Effectiveness of CBE in Conducting Tendering

4.5.1 Shortage of Financial Resources Hinders Effectiveness of Tendering

The researcher analyzed the feedback from respondents on whether shortage of financial resources is among the factors hindering effectiveness of PRSR in conducting tendering. The feedback from respondents was documented as shown in the table and figure below;

Table 4.12: Shortage of Financial Resources Hinders Effectiveness of Tendering

<table>
<thead>
<tr>
<th></th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Not Sure</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of respondents</td>
<td>19</td>
<td>13</td>
<td>5</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>38%</td>
<td>26%</td>
<td>10%</td>
<td>18%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Source: Researcher’s Analysis, (2013).

Figure 4.13: Shortage of Financial Resources Hinders Effectiveness of Tendering

The findings above show that 38% of respondents strongly agree that shortage of financial resources hinders effectiveness of CBE in conducting tendering, 26% of respondents agree, 10% of respondents were not sure, 18% of respondents disagreed while 8% of respondents strongly disagreed.
4.5.2 Lack of awareness hinders effectiveness of tendering

The researcher analyzed the feedback from respondents on whether lack of awareness hinders effectiveness of CBE in conducting tendering. The feedback from respondents was documented as shown in the table and figure below;

Table 4.13: Lack of Awareness Hinders Effectiveness Of Tendering

<table>
<thead>
<tr>
<th></th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Not Sure</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of respondents</td>
<td>2</td>
<td>5</td>
<td>8</td>
<td>8</td>
<td>27</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>4%</td>
<td>10%</td>
<td>16%</td>
<td>16%</td>
<td>54%</td>
</tr>
</tbody>
</table>

Source: Researcher’s Analysis, (2013).

Figure 4.14 Lack of Awareness Hinders Effectiveness of Tendering

Source: Researcher’s Analysis, (2013).

The findings above show that 4% of respondents strongly agree that lack of awareness hinders effectiveness of CBE in conducting tendering, 10% of respondents agree, 16% of respondents were not sure, 16% of respondents disagreed while 54% of respondents strongly disagreed. These findings show that lack of awareness is not among the factors that hinder the effectiveness of CBE in conducting tendering.
4.5.3 Lack of Competence Hinders Effectiveness of Tendering

The researcher analyzed the feedback from respondents on whether lack of competence among Procurement personnel at CBE hinders effectiveness of CBE in conducting tendering. The feedback from respondents was documented as shown in the table and figure below;

Table 4.14: Lack of Competence Hinders Effectiveness of Tendering

<table>
<thead>
<tr>
<th></th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Not Sure</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of respondents</td>
<td>0</td>
<td>5</td>
<td>7</td>
<td>15</td>
<td>23</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>0%</td>
<td>10%</td>
<td>14%</td>
<td>30%</td>
<td>46%</td>
</tr>
</tbody>
</table>

Source: Researcher’s Analysis, (2013).

Figure 4.15: Lack of Competence Hinders Effectiveness of Tendering

The findings above show that 10% of respondents agree that lack of competence among Human Resources personnel at CBE hinders effectiveness of CBE in conducting tendering, 14% of respondents were not sure, 30% of respondents disagreed while 46% of respondents strongly disagreed. These findings show that lack of competence is not among the factors that hinder the effectiveness of CBE in conducting tendering.
4.5.4 Shortage of Staff Hinders Effectiveness of Tendering

The researcher analyzed the feedback from respondents on whether shortage of Human Resources staff at CBE hinders effectiveness of CBE in conducting tendering. The feedback from respondents was documented as shown in the table and figure below;

Table 4.15: Shortage of Staff Hinders Effectiveness of Tendering

<table>
<thead>
<tr>
<th></th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Not Sure</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of respondents</td>
<td>29</td>
<td>14</td>
<td>5</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>58%</td>
<td>28%</td>
<td>10%</td>
<td>4%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Source: Researcher’s Analysis, (2013).

Figure 4.16: Shortage of Staff Hinders Effectiveness of Tendering

The findings above show that 58% of respondents strongly agree that shortage of Human Resources staff at CBE hinders effectiveness of CBE in conducting tendering, 28% of respondents agree, 10% of respondents were not sure and 4% of respondents strongly disagreed. These findings show that shortage of staff is among the factors that hinder the effectiveness of CBE in conducting tendering.
4.5.5  Delays in Issue of Payments Hinders Effectiveness of Tendering

The researcher analyzed the feedback from respondents on whether delays in issue of payments hinder effectiveness of CBE in conducting tendering. The feedback from respondents was documented as shown in the table and figure below;

Table 4.16:  Delays in Issue of Payments Hinders Effectiveness of Tendering

<table>
<thead>
<tr>
<th></th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Not Sure</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of respondents</td>
<td>24</td>
<td>16</td>
<td>5</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Percentage (%)</td>
<td>48%</td>
<td>32%</td>
<td>10%</td>
<td>10%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Source: Researcher’s Analysis, (2013).

Figure 4.17:  Delays in Issue of Payments Hinders Effectiveness of Tendering

Source: Researcher’s Analysis, (2013).

The findings above show that 48% of respondents agree that delays in issue of payments hinders effectiveness of CBE in conducting tendering, 32% of respondents agree, 10% of respondents were not sure and 8% of respondents strongly disagreed. These findings show that delays in issue of issue of payments is among the factors that hinder the effectiveness of CBE in conducting tendering.
4.6 Testing of Relationship between Variables

4.6.1 Advertisement of tenders is done properly

<table>
<thead>
<tr>
<th>Correlations</th>
<th>VAR00001</th>
<th>VAR00002</th>
</tr>
</thead>
<tbody>
<tr>
<td>VAR00001</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>4</td>
</tr>
<tr>
<td>VAR00002</td>
<td>Pearson Correlation</td>
<td>.999**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>4</td>
</tr>
</tbody>
</table>

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

4.6.2 Submission of Tenderize Done Properly

<table>
<thead>
<tr>
<th>Correlations</th>
<th>VAR00001</th>
<th>VAR00002</th>
</tr>
</thead>
<tbody>
<tr>
<td>VAR00001</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>4</td>
</tr>
<tr>
<td>VAR00002</td>
<td>Pearson Correlation</td>
<td>1.000**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>4</td>
</tr>
</tbody>
</table>

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

4.6.3 Opening of Tenders is Conducted Properly

<table>
<thead>
<tr>
<th>Correlations</th>
<th>VAR00001</th>
<th>VAR00002</th>
</tr>
</thead>
<tbody>
<tr>
<td>VAR00001</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>4</td>
</tr>
<tr>
<td>VAR00002</td>
<td>Pearson Correlation</td>
<td>.999**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>4</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).
4.6.4 Assessment of Tenders Conducted Properly

<table>
<thead>
<tr>
<th>Variables</th>
<th>Correlation Coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Submission of tenders is done properly</td>
<td>1.000</td>
</tr>
<tr>
<td>Advertisement of tenders is done properly</td>
<td>0.999</td>
</tr>
<tr>
<td>Opening of tenders is conducted properly</td>
<td>0.999</td>
</tr>
<tr>
<td>Assessment of tenders conducted properly</td>
<td>0.988</td>
</tr>
<tr>
<td>Award of tenders is conducted properly</td>
<td>0.826</td>
</tr>
</tbody>
</table>

As shown in the table above, the findings from the study show that almost all processes involved in the tendering process done by CBE are done effectively. These findings suggest that CBE is effective in conducting the tendering process, however, there are various challenges such as; shortage of financial resources, shortage of staff in the procurement department and delays in issue of payments.

4.6.5 Award of tenders is conducted properly

<table>
<thead>
<tr>
<th>Variables</th>
<th>Correlation Coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Submission of tenders is done properly</td>
<td>1.000</td>
</tr>
<tr>
<td>Advertisement of tenders is done properly</td>
<td>0.999</td>
</tr>
<tr>
<td>Opening of tenders is conducted properly</td>
<td>0.999</td>
</tr>
<tr>
<td>Assessment of tenders conducted properly</td>
<td>0.988</td>
</tr>
<tr>
<td>Award of tenders is conducted properly</td>
<td>0.826</td>
</tr>
</tbody>
</table>

4.6.11 Ranking of Variables Based on Correlation Coefficient

<table>
<thead>
<tr>
<th>S/N</th>
<th>Type of tendering</th>
<th>Correlation coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Submission of tenders is done properly</td>
<td>1.000</td>
</tr>
<tr>
<td>2</td>
<td>Advertisement of tenders is done properly</td>
<td>0.999</td>
</tr>
<tr>
<td>3</td>
<td>Opening of tenders is conducted properly</td>
<td>0.999</td>
</tr>
<tr>
<td>4</td>
<td>Assessment of tenders conducted properly</td>
<td>0.988</td>
</tr>
<tr>
<td>5</td>
<td>Award of tenders is conducted properly</td>
<td>0.826</td>
</tr>
</tbody>
</table>
4.7 Discussion of Findings

The findings of the study showed that the tendering procedure used by CBE follows five steps namely; tender advertisement, tender submission, tender opening, tender assessment and tender award. During tender advertisement, the Tender Board advertises tenders in various newspapers and welcomes tenders to submit their tender documents. During tender submission, the Tender Board compiles a list of tenderers based on their qualifications.

The qualified tenderers are then invited to submit their tender documents that express their ability and capability to execute the tender according to the project description. On receiving the query, the tenderers send a response to the principal as to their interest in the project. During tender opening, the Tender Board invites all tenderers to the opening ceremony where tender documents are opened in the presence of all tenders.

During tender assessment, the Tender Board assesses each tender document against the specified requirements. The Tender Board also performs post-offer open negotiations to consolidate contractual term conditions. After assessment, the principal can select a preferred tenderer, and next preferred tender. During tender award, the Tender board makes the final decisions to award tenders to successful bidders.

Thereafter, the Tender board prepares formal contract evidence to finalize the contracting process. This is the final stage of the tendering process, as well as a contracting process for selecting main contractors. The tender board makes a formal acceptance and the tenderer informs the unsuccessful tenderers. After the tender has been awarded, what follows is the release of funds to tenderers.

These findings are similar to findings of a study conducted by Eriksson and Laan (2007) who conducted a study procedures used by public institutions in Tanzania in tendering. The tendering procedures elaborated in the study are similar to procedures.
The study also found that almost all processes involved in the tendering process done by CBE are done effectively.

These findings suggest that CBE is effective in conducting the tendering process, however, there are various challenges such as; shortage of financial resources, shortage of staff in the procurement department and delays in issue of payments.
CHAPTER FIVE

5.0 Conclusion and Recommendation

This chapter concludes the findings of this study and describes the implication of those findings. The chapter also gives the recommendations to overcome the challenges that hinder the tendering procedures. The last part of the chapter presents suggestions for further study.

Shift these stuffs to the chapter above as this is not the right place to put them

5.1 Conclusion

An effective tendering procedure is emphasized to all public and para-sternal organizations. Through effective tendering procedures an organization can attain value for money. However the report does provide evidence that the tendering procedures are occurring at slower pace than organization expectation. The study concludes that payments delays hinder effectiveness of tendering at CBE.

The study also conclude that CBE does not acquire the value for money due to late delivery of good, delivery of good are not of the right price, and suppliers did not complete the contract within the stipulated time. Also, the fund allocated for tendering procedure is not enough. Overall, CBE is effective in following tendering procedures.

5.2 Recommendations

From the findings of the study, the researcher would like to make the following recommendations.

(i.) To overcome the issue of lack of shortage of staff and lack of financial resources, the researcher recommends that CBE should hire more personnel who have the necessary skills, knowledge and experience with regard to tendering. Also, the government should allocate more funds for the tendering process so as to make it more effective.
(ii.) Also, the management of CBE should show cooperation to the Procurement Management Unit by providing it with the necessary financial and other resources that will enable the department to be more effective in conducting tendering. Also, the management of CBE should avoid interfering with the tendering process so as to recruit only qualified candidates.

(iii.) The government should ensure that payments for contractors who have been awarded tenders are issued in time and that there are no delays when it comes to issue of employment permits. Also, the management of CBE should ensure that induction training to members of staff in the Procurement Management Unit is provided frequently.

(iv.) The Government should provide various supportive measures to encourage the following of tendering procedures; these will enable the Tanzanian organizations to overcome the barriers that cause the late deliveries of goods. Apart from scarce resource Tanzanian organizations should put more emphasis and prioritize the tendering procedures.

(v.) CBE should put more effort on having enough number of skilled manpower who will exercise their expertise efficiently. The study further recommends that it is urged that both buyers and suppliers should consider the benefits attained when tendering procedures are followed fully and hence overcome all the problems.

(vi.) It is believed that this study has provided an insight into the important challenges affecting Tendering procedure. However, there could be other factors that need to be identified. Hence, it is felt that further research need to be carried out in the areas stated below: Finally, it is hoped that this study would provide impetus to further research.
REFERENCES


APPENDICES

Appendix 1: Questionnaires for top Management

Please tick (✓) the appropriate answer or fill in the gap

1. Have you attended the accounting officer seminar conducted by PPRA?
   (i.) Yes (    )
   (ii.) No (    )

2. Does the CBE allocate enough funds for tendering procedures?
   (i.) Yes (       )
   (ii.) No (        )

3. Do you pay suppliers on time?
   (i.) Yes (       )
   (ii.) No (        )

4. PMU can differ with User Department / Tender Board has you encounter with such a problem?
   (i.) Yes (       )
   (ii.) No (        )

5. If yes how did you solve the problem?
   (i.) ……………………………………………………………………………………………
   (ii.) ……………………………………………………………………………………………
   (iii.) ……………………………………………………………………………………………
Appendix 2: Questionnaires for Procurement Department

1. Is PMU department well-staffed?
   (i.) Yes (  )
   (ii.) No (  )

2. If not what is your suggestion?
   (i.) .................................................................
   (ii.) .................................................................
   (iii.) .................................................................

3. Does the organization budget comply with APP?
   (i.) Yes (  )
   (ii.) No (  )

4. Does the Organization pay suppliers on time?
   (i.) Yes (  )
   (ii.) No (  )

5. Does the tendering procedure followed effectively?
   (i.) Yes (  )
   (ii.) No (  )

6. Does the organization advertise tender opportunity in to the public?
   (i.) Yes (  )
   (ii.) No (  )

7. What are the problems you face on tendering procedure?
   (i.) .................................................................
   (ii.) .................................................................
   (iii.) .................................................................
8. Does the organization invite tenderers during opening ceremony?
   (i.) Yes (   )
   (ii.) No (   )

9. Does the organization evaluate tenders through evaluation committee?
   (i.) Yes (   )
   (ii.) No (   )

10. Does the organization inform bidders who lose the tender?
    (i.) Yes (   )
    (ii.) No (   )
Appendix 3: Questionnaires for User Department

1. Did you submit your requirement to PMU at the right time?
   (i.) Yes (   )
   (ii.) No (   )

2. Does the PMU department help you to get your needs at the right time?
   (i.) Yes (   )
   (ii.) No (   )

3. If not what do you think is the reason for your need to be not supplied at the right time?
   (i.) ........................................................................................................
   (ii.) ........................................................................................................
   (iii.) ........................................................................................................

4. Do you have any suggestion concerning PMU at CBE?
   (i.) Yes (   )
   (ii.) No (   )

5. If yes what are your suggestions?
   (i.) ........................................................................................................
   (ii.) ........................................................................................................
   (iii.) ........................................................................................................

Thank you very much for your participation.