MAKERERE UNIVERSITY

IMPLICATIONS OF POOR PROCUREMENT PLANNING IN THE PUBLIC SECTOR
(ACASE STUDY OF THE OFFICE OF THE PRIME MINISTER, UGANDA )

MWANJE JOSEPH

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MCIPS, BPSCM

A RESEARCH REPORT SUBMITTED TO MAKERERE UNIVERSITY SCHOOL OF BUSINESS AND MANAGEMENT SCIENCE IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF DEGREE OF A MASTER OF BUSINESS ADMINISTRATION

SEPTEMBER, 2016
DECLARATION
I Mwanje Joseph , hereby declare that to the best of my knowledge, the work presented in this report is original and has never been presented in any university or other institution of learning for any award.
Where other individual’s information has been used, quotations have been made and references provided.
During this period of registered study in which this research report is prepared, I have not been registered for any other academic award or qualification in any institution.

Signature:………………………… Date:…………………………

Mwanje Joseph
APPROVAL
This is to certify that this research has been carried out by Mwanje Joseph under my supervision and has been submitted with my approval in partial fulfillment of the requirements for the award of degree of Masters of Business Administration of Makerere University.

Signature:………………….. Date:……………………

Mrs .Katusiime Jovita Owoyesigire
DEDICATION
This report is dedicated to my one and only wife, Children, work mates and all my friends for all the sacrifices made, guidance and encouragement.
ACKNOWLEDGEMENT
I would like to thank the almighty God, the most gracious; the most merciful for having enabled me succeed up to this level.

I wish to express my sincere thanks to all the people especially my wife Agaba Brenda who offered all kind of assistance and guidance towards the accomplishment of the Masters Degree.

Special thanks and appreciation go to Mrs Katusiime Jovita, my supervisor, for her professional intellectual and constructive guidance, inspiration and effort that facilitated the production of this report.

Acknowledgement also goes to the efforts of all my lecturers at Makerere University especially Dr. Turyakira, Dr. Sendyona, Dr. Nambi, Dr. Akileng, Dr. Bwengye Francis, Dr. Mukisa Ibrahim, Dr. Kakumba, Mr Ssejjemba and Mr. Masimengo who facilitated my success at the university.

I gladly wish to extend my sincere thanks to all the people who availed me with the relevant information, the staff of Office Of The Prime Minister as well as the librarians at Makerere University.

I further acknowledge the support of all my friends, William Bunkedeko, Waiswa Martin, Vicky Akech, Zuriat Nakayenga, Mugaga Joseph and Aggy Nambasa and others for their assistance and company in Makerere University.
## ACRONYMS

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<th>Acronym</th>
<th>Description</th>
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<tr>
<td>PPDA</td>
<td>PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS</td>
</tr>
<tr>
<td>OCG</td>
<td>OFFICE OF COMMERCE GOVERNMENT UNITED KINGDOM</td>
</tr>
<tr>
<td>NPPU</td>
<td>NATIONAL PUBLIC PROCUREMENT POLICY UNIT EUROPEAN UNION</td>
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<tr>
<td>SBDC</td>
<td>SMALL BUSINESS DEVELOPMENT CENTRE</td>
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<tr>
<td>PAHO</td>
<td>PAN AMERICAN HEALTH ORGANISATION</td>
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<tr>
<td>NZGDC</td>
<td>NEW ZEALAND GOVERNMENT DEPARTMENT OF COMMERCE</td>
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<tr>
<td>CIPS</td>
<td>CHARTERED INSTITUTE OF PURCHASING AND SUPPLY CHAIN MANAGEMENT</td>
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<tr>
<td>BCCT</td>
<td>BRISBANE CITY COUNCIL TRANSPORT</td>
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Abstract
The study was looking at the implications of poor procurement planning in the Public sector. Case study of Office of the Prime Minister. The purpose of the study was to learn implications procurement planning in the public sector more importantly in the Office Of The prime Minister. The objectives of the study were the need for procurement planning, implications of poor procurement planning and Ways of improving procurement planning.

The researcher used the descriptive, cross-sectional design because the sample size used had similar characteristics. The sample size used was 56 respondents as per Morgan and Krejcie table which helped determining the sample size. Instrument of study used was the questionnaire tool. This is because it comprehensively covered the variable under study. The response rate was 99%.

On the objective for need of procurement planning respondents agreed that enables planners determine if expectations are realistic, enables combining of requirements resulting into economies of scale and leads to legal compliance.

Second objective was the implication of poor procurement planning which leads to price variation, late delivery of goods and poor quality goods.

Third objective were ways of proper procurement planning which include stakeholder involvement, compulsory publication and consolidation of procurement requirements.

Major conclusions were that on need for procurement planning were that its begins the procurement process all processes that follow in the procurement cycle depend on procurement planning. On second objective poor procurement planning is a hinderance to the attainment of procurement objectives and third objective on ways of improving procurement planning its vital to use acombination of strategies that will enable proper procurement planning.
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CHAPTER ONE

1.0 Introduction
This chapter entails background to the study, statement of the problem, Purpose of the study, research objectives, research questions, Scope of the study, and significance of the research study.

1.1 The Background of the problem
According to Agaba and shipman (2007), Procurement Planning is the process used by companies or public institutions plan purchasing activity for a specific period of time. Section 58 PPDA Act 2003 (amended) makes it requirement for all public entities to prepare their annual procurement plans. Kabaj (2003) states that an efficient public procurement system is vital to the advancement of African countries and is a concrete expression of the national commitment to making the best possible use of resources. With the increased demand for annual procurement planning in Ministry Departments, Agencies (MDAS) and Local Governments, the need for preparing proper annual procurement plans cannot be under emphasized. Large amount of public funds are allocated to procure goods in these institutions, still the government finds it’s self in capable of achieving its developmental objectives due to various reasons one of which is non-compliance of the need to prepare proper procurement plans. According to Apiyo (2014) a procurement plan helps procurement and disposing entities to achieve maximum value for expenditures and enables to identify, address all relevant issues pertaining to a particular procurement before they can publicize their procurement notices to potential suppliers of goods, works and services. The perceived benefits of an effective procurement planning system are that it contributes to the broader social –economic goals of a country. Thai (2004) The public is particularly sensitive to the fact that a good procurement plan results into reduced lead time to delivery items, early identification and resolving potential problems that arise, adequacy of specification and promotion of adequate competition. Basheka (2004) adds that Poor
Procurement planning has been one of the major stumbling blocks to the economic development of Africa and it has been clear that a number of African countries have not paid adequate attention to the proper management of public resources. In Uganda poor procurement planning has led to non compliance to the Public Procurement and Disposal of Public Assets Authority Act and guidelines. According to the PPDA report of (2016) Office of the Prime Minister quantified that 81% cost variance between the estimated costs and awarded contract prices. The implication is that inadequate procurement planning results into domestic arrears as the entity has to spend resources that have not been budgeted for .It also leads to deviation of resources meant for other projects.

One of the central functions of PPDA is to monitor the performance of procurement plans for procurement and disposal entities (PDEs). PPDA introduced the Government procurement Portal in one of its latest reforms in Public Procurement. Twaha (2015) the electronic web –based portal will help to maintain efficient, complete and up to date information regarding procurement and disposal activites resulting into value for money through displaying of Procurement plans on the procurement web portal. This removes the myth of procurement plans being hidden and a secret to certain bidders. PPDA can also use the Government procurement Portal to monitor the expenditure patterns on procurement plans to make sure that expenditure is in line with what is budgeted for in the plans. The public procurement and disposal entities, civil service, banks and other stake holders will access the annual procurement plans of all entities. According to the PPDA Annual Procurement and Disposal report (2013), poor procurement planning led to procurements worth 8,844,048,674/= not being conducted within the procurement plans. The implications of poor planning to public entities were budget over runs, domestic arrears due to contract variations. According to Muhakanizi (2015) Poor
procurement planning is evidenced by failure to prepare adequate specifications leading to cost over runs and designs reviews as well as onsite delays. Accounting officers have an duty to undertake market price assessment in accordance with section 26(4) of PPDA Act (2003) prior to commencement of a procurement process. This helps to eliminate unnecessary price variation between estimated and actual contract prices with associated problems that come with the variance.

1.3 Statement of Problem

Procurement Planning is an essential component of public finance that has an impact towards overall efficiency and effectiveness of organizations when performing their functions. (Basheka 2008). Procurement is now one of the top items that consume public money. The Public Procurement in Uganda is estimated to consume 70% of the overall budget. (Mwangi, 2014). Procurement Planning Compliance in Uganda is low this is manifested by lack of procurement plans, failure to submit the plans on time, price variations and lack of publication of the procurement plans which are signs of poor procurement planning. According to PPDA report Office of the Prime Minister (2012). Some procurements were carried outside the procurement plan which is an indication of poor procurement planning they were worth 375,983,028/= which led to failure to implement planned activities and diverting funds to finance unplanned activities. According to the PPDA report (2015) Office of The Prime Minister, there were huge variations between estimated amounts and contracted amounts worth 2,058,856,041/= The contracted amounts were observed to be much higher than the estimated amounts on the procurement requisition. The researcher therefore carried out the study to establish the implications of poor procurement planning in the Office Of The Prime Minister.
1.4 Purpose of the Study
Purpose of the study was to establish the implications of poor procurement planning in the Office of the Prime Minister and ways of how to improve procurement planning inorder to improve on the effective utilization of resources.

1.5 Specific Objective
• To find out the need for procurement planning in Public entities.
• To find out the implications poor procurement planning at OPM
• To establish the ways of proper procurement planning.

1.6 Research Questions
• Why do we carry out procurement planning in Public entities?
• What are the implications of poor procurement planning at OPM?
• What are the ways of improving procurement planning?

1.7 Scope of study.
The study will look at the content scope, geographical scope and time scope.

1.7.1 Content Scope
The study focused on the implications of poor procurement planning in the public sector. Section 58 (1) PPDA Act (2003) amended 2014 provides for procurement and disposal planning.

1.7.2 Geographical scope
The research focuses on Office the Prime Minister Uganda .Sir Apollo Kagwa Road. This is elaborated in sampling design and procedure of research methodology.

1.7.3 Time scope
The study was covered in a period of three months .This is because adquate time is required for reviewing and collection of data .
1.8 Significance
- The research will help policy makers understand the role of procurement planning in the procurement process.
- Helps procurement practitioners understand the implications of poor procurement planning on the public sector.
- It helps procurement practitioners create a strategy for procuring each requirement that includes carrying out a market survey and determining the applicable procurement method.
CHAPTER TWO

Literature Review

2.0 Introduction

The literature details written literature containing the need for procurement planning, implications of the poor procurement planning and ways of proper procurement planning.

Definitions

Marriam (2015) defines a plan as a set of actions that have been thought a way of achieving something. According to Quayle (2006) Planning is simply what to do, how to do it, when to do it and who does it. Adds that Procurement are all activities required in order to obtain the product from the supplier and get it to the place where it is actually used. According to Cole (2005) Procurement can be defined as the purchase of merchandise or services at the optimum possible total cost in the correct amount and quality. These goods and services are also purchased at the correct time and location for the express gain or use of government, company, business individuals by signing a contract. In addition Rono (2013) states that Procurement planning is a process where by procurement practitioners sketch out in advance an arrangement with a diagram plan as to what, which, when and how purchases are to be conducted in a given period.

The Public Procurement planning process in Uganda

<table>
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2.1 Need for Procurement Planning

It allows planners to determine if expectations are realistic.

According to Lynch (2013) asserts that user departments usually expect their requirements to be delivered within the shortest time possible, within the budget confines, user departments normally would choose a procurement method which achieves their immediate expectations than the legally acceptable procurement method. Procurement planning provides a framework for execution of the requirement. Further asserts that some expectations are overambitious like constructing a school within one year it might not be feasible because there are so many activities involved apart from the procurement process that will lead to the eventual construction of the school. In addition Mugabi (2014) states that procurement planning helps user departments to strictly see what is unforeseen. Planning helps to see how much time things will take based on past experience and given that there are uncertainties. Expectations of what is feasible or achievable are studied and expectations are managed at that level of procurement planning. According to Adrienne (2011) asserts that procurement planning is a tool that analyses expectations of user department in line with the type of product that is being bought. Some products take a longer lead time than others. Venkrat (2013) adds that it allows planners to
determine if expectations are realistic particularly the expectations of the requesting departments which usually expects quick delivery of requirements. Its through procurement planning that lead times, completion dates are clearly stipulated inorder to know the beginning and end of every procurement activity. Further asserts spending outside the budget is normally results into diverting funds from the intended budget. For better realistic expectations procurement plans expenditure needs to move in unison with the budgetary releases to prevent accumulation of debts. Most entities in Uganda accumulate arears as a result of poor procurement planning. Unplanned activities normally lead to spending outside the budget according to PPDA Annual report (2013). All the expectations of stake holders need to be studied and assessed so that they are feasible and implementable by the procurement units. The legal requirements that guide public entities in planning have to be adhered to in Uganda its section 58 of the PPDA Act amended (2014).

**Procurement planning creates strategies for procuring each requirement that will be needed by the organisation.**

According to Qualye (2006) states that procurement planning creates strategies which include carrying out a market survey and determining the applicable procurement method given the requirements and the circumstances for procurement of items in the most economical way. These strategies helps the organization choose a method that will bring the best quality product at the lowest possible cost. Its normally through strategies that competition is enhanced. According to Handfield (2011) Procurement Planning creates purchasing strategies that have a major impact on organizational performance. A procurement plan is a strategic tool used to assess and manage change so that the benefits of the procurement strategy are realized. More to that the Department For Culture, Media and Sport Innovation (2009) states that a Procurement plan provides a guide towards procuring each item that has been identified along with resources available. However for this to effectively work there must be knowledge and expertise. North Hennepin Community College (2015) asserts that procurement planning helps to create collaborative relationships shaping strategies and adopting other ways of working to meet the needs of the business. When procurement strategies are not clear at the procurement planning stage it leads to conflict and adversarial relationship because each party the buyer and seller may wish to impose its own terms and conditions some which may be impossible to achieve especially when there is no
procurement plan. According to Guyana (2010) also mentions that procurement planning creates strategies of handling each requirement in order to minimize total procurement costs there by creating flexibility to adopt new procurement strategies to handle each procurement requirement. A complete specified procurement plan may help in the optimal utilization of resources at the time is generated. Also asserts that It is important to choose a strategy that will achieve optimal resource utilization and achieve the six principles of procurement which include the right quantity, right quality right time, right source, right place and right price.

Right Quality
The term right quality refers to suitability of an item for the purpose its required. Right quality is a procurement strategy that is dealt with at procurement planning stage. The right quality is referred to as fitness for purpose. The product should meet the expected objective for which it was bought. Guyana (2010)

Right Quantity
This is a procurement strategy that is dealt with at the procurement planning stage. This is beyond ensuring that the number of items needed are the exact in number. It's also about matching inventory levels with the placed order. This prevents delivering of items which are not needed by the organization. In order to avoid delivery of wrong items procurement planning needs to be effectively done. Guyana (2010)

Right time
Its a procurement strategy that is done at procurement planning stage. It is an important factor of production without respecting time procurement activities are currently faced with problems of delays. This is normally brought about by poor procurement planning. Procurements needs are normally initiated late leading to late implementation of projects. Guyana (2010)

Right source
Its a procurement strategy that is dealt with at procurement planning stage. Its important to establish the right source of picking a particular product. Sourcing from right place leads to achieving the reliable product from a source that is genuine and trusted. Guyana (2010)
Right Price
Its a procurement strategy which is done at the level of procurement planning. The price should be within the acceptable budget. It is important to first carry out a market price survey during the procurement planning process to make sure that the price got is within the expected price ceiling. Guyana (2010)

Right Place
Its a procurement strategy that is done at the procurement planning stage. Besides obtaining the materials the right quality and quantity from the right source at the right price. It should be ensured that materials are available at the right place. The right place is important its vital in meeting the right objective of the procurement process. Guyana (2010)

**Planners can estimate the time required to complete the procurement process.**
According to Lynch (2013) asserts that this is valuable information as it serves to confirm if the requirement can be fulfilled within the period expected, or required, by the requesting entity. Time is the most important resource in procurement planning. Without proper time management of the legally stipulated time the procurement cannot process cannot be a success all processes need proper time management. In addition to that Venkrat (2013) confirms that procurement planning provides valuable information concerning when the requirement can be delivered. According to Kuuse (2014) It's important to establish the delivery schedules in line with the contractual obligations this is done at the procurement planning stage. Costs and deadlines need to be respected inorder act as a control measure. According to Mugabi (2014) procurement processes require timely completion of the project. This should be done at the procurement planning stage. These processes interact with each other and with the other knowledge areas. Each process may involve effort from one or more individuals based on the needs requirement. According to Zilicus (2012) Once a procurement plan is drawn the next step is timely delivery schedule. Each of the deliverable work item should be identified and broken down. Based on the legally established time lines each procurement activity during the planning stage can come up with a duration required for each deliverable. Failure to manage time in line with the procurement plan leads delayed completion which at times leads to liquidated damages for the aggrieved party.
For proper management of risk it’s important to assess future uncertainties which can have a potential impact on the procurement process. Time helps to effectively analyze and have road maps of completing particular assignments. Time is highly regulated in the procurement process of Uganda because the timelines are stipulated to prevent over delaying of procurement transactions because funds are released on quarterly basis so funds have to utilized within a stipulated time frame.

**Enables combining procurement requirements resulting into economies of scale.**

According to Office of Commerce Government UK (2013) procurement planning helps in combining requirements by lotting items together in order to achieve economies of scale as a result of large scale buying. With consolidation departments are able to bring their items together into one which leads to consolidation. According to Office Of Commerce Government United Kingdom (2013) Procuring and managing very large, complex contracts requires skilled procurement professionals and results into economies of scale. It’s through Procurement planning that aggregation of requirements is done. Without people of the right caliber many of the benefits of aggregation can be missed. Aggregation of large and complex contracts can often entail lengthy and costly procurement processes. This increases the potential for delays of procurement timelines. PPDA Annual Report (2013) Planning procurements leads to consolidation of the procurements with the intention of benefiting from economies of scale. This is encouraged by usage of framework contracts for items that are repetitive in nature. According to Darin (2005) Procurement planning calls for involvement of the procurement office with regard to consolidation of items from other departments. Without consolidation the organization is bound to miss on the economies of scale resulting into increased costs. He further asserts that procurement planning helps in choosing the best procurement method to be used. Procurement planning leads to aggregation of requirements when requirements are aggregated economies of scale are inevitable. Aggregation across departments can simplify the tendering process leading to reduced procurement costs for buyers and reduced bidding costs for suppliers which is a win–win situation for all stakeholders.
Procurement planning helps Suppliers identify opportunities.

According to the National Public Procurement Policy Unit European Union (2005) Procurement plans are expected to be underpinned by analysis of procurement expenditure and practices, systems and structures. Suppliers also get an opportunity to view future business prospects. The plans should provide targeted and strategic direction to procurement planning in contracting authorities. While understanding of supply markets has improved over time according to NPPUEU (2005) there is need for suppliers to access opportunities available especially in the public sector. According to Small Business Development Centre (2007) the goal of publication is to provide the buyer with some ideas, strategies and general information to understand, utilize and grow a small business by accessing government procurement and to provide an understanding of the opportunities available with customers at all levels of government. Publication of procurement plans normally helps to guide providers when pricing their commodities which is a disadvantage at times since it gives bidders an indication of how much to quote. This is known as price rigging. According to Pan American Health Organisation (2006) procurement planning is a dynamic process that requires input from many different categories of professionals so publication helps in getting those needed ideas. It is therefore recommended the procurement planning be carried out by a multi-disciplinary team and publication of procurement plans helps to know what products, services or works are needed by the entity.

Proper procurement planning leads to legal compliance.

In Our Uganda laws Section 58 of the PPDA Act (2003) as amended 2014 requires all procuring and disposing entities to prepare their annual procurement plans and submit them to the secretary to the treasury. Failure to prepare the procurement plans leads to non-compliance to the law. According to the Public Procurement Authority, Ghana (2013) although the call for strict adherence to rules and regulations concerning procurement planning the responsibility of complying with the law should squarely fall on the shoulders of all concerned to ensure that the right quality, right place, right time and from the right source during the procurement process. Sound procurement planning is essential for elements of good governance. To large extent it ensures that public procurement is carried out in accordance with the principles of economy, efficiency and transparency. According to Mullins (2003) mechanisms must be
established to effectively link national and sub-national planning process to ensure that plans are realistically linked to resource envelopes and that once developed the plans can effectively be incorporated into sub-national budgets in an established legal framework. According to EU Procurement directives (2014) EU Public procurement guidelines in procurement planning ensures that the procurement market is open, competitive and suppliers are treated equally and fairly. The rules cover aspects such as advertising of contracts, procedures for assessing company credentials, awarding the contracts. The law which governs the planning of public procurement in Uganda the Public Procurement And Disposal Of Public Assets Act requires the monitoring authority (PPDA) to review and guide spending entities on how to absorb there funds. The law has to be strictly adhered to when spending funds.

**Procurement planning starts the procurement process.**

According to Basheka (2008). The beginning of the procurement process requires the need for realization and identification of requirements which is done at procurement planning stage. Establishment of the requirement is the foundation for conducting market research to ascertain aspects such as prices, new products, alternative or substitute products, sources of supply, nature of competition and supply market. All the related processes of procurement depend on how planning has been done. Currently in Uganda, Procurement planning is governed under section 58 of the PPDA Act which requires user department to plan for there procurement activities. At times user departments lack the skills of proper procurement planning of requirements needed resulting into under estimation or over estimation the procurement requirement. PPDA Annual report (2013) Creation of the linkage between the expenditure patterns and procurement plans is still lacking in most entities in Uganda. According to Guyana (2000) successful completion of the procurement depends on how procurement planning is done at the initial stages of the procurement process. The procurement unit must plan, manage and fully document the process to acquire goods, services and works. Its important to ensure that procurement meets programme requirements. The procurement unit must understand its role and roles of all other stake holders to effectively prepare the consolidated procurement plan in order to ensure smooth and orderly co-ordination of planned activities. Australian Government (2015) Procurement plans help to identify the needs which form the basis of procurement action. Procurement Planning is important to determine the objectives of the procurement requirement.
According to Kuuse (2014) Procurement Planning is essential since it begins the procurement cycle furthermore there may be delays outside the control of the entity. Little preparation and no procurement planning may result in the entire team waiting for the missing goods and services. It is essential when making procurement plans that all necessary information is available during the planning process. Further asserts that procurement Planning is the most essential part of the procurement process. A procurement plan involves identification, and assessment of the need for procurement, the methods to be used in the procurement process, how much to procure, where to procure from and when to undertake the procurement. All processes and activities that follow after planning have a basis on procurement planning. It provides guide on how to implement a particular activity.

**Procurement planning facilitates efficient and effective resource utilization in the public sector.**

According to Onyango (2014) studies have shown a positive relationship between procurement planning and resource utilization. Based on studies done in 2014 concerning the Mombasa law court respondents asserted that procurement planning leads to the optimal usage of the planned resources. When entities plan their procurement activities properly it create a clear road map of effective resource utilization in line with the agreed and approved budgets. Public Procurement Oversight Authority (2007) in Kenya suggests that procurement performance starts with procurement planning which creates purchasing efficiency and effectiveness in the procurement function in order to change from being reactive to being pro-active to attain set of performance levels in public entities. According to Chen & Lado (2004) purchasing performance is considered to have two elements efficiency and effectiveness. Procurement planning leads to effective resource utilization and failure to plan leads to wastage of resources. More to that Gelderman & Marijolein (2005) confirms that purchasing performance is not an end in itself but means for effective planning, efficient control and monitoring of the procurement function. According to Trionfetti (2003) Traditionally public sector firms concentrated on analyzing their own internal needs satisfaction, without effectively planning for their own citizens procurement plans provide a link for effective resource allocation.
The procurement planning aspect in this case has to exist for each level of planning in the free areas technical and operational strategy. Walker and Brammer (2007) and Elder and Georghipou (2007) indicate that procurement plans in this case will serve as a road map and it’s main goal should be to enable efficient use of available resources. According to Cornelia, Muhumuza (2008) In Uganda procurement and disposal planning are central to proper procurement management in order to ensure effective resource utilization. Procurement planning facilitates resource utilization through facilitating the monitoring of procurement plan and ensuring timely resource utilization which translates into proper, efficient and effective service delivery. For efficient and effective service delivery to succeed using the procurement plan there must be two parameters. It should be used as a tool for effective monitoring and it should form road map making through which discussion can take place for proper resource utilization. Its through planning that the intended objectives are achieved and efficiency of resources is achieved.

**Procurement planning leads to citizen participation.**

According to Basheka (2008) local governments participatory planning is one of the ways in which citizens participate in the governance of their country. Participatory planning is understood as the basis of a general set of principles, notable among them is willingness to involve local people in the development of decisions that will affect them. The approach brings much greater benefits and more sustained impact if it is adopted as part of a broader commitment to participatory developments. Communities aspirations of what development activities they would like to be undertaken are incorporated in the procurement plans. Further asserts that there is a lack of citizen participation culture in Uganda. Most citizens in Uganda lack an interest in issues related to local governance decisions. This is because of their inexperience and lack of knowledge on how to participate in procurement activities.

According to Redempto (2015) the citizens active and direct engagement in government processes is arguably a growing trend worldwide. While Uganda’s governance policy supports citizen participation it is subject to many constraints. Procurement planning is an inclusive activity which involves all stakeholders in the procurement process. The aspirations of citizens and needs are reflected in procurement plans. Citizen participation through public procurement is encouraged by civil society organizations. Participatory tools need to be engaged to enable effective participation.
According to Transparency International Kenya (2014) Public citizen participation in procurement involves planning and preparation stage. Citizens can detect, prevent and reduce wastage. Public hearings to encourage ideas from the public about activities to be included are one of the tools used in drawing up procurement plans. It's one way of encouraging citizen participation. Citizens and experts can discuss the planned procurement activities, assess the needs of the intended beneficiaries to ensure that procurement is responsive to their needs and make suggestions for improvement.

According to Parker (2002) many rational decisions concerning procurement planning are done with the involvement of stakeholders. The best way through which citizen can participate in the process of resource allocations is through procurement planning. Democratic decision making is based on the assumption that all those who are affected by a decision have a right to participate in the making of the decision so procurement planning given its nature affects many people. Participation can be direct or through representations. Procurement planning especially in the local governments where budgets are drawn from the communities represent true manifestations of the citizens. Procurement planning really helps in citizen participation which is a key cornerstone of good governance.

### 2.2 Implications of Poor Procurement planning

Poor procurement planning leads to price escalation and cost variation.

According to Basheka (2008) technocrats have mastered the art of planning. High procurement plan estimates are put to create room for technocrats to negotiate reduced prices with bidders for their own selfish needs. This is a form of corruption. Estimates at times don't represent the real picture of the cost of an item. Scholars have doubted whether procurement planning process can achieve the real objective of high quality goods, services and works at the best optimal price. National Treasury Republic of South Africa (2015) poor demand and procurement planning results in large deviations and price escalations. Poor service delivery, shoddy workmanship in construction work is normally brought by poor procurement planning. Procurement plans indicate what purchases will be undertaken in short, medium and long-term. Item and specification management is critical to the procurement process.
According to Muhakanizi (2015) Poor Procurement planning results in poor development of specifications which normally leads to high prices escalations or variations in public procurement. Industry manual (2008) asserts that a procurement plan is an instrument for implementation of the budget and should be prepared by the user departments. At times poor planning fails to ascertain the exact market prices leading to price escalation. Mamino (2010) contends that poor procurement planning of the procurement process includes needs that are not well identified, and under estimated, unrealistic budgets coupled with inadequacy of skills of procurement staff tends to lead to an efficient procurement process. More to that Davey & Gatenby (2015), Price escalation happens in a way that at times the prices estimated are above the actual prices. In most cases the prices estimated are not the actual prices this bring a lot of suspicion between the monitoring agencies that procurement planning has only mislead service providers in quoting high prices because procurement plan normally gives an indication to providers on how much to quote. Annual Procurement & Disposal Audit Report on 90 entities (2013) stated that in most cases the prices quoted are more than the estimated costs which leads to price variation and at times this leads to debt accumulation.

**Poor Procurement planning does not take into consideration the Total cost of ownership of a commodity, service and works into consideration.**

According to Davis (2014) total cost of ownership is a financial estimate intended to help buyers and owners determine the direct and indirect costs of a product or system. It’s the combination of the purchase price plus all other costs you will incur. Apart from a good procurement plan in achieving the right price, best value for money at the lowest whole life cost. It involves identifying the initial purchase price and estimating all future costs and returns which is a very difficult activity for procurement planners and its always not achieved. According to Equipment Purchasing Guide (2008) procurement planning is good at identifying the cost of an item. Total costs cover of ownership costs which include operational life costs, acquisition costs, running and disposal costs are normally left out at the procurement planning stage leading to the stalling of projects. Estimates of purchase costs are needed when seeking to fund the requirement but calculating all costs related to the equipment like installation, maintenance, consumables, overhauls and upgrading is difficult. According to the New Zealand of Government Department of Commerce (2015) Total cost of ownership is an estimate of the total costs of goods, services. Procurement planning creates a
balance between the estimated cost and total cost of acquisition. Poor procurement planning doesn’t cover all the costs involved in the acquisition leading to price increments after contracting. Proper procurement planning is the best way of achieving value for money. It means accounting for all costs and benefits over the life time of the goods or services. During the course of procurement the total whole life costs are list out leading to price increments. According to Kebehavn(2012) Total cost of ownership is the total of all costs resulting from acquisition of a product and costs involved. Procurement planning helps to identify the needs and the total costs of acquisition is very difficult to establish at the time of procurement planning since there are many hidden costs. Davey & Gatenby (2015) state that the total cost of ownership is an analysis of what is meant to uncover all the life time costs. Poor procurement planning normally leads to leaving out such costs such as costs that follow from owning certain kinds of assets. It’s also referred to as life cycle costs analysis and in the course of procurement planning these costs are normally left out. Ownership brings purchase costs, additional costs such as installation, deploying, operating, upgrading and maintaining of assets. It’s extremely difficult to incorporate all the costs that form the final cost of acquisition in the procurement planning processes.

There is a large difference between purchase price and total life cycle costs. It’s extremely difficult to calculate the total cost of ownership of these items. Leaving out the cost of an item like installation often leads to price escalations and price variations in most instances. The cost of ownership analysis attempts to uncover costs that are hidden such as costs of ownership across the full ownership life of acquisition.

**Poor Procurement planning facilitates Rent Seeking behavior.**

Auriol and Flochel (2015) define rent Seeking behavior as the use of organizational resources to obtain economic gain from others without reciprocating any benefits to society through wealth creation. The allocation of public contracts are allocated in a way that supports favoritism damaging economic consequences. Through procurement planning Public institutions cost goods and services at inflated prices and send incentives to potential entrepreneurs of access to business through price rigging which is biased against certain providers without that kind of information providers don’t access business. Procurement Planning initiates the price rigging process. In practice technocrats set high prices which are communicated to providers of there choices. In the rent sector contracts are attributed to corrupt officials who distort planning and
allocation rules in exchange of bribes firms for firms willing to do business with the government. The process of getting business and executing the business must therefore be profitable enough to cover their production costs as well as the costs for bribes. For this model there must be predictions that are sustained by data. Poor Procurement planning offering the above enhances the rent seeking behaviour. Shephane (2009) further asserts that poor procurement planning is associated with corruption on a concentration of operations both at the institutional level and firm. Poor procurement planning is astatic cost of operation where economic efficiency and competition cause an attribution of markets likely to have a devastating impact on economic growth.

According to Transparency international (2013) poor procurement planning in Uganda was pointed out an indicator of corruption in public procurement. This makes the government sectors vulnerable to corruption. The large amounts of funds spent through procurement and the high levels of discretion and bureaucracy often involved in such processes provide incentives and opportunities for the rent seeking behavior. According to Hao (2011) government procurement activity beginning with procurement planning tends to deliberately disown competition by providing information to some providers and withholding it for others in exchange of material gifts for civil servants to maximize their own utility. In government officials will use their rights to set rent, so will suppliers with rent seeking behaviors. This has become the most common corruption form. Most procurement practitioners in low developed countries normally get estimates from suppliers which are high and those estimates are incorporated in the procurement plan. These estimates guide in pricing of an item. This collusion normally is the starting point of corruption which is done at planning stage.

**Poor Planning leads to late delivery of items**

According to Kikwasi (2005) poor procurement planning normally leads to delivery of items beyond the agreed timelines. Fung & Tung (2006) adds that this at times leads to slowing down of work because these components are at times needed as inputs to facilitate the ongoing work have not arrived. Cohen & Palmer (2004) defines some sources of poor procurement planning as inadequate clarification of roles and responsibilities, poor estimation, poor specification, late delivery and wrong procurement methods. Time is related to delays as asserted by Zou et al (2006) poor procurement planning has a big impact on the delivery of a given item or project.
More to that Scott (2014) says that poor procurement planning manifests in late delivery of items. According to Lynch (2015) once a procurement plan is developed then a schedule for time lines is clearly stipulated it has to be respected however evidence shows that poor procurement planning leads to late delivery of items. In most cases procurement planning is often overlooked and at times not taken into consideration the beginning of the procurement process begins. To resolve this it's important to stay informed of the deadlines which are well stipulated in the procurement plan. Poor planning will not take into aspects like usage of the incoterms, method of procurement, type of contract that ensures that goods are delivered at the right place and at the best cost. Goods must be delivered at the required place and time. Late delivery is a sign of poor planning for the organization.

**Poor procurement planning leads to procurement of poor quality goods and services**

According to Lungisa (2015) poor procurement planning leads to poor development of specifications or terms of reference which eventually leads to poor quality goods being delivered. More so Intaher (2012) some government entities cannot properly specify the need and specify it leading to delivery of substandard products. This has an impact of procuring wrong items which are not needed to be procured leading to loss of funds for government. According to Onyango (2014) in the study carried out at Mombasa court that majority of the respondents concurred that poor specifications are brought about by poor procurement planning that lead to delivery of items not needed. In addition, (Whitmore, 2015) Poor procurement Planning creates a relationship between placement of an order and delivery of items that meet the agreed standards. According to Office of Government Commerce (2008) it's essential for effective procurement planning to be carried out prior to commencement of procurement process. Poor specification will lead to delivery of poor quality products. For complex requirement developing specification is an iterative process. Starting with a high-level statement, many failed procurements can be traced to lack of clarity on specifications and desired outcomes. Many procurement decisions recognize that systematic planning is essential if proper planning is to take place. A clear process is required to ensure that all goods procured can correspond with what is planned. This helps to make sure that the right quantities are delivered.
Poor Procurement Planning undermines competition amongst providers

According to PPDA Annual Reports (2013) Poor procurement planning leads to splitting of procurements which undermines the principle of competition. Guyana (2010) adds that poor procurement planning distorts competition through lack of publication, specification tailored to a provider and splitting of procurements into small fragments. According to Williams (2007) absence of a good procurement plan buyers may be unsure how to make clear specifications to guide suppliers on how to deliver the best product. Proper specifications are built at the time of procurement planning. Its important that specifications are delivered by competent people during the planning to ensure that sufficient suppliers get the information in order to participate in the process which maintains the principle of competition. According to Zoelick (2004) inappropriate splitting is a sign of poor procurement planning. This undermines effective competition low bidder participation is a sign of an inappropriate method us

2.3 Ways of improving Proper Procurement Planning

Proper Procurement planning is essential for the proper procurement process. Its important to clearly follow the proper legal steps of proper procurement planning.

Stakeholder involvement

According to the United Nations handbook (2009) the ultimate goal of procurement planning is a co-ordinated and integrated action to full fill the need for goods, services or works in a timely manner and at reasonable cost. Stakeholder involvement is key if you are to have successful procurement planning. Early and accurate procurement planning is essential to avoid last minute and emergency or ill planned procurement which is contrary to open, efficient and effective consequently transparent procurement. Procurement planning is a cycle and should involve all stakeholders not limited to user departments, civil society, suppliers, accounting officers, accounts staff and procurement staff each stakeholder has a role to play. According to Procurement Transformation Division (2010) Procurement planning can be a complex activity which may require specialist advise and a lot of consultations from stakeholders. Procurement officers should consider the importance of the stakeholders at the preparatory stage. Whether its internal stakeholders or external stakeholder the way they engage stakeholders should be through dialogue. According to New Zealand Government (2011) its important to initiate
engagement with stakeholders. It's essential to identify key stakeholders at the beginning of the procurement planning. Consider both internal and external stakeholders. It's through consultation with stakeholders that we are able to identify overlapping and competing needs. According to Everett Community College (2010) key stakeholders are those involved in the procurement planning process. Include employees, customers, vendors, regulations, and community members. Each has a unique perspective about what it will take for the organization to succeed.

Colwell (2012) adds that stakeholder engagement is a critical factor in the success of the procurement plan. The overall aim of engagement is to achieve the desired outcomes. The desired outcomes therefore should always be at the forefront of procurement planning. Involves the right people in the design, participation of stakeholders in planning helps to work as a communication tool to any changes that might take place. All stakeholders have to be aligned to participants in needs assessment. Need to ensure the process is responsive to their needs. It's important that people must understand and accept their responsibilities to be accountable for what might go wrong. Planning is a very technical process that requires capacity building and training user departments to understand their roles and obligations.

**Supplier alliances**

According to Darin (2005) it's important to get into partnerships with suppliers. Early supplier involvement builds trust and confidence amongst the suppliers. They provide information concerning price of the item and specifications needed for the item. When suppliers are involved they advise on the best method to deliver the best price. No one understands a product better than the suppliers. Information given is vital for effective planning. According to Engel (2011) world-class companies work closely with suppliers in procurement planning. This is called supplier relationship management. But this is called one-way communication. Two-way communication requires both buyer and seller to jointly manage the relationship to be more effective. According to Transit New Zealand (2005) an alliance is where the buyer and supplier agree to work together for a long-term objective. Procurement planning is one area where planning is very vital. Supplier Alliance assumes collective responsibility and takes collective ownership of all risks and opportunities. According to Chartered Institute Of Purchasing And Supply (2014) states that procurement planning creates a spectrum of business relationship forming an alliance which represents a co-operative but non-controlling relationships between two parties. Alliances are similar to partnerships though the parties in an alliance may co-operate.
under a formal agreement, perhaps including sharing of risk or reward. According to Kuuse (2014) well governed public entities work closely with suppliers; this is termed as supplier relationship management. This requires both buyer and seller to jointly manage the relationship. Supplier alliances help to manage risk in the procurement planning process, risky procurements that may end up with limited competition are identified. Supplier alliances should aim at enhancing competition other than limiting competition. It's important for supplier alliances to be professionally managed. At times supplier collaborative practices are known to lead to unethical practices like price rigging which are undesired in the procurement process.

**Global Sourcing.**

Darin (2005) states that it is important if proper procurement planning is to be achieved, especially in low developed countries, that global sourcing is adopted as a strategy. Sourcing refers to a procurement strategy through which an enterprise works to identify the most effective buying source of a given commodity, even if that location may be in a foreign country. Global sourcing often aims to exploit global efficiencies on the delivery of a product or service. These efficiencies include low-cost skilled labour, low-cost raw materials and other economic factors like tax breaks and low trade tariffs. Global sourcing of goods and services has advantages that go beyond the most competitive price. International firms normally offer good prices for their products and are normally high quality. In Uganda, 80% of the products are imported into Uganda meaning that there is a need for collaborative partnerships with the global firms to foster better sourcing. Open international bidding should be proposed for most of the products. According to Vereniging (2002) procurement planning helps to consider global sourcing as a strategic alternative to benefit from internationalization. Global sourcing is one part of the supply strategy which is accomplished through proper planning. Procurement planning has to be properly done through having right data on quantities and prices. The amount of quantities and prices estimated will depend on the forecasts for the upcoming planning period. The purchasing budget which has to be understood as a central benchmark for the purchasing performance. According to Walter (2014) global sourcing is currently receiving a lot of attention in procurement planning. There is significant attention as organizations work in an attempt to improve their role of efficiency and effectiveness of their supply networks. A better understanding of where the benefits can be obtained requires knowledge of some of the similarities, differences and linkages. According to Parker (2002) global sourcing is a supply strategy that leads to achievement of long-term goals.
Planning for purchasing items acts as information for items needed, identifies quantities and prices for items. This can be achieved through open international bidding to encourage adequate competition for prices and quality. Cost-oriented global sourcing helps to increase competition, which is useful for standardized products where suppliers are easily available in international markets. Global sourcing has always enabled maximum completion in our procurement practices. Use of procurement methods like restricted domestic bidding and open domestic bidding tends to limit international competition of multinational companies. At times, it's used as a protectionist policy to protect local industries that don't have advantages multinational companies have in terms of production especially due to experiencing economies of scale can supply a given good at half the price and better quality.

**Compulsory Publication of procurement Plans.**

According to Darin (2005) publication is an ingredient of transparency. Transparency in the context of public procurement refers to the ability of all interested participants to know and understand the actual means and process by which contracts are awarded and managed. In other words, transparency means the same rules apply to all public entities like the requirement of publishing procurement plans can guide procurement plans. On this basis, that procurement decisions are made. Prior to their actual use it is an effective means to identify business opportunities for the private sector. According to Zakon (2013) the law that governs the planning of public procurement in India requires publication requirements, in a manner that supports accessibility of the public. It governs the centralization of public procurement. Publication is important in conducting public procurement procedures. Publication helps suppliers know what opportunities are available in the market. North West Territories Public Works and Services (2009) the purpose of procurement planning is to clarify and quantify the extent of the technical cost and delivery schedule to make sure the intended objective can be met. Helps to break down complex requirements into understandable items that can be easily implemented. All information is useless unless its disseminated to the people who may use it for implementation and other purposes like monitoring. At times incase of problems they are rectified early enough issues like wrong descriptions can be sorted out early enough to ensure proper implementation. Publication of procurement plans is a legal requirement under section 58(6) of the PPDA Act. A procuring and disposing entity shall display its procurement plan and
the updated approved plan on its procurement and display notice board for not less than twenty working days this serves as a purpose of providing information for monitoring purposes and also provide suppliers with the available opportunities in the market.

Supplier Relationship Management
According to Rizza (2015) expectations are always changing from organization to organization. For Procurement planning to be effective there is need to partner with suppliers because of improved capabilities of innovation, quality, reliability and cost reduction. This helps reduce the risk of non supply of items. Greater value can be achieved if both the supplier and buyer work together during the procurement Planning process. Chartered Institute Of Purchasing And Supply Chain Management (2012) asserts that Supplier relationship management is vital for proper procurement planning. It allows a single source of data with which every one involved in the relationship may access a common and consistent repository of supplier relationship information on specifications of product, prices. This enables common understanding of status and relationship activities. According to Scott (2014) Supplier relationship management is vital in selecting a procurement method its important to collaborate on the sourcing strategy which will achieve the best optimal usage of resources. More so Engel (2002) procurement planning may require specialist advice or assistance from suppliers.

Identification of desired outcomes and objectives is important.
According to Saia (2006) time invested in preparation before developing the significant procurement plan will increase the chances of it being completed within the required time frame and budget. Objectives of Public entities should be reflected in the procurement plans and there desired outcomes from a procurement plan are vital before carrying out activities of procurement planning. According to Brisbane (2008) Procurement planning should provide the most effective measures of achieving value for money for government. The concept of value for money is not restricted to price alone. The value for money assessment may include quality products. Determination of desired outcomes and objectives is essential for proper procurement planning.

Consolidation of requirements is vital for proper procurement planning
According to Trevor (2009) consolidation helps to reduce costs because of economies of scale enjoyed by buying in bulk. Items like stationery once consolidated can easily be bought. Consolidation reduces on supply chain costs.

According to Mitchell (2012) the largest opportunity created by supplier consolidation in procurement planning is financial in form of lower purchased costs. What we mean is that suppliers that have made it through consolidation process are managed in a way that is similar to strategic supplier relationship management. More so according to Dominick (2016) the consolidation of spend is leveraged and lower prices are negotiated due to consolidation the more business suppliers have the higher the discounts for the items bought.

2.4 Literature Gap

In the course of the study discovered that procurement planning is mandatory and crucial to public entities however there is very limited information on the successful implementation of procurement plans in the government projects in Uganda. Also the majority of the respondents where from Kampala and those from upcountry offices in far districts of Gulu, Bundibugyo, Kaseses where unable to fill the questionnaires because they were always in the field and difficult to locate.
CHAPTER THREE

3.0 Research Methodology

This chapter presents the selected research methods and instruments that were used to study the implications of procurement planning on the public sector in Uganda. Case study which is studied is the Office Of Prime Minister. It highlights how data was analyzed. This chapter describes in detail the research design that was adopted by the study, area of study, target population, sampling technique and selection research instruments, data collection, procedures, data analysis and expected limitations of the study.

3.1 Research Design

The study was descriptive, analytical and cross-sectional survey design. This is concerned with describing the characteristics of a community. In this way it aimed at providing a systematic description that is as factual and as accurate as possible. The justification for the choice of the case study research design was that the subjects under study had similar characteristics.

The study adopted quantitative method. A quantitative methodology involved the use of structured data collection that allowed the use of properly organized questions to the respondents with each question having a weight from 1 to 5. This is justified by Wyse (2011) Quantitative
research is used to quantify the problem by way of generating numerical data or that can be transformed into usable statistics. It is used to quantify attitudes, opinions and behaviors.

The preparation in quantitative research takes into consideration definition of key words which should be precise, accurate, specific information. The quantitative approach is based on rigorous and sophisticated techniques of analysis. Different statistical or mathematical tools and techniques are employed in the quantitative method.

3.2 Area of study
The area of research was Implications of poor procurement planning in the Office Of The Prime Minister located on plot 9/11 Apollo Kagwa Road.

3.3 Study Population
The study comprised of total population of 65 staff involved in procurement planning from Office Of The Prime Minister. The sample under the study was fifty two (56) employees of Office Of The Prime Minister who are involved in the procurement planning process. The staff interviewed include the staff of procurement unit, contracts committee, user departments, contract managers and planning unit.

3.4 Sample size
Sampling is the process of choosing the research units of the target population which were included in the study. A sample of fifty six (56) was selected according to the well-known formular by Morgan and Krejcie (1970). The sample size is an important feature of any empirical study. In which the goal is to make inferences about a population.

\[
S = \frac{X^2NP(1-P)}{d^2(N-1) + X^2P(1-P)}
\]
\( S \) = Required Sample size

\( X \) = Z value (e.g. 1.96 for 95% confidence level)

\( N \) = Population Size

\( P \) = Population proportion (expressed as decimal) (assumed to be 0.5 (50%)

\( d \) = Degree of accuracy (5%), expressed as a proportion (.05); It is margin of error

Morgans Table for determining sample size

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N is population size, S is sample size.

Source: Krejcie & Morgan 1970

My sample size is 56 respondents

3.5 Sampling Technique and procedure
The study used purposive sampling because the study was targeting people who are involved in procurement planning. Analysis of the case studies ensures that a variety of responses are obtained from a range of population. The process involved choosing a research population using knowledge and judgment.

3.6 Data collection methods
3.6.1 Questionnaire survey
The researcher used questionnaire to collect data on implications of procurement planning in the public sector. Case study of office of the Prime Minister. A questionnaire was mainly made up of a list of questions with clear instructions and space for answers. It was used to collect factual information about their opinions and views concerning procurement planning. The researcher used the questionnaire because it has an advantage of contacting large number of people at a relatively low cost.

Questionnaire was designed on areas of need of procurement planning, implications of procurement planning and ways of proper procurement planning.
3.7 Data collection instruments
The study used questionnaires.

3.7.1 Measurement of variables
The variables of the study were measured on five point lever scale range. The choice of this measurement was 1 (strongly disagree), 2 (disagree), 3 (uncertain), 4 (agree) to 5 (strongly agree) that each point on the scale carried anumerial score which was used to measure the opinions of respondents and it is the most frequently used summated scale in the study of business.

3.8 Validity and Reliability

Validity
This refers to the extent to which the data collected is sound more specifically applies to both the design and research methods.

Face Validity. The questions that were asked were covering the variable of procurement planning. It's largely a common sense assessment but also relies on how knowledgeable the respondent is on certain aspects of procurement planning.

Content Validity. All the aspects of procurement planning have been provided in the questionnaire.

Concurrent validity. The results of the questionnaire were consistent with the established measure of measuring quantitative results.
Reliability
This is a state that exists when data is sufficiently complete and error free to be convincing for its purpose and context. The questionnaire was pre-tested by repeating the test under the same conditions produced under the same conditions in a similar environment.
Reliability within a scale. That all the questions designed to measure particular traits are indeed measuring the different traits.

3.9 Data collection Procedures
Data collection was administering questionnaires to the respondents. A set of questions were formulated and formed the basis of quantifying the responses. Used research assistant to collect the information from all the departments of the organisation.

3.10 Data Analysis and presentation
Data analysis is the evaluation of data. It is the process of systematically applying statistical and logical techniques to describe, summarize and compare data.

3.1.1 Quantitative data Analysis – how analysed data
Is an interpretive technique of data analysis that organizes data and provides a means to introduce the interpretations of it into certain quantitative methods. Data was collected, coded, cleaned and entered into computer software called SPSS. Data was summarized to enable specific values to be read and interpreted. The statistical focus is a measure of central tendencies. Data was analyzed using descriptive statistics.

3.1.1 Data Description and Analysis
Data was collected, edited, coded, cleaned and entered into computer software for analysis. Analysis was done using statistical package for social sciences (SPSS version 16). Software
package enabled the researcher to analyze. Descriptive statistics and inferential statistics were produced. Quantitative data was analyzed using descriptive statistics including percentages and frequencies tables.

3.1.2 Anticipation limitation of the study

• Some respondents took long to answer the questionnaire.

• There is a problem of limited literature of procurement planning in the public sector. This is solved through extensive consultation and close working relationship with experts in the field of procurement.
4.0 CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS.

4.1.1 Response rate
The researcher distributed 55 self-administered questionnaires to the sample respondents and the response rate was 99% only one respondent didn’t answer the questionnaire. This commendable response rate was attributed to the data collection procedure where the researcher personally administered questionnaires and waited for respondents to be filled in and picked the questionnaires once fully filled. The response rate demonstrated a willingness of the respondents to participate in the study. This was considered as adequate response rate as observed by Mugenda & Mugenda (1999), who argues that a response rate of 50% is adequate enough.

4.1.2 Social-demographic characteristics of respondents
The demographic characteristics of the respondents that were analyzed include position, level of education and level of experience.

4.1.3 Position of respondents
Respondents were chosen from the different departments that are involved in the procurement process. Most of the people chosen were contract managers from the various departments of the organization.

4.1.4 Background Information
Profession of the respondent
<table>
<thead>
<tr>
<th>Position</th>
<th>Frequency</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrator</td>
<td>14</td>
<td>25.5</td>
<td>25.5</td>
</tr>
<tr>
<td>social worker</td>
<td>1</td>
<td>1.8</td>
<td>27.3</td>
</tr>
<tr>
<td>system analyst</td>
<td>2</td>
<td>3.6</td>
<td>30.9</td>
</tr>
<tr>
<td>stores officer</td>
<td>1</td>
<td>1.8</td>
<td>32.7</td>
</tr>
<tr>
<td>Research officer</td>
<td>4</td>
<td>7.3</td>
<td>40.0</td>
</tr>
<tr>
<td>public relations officer</td>
<td>1</td>
<td>1.8</td>
<td>41.8</td>
</tr>
<tr>
<td>Economist</td>
<td>9</td>
<td>16.4</td>
<td>58.2</td>
</tr>
<tr>
<td>Information Officer</td>
<td>4</td>
<td>7.3</td>
<td>65.5</td>
</tr>
<tr>
<td>Refugees settlement officer</td>
<td>2</td>
<td>3.6</td>
<td>69.1</td>
</tr>
<tr>
<td>Settlement officer</td>
<td>1</td>
<td>1.8</td>
<td>70.9</td>
</tr>
<tr>
<td>Disaster management Officer</td>
<td>3</td>
<td>5.5</td>
<td>76.4</td>
</tr>
<tr>
<td>Accountant</td>
<td>3</td>
<td>5.5</td>
<td>81.8</td>
</tr>
<tr>
<td>Procurement officer</td>
<td>9</td>
<td>16.4</td>
<td>98.2</td>
</tr>
<tr>
<td>Logistics</td>
<td>1</td>
<td>1.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>55</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
Table 1

From the above table 25.5% of the respondents were administrators. The second group of people involved were economists who represent 16.4% of the total population of the organization. The other group were procurement officers at 16.4% who are at the centre of managing the procurement process these are the ones mandated by the PPDA Act to be in charge of the procurement process.

The least professionals involved in the procurement planning were stores officer, social workers, settlement officer and logistics officers given their nature of work Office Of The Prime Minister runs a centralized system of storage so stores people were less involved in procurement planning and logistics officers manage the fleet of cars given that most of the cars are decentralized by the departments to manage.

4.1.5 Departments involved in procurement planning

<table>
<thead>
<tr>
<th>DEPARTMENTS</th>
<th>Frequency</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Executive officer</td>
<td>4</td>
<td>7.3</td>
<td>7.3</td>
</tr>
<tr>
<td>pacification and development</td>
<td>6</td>
<td>10.9</td>
<td>18.2</td>
</tr>
<tr>
<td>Monitoring and Evaluation</td>
<td>6</td>
<td>10.9</td>
<td>29.1</td>
</tr>
<tr>
<td>Disaster preparedness and management</td>
<td>8</td>
<td>14.5</td>
<td>52.7</td>
</tr>
<tr>
<td>Policy implementation and coordination</td>
<td>5</td>
<td>9.1</td>
<td>61.8</td>
</tr>
<tr>
<td>---------------------------------------</td>
<td>---</td>
<td>-----</td>
<td>-----</td>
</tr>
<tr>
<td>Information and National guidance</td>
<td>5</td>
<td>9.1</td>
<td>70.9</td>
</tr>
<tr>
<td>refugees department</td>
<td>7</td>
<td>12.7</td>
<td>83.6</td>
</tr>
<tr>
<td>Finance and Administration</td>
<td>14</td>
<td>25.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>55</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 2.

The first departments with the highest response rate was Finance And Administration at 25.4% given the fact the it’s a support department where the procurement function resides. As part of their mandate the department ensures that the procurement function was carrying out its mandate in line with the organisations expectations.

The second department that was involved in the procurement planning process is the disaster preparedness and management where their involvement in terms of percentage is 14.5% because they had a big budget that is involved in the procurement process. So procurement planning is a critical function for their processes.

The third department that had a high response rate was refugees department given the same fact they have a big procurement plan budget which made it inevitable to take procurement planning as a one of their critical functions of their processes

4.1.6 Gender Distribution of respondents
Figure 1. This figure shows the distribution of male and female. Most of respondents were male at 67% respondents which showed that most of the people involved in the procurement planning were male. Few females were involved in the procurement planning process at 33% of the respondents.

4.1.6 Age distribution of respondents
Most of the respondents who were involved in the procurement process were from 31-40 ages at 56% which showed that most of the respondents within that age were middle aged managers and then those the second category were the entrant officers within the ages of 20-30 years with a percentage of 22%, then the age bracket within 41-50 had the percentage of 16%. The least involved were those from the ages of 51-60 years are those with age bracket of 8%. This implied from the findings that majority of the employees at OPM were middle aged and elderly. This implied that these are experienced employees who gave relevant information for the study.

4.16 Education Level of the respondents

96% of the respondents had a university degree which is explained by the government policy of recruiting only graduates into the civil service very few are recruited with other qualifications and others join after secondary A level. This meant that the responses got are accurate given the level of education of the respondents.
4.1.7 Length of Service

Figure 4

Most of the respondents were between the ages of 6-10 years meaning that the people who are involved in procurement planning had spent along time in the organization and they were the majority. This means that procurement planning was a critical function that was entrusted with people who had spent along time in the organization meaning that it is a critical function. This also showed that respondents provided information based on the experience and real practical experience on the respondents making it reliable.

Respondents were requested to rate the questions asked on procurement planning, basing on the rankings of the following measurements; Strongly Disagree (SDA-1), Disagree (D-2), Not Sure (NS-3), Agree (A-4) and Strongly Agree (SA-5). Percentages, mean scores and standard deviations, were computed to determine the measure of central tendency of responses and deviations.
**Descriptive Statistics**

4.2. *Objective one: Need for procurement Planning*

<table>
<thead>
<tr>
<th>Description</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enables planners determine if expectations are realistic particularly those</td>
<td>55</td>
<td>3.00</td>
<td>5.00</td>
<td>4.7455</td>
<td>.47990</td>
</tr>
<tr>
<td>of requesting department</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Procurement planning creates strategies for procuring each item</td>
<td>54</td>
<td>1.00</td>
<td>5.00</td>
<td>4.0370</td>
<td>.72588</td>
</tr>
<tr>
<td>Helps to estimate the time required to complete the procurement process</td>
<td>55</td>
<td>1.00</td>
<td>5.00</td>
<td>4.1455</td>
<td>1.26810</td>
</tr>
<tr>
<td>Enables timely delivery of goods</td>
<td>54</td>
<td>1.00</td>
<td>5.00</td>
<td>4.1852</td>
<td>.75421</td>
</tr>
<tr>
<td>Enables combining of requirements resulting into economies of scale</td>
<td>55</td>
<td>1.00</td>
<td>5.00</td>
<td>4.3636</td>
<td>1.06046</td>
</tr>
<tr>
<td>Suppliers are able to identify opportunities</td>
<td>54</td>
<td>1.00</td>
<td>5.00</td>
<td>3.9259</td>
<td>1.06136</td>
</tr>
<tr>
<td>Starts the procurement process</td>
<td>52</td>
<td>1.00</td>
<td>5.00</td>
<td>4.0192</td>
<td>1.30595</td>
</tr>
<tr>
<td>Facilitates efficient and effective resource utilization in the public</td>
<td>55</td>
<td>1.00</td>
<td>5.00</td>
<td>3.4909</td>
<td>1.38608</td>
</tr>
<tr>
<td>sector</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Procurement planning leads to legal compliance</td>
<td>53</td>
<td>1.00</td>
<td>5.00</td>
<td>4.2264</td>
<td>1.12047</td>
</tr>
<tr>
<td>Leads to citizen participation</td>
<td>51</td>
<td>1.00</td>
<td>5.00</td>
<td>3.2157</td>
<td>1.60392</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>46</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Primary data
Majority of the respondents agreed with the justification for the need of procurement planning that it enabling planners determine if expectations are realistic ranking the most with a mean of 4.7436.

This is in agreement with Lynch (2013) who asserts that user departments of products, services and works usually expect their requirements to be delivered within the shortest time possible, within the budget confines, procurement method which achieves their expectations than the legally acceptable procurement method. Helps to determine. In addition Mugabi (2014) states that procurement planning helps user departments to strictly see what is unforeseen. Planning helps to see how much time things will take based on past experience and given that there are uncertainties.

Respondents also justified the need for procurement because it enables combining of requirements resulting into economies of scale with a mean rate of 4.3636 which is in line Office Of Commerce Government United Kingdom (2013) Procuring and managing very large, complex contracts requires skilled procurement professionals. Its through Procurement planning that aggregation of requirements is done. In addition the PPDA Annual Report (2013) asserts that Planning procurements leads to consolidation of the procurements with the intention of benefiting from economies of scale.

Majority of the respondents also agreed that procurement planning leads to legal compliance with a mean rate of 4.2264.

This is in line with Section 58 of the PPDA Act (2003) as amended 2014. requires all procuring and disposing entities to prepare their annual procurement plans and submit them to the secretary.
to the treasury. According to the Public Procurement Authority, Ghana (2013) states that although the call for strict adherence to rules and regulations concerning procurement planning the responsibility of complying with the law should squarely fall on the shoulders of all concerned to ensure that the right quality, right place, right time and from the right source during the procurement process.

### 4.2.1 Suggestions on the need for procurement planning.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Valid</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budget control measure</td>
<td>15</td>
<td>45.5</td>
<td>45.5</td>
</tr>
<tr>
<td>planning for implementation of activities</td>
<td>5</td>
<td>15.2</td>
<td>60.6</td>
</tr>
<tr>
<td>Better budget performance</td>
<td>6</td>
<td>18.2</td>
<td>78.8</td>
</tr>
<tr>
<td>Funds absorption</td>
<td>2</td>
<td>6.1</td>
<td>84.8</td>
</tr>
<tr>
<td>Better funds utilization</td>
<td>5</td>
<td>15.2</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>33</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

However there are other suggestions for the need for procurement planning included the following: Budget control measure, planning for implementation of activities, better budget performance and better funds utilization.
# Objective 2: Implications of Poor Procurement Planning

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor procurement planning leads to price escalation or variation.</td>
<td>55</td>
<td>1.00</td>
<td>5.00</td>
<td>4.7818</td>
<td>.71209</td>
</tr>
<tr>
<td>Leads to procuring items that are not needed by the user</td>
<td>55</td>
<td>1.00</td>
<td>5.00</td>
<td>3.8909</td>
<td>.68510</td>
</tr>
<tr>
<td>Doesn’t consider the total cost of ownership of a product.</td>
<td>55</td>
<td>1.00</td>
<td>5.00</td>
<td>3.1273</td>
<td>1.64491</td>
</tr>
<tr>
<td>Poor planning leads to late delivery items</td>
<td>51</td>
<td>1.00</td>
<td>5.00</td>
<td>4.3137</td>
<td>.90532</td>
</tr>
<tr>
<td>Facilitates private economic gain for others without reciprocating benefits to society as a whole.</td>
<td>54</td>
<td>1.00</td>
<td>5.00</td>
<td>2.7778</td>
<td>1.64451</td>
</tr>
<tr>
<td>Poor procurement planning leads to poor quality of goods and services</td>
<td>52</td>
<td>1.00</td>
<td>5.00</td>
<td>4.3846</td>
<td>.86668</td>
</tr>
<tr>
<td>Poor specification building is a result of poor planning</td>
<td>47</td>
<td>1.00</td>
<td>5.00</td>
<td>4.0851</td>
<td>1.19473</td>
</tr>
<tr>
<td>Price variation lead to debt accumulation</td>
<td>53</td>
<td>1.00</td>
<td>5.00</td>
<td>4.1132</td>
<td>.97390</td>
</tr>
<tr>
<td>Poor procurement planning undermines competition amongst providers</td>
<td>55</td>
<td>1.00</td>
<td>5.00</td>
<td>4.0000</td>
<td>1.30526</td>
</tr>
<tr>
<td>Poor procurement planning leads to inadequate clarification of roles and</td>
<td>54</td>
<td>1.00</td>
<td>5.00</td>
<td>3.5000</td>
<td>1.39744</td>
</tr>
</tbody>
</table>
Most of the respondents agreed that poor procurement planning was detrimental to the organization leading to the following:

Price variation ranking the most with a mean of 4.7818. This is in line with arguments of Basheka (2008) who asserts that technocrats have mastered the art of planning. High procurement plan estimates are put to create room for technocrats to negotiate reduced prices with bidders for their own selfish needs. This is a form of corruption. Estimates at times don’t represent the real picture of the cost of an item. Scholars have doubted whether procurement planning process can achieve the real objective of high-quality goods, services, and works at the best optimal price. National Treasury Republic of South Africa (2015) poor demand and procurement planning resulting in large deviations and price escalations. Poor service delivery, shoddy workmanship in construction work is normally brought by poor procurement planning.

Most respondents responded that poor procurement planning leads to late delivery of items with a mean of 4.3137. This is supported by authors like according to Kikwasi (2005) poor procurement planning normally leads to delivery of items beyond the agreed time lines. More to that Fung & Tung (2006) adds this at times leads to slowing down of work because these components are at times needed as inputs to facilitate the on-going work have not arrived. Cohen & Palmer (2004) defines some sources of poor procurement planning as inadequate clarification of roles and responsibilities, poor estimation, poor specification, late delivery and wrong procurement methods.
Majority of the respondents also agreed that poor procurement planning leads to poor quality goods and services which had a mean of 4.3846 meaning that majority of the respondents agreed in the research.

This is in line with Lungisa (2015) poor procurement planning leads to poor development of specifications, wrong decisions taken about items to be procured which eventually leads to poor quality goods being delivered. More so Intaher (2012) some government entities cannot properly describe the need and specify it leading to delivery of substandard products. This has an impact of wrong items which are not needed to be procured leading to loss of funds for government

4.3.2 Other suggestions on implications of procurement planning

<table>
<thead>
<tr>
<th>Valid</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor budget implementation</td>
<td>6</td>
<td>10.9</td>
<td>18.2</td>
<td>18.2</td>
</tr>
<tr>
<td>Audit queries</td>
<td>8</td>
<td>14.5</td>
<td>24.2</td>
<td>42.4</td>
</tr>
<tr>
<td>Poor budget performance</td>
<td>1</td>
<td>1.8</td>
<td>3.0</td>
<td>45.5</td>
</tr>
<tr>
<td>Failure to absorb funds</td>
<td>4</td>
<td>7.3</td>
<td>12.1</td>
<td>57.6</td>
</tr>
<tr>
<td>Late project execution</td>
<td>2</td>
<td>3.6</td>
<td>6.1</td>
<td>63.6</td>
</tr>
<tr>
<td>Poor funds</td>
<td>1</td>
<td>1.8</td>
<td>3.0</td>
<td>66.7</td>
</tr>
<tr>
<td>Utilization</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Poor implementation of activities</td>
<td>1</td>
<td>1.8</td>
<td>3.0</td>
<td>69.7</td>
</tr>
<tr>
<td>Failure to accomplish budget activities</td>
<td>3</td>
<td>5.5</td>
<td>9.1</td>
<td>78.8</td>
</tr>
<tr>
<td>Poor coordination of project activities</td>
<td>6</td>
<td>10.9</td>
<td>18.2</td>
<td>97.0</td>
</tr>
<tr>
<td>Incomplete execution of work</td>
<td>1</td>
<td>1.8</td>
<td>3.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>33</td>
<td>60.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Other implications of poor procurement planning suggested by respondents include the following:

Poor Procurement planning leads to Audit queries, Poor budget implementation, Poor coordination of project activities and failure to absorb funds.
Objective 3: Ways of improving procurement planning

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stake holder involvement is vital in procurement planning</td>
<td>55</td>
<td>1.00</td>
<td>5.00</td>
<td>4.7273</td>
<td>.80403</td>
</tr>
<tr>
<td>Early supplier involvement is vital in procurement planning</td>
<td>55</td>
<td>2.00</td>
<td>5.00</td>
<td>4.0909</td>
<td>.58603</td>
</tr>
<tr>
<td>Compulsory publication of procurement plans can improve planning</td>
<td>55</td>
<td>2.00</td>
<td>5.00</td>
<td>4.6545</td>
<td>.77503</td>
</tr>
<tr>
<td>Market surveys help in proper procurement planning</td>
<td>55</td>
<td>1.00</td>
<td>5.00</td>
<td>4.0182</td>
<td>.82756</td>
</tr>
<tr>
<td>Supplier relationship management is helpful in procurement planning</td>
<td>55</td>
<td>1.00</td>
<td>5.00</td>
<td>3.1091</td>
<td>1.52355</td>
</tr>
<tr>
<td>Identification of desired outcomes and objectives is important</td>
<td>55</td>
<td>1.00</td>
<td>5.00</td>
<td>3.4727</td>
<td>1.58529</td>
</tr>
<tr>
<td>Consolidation of procurement plans is essential for proper procurement plans</td>
<td>55</td>
<td>1.00</td>
<td>5.00</td>
<td>4.5455</td>
<td>1.03312</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>55</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
According to respondents agreed with the following ways of improving procurement planning stakeholder involvement with a mean of 4.7273, compulsory publication of procurement plans had a mean of 4.6545 and consolidation of procurement plans had a mean of 4.5455. This is in line with other authors that supported the above ways of improving procurement planning.

Stakeholder involvement. According to the United Nations handbook (2009) the ultimate goal of procurement planning is a co-ordinated and integrated action to fulfill a need for goods, services or works in a timely manner at a reasonable cost.

More so according to Procurement Transformation Division (2010). Procurement planning can be a complex activity which may require specialist advice and a lot of consultations from stakeholders. Procurement officers should consider the importance of the stakeholders at the preparatory stage. Whether its internal stakeholders or external stakeholder the way they engage stakeholders should be through dialogue. According to New Zealand Government (2011) it’s important to initiate engagement with stakeholders.

Compulsory publication of procurement plans had a high mean response rate of 4.6545 and this was in line with authors who supported that argument.

Darin (2005) who states that publication is an ingredient of transparency. Transparency in the context of public procurement refers to the ability of all interested participants to know and understand the actual means and process by which contracts are awarded and managed. More so Zakon (2013) states that the law that governs the planning of public procurement in India requires publication requirements, in a manner that supports accessibility of the public. It governs the centralization of public procurement. Publication is important in conducting public procurement procedures.
Consolidation of procurement plans is essential for proper procurement planning with a high mean of 4.5455 and this was supported with the arguments from the following authors.

According to Trevor (2009) consolidation helps to reduce costs because of economies of scale enjoyed by buying in bulk. Items like stationery once consolidated can easily be bought.

According to Mitchell (2012) the largest opportunity created by supplier consolidation in procurement planning is financial in form of lower purchased costs. What we mean is that suppliers that have made it through consolidation process are managed in a way that is similar to strategic supplier relationship management.

### 4.4.2 Other suggestions improving procurement planning

<table>
<thead>
<tr>
<th>Valid</th>
<th>Linking field activities with procurement plan</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>5.5</td>
<td>9.7</td>
<td>9.7</td>
</tr>
<tr>
<td></td>
<td>Demand forecasting</td>
<td>1</td>
<td>1.8</td>
<td>3.2</td>
<td>12.9</td>
</tr>
<tr>
<td></td>
<td>System analysis</td>
<td>1</td>
<td>1.8</td>
<td>3.2</td>
<td>16.1</td>
</tr>
<tr>
<td></td>
<td>Planning matrix</td>
<td>2</td>
<td>3.6</td>
<td>6.5</td>
<td>22.6</td>
</tr>
<tr>
<td></td>
<td>Electronic procurement</td>
<td>8</td>
<td>14.5</td>
<td>25.8</td>
<td>48.4</td>
</tr>
<tr>
<td></td>
<td>Stakeholder analysis</td>
<td>3</td>
<td>5.5</td>
<td>9.7</td>
<td>58.1</td>
</tr>
<tr>
<td></td>
<td>Broad consultation</td>
<td>1</td>
<td>1.8</td>
<td>3.2</td>
<td>61.3</td>
</tr>
<tr>
<td></td>
<td>Peer review mechanisms</td>
<td>4</td>
<td>7.3</td>
<td>12.9</td>
<td>74.2</td>
</tr>
<tr>
<td></td>
<td>Proper review of previous plans</td>
<td>6</td>
<td>10.9</td>
<td>19.4</td>
<td>93.5</td>
</tr>
<tr>
<td></td>
<td>Carting out the plans sometime with the</td>
<td>1</td>
<td>1.8</td>
<td>3.2</td>
<td>96.8</td>
</tr>
<tr>
<td>budget</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>-----------------------------</td>
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<td>------</td>
<td>------</td>
<td>------</td>
<td></td>
</tr>
<tr>
<td>Extensive consultation</td>
<td>1</td>
<td>1.8</td>
<td>3.2</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>31</td>
<td>56.4</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Other suggestions from the respondents on ways of proper procurements included the following:

Electronic procurement, Stakeholder analysis, peer review mechanism and proper review of previous plans; these were suggested by respondents on how to improve procurement planning.
CHAPTER FIVE

5.0 Summary of findings, conclusions and Recommendations.

5.1 Introduction
This chapter highlight the summary, conclusion and recommendations that materialized from this project. It also represents areas for further research and improvement to the procurement planning management in Office Of The Prime Minister.

5.2 Summary of the findings.
Majority of the respondents were Administrators (25.5%), The department of Finance And Administration was more involved in procurement planning at 25.4%. Most of the respondents involved in procurement planning were male at 67%, most respondents involved in procurement planning were in the ages of 31-40 years at 56%, 96% of the respondents were graduates, The biggest number of respondents had experience between 6-10 years implying sufficient and reliable information was collected.

The study revealed the need for procurement planning which include enables planners to determine if expectations are realistic, enables combining of requirements resulting into economies of scale and enabling legal compliance.

Respondents had other suggestions on the need for procurement planning which include budget control measure, planning for implementation of activities, better budget performance and better funds utilization.

The study also assessed the implications of poor procurement planning these included: It leads to price escalation, late delivery of goods and Poor quality of goods and services.
Respondents suggested other implications of poor procurement planning like poor budget implementation, Audit queries, failure to absorb funds, poor co-ordination of project activities, failure to accomplish budget activities.

Further more the study looked at ways of proper procurement planning which included stakeholder involvement, compulsory publication of procurement plans and consolidation of procurement plans.

There were other suggestions of ways of proper procurement planning which included linking field activities with procurement plan, electronic procurement, stakeholder analysis, peer review mechanisms, proper review of previous plans.

5.3 Conclusions
In view of the findings of the study, it is thus concluded that the major need for procurement planning to determine if expectations are realistic, enabling combining of requirements resulting into economies and legal compliance. This justifies that procurement planning is really useful for public entities and without proper procurement planning all processes that follow may end up in vain.

The second objective was the implication of poor procurement planning which included price variations, late delivery of items and poor quality goods and services were seen as the major implications of poor procurement planning in this research. It is evident that poor planning is a hindrance to achieving procurement objectives.

The third objective were the ways to proper procurement planning which included stakeholder involvement, compulsory publication of procurement plans and consolidation of procurement
plans. It's important to pick a combination of strategies that will enable proper procurement planning.

5.4 Recommendations
The research recommends that entity should focus on proper procurement planning to make sure there is link between the procurement plan and budget to prevent buying items which are outside the procurement plan.

5.5 Suggestion of future research
Electronic procurement is an area of research in that research that has been suggested by respondents that it can improve procurement planning. It's a new area where government is trying to implement in order to save cost.
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RESEARCH QUESTIONNAIRE

Dear respondent,

Iam Mwanje Joseph conducting study on implications of procurement planning on the public sector. A case study of Office Of The Prime Minister leading to the award of a Masters Degree in Business Administration at Makerere University. To enable me accomplish this task, kindly spare a few minutes of your busy schedule to fill this questionnaire. Your responses will be strictly used for academic purposes only and will be kept confidential. Most questions require ticking the most appropriate options or filling in short answers. I thank you for your assistance.

PART 1: BACKGROUND INFORMATION ON THE ORGANISATION

1. Profession: .................................................................

2. Department: .............................................................

PART 2: BACKGROUND INFORMATION OF THE RESPONDENT.

1. Sex: Male: □ □
   Female: □ □

2. Age: 20-30 years: □ □
   31-40 years: □ □
   41-50 years: □ □
   51-60 years: □ □
   60 and above: □ □

3. Level of education: Primary School: □ □
   Secondary School: □ □
   University: □ □
   Others: □ □
4. How long have you been working for this organization

<table>
<thead>
<tr>
<th>Option</th>
<th>☐</th>
<th>☐</th>
<th>☐</th>
<th>☐</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>☐</td>
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<td></td>
<td></td>
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<tr>
<td>1-5 years</td>
<td>☐</td>
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<tr>
<td>6-10 years</td>
<td>☐</td>
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<tr>
<td>10-15 years</td>
<td>☐</td>
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<td></td>
</tr>
</tbody>
</table>

Part 2: Variable
Please respond to the following statements by indicating how well each statement describes your opinion on the organization. Place a number from 1 (strongly disagree), 2 (disagree), 3 (uncertain), 4 (agree) to 5 (strongly agree).

<table>
<thead>
<tr>
<th>PROCUREMENT PLANNING</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Uncertain</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Need for Procurement Planning</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Enables planners determine if expectations are realistic particularly those of requesting departments.</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>2. Procurement Planning creates strategies for procuring each item</td>
<td></td>
<td></td>
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<tr>
<td>3. Helps to estimate the time required to complete the procurement process.</td>
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<tr>
<td>4. Enables timely delivery of goods</td>
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<td></td>
<td></td>
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<tr>
<td>5. Enables combining of requirements resulting into economies of scale</td>
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<tr>
<td>6. Suppliers are able to identify opportunities</td>
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<tr>
<td>7. Starts the procurement process</td>
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<tr>
<td>8. Facilitates efficient and effective resource utilization in the public sector</td>
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<tr>
<td>9. Procurement planning leads to legal compliance</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>10. Leads to citizen participation</td>
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</tr>
</tbody>
</table>

Can suggest any other need for procurement planning apart from those mentioned above.

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................................................................................................................................................................................
<table>
<thead>
<tr>
<th>PROCUREMENT PLANNING</th>
<th>Implications of poor procurement Planning</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Poor procurement planning leads to price escalation or variation</td>
</tr>
<tr>
<td>2</td>
<td>Leads to procuring items that are not needed by the user</td>
</tr>
<tr>
<td>3</td>
<td>Doesn’t consider the total cost of ownership of a product</td>
</tr>
<tr>
<td>4</td>
<td>Poor planning leads to late delivery of items</td>
</tr>
<tr>
<td>5</td>
<td>Facilitates private economic gain for others without reciprocating benefits to society as a whole</td>
</tr>
<tr>
<td>6</td>
<td>Poor procurement leads to poor quality goods and services</td>
</tr>
<tr>
<td>7</td>
<td>Poor specification building is as result of poor planning</td>
</tr>
<tr>
<td>8</td>
<td>Price variations lead to debt accumulation</td>
</tr>
<tr>
<td>9</td>
<td>Poor procurement planning undermines competition amongst providers</td>
</tr>
<tr>
<td>10</td>
<td>Poor procurement planning leads to inadequate clarification of roles and responsibilities</td>
</tr>
</tbody>
</table>

State any other implication of poor procurement planning other than that those stated above.

........................................................................................................................................................................

........................................................................................................................................................................
<table>
<thead>
<tr>
<th>Ways of proper procurement Planning</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Stakeholder involvement is vital in procurement planning</td>
</tr>
<tr>
<td>2. Early Supplier Involvement is vital for procurement planning</td>
</tr>
<tr>
<td>3. Compulsory Publication of procurement plans can improve planning.</td>
</tr>
<tr>
<td>4. Market surveys helps in proper procurement planning.</td>
</tr>
<tr>
<td>5. Supplier relationship management is helpful in procurement planning</td>
</tr>
<tr>
<td>6. Identification of desired outcomes and objectives is important</td>
</tr>
<tr>
<td>7. Consolidation of procurement plans is essential for proper procurement plans</td>
</tr>
</tbody>
</table>

Can suggest any other way of proper procurement planning apart from those above.

..........................................................................................................................

..........................................................................................................................