

AN ASSESSMENT OF THE EFFECTIVENESS OF THE PURCHASING SYSTEM EMPLOYED BY THE PUBLIC SECTOR IN ZIMBABWE

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ABSTRACT

The study sought to measure the effectiveness of the purchasing system employed in the public sector in Zimbabwe. The problem springs from the criticism hailed against public procurement over its failure to effectively deliver quality services to the society. The corporate world yearns for a system that will address properly the needs of the populace making them realise the value for their money. The objectives of the research were to; identify procurement challenges in the Zimbabwe public sector that runs down service delivery; evaluate the value of the procurement function to the public sector; and to come up with strategies that can be put in place to improve the public procurement process. This research was guided by pragmatist philosophy. Pragmatism uses both qualitative and quantitative research techniques. A total number of 39 respondents were used as the sample population to represent public sector procurement at public works. Both stratified and purposive sampling techniques were used to allow the researchers to gather the relevant data required in the research. The researchers employed the use of the questionnaire and interviews to gather data. The study established that despite the major reforms in public procurement challenges still persist. Public procurement suffers from outdated systems of operation. This has a cascading effect; as it leads to long and inconvenient processes that delay the procurement of essential materials. Budgeted monies are preyed upon by inflation due to lack of urgency in procurement. Having noted such challenges, the researchers recommend that the Government prioritizes the implementation of e-procurement as this will help enhance public service delivery.

Keywords: purchasing system, public procurement, public sector, service delivery, e-procurement.

1.0 INTRODUCTION AND BACKGROUND

The research seeks to assess the effectiveness of the public procurement system in Zimbabwe, establishing challenges that work against such. The researchers will give possible recommendations or propose solutions to deal with these. The public procurement process is

controlled by a set of rules and procedures that specify how government procurement activities are supposed to be carried out. In Zimbabwe, the Procurement Act summarizes procurement regulations and processes that are detailed in the Procurement Regulations. The Procurement Act consists of the legal framework for public procurement in Zimbabwe. Zimbabwe's new Public Procurement and Disposal of Public Assets Act {Chapter 22:23} (the Public Procurement Act) came into effect on 1 January 2018. This is currently the working legislation in Public Procurement in Zimbabwe. The Public Procurement Act governs the procurement cycle from procurement planning, approaches to the market, evaluation and award of tenders, contract management and disposal of assets.

2018 to date has seen new reforms being pursued by the government as shown through the enactment of the new procurement act. It aims at providing control and regulation of public procurement and the disposal of public assets. This is to ensure procurement and disposal is effected in a manner that is transparent, fair, honest, cost effective and competitive. The Procurement Regulatory Authority of Zimbabwe was also established to monitor the procurement process (Public procurement act chapter 22:23).

The purchasing system in the public sector is however still criticized by the corporate world over its failure to effectively deliver quality service to the society. The public procurement process is blamed for the lagging behind of government projects. Some projects are abandoned before their completion. There is constant criticism of inefficiency in the awarding of tenders for various projects which results in the delay or non-completion of crucial projects. Non completion of government projects is attributed to the poor procurement system in place, poor allocation of resources and tenders and of course misuse of government funds. One might wonder whether the construction of the Gwayi/Shangani dam in Matabeleland north province would ever be completed. Egodini project in down town Bulawayo has been on the cards for years but has failed to take off. This research hence intends to explore on the context and background of public sector procurement, to recognise the distinctive challenges of government procurement and to examine the ways in which strategic procurement best practice can be adopted and adapted within a major public sector organisation like Public Works. For overall effectiveness and efficiency of the Public sector organizations, it is imperative that procurement be done with the public in mind. Efficiency in procurement implies that good service is attained by the public and they realise value for their money.

2.0 RESEARCH QUESTIONS

- A. What are the challenges in the public procurement process that detract quality service delivery?
- B. Is the procurement function providing value for the public sector?
- C. What strategies can be put in place to improve the public procurement process?

3.0 LITERATURE REVIEW

3.1 What is Public Procurement?

Public procurement is explained as the process by which public sector organizations, ministries, parastatals and local authorities – acquire goods and services. Such goods and services include: standard items such as stationery; standard to more complex expenditures

such as the construction of roads; and key services to citizens such as education (Roodhooft & Abbeele, 2006 in Chigudu, 2014). Dzuke and Naude (2015) defined it as the acquisition of goods, services and works by a procuring entity using public funds. Because of the importance of public procurement, the public procurement process in most countries is governed by public procurement laws and regulatory frameworks. Public procurement is also the acquisition of goods and or services at the best possible cost of ownership, in the right quantity and quality at the right time, in the right place, for the direct benefit or use of government, corporation or individuals, generally via a contract (Uromi, 2014).

Sources of procurement regulations in most countries include statutes passed by legislative bodies, national constitutions, executive orders issued by chief executives or their delegates, rules and regulations and administrative law decisions (Chigudu, 2014). The Public Procurement Act regulates the procurement cycle from procurement planning, approaches to the market, evaluation and award of tenders, contract management and disposal of assets. In Zimbabwe, Public Procurement and Disposal of Public Assets Act provides that a procuring entity shall plan its procurement with a view to achieving maximum value for public expenditure, so that the procurement is carried out within available financial resources and other applicable limitations and at the most favourable time (Act, Section 21:1). From the procurement act "procurement" means the acquisition by any means of goods, construction work or services.

Dlaluseni (2017) gives a history of public procurement. According to him public procurement history dates back to the development of the silk trade of China and a Greek colony in 800B.C. In the United States of America, government procurement in municipalities was earlier than the state and federal governments with no procurement officials. It is in the late 1800s that state legislatures began to create boards responsible for public procurement.

The World Trade Organisation (WTO) uses the term government procurement and the United States uses the term public contracts or government contracts (Chigudu, 2014.) According to Dzuke et al., (2015) Public procurement consumes a significant proportion of government expenditure. Mahmood (2010 in Dzuke, 2015) suggests that public procurement constitutes 18.42% of the world's gross domestic product (GDP). It is estimated that public procurement represents between 9% and 13% of emerging economies' GDP. The Organisation for European Co-operation and Development (OECD) has estimated that public procurement can account for up to 5% of gross domestic product in developing countries and averages about 20% of public expenditure. Chigudu (2014) and Dlaluseni (2015) assert that central government purchases range from 9% to 13% in the Middle East and the United Kingdom public sector spends over £175 billion per annum on bought in goods and services. -khAll countries in the world, estimates of the financial activities of government procurement managers are believed to be in the order of 10-30 % of GNP (Musanzikwa, 2018).

In his article 'Public Procurement Today-Global view', Thai (2017) says, globally, public procurement reflects various developments in the last two decades. Public procurement moved from purchasing (clerical job) to a strategic lever to deliver broader government objectives. About 20 years ago, most governments did not understand the potential strategic role that public procurement could play and were focusing more on cost savings, efficiency and corruption. In North America, the term "public procurement" was not used. State and local

governments used “purchasing” and the US federal government used “acquisition.” There were two professional organizations, National Association of State Purchasing Officials (NASPO), and the National Institute of Governmental Purchasing, Inc. (NIGP). No professional organizations in USA used “procurement.” Today, increasingly smart governments recognise that public procurement can be used to stimulate economic development, improve innovation uptake from Small to Medium-Sized enterprises, and enhance environmental and societal sustainability. Reflecting this trend, the National Association of State Purchasing Officials was renamed in 2001 the National Association of State Procurement Officials to better reflect the terminology used by the profession. In 2014, NIGP was renamed and became, “The Institute for Public Procurement”. The new name was to minimize the perception that NIGP is “National” and to reflect its global focus. In other words, the term “public procurement” has been commonly used in North America now to prove that the public procurement function of government does not only focus on “purchasing” but also procurement strategies. Meanwhile, the terms of public procurement have been commonly used in Europe long ago (Thai, 2017).

3.2 Public procurement movement from procurement law to a broader focus

One of the most significant developments in public procurement is the United Nations Commission of International Trade Law (UNCITRAL) Model Law on Procurement of Goods, Construction and Services, which was issued in 1994. This model was recognized as “an important international benchmark in procurement law reform” as stated by the UNCITRAL: It provides procedures and principles aimed at achieving value for money and avoiding abuses in the procurement process. A revised version of this model was adopted on July 1, 2011. This model focuses on procurement law. Then, the first Public Procurement: Global Revolution conference was launched in 2002. The conference focused on UNCITRAL Model Law and EU procurement directives and procurement systems as well. In 2005, the US Government Accountability Office published a procurement assessment framework which consists of four cornerstones as follows: - Policies and processes, - Organizational alignment and leadership, - Human capital, and - Knowledge and information management. Also in 2005, Development Assistance Committee of Organisation for Economic Cooperation and Development (OECD/DAC) issued Strengthening Procurement Capacity in Developing Countries. The framework consists of four pillars as follows: Legislative and regulatory framework, Institutional framework and management capacity, Procurement operations and market practices, and Integrity and transparency of the public procurement system (Thai, 2017).

3.3 Efforts in public procurement professionalization

There have been many efforts in building a common body of procurement knowledge. Many international and regional conferences, including Public Procurement: Global Revolution (2002), International Research and Study of Public Procurement (2003), International Public Procurement Conference (2004), World Bank group’s regional conferences, etc., for knowledge and best practices sharing. In the education sector many universities have offered a public procurement specialization in their graduate programs. Recently, several universities have offered a master’s degree in public procurement.

3.4 Efforts in searching for global performance indicators and principles

GAO and OECD/DAC, World Bank's recommended indicators (2005), Starting 2011, NIGP and the Chartered Institute of Purchasing & Supply (CIPS), the world's largest association of supply chain professionals in private and public sectors have collaborated on the development of Global Best Practices in Public Procurement. In 2013, the World Bank started a Benchmarking Public Procurement research project with its first report published in 2015. Procurement and Supply Chain Benchmarking Association was recently created by the Benchmarking Network, Inc. Many governments and organizations in the world have tried to search for procurement benchmarks.

3.5 Public procurement innovation

There has been a movement toward Public Private Partnership, which is very popular in Europe. International partnership in funding: Nine countries, including the US, UK and Canada, are funding F-35 fighter development. International partnership in production: Lockheed Martin and other major partners (Northrop Grumman, Pratt & Whitney and BAE Systems, a British company) in the F-15 fighter project.

3.6 Movement towards e-Government Procurement

E-Government Procurement (e-GP) is a catch-all term incorporating many aspects of electronically-assisted procurement. There is no doubt that the Internet is drastically changing the way procurement is done globally. It has grown and evolved into a complex marketplace with many players offering a variety of e-procurement and business-to-business services (Thai, 2017).

3.7 The review of public procurement in Africa

Many African countries that have in the last, but one decade embraced reforms, include Uganda, South Africa, Zimbabwe and recently more Tanzania. Under the Procurement Acts/Regulations of South Africa, Zimbabwe, Uganda and Tanzania, the objectives of probity, accountability, transparency and value for money are promoted under transparency provisions requiring procuring entities to maintain procurement records (Uromi, 2014). Robert Hunja, a senior procurement specialist at the World Bank, described the aims of the reform programme in many developing countries as being to establish a strong and well-functioning procurement system that is governed by a clear mechanisms of enforcement, coupled with an institutional arrangement that ensures consistency in overall policy formulation and implementation (Hunja, 2003 cited in Uromi, 2014). In 1998 in the 1st African Public Procurement Conference in Abidjan, the need for common frameworks to improve accountability and transparency in procurement was highlighted. The 2000s saw the Enactment of Procurement laws and regulations and establishment of national procurement agencies [Tanzania - 2004, Tunisia - 2002 and Ghana - 2003] (Uromi, 2014).

3.7.1 Public procurement in South Africa

In the South African context, preferential procurement occurs in line with the Broad-Based Black Economic Empowerment (B-BBEE) score of companies, which incorporates the degree to which companies contract suppliers with high B-BBEE ratings. This is intended to have a cascading effect on the South African economy and is aimed at demographic and structural

transformation. Public procurement in South Africa is also geared towards generating employment opportunities and boosting local manufacturing capacity, among other green and inclusive growth priorities. This is evident in the “local content” programme of the National Department of Trade and Industry, which requires that a percentage of the price of public tenders must have “local content”. Section 217 of the South African Constitution, Act No 108 of 1996, stipulates the primary and broad secondary procurement objectives and requires the national, provincial and local spheres of government, and any other institution identified in national legislation, to contract for goods or services by means of an equitable, fair, transparent, competitive and cost-effective system. The Public Finance Management Act 1 of 1999 (PFMA) and the Local Government Municipal Finance Management Act 56 of 2003 (MFMA) are the most prominent legislative prescripts. The Public Finance Management Act regulates all public financial management practices in South Africa, thus providing for the regulatory framework for national and provincial supply chain management, as well as for state-owned enterprises (SOEs).

The PFMA rests on the aforesaid five Constitutional pillars outlined in the Constitution, defining the features of an effective procurement system as “fair, equitable, transparent, competitive and cost-effective.” In support of the PFMA, the National Treasury issued the General Procurement Guidelines, thereby pronouncing its committal to an enabling procurement system towards the development of sustainable small, medium and micro businesses. Other regulatory instruments, such as the 2003 National Treasury Framework for Supply Chain Management and other National Treasury Regulations strengthen the provisions of the PFMA and MFMA, confirm the decentralization of the SCM function to the accounting officer, and institutionalize the integration of various functionalities into a single SCM function. The PFMA and the resulting regulatory instructions signify a decline of the traditional approach of “following set rules” in public procurement decisions, and an increase in confidence in management flexibility towards the delivery of provincial or departmental goals. It can therefore be argued that the South African procurement process has transitioned from a “rules-based system” run by the State Tender Board, to become a more accommodating, open and decentralized process (Malan, 2020).

In 2013 the National Treasury appointed a Chief Procurement Officer with the overarching regulatory responsibility to monitor and evaluate public procurement performance in government and to modernize public procurement systems for greater efficiency and transparency (Oe.cd/procurement-toolbox). Although not faultless, the South Africa procurement regime in place compares favorably with international standards (Malan, 2020). “Many of the problems encountered in public procurement in South Africa probably rather relates to the implementation of the system than the system itself” (Harpe, 2009).

3.7.2 Public procurement in Botswana

Public procurement in Botswana is guided by the Public Procurement and Asset Disposal Board Act, (PPADB) which was promulgated in August 2001. The provisions of this Act apply to all entities of the central Government which are involved in public procurement or the disposal of public assets, whether they are located abroad or within Botswana. The procurement Board consists of a full-time Executive Chairperson; three full-time Members; three part-time Members. The Minister appoints the Executive Chairperson and members of the Board and

part time members of the Board are appointed from among nominees of the associations of contractors and professional bodies and the private sector. The Board is responsible for the implementation and management of public procurement and disposal process aimed at ensuring an efficient, fair, accountable and competitive procurement process in which the people of Botswana will have confidence (Botlhale, 2017).

Further, this process should contribute to Botswana's socioeconomic development through improved value for money. In discharging its mandate, the Board, amongst other things, is empowered to "promote an open, competitive economy and procurement policies and strategies, which dynamically impact on continual basis on domestic procurement policy and practice". To decentralise procurement, and subject to financial ceilings, the PPADB Act provides for the creation of Ministerial Procurement and Asset Disposal Committees (section 61), Special Procurement and Asset Disposal Procurement Committee (section 63) and District Administration Tender Committees [DATCs] (section 64). The Special Procurement and Asset Disposal Procurement Committee is charged with the procurement of highly sensitive works, supplies, services and properties and the disposal of the assets of the disciplined services. District Administration Tender Committees handle procurement and disposal activities in the districts (Botlhale, 2017).

Given the fact that all public projects are to be procured under an open tender system, excepting special procurement in accordance with section 63 of the PPADB Act for the disciplined forces/services, "advertisements are placed in at least one newspaper of wide circulation, in the Gazette and in any electronic or print media as the procuring entity may consider appropriate." At the end of the tender period, tender documents are submitted to either the PPADB or Ministerial Procurement and Asset Disposal Committee or District Administration Tender Committees (depending on the contract amount of the tender). The evaluation of tenders is divided into three stages: (i) preliminary examination (to check whether the bidder has submitted all relevant documents); (ii) technical evaluation; and (iii) cost evaluation. Finally, it is very important to note that a bidder must pass the technical evaluation hurdle before he/she advances to the final and last hurdle; cost evaluation. The evaluation criteria are provided for in sections 43 to 48 of the Public Procurement and Asset Disposal Regulations. In the end, the lowest, reasonable and responsive bidder will be recommended for the award of the tender. In its 15 years of operation, 2002-2017, the PPADB has grown and key achievements are noted (Botlhale, 2017).

3.7.2.1 What Botswana has achieved

Botswana has seen change to the procurement process through collaboration, membership in procurement bodies, bench-marking and peer-learning. In August 2012, the PPADB signed a Memorandum of Agreement with the Competition Authority and Directorate on Corruption and Economic Crime. Amongst others, the collaboration meant to fight bid rigging because these three bodies act together to weed out these practices. The PPADB also became a member of Commonwealth Public Procurement Network (CPPN). The CPPN was established by the Commonwealth Secretariat in 2006 to promote sharing and learning in member countries. The PPADB undertakes benchmarking tours, for example, it has been to New Zealand, Ghana, Tanzania, South Africa and Sweden to learn the best practices in public procurement (Botlhale, 2017).

3.8 A review of the public procurement process in Zimbabwe

The public procurement process in Zimbabwe is represented by a set of rules, policies and procedures that specify how government procurement activities are supposed to be carried out (Dzuke & Naude, 2015). In Zimbabwe, the Procurement Act summarises procurement regulations and processes that are detailed in the Procurement Regulations. The Procurement Act (Chapter 22:14), (Act No. 2 of 1999) (Zimbabwe Government 1999) and the Procurement Regulations, Statutory Instrument 171 of 2002 (Zimbabwe Government 2002) constitutes the legal framework for public procurement in Zimbabwe. Zimbabwe's new Public Procurement and Disposal of Public Assets Act {Chapter 22:23} (the Public Procurement Act) came into effect on 1 January 2018. This is the leading legislation in the Public Procurement in Zimbabwe. The Public Procurement Act regulates the procurement cycle from procurement planning, approaches to the market, evaluation and award of tenders, contract management and disposal of assets.

New reforms are being pursued by the government as shown through the enactment of the new procurement act. It aims at devolving procurement and to control and regulate public procurement and the disposal of public assets. To manage the reform of the public procurement legal framework, the Government established the Procurement Regulatory Authority of Zimbabwe to monitor the procurement process. Some of its functions are to ensure that public procurement is effected in a manner that is transparent, fair, honest, cost-effective, competitive and in compliance with this Act; and to monitor and supervise procuring entities and the public procurement system in order to secure compliance with this Act, and to implement electronically means of monitoring and supervising procuring entities and the public procurement system (Public procurement act chapter 22:23).

3.9 Service delivery

Progressive firms have little doubt about purchasing impact on total quality, cost, delivery, technology, and responsiveness to the needs of external customers. Public services can be defined as services that are funded with public money and are delivered by or on behalf of government (Quayle, 2006). Improving public service delivery is one of the biggest challenges for all countries, as public services are a key determinant of quality of life and poverty reduction. The challenge is particularly apparent in Africa, where historically the quality of service provision has been poor and the needs of the poor continuously increase (Dzuke, & Naude, 2015). However, Price Waterhouse Coopers (cited in Dzuke, 2015) states that, globally, the public sector is facing pressure to deliver more effective and efficient public services to citizens despite a multitude of socio-economic and global challenges those governments are facing. For the operations of any business to run smoothly, the flow of materials to and from key locations must be carefully managed (Musanzikwa, 2015). This includes resources that go into intermediary products, resources that go directly into the final product, resources that contribute to the everyday running of the company, and getting the product to intermediary and final customers. Procurement is one of the major areas. It is here that a company gets the resources it needs to run. According to Tuck (2002), improper procurement management leads to three possible outcomes: running out of parts, having too much inventory, and failing to aggregate spend and leverage procurement, capitalizing on volume discounts and low-cost suppliers.

As general rule, Public Procurement has been considered a national sovereignty matter and in so far, governments have been able to make their own decisions about how to spend their budgets, design and rule their own PP systems (Lynch, 2013). Procurement reforms have always been intended to achieve, amongst others the following principles: (i) value for money; (ii) fairness and integrity; (iii) effective competition; (iv) transparency; and (v) accountability (Lynch, 2013).

3.10 Value for money

It is defined as the trade-off between price and performance that provides the greatest overall benefit under the specified evaluation criteria (Lynch, 2013). Value for money is synonymous with 'economy' and 'efficiency' and can be demonstrated by comparison with market prices for the goods or services (Lynch, 2013). It is enabled by effective competition by applying the principles of fairness, integrity and transparency. Therefore, it is critical to ensure that there are enough suppliers, who are independent of each other and who are competing for the same opportunity under the same conditions (Lynch, 2013).

3.11 Challenges in public procurement

The public procurement process is blamed for the lagging behind of government projects. Poor procurement policies impact negatively on public service delivery in Zimbabwe. There is constant criticism of inefficiency in the awarding of tenders for various projects (Musanzikwa, 2015). This results in the delay or non-completion of crucial projects. Not meeting targets has detracted from service delivery. Public procurement is dominated by procedures and guidelines which are meant to ensure a fair process that provides value for money. In real practice, these guidelines tend to provide opportunities for abuse and malpractice for some procurement officials. The media is flooded with reports of corruption and bribes in public procurement. Some matters have gone unreported despite having been unearthed by the internal or external auditors. While the rules and regulations on public procurement attempt to plug loopholes for corrupt practices there seems to be no enabling legal framework to allow bidder's enforceable right to review when public entities breach the rules (Chigundu, 2014). Furthermore, companies found guilty of major violations of procurement regulations are not blacklisted and can continue to participate in future procurement bids (Uromi, 2014). If this problem is not addressed, the state enterprises will keep on losing the scant resources that it has (Dlakukeni, 2018).

While one of the objectives of the procurement legislation is to ensure that procurement is effected in a manner that is transparent, honest, fair, cost effective and competitive, information obtained through interviews with local authorities indicates that this is partly not being met (Chigumira, 2020). The reality on the ground is that the procurement processes take time and end up being costly as the value of allocated resources is eroded by inflation. Lengthy procurement processes result in prospective suppliers and contractors requesting for contract variations as prices change. Contractual re-negotiations result in stalled projects as no work would be undertaken during contract variation negotiations. Reputable suppliers are not willing to tender and register as potential suppliers of government as required by the regulations. Some of the reasons given include poor payment history by government and the perception that it is difficult to win a government tender due to corruption (Chigumira, 2020).

Dlakuseni (2018) holds that public procurement has been perceived as an area of waste and corruption. Good procurement is one devoid of corruption and based on well-known procurement practices that promote efficiency and effectiveness, is the vehicle for better service delivery. Corruption in public procurement processes leads to problems such as lack of accountability and transparency, lack of political control and auditing, weak professionalization of the bureaucracy.

For instance, one of controversial corruption scandal relating to procurement and contracting issues in Tanzania was in Tanzania's Central Bank (BoT) and concerned the construction of the Twin Towers in Dar es Salaam, the two senior officials at the BoT, Amatus Liyumba and Deogratus Kweka, were accused of misusing their authority and inflating the costs of the Twin Towers project, which ended up costing four times the value of a similar building in London or New York (Uromi, 2014). In Kenya's Standard Gauge Railway Project, tendering involved highly overpriced construction costs relative to international standards while legal procedures for bidding were not followed. In Zambia's Kafue Gorge Lower Power Station worth US\$1.46 billion the Government had to pay US \$350 million more due to irregularities in tender process. South Africa's Competition Commission pronounced penalties worth R1.5billion on 15 construction firms for tender-rigging and collusion for projects done between 2006 and 2010 (Elhiraika, 2020).

Governments disclose very little information about how money is spent. Public contracts that are published openly account for only US\$362 billion or 2.8% of the market's total value, including contracts from the United States, United Kingdom, Colombia, Ukraine, Australia, Italy, Canada, Georgia, Kenya, and Moldova. Overall, less than 2% (\$244 billion) of public contracts are published using the globally recognized Open Contracting Data Standard, which allows businesses, journalists and civil society to analyse and interrogate the data (OCP, 2020). The lack of transparency severely hinders efforts to increase competition, especially for small and medium-sized enterprises (SMEs) and minority-owned businesses. It also impedes effective oversight to reduce fraud and corruption. What can't be measured can't be improved. The corona virus pandemic has lain bare how ineffective, opaque procurement systems mean. Taxpayers get a bad deal for crucial public services. Around the world, governments needing to respond quickly and efficiently to the emergency often struggled under archaic and ineffective systems. Buyers and suppliers failed to connect, and in many cases, governments weren't able to respond to a scarce market with skyrocketing costs and inexperienced suppliers. Coordination was limited, with different parts of government competing with each other (OCP, 2020).

Another challenge includes poor or delayed Implementation of recommendations. Machivenyika (2021) reported that Government ministries and other public bodies have largely ignored recommendations by the Auditor General (AG) Mrs Mildred Chiri in her reports aimed at improving efficient use of resources to curb corruption. This was established in a policy dialogue on the AG 2019 audit report. Ms Eustinah Tarisayi, from Zimbabwe coalition on development noted that, in 2017, the AG made 435 recommendations and of those, 108 (25%) were fully implemented, 85 (19%) partially implemented and 242 (26%) were not implemented at all. She said the failure to implement recommendations was worrisome and undermined the AG's efforts to improve service delivery. Another worrying thing noted during the dialogue

was diversion of resources by some ministries, payment for non-delivered goods and services, and poor record keeping (Machivenyika senior reporter: The Herald, 04 August 2021).

4.0 RESEARCH DESIGN AND METHODOLOGY

This research followed a pragmatist research method (Onwuebuze, 2007 cited in Masanga, 2018). It involves both qualitative and quantitative research techniques. Adopting these two in the study will minimize any potential weaknesses in each data collection method. The qualitative design utilizes small samples of people, rather than working from large samples to reach a certain conclusion. Rather than starting with a theoretical hypothesis, and trying to test it, it explores the data encountered and allows ideas to emerge from the data. This research design helps avoid the situation in which the evidence does not address the initial research questions. A survey and statistical data analysis are used in this study to evaluate identified elements of organizational capabilities of managing and completing projects. This study is descriptive as it describes the public procurement process in Zimbabwe. It is also exploratory as it identifies the challenges in the Zimbabwean public sector that impact on service delivery. The study benefits from content analysis of the provisions and guidelines of procurement as outlined in the Public Procurement and Disposal of Public Assets Act {Chapter 22:23}.

The study population consisted of 130 Public Works employees in Matabeleland North province. From the total population the researchers sampled 39 (a fair representation of the total population) participants for the study. The target population was made up of procurement officers, finance officers, planning officers, store officers, project managers and other non-managerial employees whose operations are affected by the procurement system in place. The reason for targeting officers mentioned above was to ascertain the depth of the challenges associated with the procurement system. The total population was divided into strata/groups representing different departments. This made it possible to ensure that employees are accurately represented in terms of their departmental membership. From each department the researchers then used purposive sampling to come up with a final list of those who participated in the research. Quantitative data was presented in the form of tables, pie charts, graphs, and percentages. Qualitative data was presented thematically summarizing what emerged from data collected under different subheadings or themes.

5.0 FINDINGS AND DISCUSSION

Thirty-nine (39) questionnaires were availed to the public works Matabeleland North province staff for answering. The questionnaires targeted two groups, the managerial employees, who had first-hand information on day to day running of the organization. The second group was non-managerial, those that are directly or indirectly affected by the procurement system used by the organization. A total of 26 questionnaires out of the overall 39 questionnaires were completed by the sampled population. The overall response therefore translated to 66.7%. Respondents played a significant role in adequately providing the researcher with relevant information on the procurement system employed in the public sector. They furnished the researchers with the challenges being faced in the public procurement system.

5.1 Challenges in Public Procurement that detract quality service delivery

5.1.1 Outdated systems of operation

It was established through interview that manual procurement systems are used from sourcing quotations to getting invoices. Only payments are made online otherwise everything else is manual. For example, documents need to move back and forth between the buying team, procuring committee, and sometimes the contractors for approval and counter-approval. Documents include adverts for tenders, requests for quotation documents, Goods Received Voucher (GRV), Invoices, comparative schedules; purchase orders.

Public organisations are still using the traditional way of procuring. Interviewed individuals revealed that E-procurement system is still in the pipeline. This has been a saying for years and nothing is done to improve the current system. A lot of paper work is involved which results in huge piles of papers and files that are a challenge to keep. The employees complain about poor infrastructure and internet connections. Interviewed individuals indicated that their Wi-Fi is always down. Through the questionnaire the researcher unravelled that the institution is lacking in infrastructure to implement E-procurement. Offices are equipped with one or two old desktops that are used in compiling a few documents.

5.1.2 Limited knowledge on procurement policies

Following the information furnished by the respondents through the questionnaires, only 26% acknowledged full knowledge of the procurement policies. These are directly involved in purchasing some of which have diplomas and/or degrees in purchasing. The majority's knowledge is limited. They indicated that they have no knowledge whatsoever of the procurement processes or policies. These constitute the non-managerial staff in the organisation. It is also amazing that some managers in other departments other than the administration department have limited knowledge on the procurement policies. It is however noted that some of these members make up the procurement team. The procurement team comprises selected members from different departments. These are meant to approve supplier selection and purchase orders. The members include; the Provincial public works director, Chairperson, Administration officer, an Accountant and Human resource officer. These also make up the tender evaluation committee. It shows how crucial these members are to the procurement function.

Even the purchasing officers indicated that they need PP&DPA Act training. They indicated that such competency gaps impact negatively on service delivery. Zimbabwean constitution is constantly amended resulting in frequent changes in policies. This necessitates updated knowledge of all the changes that would have been put to effect hence staff development is a prerequisite.

The "procurement job is not a minor task as it needs people who have been trained and have a good background in the job" (Kgamanyane, 2013 cited in Bothlale, 2017). It was also established through interviews that there are some members who are not professionally-trained Procurement Managers, let alone Procurement Officers who make up the Administration Tender Committees. Engineers and planning officers make up the procurement team to enhance quality of products acquired. Needless to say, such officers are not trained as procurement staff therefore they cannot be expected to perform as such.

5.1.3 The Economic constraint

Eighty-five percent (85%) of the sample alluded to the economic crisis as a major challenge to the business world. They indicated that it is from this that stems all the other challenges. The instability of the Zimbabwean economy makes it challenging to effectively and efficiently perform the procurement function. The worsening economic crisis in Zimbabwe has resulted in disappointments as far as the procurement function is concerned. This is due to the unsustainable monetary policy. The implementation of the real-time gross settlement (RTGS) or bond note currency has created many fiscal challenges for example uncontrollable rise in prices. From the interviews it was noted that because of the unstable rate of the RTGS compared to the United States dollar, suppliers charge prices that are above the real cost to guard themselves against the ever depreciating RTGS. Participants further indicated that despite the coming in of the foreign currency auction system that has tried to stabilise the value of the local currency, some suppliers are not conforming to the new regulations of using the official rates. There are so many distortions in the domestic market. Supplies of some essential goods including imports are through informal channels or the so called 'black market,' where they only 'demand' the United States dollar. Failure to fork out such attracts exorbitant prices. It is a strategy put to ward off those who might want to use the local currency. All this has given rise to pricing of products and services outside market principles.

Procurement officers complained that price fluctuations make it very difficult to plan. They indicated that, at least, for efficiency and effectiveness of public procurement laws need to be revised. The strategy in procurement has to change to suit the environment they are in. Lengthy procurement processes result in suppliers and contractors requesting for contract alterations as prices change. Re-negotiations affect progress and budgets are eaten away. The Zimbabwean economic situation does not support bidding method as so many days are taken trying to find the best suitable supplier. Even the three tier quotation method proves difficult as the price quoted today is different tomorrow. "Just in time purchasing is an effective way", says one of the respondents. Window shopping and request for quotations is not the answer in such an environment. Daily, budgeted money is eroded by inflation. This economic constraint has a cascading effect to provision of materials.

5.1.4 Number of suppliers in competitive bidding is very low.

The usual way to ensure transparency and accountability in public procurement is through the tendering process. It was established through the questionnaire that a range of 10-15 suppliers participate in tenders. It was however noted that the supplier base is very low especially considering large sums of money involved. "Few companies are familiar with the new public procurement law or even the process of submitting and participating in tenders", said one of the respondents who were interviewed. This hence leaves many opportunities open to a small pool of bidders. One of the main objectives of public procurement is to reduce cost through competition. This is not fairly attained if the number of bidders is that low.

The procurement officers interviewed had various opinions as to why suppliers are sceptical in dealing with government institutions in doing business. They alluded to negative perceptions of the corporate world that governments are slow payers, difficult to work with and/or have their own favoured suppliers for contract awards. There is also a feeling among suppliers that corruption plays a part in contract decisions. It was also established through interview that public procurees are restricted to purchasing goods only from local registered companies which

also come with its own disadvantages. Local traders, suppliers, contractors, architects and engineers have not built enough capacity to participate in tenders advertised particularly when the values are big. They often do not have capacity to raise credit.

5.1.5 Lengthy and cumbersome structure of decision making processes

Through analysis of the furnished information on questionnaires it is the researcher's opinion that there are too many organs and stakeholders involved in the procurement decision making process. There are tender boards, budget approving authorities, accounting officers, procurement management units, user departments, internal audit units and legal departments. There are also several committees appointed at different procurement stages including ad-hoc tender opening committees, tender evaluation committees, and contract negotiation teams. Procurement documents move from one office to another seeking approval. Suppliers who might want to participate in public procurement find the procurement procedures irrational and cumbersome. Even if this is put as a control measure in the tendering process, the same creates unnecessary hierarchical structure and bureaucratic decision making processes which kill individual accountability. Lengthy procurement processes result in suppliers and contractors requesting for contract alterations as prices change. Re-negotiations affect progress and budgets are eaten away. Also the use of the traditional/conventional, Low-Price, Procurement System affect the objective of giving the public value for their money. The lowest bid award system result in awarding tenders to suppliers with no capacity to supply goods and services. This results in surfacing of poor quality services or delayed supplies hence resulting in poor quality projects.

5.2 Procurement function providing value for the public sector

It was established through research that these challenges discussed above have cascading effects to service delivery. They impart negatively on service delivery and the public fail to realise value for their money. Since the manual system is used, a lot of errors and delays in the public procurement process surface. Also this manual version of procuring results in a long complicated procurement process. Moving from one vendor to another, soliciting quotations is an archaic time consuming activity. Also the pandemic, COVID-19 has brought so many challenges in the execution of duties. Restrictions are put in place and a series of lockdowns are at play, this archaic system of procuring has hence proven to be inefficient.

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Among the identified weaknesses are: inadequate preparation and implementation of procurement plans; lack of competitive procurement process; outdated procurement system; lack of competition due to lack of transparency and fairness in tendering process. Such challenges have a cascading effect to the provision of building materials which is the major challenge that hinders progress in completion of projects. Projects are terminated prematurely, abandoned or not completed on time. The public procurement process is rendered less effective having noted many challenges despite the reforms.

6.0 RECOMMENDATIONS

Following the above conclusions, the researchers therefore recommend that the public sector should incorporate best practice approaches. These can be established through benchmarking. They should compare and improve. Benchmarking besides reforming internal processes, Zimbabwe can learn a lot. Lessons could be drawn in the region and even beyond. Of course, there is a need to pay heed to the country-specific peculiarities so that benchmarking do not degenerate into expensive and ineffectual copy-and-paste endeavours. The Global Public Procurement Database (GPPD) provides information on all aspects of country procurement systems, with the goal of supporting continuous reforms that will reduce opportunities of corruption and encourage fair, transparent, and efficient spending practices that drive for meant policies, laws and regulations and performance indicators. The GPPD has immense potential in contributing to the reformation of the design and effectiveness of public procurement systems and policies everywhere.

After a thorough research and through review of literature, the researchers recommend these best practices;

6.1 The government should create a Public Procurement Training System

The government should devise a way of training and continuously upgrading knowledge of public procurement practitioners. A public procurement system should be established. The system could include professional training, improved management information systems and a more responsive way to hear complaints from suppliers. These set of tools could be tailored to be specific to Zimbabwean situation. Advisory services can complement the package.

6.2 The government should introduce procurement skills as a learning area at secondary school level.

The researchers recommend that the constitution that incorporates all the laws should be learnt at secondary level. There is nothing learnt on public procurement in schools. This would open eyes on the vast opportunities available through public procurement. Also it will make citizens appreciate better their laws. It would also teach citizens to be vigilant on public procurement having the knowledge on deviation or compliance to given laws. In the quest of guarding against corruption and other malpractices it is vital that every citizen involved or not involved in procurement has knowledge on the country's constitution and policies. Leaving this to purchasing personnel only yields to manipulation of such policies. Cases of corruption should be reported but who will do so when citizens are ignorant of policies.

6.3 There should be Support for the domestic supplier base

The government should increase domestic supplier base by promoting the growth and expansion of small and medium Enterprises (SMEs). Access of Small and Medium Enterprises to Public Procurement needs to be improved. Such assistance can include reform, mentoring programmes and sub-contracting opportunities. This will increase the domestic supplier base.

6.4 Prioritizing implementation of the e-Government procurement system

The government should prioritize implementation of E-Government procurement system as this has been suggested now and then as a solution to most of public procurement challenges especially corruption. The e-Government programme remains an important step in enhancing public service delivery. The adoption of online platforms will improve public service delivery, resulting in time and cost saving to both the citizen and Government.

6.5 Comprehensive legal framework

For effective monitoring and giving effect to the decentralization by devolution policy, the Public Procurement Act and its Regulations of 2018 should be amended to allow the PRAZ to establish offices at District and Zone levels. The current set up of the PRAZ doesn't guarantee an effective monitoring of compliance because the authority seems to be far from most of the procuring entities as it is highly centralised.

6.6 Procurement process be shortened

The procurement process should be shortened and clearly stated for everyone to understand and implement it.

6.7 Protection of whistle-blowers

Mechanisms to protect citizens who would have provided information on cases of corruption should be set up. There should be a law to specifically protect whistle-blowers and witnesses for them to freely give evidence. There is currently no legislation regulating whistle-blower protection in Zimbabwe.

7.0 CONCLUSION

The researchers aimed at evaluating the effectiveness of the procurement system employed in the public sector following reforms that have been done in that area. Secondary data revealed that, though necessary reforms in procurement are being pursued in Zimbabwe, the procurement function has not changed much. Challenges that were identified long back (time of SPBs) are still the same challenges today. Having identified several loopholes in this procurement system, the researchers have made recommendations. Through benchmarking and adopting best approaches that have seen success in other countries, Zimbabwe can go far with its procurement. The key recommendation that has seen many countries succeed is automating the purchasing system. The government of Zimbabwe has to prioritize implementing E-procurement.

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