

Efficiency of Competitive Bidding and Contract Management in Local Governments in Uganda: A Case Study of East Division in Lira City

Abalo Collins¹, Besigye Abner², Rutaro Abas³

¹ A Master of Science in Human Resource Management Student, Team University (TU), Kampala, Uganda

E-mail: collinsabalo9@gmail.com

² Lecturer, School of Graduate Studies and Research, Team University (TU), Kampala, Uganda

E-mail: abnerbesigye@gmail.com

³ Lecturer, School of Graduate Studies and Research, Team University (TU), Kampala, Uganda

E-mail: rutaro1982@gmail.com

Abstract: This study intended study to establish the Efficiency of competitive bidding and contract management in local governments Uganda; a case study of Lira City East Division. Lira City Uganda. Specifically the study: assessed the level Efficiency of competitive bidding in Lira City East Lira City East, Uganda, established the level of contract management in local government Uganda a case of Lira City East, Uganda, and examined the relationship between Efficiency of competitive bidding and contract management in local government Uganda: a case study of Lira City East Division, Lira City Uganda. The study used a cross-sectional survey design and employed both qualitative and quantitative approaches. The target population for the study was 98 comprised of public workers, local council leaders and all political leaders of East Division in Lira City. The study used a sample size of 60 respondents though the response rate was 87/98 (88.8%) of respondents. Quantitative data were collected using a questionnaire while qualitative data were collected using an interview guide. Data were analyzed using relative frequencies and descriptive statistics. Pearson's linear correlation coefficient and regression analysis were used to relate the study variables. Findings revealed that there was significant relationship between both advertisement and community involvement, while bid evaluation was significantly and positively related to contract performance in East Division in Lira City. Recommendations were that: East Division in Lira City should not attach much emphasis to advertisement and community involvement as predictors of procurement performance in their own area.

Keywords— Efficiency; competitive; bidding; contract; management

INTRODUCTION

Background of the study

According to the European Procurement Expertise Centre (EPEC PPP2014) Guide, Competitive bidding is based on a number of pass or fails criteria before the single preferred bidder is decided on. Even if the evaluation score is not based on a technical evaluation, a determination must be made that the technical solution proposed by a bidder is feasible, deliverable and robust, that it is based on reliable technologies, that it meets all minimum technical requirements set and that the costs and financial structure are consistent with the technical solution.

Over the last decade the procurement procedures of government have received increasing attention in the courts and academic literature, as yet, however, there has been little analysis of the committee system for competitive bids created in legislation

for the procurement of goods and services by government. One of the reasons for this is that it is only after organs of state, and in particular municipalities and cities, have begun to implement the bid committee system in their day-to-day practices that it is clear that problems are arising.

In the recent months, the courts have increasingly been faced with issues revolving around the implementation of the bid committee system. Even though legislation for national and provincial government provides for the use of the committee system for Competitive bids, and in certain respects the relevant provisions correspond with those that apply to local government.

In other words, as far as contract management is concerned, tendering is crucial for assessing the effect your program/strategy has had within the local community, its cost effectiveness, whether you achieved what you expected, and identifying opportunities for improvement. In addition, evaluation enables practitioners more systematically to document, disseminate and

promote effective practice (Garrardeta 1200). Lysons (2006) defined bidding as a purchasing procedure whereby potential suppliers are invited to make affirm and unequivocal offer of the price and terms, which on acceptance shall be the basis of the subsequent contract. Therefore, contract management is the unconditional offer of money given to a contractor to fulfill his obligation as stated in the contract agreement.

Despite Uganda government's declaration of a zero tolerance to corruption policy (ZTCP 2019), contract management in public procurement is still pervasive, institutionalized and endemic. Over the years several high profile cases have been reported related to poor contract management due to corruption where high profile and influential people implicated in corrupt dealings and others cited in Commissions of Enquiry reports remain unpunished. Some notable cases involving interference during evaluation in the procurement processes include; the 600MW Karuma hydro-power project estimated 6 to 8 cost \$2.2billion, halted due to irregularities in the procurement process, including flouting of the procurement procedures and allegations of ghost bidders. Bribery allegations to influence awarding to a Chinese firm and misrepresentation of facts and figures about its competency by another prequalified firm are said to have been cited. Another notable case is where the Permanent Secretary (PS) Ministry of Local Government amongst others altered the decision of the Contract Committee for supplies of the 70,000 pieces of Bicycles for Local Government and as a result, the Government paid for unknown specification/type of bicycles which were also never delivered. Further, in the botched, the President reportedly influenced the procurement process of the national LOs by recommending single sourcing in favor of a particular company, on lobbying of the German ambassador to Uganda rather than open competitive bidding, contrary to the procurement laws (Uganda Debt Network, 2011).

Due to delayed tender evaluation processes, shoddy works being done like collapsing Universal Primary Education (UPE) pit latrines and school blocks among others and some

aspects of corruption and influence peddling in the procurement process. This culminated into an investigation report by the PPDA on the tender for collection of trading license fees in the entire district. Particularly noted was the evaluation team's qualification of the individual contractors for collection of the trading license fees per respective lower local government. It is further evident that some district officials/individuals are using the district road equipment units illegally for personal gains. Such persistent acts by the district leadership weaken their authority and this in turn affects the overall performance of the tenders in the district local government resulting into poor service delivery (PPDA Auditors' Report Financial year 2011/12, 2012/13). This will be used conclusively to address contracts award and providing national control (Eiswnhardt, 1098).

Problem Statement

Managing contracts can be complex, challenging, and constraining. Many organizations run into the same common issue that slowdown the entire contracting process. Yet managing contracts doesn't have to be this way it can be streamlined, simple, and easy. With a contract lifecycle management platform, companies can solidify processes that will help avoid these pitfalls altogether (Lira City East Contracts 2020). In Lira City East, many issues have been observed during the competitive bidding without clear objectives, contracts become daunting and both parties are at risk of signing without being entirely sure of everything the agreement they are entering into consists of; Level of Involvement of each party. When drafting a document, one party can internally edit and approve before sharing with a third party, ensuring certainty on the terms and conditions set; Failure to Engage or difficulty that comes with trying to include the necessary people or teams in the process.

The process should uphold integrity, informed decision-making, and ensure that requirements are being met. Lira City East Division has continued to experience poor evaluation procedures leading to delayed award of contracts, shoddy work, and delayed completion of contracts to mention but a

few (PPDA. Auditors' Report Financial year 2011/2012, 2012/13). It is against this gap that the researcher would like to establish the Efficiency of competitive bidding and contract management in Local government Uganda; a case study of Lira City East Division, Lira City, Uganda.

General objective

The general objective of this study was to establish the Efficiency of competitive bidding and contract management in local governments Uganda; a case study of Lira City East Division. Lira City Uganda.

Specific objectives of the study

- i. To assess the level Efficiency of competitive bidding in Lira City East Lira City East, Uganda
- ii. To establish the level of contract management in local government Uganda; a case of Lira City East, Uganda
- iii. To examine the relationship between Efficiency of competitive bidding and contract management in local government Uganda: a case study of Lira City East Division, Lira City Uganda

METHODOLOGY

Research design

A cross-sectional survey design was employed in this study using a case study of Lira City East Division because it analyzes data of variables collected at one given point of time across a sample population and also helps to measure the effect of independent variable on the dependent variable (Hemed 2015). Creswell (2009) points out that a cross-sectional survey research design helps the researcher to gather large amounts of data from a sample of cross-section/groups of people or units at a particular point in time. In the study, both quantitative and qualitative approaches were used (Creswell & Creswell, 2018). A cross-sectional study approach allowed the researcher to collect information on the situation at a point in time. The design encompassed the use of qualitative and quantitative approaches for the research to gather adequate and complementing data with reliable findings.

Study population

The study was conducted in Lira City East Division and is mainly covering the heads of departments, PDU staff, contracts committee members, sectorial heads, heads of the Lower city division units, political wing, Head teachers and members of the community because they are believed to have adequate knowledge about the topic and were based on a targeted population of 100 persons.

Sample size and selection

A sample size of 80 is selected from the employees and key departmental heads of the City Division using the Krejcie and Morgan's 1.970 table.

Sampling techniques and procedures

Sampling is a process of selecting a number of individuals or objects from population such that the selected group contains elements representative of the characteristics found in the entire group (Orodho 2002). Sample selection is being taken using purposive sampling and census.

Data collection methods

The data collection methods to be used during the process will include; survey questionnaires and interview guides as research instruments respectively. Documentary review was used in analyzing of tender performance trends for three financial years (2012/2013, 2013/2014 and 2014/2015 respectively).

Questionnaires

Questionnaires survey methods are being used on members (Heads of Departments, sector heads, PDU staff Heads of Lower Local Governments, Politicians Contracts Committees and others who may be head teachers, community members) to fill self-administered questionnaires because they can read and write. Questionnaires are hand-delivered to the respondents and they were asked to complete them by themselves. These Questionnaires is structured and unstructured so as to enable the respondents express their views and options about the variables under investigation.

Interview method

An interview is an oral questionnaire where the investigator gathers data through direct verbal instructions with participants, (Amin, 2005, pg.178). The Researcher will

interview staff who implement procurement management and contract management policies and those other staff who handle financial records and reporting and also this population is appropriate for interviews since its small and manageable.

Documentary reviews

These involved tendering documents, evaluation forms, and non-fundable fees. Experience documentation forbids. It involved deriving information by carefully studying written documents or visual information from sources known as documents. The researcher is examining the institution’s financial reports; audited reports tender award files, tender evaluation reports, policy documents, manuals, and minutes to get relevant information to establish the relationship between competitive bidding and contract management process. The instruments to be used are the documentary review check list which is arranged according to research objectives.

Source of Data

Data was collected from both primary and secondary sources. Data mainly came from respondents, through company documents accessed, published sources of literature and internet.

Primary Data

This provided data directly from respondents through interviews, focus group discussions and questionnaires form staff and management.

Secondary Sources of Data.

This Provided data from documentary sources such as text books, magazines, journals and internet based documents which were related to the research study. Secondary source of data is opted for because it is more accurate in data collection than that obtained from primary data and besides it is cheaper.

Procedures of data collection

The researcher obtained an introductory letter from Team University supervisors to allow her carry out the study in Lira City East Division. The researcher then presented the introductory letter to the District Chief Administrative Officer who then gives the researcher another letter granting her permission to collect data required. The researcher visited the City departmental heads and makes appointments with selected staff members. On the day of the meeting, a rapport had to be established between the researcher and the respondents, and then questionnaires are distributed to selected respondents, questionnaires are then collected for data analysis. The interview guide will be used to ask the questions to collect qualitative data which are coded and analyzed. Responsible staff like the head of PDU is requested to avail relevant data (records) and the researcher is being asked questions on the documentary checklist. The data is then being collected and later be analyzed.

Pilot Test

FORMS	FREQUENCY	PERCENTAGE (%)
Technical compliance	28	47%
Quality and cost based	7	12%
Quality based	5	8%
Least cost	5	8%

Before the actual study, it was crucial to conduct a pilot study. Robson (1993) argued that piloting provides opportunity for researchers to test their confidence in identifying short comings that may affect the actual collection of useful data. The pilot study evaluates the effectiveness and validity of the instruments. The purpose is not to collect data but to refine the processes and instruments. It provides an opportunity to detect and remedy potential problems such as questions that respondents don’t understand; questions that combine two or more issues in a single question (double-barreled questions); and questions that make respondents uncomfortable.

DATA PRESENTATION, ANALYSIS AND INTERPRETATION OF FINDINGS

Table 1: Showing category of respondents (n=60)

Category	Frequency	Percentage (%)
Heads of department	10	17%
Sectorial heads	18	30%
Contracts Committee	5	8%
PDU Staff	2	3%
Heads of LCLG	5	8%
Politicians	10	17%
Others	10	17%
Total	60	100

Source primary data (2020)

Results on table 1, revealed that majority of the respondents who represented 30% (18) were Sectorial heads, followed by 17% (10) of the respondents were heads of departments, Politicians and others, Contract committees and heads of lower City Local government (LCLG) were the same 8% (5), and lastly the minority who consisted 3% (2) were PDU staff. This means that all the departments and stake holders were considered thus diverse results were got and the heads of departments are more involved in the evaluation process and are attached to tender performance due to close supervision.

Table 2: Forms of Evaluation used by the Organization.

Fixed budget selection	15	25%
Total	60	100

Source primary data (2020)

Results from table 2, revealed the highest percentage of 47% (28) of the respondents who responded unanimously agreed that Technical Compliance is one of the forms of evaluation used in Lira City East Division, Lira City, followed by 25% (15) of the respondents who also said that the organization also uses fixed budget selection. However, 12% (7) of the

respondents said quality and cost based selection is not commonly used and so is quality based and Least cost selection at 18% with five (5) respondents each. This means Technical compliance and fixed budget selections are commonly used.

Table 3: Extent of Contract Management.

S/N	STATEMENTS	RATINGS										TOTAL
		1		2 Agree		3 Not sure		4 disagree		5 Strongly disagree		
		F	%	F	%	F	%	F	%	F	%	
1.	Best meets the needs of the entity	20	33	30	50	10	17	0	0	0	0	60
2.	Achieves value for money	45	75	15	25	0	0	0	0	0	0	60
3.	Best and affordable supplier or contractor	38	63	12	20	19	17	0	0	0	0	60
4.	Research and design	08	13	07	12	05	08	30	50	10	17	60

Source primary data (2020)

Best meets the needs of the entity

From the table above, statement one indicated that 50 (83%) of the respondents agreed that evaluation helps to best meet the needs of the entity and 10 (17%) were not sure. This implies that through evaluation of tenders in an organization, needs of a particular department are met with their specifications as requested. This is also supported with section 34 of the PPDA Act which emphasizes user departments to submit procurement requisitions filled with clear specifications or Terms of Reference or Scope of Works.

Achieves value for money

Basing on statement two in the table above, 60 (100%) agreed that evaluation helps to achieve value for money. This implies that through

evaluating tenders value for money is achieved since the bidder ranked first is awarded the tender depending on their financial comparison which fits into the entity's budget.

Has the best and affordable supplier or contractor

Results in the statement three indicated that 50 (83%) agreed that evaluation helps to get the best and affordable supplier or contractor and 10 (17%) were not sure. This implies that through evaluation, the best and affordable supplier or contractor is got since more than one bidder is evaluated and all the three stages are undergone whereby the complaint bidder is recommended as the best evaluated as the best evaluated bidder and later awarded the contract.

For research and design

The table also indicated that 15 (25%) agreed that evaluation can be useful for research and design, 05 (8%) were not sure, 40 (66%) disagreed with it. Basing on the highest percentage of respondents, this implies that the organization was not using evaluation for research and design because this has

been the first of its kind in terms of research on evaluation on contract performance since the district was opened in 2010.

Table 4: Level of Efficiency Competitive bidding in Uganda.

S/N	STATEMENTS	RATINGS										TOTAL
		1 Strongly agree		2 Agree		3 Not sure		4 disagree		5 Strongly disagree		
		F	%	F	%	F	%	F	%	F	%	
1.	Limited awareness of procurement laws	28	47	20	33	12	20	0	0	0	0	60
2.	Limited citizens participation	10	17	22	37	12	20	16	27	0	0	60
3.	Poor documentation and record keeping	25	42	35	58	0	0	0	0	0	0	60
4.	Delays or failed execution	32	53	22	37	6	10	0	0	0	0	60
5.	Tendering methods	15	25	25	42	10	17	10	17	0	0	60
6.	Corruption	36	60	24	40	0	0	0	0	0	0	60
7.	Variation order	3	5	2	3	55	92	0	0	0	0	60
8.	Aggressive competition	18	30	30	50	12	20	0	0	0	0	60
9.	Project Manager's competence	13	23	18	30	10	17	12	20	6	10	60
10.	Contract Monitoring	22	37	15	25	27	45	10	17	0	0	60
11.	Political Interference	34	57	26	43	0	0	0	0	0	0	60
12.	Staff Qualifications	28	47	26	43	0	0	6	10	0	0	60
13.	Others please specify	12	20	32	53	0	0	16	27	0	0	60

Source: Primary data (2020)

From the above, it is indicated that 48 (80%) of the respondents agreed that there is limited awareness of procurement laws and 12 (20%) were not sure. Basing on the highest percentage, this shows that most people working outside the procurement and Disposal unit have limited or no knowledge about the procurement laws which greatly affects tender

performance when it comes to supervision of tenders implemented within their departments.

The table indicated that there is limited citizen participation by 32 (54%) who agreed to it, 12 (20%) who were not sure and 16 (27%) who disagreed. Basing on the highest percentage of respondents, this implies that very few people are put on board when it comes to evaluation who in the

long run take decisions on behalf of others who do not take part and this greatly affects tender performance.

From the table above, the table shows that 60 (100%) of the respondents agreed that poor documentation and record keeping affects contract management. This implies that, section 41 and 41 (1a, 2) of the PPDA Acts is not at times adhered to as required by the law.

Results of the respondents as indicated in the table below that 54 (90%) agreed and 6 (10%) were not sure that delays in or failed execution of tenders affects tender performance. Basing on the highest percentages, it does affect because if the contract completion date expires without completion everything including; commissioning, usage and payment will all be affected.

The table also indicated that 40 (47%) were not sure while others disagree respectively. Basing on the highest percentages, this is seen on different types of tendering methods used whereby high value contracts are advertised which take a longer period to execution and low value are procured directly or using micro procurements. But this can be manipulated by splitting procurements which greatly affects tender performance.

From the table above, results showed that 60 (100%) of the respondents agreed that corruption affects contract management. This implies that corruption is a big hindrance to effective procurement activities as seen in today's procurement frauds in the country.

The table revealed that, 5 (8%) of the respondents agreed that variation order affects contract management and 55 (92%) were not sure. This implies that most of the respondents were not familiar with the term variation but 5% and 3% implies that if the variation order is altered, it can affect tender performance for instance through omissions, substitution in terms of quality, quantity, and schedule of works.

The table also indicated that 48 (80%) of the respondents agreed that the aggressive completion affect contract management and 12 (20%) were not sure. Basing on the highest percentages, aggressive competitors quote low prices so as to be awarded the tender which leads to shoddy works, delayed

project completion in the long run, thus affecting contract management.

From the table above 32 (53%) agreed, 10 (17%) are not sure, 18 (30%) disagreed that the project manager's competence affects contract management. Basing on the highest percentages, it is true since it is on the basis of the project manager's report that assignments and payments are relied upon, therefore, if his or her competence is low, tender performance will also be poor and vice versa.

The table also indicated that 37 (62%) of the respondents agreed that contract monitoring affects contract management, while 27 (45%) were not sure and 10 (17%) disagreed. This implies that contract monitoring greatly affects tender performance since it is at this time that the entity decides whether the project has been satisfactorily done and therefore recommends payment. Result shows that 60 (100%) of the respondents agreed that political interference affects contract management. This implies that politician's influence peddling for contractors they prefer and this affects the whole process since in most cases they are not even compliant for the tenders.

From the above, results show that 54 (90%) of the respondents agree that staff qualifications affect contract management and 6 (10%) disagree. Basing on the highest percentages, many procurement professionals across government lack the capability, market knowledge, process driven attributes which will in turn affect tender management performance according to Maude (2011).

Results also showed that 44 (73%) of the respondents agreed that there are other factors that affect contract management and 16 (27%) disagreed. This implies there are other factors besides the one stated above which includes long procurement procedures, lack of information and communication technology, cost related factors, time, quality, project characteristics and external environment factors.

The Relationship between Efficiency Competitive bidding and Contract management

In an effort to examine the relationship between efficiency of competitive bidding and contract management of local governments in Uganda, the researcher carried out the Pearson correlation analysis and study findings are as given below.

Table 5: Relationship between Efficiency of Competitive Bidding and Contract Management

Correlations			
		Contract management	Efficiency of competitive bidding
Contract management	Pearson Correlation	1	.871**
	Sig. (2-tailed)		.000
	N	60	60
Efficiency of competitive bidding	Pearson Correlation	.871**	1
	Sig. (2-tailed)	.000	
	N	60	60
**. Correlation is significant at the 0.01 level (2-tailed).			

Source: **primary data (2020)**

Results in table 5 show that there is a strong positive relationship between efficiency of competitive bidding and contract management among local governments in Uganda as evidenced by a correlation coefficient(r) of 0.871 that is statistically significant since the p value (0.000) < 0.01. This implies that as efficiency of competitive bidding increase, also local governments tend to increase their contract management.

Regression analysis was further done to determine the strength of the relationship between efficiency of competitive bidding and contract management of local governments in Uganda and this was summarized in the model below.

Table 6: Model Summary on Efficiency of Competitive Bidding and Contract Management

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.871 ^a	.759	.756	1.980
a. Predictors: (Constant), efficiency of competitive bidding				

Source: **primary data (2020)**

Table above indicates that the coefficient of determination (Adjusted R²) value is 0.756 and this implies that 75.6% of the variation in contract management can be explained by efficiency of competitive bidding holding other factors constant.

Table 7: ANOVA on Efficiency of Competitive Bidding and Contract Management

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sign.
1	Regression	1022.838	1	1022.838	260.804	.000 ^b
	Residual	325.515	60	3.922		
	Total	1348.353	60			
a. Dependent Variable: Contract management						
b. Predictors: (Constant), efficiency of competitive bidding						

Source: primary data (2020)

The ANOVA table above shows a P value ($0.000 < 0.01$) and an F ratio of $260.804 > 2.12$ as given by the T-test table at a critical value for the level $\alpha = 1\%$ with the degrees of freedom 1 against 60. Since the $F_c > F_r$, the researcher rejects the null hypothesis and concludes that there exists a significant relationship between efficiency of competitive bidding and contract management of local governments in Uganda.

DISCUSSION CONCLUSION AND RECOMMENDATIONS

Discussion of the findings are as follows

Research findings were set out to establish the effect of evaluation on public contract performance in relation to the objectives at Lira City East Division, Lira City. The study identified the forms of evaluation that are commonly used and these were; Technical compliance which involves a one-single envelope submission method to determine the technical and commercial responsiveness of eligible and complaint bids; quality and cost based selection which involves a one stage-two envelope bid submission method to determine the commercial responsiveness of bids and to assess the technical quality of bids against their Terms of Reference and determine their technical score using

a merit point system. Fixed budget selection which involves a one stage-two envelop bid submission method to determine the commercial responsiveness of bids and each bid is compared to the minimum total qualifying mark stated in the invitation, quality based selection which involves a one stage-two envelop bid submission method to determine the commercial responsiveness of bids and those that are substantially responsive were ranked according to technical scores, least costs selection which involves one stage-two envelop bid submission method to determine the commercial responsiveness of bids and each bid was compared to the minimum technical qualifying mark.

The study assessed the factor affecting contract performance and they include; limited awareness of public procurement laws, limited citizen participation and involvement in the procurement process. Corruption during the procurement process, poor documentation and record keeping, delays in or failed delivery of executed contracts, tendering methods which can be manipulated, variation order, aggressive competition during tendering, influence peddling and interference by politicians, external environmental factors, contract monitoring, and project managers' competence staff qualification which affect the effectiveness functioning and operation of procurement procedures to mention but a few.

The relationship between evaluation and contract performance was also established and the following were found; relevant experience in relation to the fields of expertise, the financial capability for a bidder to execute a particular tender, past performance whereby the bidder should have a clear record of completing past projects according to the quality standards required time performance within the budget and many others, technical skills with competent management, professional and technical personnel with emphasis on skills and experience in technical areas comparable to the project, the required resources they should have in terms of equipment including; facilities and intellectual property which the bidder proposes to use on the project to be assessed, relevant

commercial responsiveness needs to be adhered to in terms of VAT (value added tax) registration certificate, tax clearance, final accounts, audited books of accounts, the company doing business with the government should be legal in terms of registration with the Registrar of Companies with the Certificate of Incorporation, Memorandum and Articles of Association, Powers of Attorney thus showing its authenticity, the cost of the project should be assessed and has to be VAT inclusive whereby this is the sum the organization will be willing and required to pay to the tender for the work or service provided.

The research findings from table 7, revealed that technical compliance and fixed budget selection are the ones used at Lira City East Division, Lira City as forms of evaluation. This was backed up by 47% and 25% of the respondents who participated in the research study. However, 8% of the respondents argue against quality and cost based and least cost based selection as a form of evaluation used by the organization. This was in line with Wallen Burg, (2011) who contended that it is up to the company to take the best decision to select the right service for their company depending on the prevailing circumstance. This was supported by PPDA Act, 2012 Form 12 which shows the various forms of evaluation and how each of them is applied with their formats.

Summary of findings on the roles of evaluation in the procurement process.

The research study from table 7, revealed that there are a number of roles evaluation plays on in the organization such as; best meets the needs of the entity, achieve value for money, have the best and affordable suppliers or contractors, for research and design respectively. This was backed up by 50 (83%), 60 (100%), 50 (25%) who agreed respectively. This implies that the activities of evaluation are interdependent on other departments as clearly expressed in table 7 whereby this is also supported with section 34 of the PPDA Act which emphasizes user departments to submit procurement requisitions filed with clear specifications or Terms of Reference or Scope of

Works and in the long run, the best providers or contractors for the tender will be recommended which will improve tender performance thus value for money is achieved.

The research study from table 7, revealed that there are a number of roles evaluation plays in the organization such as; best meets the needs of the study, achieves value for money, have the best and affordable supplies or contractors, for research and design respectively. This was backed up by 50 (83%), 60 (100%), 50 (83%), 15 (25%), who agreed respectively. This implies that the activities of evaluation are interdependent on other departments as clearly expressed in table 7 whereby this is also supported with section 34 of the PPDA Act which emphasizes user departments to submit procurement requisitions filled with clear specifications or Terms of Reference or Scope of Works and in the long run, the best providers or contractors for the tender will be recommended which will improve tender performance thus value for money is achieved.

According to the findings in table 4, the research study showed that there are factors that affect contract management; these includes; limited awareness of public procurement laws, limited citizen participation and involvement in the procurement process, corruption during the procurement process, poor documentation and record keeping, delays in or failed delivery of executed contracts, tendering methods which can be manipulated, variation order, aggressive competition during tendering, influence peddling and interference by politicians, external environmental factors, contract monitoring, and project managers' competence staff qualifications which affect the effective functioning and operation of procurement procedures to mention but a few. This is backed up by 48 (80%), 32 (54%), 60 (100%), 54 (90%), 40 (67%), 7 (%), 48 (80%), 32 (53%), 37 (62%), 60 (100%), 54 (90%) of the respondents who agreed. These factors are very influential in determining the success of failure of government business activities in meeting contract management. This is also illustrated by Cole John,

(1999) and Jose Tonqzon, (2004) who confirmed that human capital is vital to make a country's procurement hub successful for example workers must possess language skills as English which is an international language, be open minded and accept changes, such as changes brought about by globalization. Workers must be well equipped with knowledge to work in the procurement sector, for example the availability of procurement professionals, political and economic stability, a favorable government policy that promotes growth of procurement sector through implementation of transparent policies and harmonious labor relations are also critical success factors.

The study found out that there is a relationship between evaluation and contract performance and these includes; relevant experience in relation to the field of expertise, the financial capability for a bidder to execute a particular tender, past performance whereby the bidder should have a clear record of completing past project according to quality standard required time performance within the budget and many others. Technical skills with competent management, professional and technical personnel with emphasis of skills and experience in technical areas comparable to the project, the required resources they should have in terms of equipment including; facilities and intellectual properties which the bidder proposes to use on the project to be assessed, relevant commercial responsiveness need to be adhered to in terms of VAT (Value Added Tax), Registration Certificate, Tax clearance, financial accounts, audited books of accounts, the company doing business with the government should be legal in terms of Registered with the registrar of companies with a certificate of incorporation, Memorandum and Articles of Association, Powers of Attorney thus showing its authenticity, the cost of the project should be assessed and has to be VAT inclusive whereby this is the sum the organization will be willing and required to pay to the tender for the work or service provided.

Adam Coronrad, (2001), further supports this and council of supply chain management professionals, (2007) who maintained the relationship of evaluation and others like contract performance,

contract management, due diligence, best evaluated bidders and many others are within the responsibility of evaluation. Hence, it is inter-functional. That evaluation has a direct relationship with other departments. This is because it supports like payments, contract management, due diligence, best evaluated bidders. This is in line with Terry, (2007) who said "Evaluation also build strong relationship with suppliers for good deals and then negotiate mark-ups with the suppliers or contractors for easy service delivery. Also as part of their strategy to control the whole supply chain process, they are making changes internationally by focusing on integrating their international procurement.

Conclusion

In conclusion, there was strong effects of evaluation on contract management in terms of the forms used, factors affecting contract management and the relationship between evaluation and contract management at Lira City East Division, Lira City. This can be reflected by appreciating the roles of evaluation, going through the right stages during evaluation, following the prerequisites for evaluation as well as the key to best practice evaluation. Therefore, evaluation improves factors that would affect contract management are key functions in the procurement process with the potential to contribute to the success of Lira City East Division, Lira City operations and improve contract management.

Recommendations

From the above analysis, below are the recommendations that should be seriously considered to attain organizational objective through sound evaluation practices.

- i) Evaluation being such a complex network, administration should ensure they place the right personnel in the procurement function, staff which is well qualified, experience and knowledgeable about procurement related activities especially evaluation. This should be well motivated in such a way that they can get good payment; better working conditions in order to be committed to making the best contract decisions for the organization without being corrupt minded.

- ii) Procurement officers should be ready to make through risk assessment which are evaluation and contract related and put in place appropriate risk mitigation measures/contingence plans to prevent or minimize on the effects of evaluation risks should they occur. This can be achieved through training procurement officers in risks assessment and risks mitigation projects.
- iii) The procurement managers as well as user department should be encouraged to make relevant focus concerning customer demands since it varies from time to time. This will enable them design strategic procurement plan that will ease service delivery to the beneficiaries.
- iv) Procurement managers should be established where representatives from center of expertise and various procuring entities should meet regularly to inform tests and develop qualities where appropriate, operationalized issues. Bureaucracy which was noted for slowing down the rate of accusation should be minimized if an organization or public entity is to reap from the benefits of procurement management on service delivery.
- v) There need be regular training session on the ever changing procurement guidelines and the laws to the relevant stake holders so that no one is left behind. Need for transparency where need be so that citizens will also get to know what will happen in the communities, how they will benefit and also have a positive effects on tender performance when the contract is on-going.
- vi) Adopt and adapt e-procurement systems as used at the central government and statutory bodies so as to synchronize better information and communication technologies for better information sharing, management of flow of goods and services in different local Government.
- vii) The government of Uganda should set out guidelines that clearly state and show the powers of the politicians in the procurement system so as to reduce political interference which greatly affects public tender procurement for example the Mukono-Katosi road incident

where by the Minister by then Hon. Minister of Works influenced the award of contract to a company that was not even in existence which has greatly affected the construction of the said road.

1. REFERENCES

- [1] Abeille, B (2003), "Overview of Procurement reforms in Africa," Paper presented at the Joint World Trade Organization /World Bank regional Workshop on Procurement Reforms. Available at www.wto.org Advocating for Improved Public Accountability and Service Delivery in Uganda
- [2] Alderman, N & Ivory, C. (2007) Partnering in Major Contracts: Paradox and Metaphor.
- [3] Amin, M. E. (2005). *Social science research: Conception, Methodology and Analysis*. Kampala: Makerere University Printery.
- [4] Andrew, D. (1984) Management performance 2nd Edition New York Prentice hall.
- [5] Annual Report 2014/15, Procurement and Disposal Unit-Lira City East Division, Lira Annual Report 2011/12 Office of the Auditor General- Government of Uganda
- [6] Annual Report 2011/12 Office of the Auditor General- Government of Uganda
- [7] Annual Report 2014/15, Procurement and Disposal Unit-Lira City East Division, Lira City.
- [8] Bailey P.J.H. (1994), Purchasing and Supplies Management. 5th Edition
- [9] Bajari, P. ad Lewis, G. (200~), Procurement contracting with time incentives.
- [10] Bowersox D.J., Closs, D. J. and Cooper, M. B. (2007). Supply Chain Logistics management
[11] 2nd edition, New York, McGraw-Hill Publishers:
- [12] Burton, R. A. (2005). "Improving Integrity in Public Procurement: The Role of Transparency and Accountability." In OECD (ED.), Fighting Corruption and Promoting integrity in Public Procurement. (pp. 23 – 28). Paris, France: OECD.
- [13] Chadwick), Tom, Sham Raj ago pal (1995), Supply Chain management. Britain Daft L. Richard (1997),
[14] Management"" Edition; USA.
- [15] Chan, A., "Chan, D., & Ho, K. (2003) An Empirical Study of the Benefits of Construction:
[16] Partnering in Hong Kong construction management and economics 21(5).
- [17] Creswell, J. W. (2009). Research Design Qualitative, Quantitative, and Mixed Methods Approaches. In *SAGE Publications*. <https://doi.org/10.2307/1523157>
- [18] Creswell, J. W., & Creswell, J. D. (2018). Research Design: Qualitative, Quantitative, and Mixed
- [19] Methods Approach. In *Research in Social Science: Interdisciplinary Perspectives*.
- [20] Creswell, J. W., & Miller, D. L. (2000). Determining validity in qualitative inquiry. *Theory into Practice*. https://doi.org/10.1207/s15430421tip3903_2
- [21]
- [22] Patrick, B (2008). Agency theory Summary. Development assistance Committee (2005), Harmonizing Donor Practice for Effective Aid Delivery; Volume 3: Strengthening Procurement Capacities in Developing Countries. Paris, France: OECD.
- [23] Davis, R. P., Love, P., & Bacarini, D (2015). Building Procurement methods. Retrieved on November 14, 2017 from <https://eprints.qut.edu.au/26844/Drucker>, P.F. (2006). The Effective Executive: The Definitive guide to getting the Right things done. New York: Collins.

- [24] Dawn, B (2010). 3 Es: Effectiveness, Efficiency and Economy. Retrieved on November 15, 2017 from: <http://www.dawnbrewer.me/3-es-effectiveness-efficiency-and-economy/Dalves>.
- [25] Eugene, L.H. (2010). The Benefits of Effective Procurement Planning. Retrieved on November 15, 2017 from <http://goxi.org/profiles/blogs/the-benefits-of-effective-procurement-planning>.
- [26] Government of Uganda, (1997). The Local Governments Act, (Cap. 243) Entebbe: Government Printer.
- [27] Government of Uganda, (1995). The Constitution of the Republic of Uganda. Entebbe: Government Printer
- [28] Government of Uganda, (2003). The Public Procurement and Disposal of Assets Act as Amended. Entebbe: Government Printer.
- [29] Government of Uganda, (2006). The Local Government (Public Procurement and Disposal of Public Assets) Regulations. Entebbe: Government Printer
- [30] Government of Uganda, (2014). Public Procurement and Disposal of Public Assets Regulations. Entebbe: Government Printer
- [31] Hemed, 2015 (1).pdf. The Cross-sectional Studies
- [32] Hunja, R. (2003) "Obstacles to Public Procurement reform in Developing Countries." In S. Arrow smith and M. Trybus (Eds.), Washington, DC: IDA.
- [33] Lame, J & Tan, N. (2000). Women's Employment Decisions and Financial Arrangements within and the Ethics Procurements, IFA. New York, NY.
- [34] Leenders Michiel (1997), Purchasing and Supply Management 11th Edition Chicago, USA.
- [35] Leslie, K. (1995) Survey Sampling. ISBN: 978-0-471-10949-5:664 pages. Local Government Quarterly Performance Report. (2016/2017). Structure of Quarterly Performance Report. Retrieved from: <http://budget/sites/default/files/Individual%20LG%20Budgets/WAKISO%20DLG%20Q4%20REPORT.pdf.7th/07/2018>.
- [36] Lysons Kenneth (2005), Purchasing and Supply Chain Management 5th Edition
- [37] Mill champ A.H. (1996), Auditing, 7th Edition Letts Educational Aldine Place London United Kingdom.
- [38] Mill champ A.H. (1996), Auditing, 7th Edition Letts Educational Aldine Place London United Kingdom.
- [39] Mullins J Laurie (2002), Management and Organizational behavior, 6th Edition. Document (ID: 885462141).
- [40] Office of the Inspector General of Government (2003). Final report: Second National Integrity Survey. Kampala, Uganda: Author.
- [41] Omane, B. (2012). Internal controls, financial accountability and service delivery in private health providers of Kampala District. Kampala, Uganda. Organization for Economic Cooperation and Development (2002). The Size of Government Procurement Markets. Paris, France: Author.
- [42] Prayas Energy Group (2002). The Bujagali Power Purchase Agreement: an Independent Review. Berkeley, CA: International Rivers Network.
- [43] Public and Contracting Regulations (United Kingdom), 2006
- [44] Savidronova, M. (2016). The Theories of non-profits: A reality check from Slovakia. Lex localis Journal of Local Self – Government 14 (3): 399-418.
- [45] Task force on Public Procurement Reform (1999). Improving Public Procurement in Uganda. Kampala, Uganda: Government of Uganda.
- [46] Thai (2001), Principles of good Contract Practice.
- [47] Tumushabe, G. (2012). Strengthening the Local Government System to Improve Public Service Delivery Accountability and Governance. ACODE Policy Research Series, No. 53, 2012. Kampala.
- [48] Uganda Debt Network Research paper, 2011 Civil Society Position on Key Issues in Procurement.
- [49] *Advocating for Improved Public Accountability and Service Delivery in Uganda*
-