Impact of Public Procurement Practices on Organizational Performance: A Study of Bureau of Public Procurement, Abuja, Nigeria

Obasa, JO and Gado, ND

Abstract

Procurement or Supply Chain Management has the potential to reduce cost and add value to an organization. Public institutions in Nigeria are bedeviled by high corruption, bureaucratic bottlenecks and poor performance. This study looked at the role of procurement practices on organizational performance using the Bureau of Public Procurement, Abuja as a case study. The study employed linear regression to analyse the empirical data. The results of the analysis showed that contract monitoring and evaluation have no significant effect on the performance of the Bureau for Public Procurement. However, the study showed that contract review is positively and significantly related to organizational performance. Last, the study showed that supplier choice has impact positively and significantly the value output of the national bureau of public procurement. On the bases of the findings, it is recommended that ICT is employed to reduce wastages and add more value to the Bureau of Public Procurement, Abuja. The government should monitor and audit the tendering procedures to ensure transparency and accountability for the effectiveness and efficiency of the organization.

Keywords: Public procurement, Contract monitoring and evaluation, Contract review, Supplier selection, Organisational Performance

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I. Introduction

There is increasing pressure from the business environment for organizations to constantly up their games so as to remain competitive. Any operation or practice that can improve performance and stay at it is worth considering. Amongst such operations that have been considered ‘supplier chain management’ or ‘procurement management’.

Chopra and Meindl (2020) suggest that a well-organized supply chain management is capable of reducing the cost stocks. A well-managed inventory, apart from reducing cost shortens the period of waiting for stocks with the combined effect of improving overall company performance.

As supply chain management evolves, organizations are moving away from unit cost consideration to overall cost or ‘total cost ownership’ and superior value. This is so because it has been discovered that firms that took this line end up with better productivity, substantial savings and superior financial results (Chopra & Meindl, 2020). Sollish and Semanik (2022) stated that a company’s procurement practices are the things it does to make sure that its supply chain is managed in an effective and efficient way.

Government organizations worldover are re-examining their procurement strategies in the light of increasing evolution of the business environment so to capitalize on changing market forces and not be injured by them. Procurement management is one of such strategies as it is believed that it has the potential to help public sector organizations to improve value addition through improving efficiency (Mokogi, et al 2015).

In the developing World, public procurement occupies a very significant position which appear to be increasing in the sense that a substantial percentage of the total money spent goes to procurement (Basheka, 2021). In view of the huge amount involved in public procurement and the fact the it is public money those entrusted with the responsibility need to be transparent and accountable (Gado, 2021). A well-developed procurement strategy that is properly implemented is the panacea for a corrupt public sector and the guarantee for receiving worth for any money spent (Basheka, 2021).

Notwithstanding the potential benefits a properly developed and implemented procurement strategy shown by various authors (Chopra & Meindl, 2020; Sollish and Semanik, 2022; Basheka, 2021; and Gado, 2021), most government institutions in Nigeria are still bogged down by lengthy bureaucratic processes in
procuring inputs and services. This results in increased cost, poor productivity and leakages which weigh heavily on the National budget instead of the required strategy that will lead to improved public financial performance and management (Kiage, 2016). Sub-optimal practices in procurement have resulted in interest piling up on account of delayed payment. Delays have also resulted in contracts being caught up by price changes leading renegotiations. The resultant increase in cost has created payment difficulties in view government dwindling financial position. (World Bank, 2021).

It would appear that insufficient attempts have been made to analyse the challenges confronting procurement in the public sector and how these challenges rub off on the performance of the Bureau of Public Procurement and by extension the public service as a whole. The study collected and analyzed empirical data from the Bureau of Public Procurement with a view to understanding the challenges and how they relate to performance.

The following research questions were put for to bring home the problem of the study:

i. To what extent has contract monitoring and evaluation affected organisational performance of Bureau of Public Procurement?

ii. What impact does contract review have on organisational performance of Bureau of Public Procurement?

iii. How has supplier selection impacted on organisational performance of Bureau of Public Procurement?

In line with the research questions, the study targeted the foregoing operational objectives:

i. determine the effect of monitoring and evaluation on the performance of Bureau of Public Procurement;

ii. ascertain the impact of Contract Review Supplier Selection on the performance of Bureau of Public Procurement;

iii. assess the determining power of on the performance of Bureau of Public Procurement

Hypotheses for this paper are stated in a null form as shown below:

- $H_0$: Contract monitoring and evaluation do not significantly impact on the performance of Bureau of Public Procurement
- $H_0$: Contract review does not significantly affect the performance of Bureau of Public Procurement
- $H_0$: Supplier selection has not significant determined the performance of Bureau of Public Procurement

II. Review of Related Literature

Conceptual Review

Concept of Procurement: Procurement can be viewed as buying and taking possession of appropriate stocks of materials, parts and services at prices that are cost-effective at the optimum possible total cost in the correct amount and quality. This may imply timing the purchase so as to get the most competitive deal. Harland (2021) sees considers procurement as interconnected fraternization of levels of suppliers with an organization along the procurement chain. This chain connects the organization to its source of supplies. To obtain the maximum benefits from the process the various relationships have to be managed.

To effectively managed the chains of relationships an organization should institute programmes that lead to the satisfaction of each level. This has the combined effect of enhancing value in a win-win situation (Wong et al., 2020). This may involve ensuring that the appropriate technologies are employed through continuous feedbacks and information exchange. Technologies may require operations connectivity in a supplier-customer combination (Chow et al., 2018).

According to Cole (2017), managing the entire process brings about cordial buyer-supplier relationship. The configuration of relationships, the value/volume of transactions involved differ between organizations and between product or service. All these may tinker with the details of the procurement bringing some differences between companies and government.

Contract Monitoring and evaluation

Contract monitoring and evaluation affords and organization the opportunity to detect possible risk early on time. Information needs to be available from the process to be able to identify danger areas. This also requires top level collaboration between various levels of the organization. An effective monitoring and evaluation process needs to be in place (Ward, 2021). This should cover identifying the issues to be monitored and the officers to do the monitoring, unifying the information gathered and making them accessible, analysing and making meanings from the data gathered, taking proactive actions to improve contract performance, and upgrading the contract monitoring mechanism with time as experience is obtained (Greaney, 2021).
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Contract Review

Contract review is the process of examining in details the content of a contract with a view to spotting areas of ambiguity and/or encumbrances so to clarify and remove such entangling clauses before the contract is entered into (Global, U.S, U.K, 2020). In reviewing a procurement contract, clauses, terminologies, dates, signing and any blank spaces should be scrutinized. Statements relating to expiration, renewal and defaulting should be critically examined. To ensure that nothing unfavorable slips unnoticed, there should be multilevel review. Enough time should also be devoted to the review and this should be done frequently using any available technology (Contract Counsel, 2021)

Supplier Selection

This is the process of identifying suitable suppliers that will minimize risk of supplies and eventually increase returns to an organization. The selection process is part of a holistic Supplier Chain Management (SCM) spectrum (Atheros & Brard, 2019). Organizations need to develop programmes for supplier selection and not follow rule-of-the-thumb in selecting suppliers. This is so because having the right caliber of suppliers and developing a long-term relationship with them has immense long-term benefits (Ward, 2021). Such programmes should cover having a clear idea of what the suppliers are to do, establishing the requirements to be made to do a good job, and using the criteria to select from shortlisted potential suppliers (Taherdoost & Brard, 2019)

Concept of Organizational Performance: In the opinion of Armstrong (2006), performance can be from the angle of ‘output’ which may in the form achieved goals. Superior performance usually proceeds from deliberate and willing behaviour that is supported by certain know-how, information and expertise. Performance criteria differ from the organization and the work being evaluated. refers to the accomplishment of goals and the methods used to do so. High performance is the outcome of proper conduct, particularly discretionary conduct, and the efficient application of the necessary knowledge, skills, and competences. Depending on who is engaged in the evaluation of organizational performance, performance might be interpreted differently. Performance can also be from the boundaries of the organization or outside. (Lebans & Euske, 2016). To define the idea of performance, it is important to know the parts and traits of each duty area. According to Petkovic (2018), in order to determine how well an organization is performing, you must be able to measure the results; and as such, performance is viewed as the act of carrying out an action, achievement, or accomplishment effectively. According to Cascio (2016), "performance" is the labour done by individuals inside an organization to increase effectiveness. The expert said that organizational performance is made up of three different parts of how well a company does: financial success, how well products do on the market, and how much money shareholders get back.

According to Robbins (2019), managing performance for proper outcomes requires an outline of targets to be achieved and a checklist of quality required. These can then be applied to all individuals and groups. Individual performance is measured differently from organizational performance though and organization with high performing individuals will lead to a high performing organization. A high performing organization creates an environment that facilitates the conversion of inputs into outputs (Santos & Brito, 2022). Trade (2020) identified six major performance yardsticks which are noted that the majority of performance measurements might be divided into six broad categories: ‘effectiveness, efficiency, cost, quality, timeliness, innovation, and productivity’. This definition was used in this study. Therefore, the six characteristics are used to assess organizational performance.

Theoretical Review

Partner Selection Theory: Saffu and Mamman (2000) believes that the picking of supplier is driven by the needs of the organization. Organizations are, therefore deliberate in looking for vendors that will give them what they want. Such suppliers should have the capacity to meet the needs, specifications, timeliness, and prescription of the organization (Saffu & Mamman, 2000). Antecedents of behaviours are used rationally predict suppliers that will satisfy these requirements. The individual relationships that have existed between top-level managers of an organization also influence the choice of suppliers (Barringer & Harrison, 2000). This is line with the saying that the devil you know can be handled better than an angel that nothing is known about.

The study draws more from the partner selection theory in the sense that suppliers should be carefully and deliberately chosen using criteria that will assure superior performance considering the fact that a long-term relationship with such suppliers amplifies the benefits of the relationship.

Resource Based View (RBV) Theory: Wenerfeldt (1984) first postulated this theory. It holds that the performance of a firm is greatly influenced by the possession and deployment of certain resources that considered strategic. This is a further extension of the industry view that believes that the performance of an organization is a function of the type of industry that it belongs (Peteraf & Barney, 2003). The RBV, therefore, explains the variation in performance of firms in the same industry. It is the possession of strategic resources that are ‘valuable, rare, not easily imitated and non-substitutable’. The quality of the resources and the manner in which they are deployed do not only procure ‘competitive advantage’ but ensures that such advantages are
sustained for a very long period (Peteraf & Barney, 2003). Strategic resources are usually a matrix of both visible and invisible inputs that are uniquely integrated. The quality of source resources and the fact that they are uncommonly combined make their imitation or substitution near-impossible. The only way an organization can obtain such combinations is to acquire the entire organization which is not easy to do (Wong & Karia, 2010).

The RBV theory is relevant to this study in the sense that suppliers that have strategic resources should be targeted. Their resources do not only guarantee better performance ensures that such performance is sustained for a longer period.

**Empirical Review**

Homburg, et al (2013) looked at ‘corporate social responsibility in business-to-business markets and how organizational customers account for supplier CSR engagement’. Using descriptive research design, they did a census study on a population of public company workers. With the help of questionnaires as instrument primary data were collected and analysed. From the descriptive statistics inferences were made with the help of tables, charts, and graphs. The study showed procuring organizations influence the performance of suppliers by moderating on the latter’s level of commitment.

In a study of the effect of ‘supplier management strategy on organizational performance of ISO 9001 certified organizations’, Fonseca and Lima (2020) showed positive connections between organizational strategy and supplier disposition; between supplier disposition and ‘stakeholder satisfaction’; and between ‘stakeholder satisfaction and organizational performance’. Questionnaires with open-ended instruments were employed to collect data. The data were analysed using regression method.

Osipova and Eriksson (2013) studied combining control and flexibility to manage risk. Using qualitative method data generation and analysis, they found that the profitability of a project can predicted ahead of time.

Hoffmann, et al (2021) looked at contract examination, supply risk management and their impact on performance using descriptive survey design. Data collected from the administered Questionnaires were analysed with the help of tables. It was found that reviewing contracts on time and selecting suppliers carefully improves organizational performance.

In a study of ‘the implications for procurement strategic sourcing research and organisational performance’, Ketchen, et al (2014), using a combination of quantitative and qualitative methods showed that ‘strategic sourcing’ is crucial to acquisition decisions carried out a study on if the organization is to obtain value and have a competitive advantage over rivals.

Wambua and Kagiri (2019) looked at ‘the role of procurement practices in the organizational performance of multinational companies in Kenya’. Using a descriptive case study research design with a statistical method, data from administered-questionnaires were analysed. ‘Contract monitoring and evaluation, information and communication technology, supplier partnership, strategic outsourcing, and procurement risk management were found to’ positively affect ‘organizational performance’. The Company, Corporation exhibited efficiency in the procurement process through timely delivery. The procurement process was simplified and the relationship with the suppliers was properly managed leading to superior performance. The Company carried user departments along in the procurement process. Periodic review of the procurement process ensured that the changing needs of customers were incorporated in the process.

**III. Research Methodology**

**Research Design:** The study utilized the survey design where subjects were studied as they were in their natural environment. It was also cross-sectional in the sense that it was carried out once at a particular period in time looking back. There was no attempt to control the subjects of the study (Mugenda, 2008). Being a case study, the study concentrated on the Bureau of Public Procurement in Abuja, Nigeria with all its branches.

**Population and Sample:** Quota sampling and simple random sampling techniques were applied in choosing the respondents. Quota sampling was used because the population was structured into various categories whose units might not be homogeneous.

Using the Smith (1984) sample size determination formula, the sample size was arrived at as follows:

\[
n = \frac{N}{3 + N(e)^2}\]

Where;
\[n = \text{the size of the sample}\]
\[N = \text{the size of the population}\]
\[e = \text{the error level}\]
\[3 = \text{a constant number}\]

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Table 1: Population of Surveyed Staff in Bureau of Public Procurement

<table>
<thead>
<tr>
<th>S/N</th>
<th>Units</th>
<th>Population of Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Bursary</td>
<td>294</td>
</tr>
<tr>
<td>2</td>
<td>Registry</td>
<td>328</td>
</tr>
<tr>
<td>3</td>
<td>Internal Audit</td>
<td>274</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>896</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2022

The Smith, (1984) formula for determination of sample size is given, we have:

\[ n = \frac{N}{3 + N(e)^2} \]

\[ n = \frac{896}{3 + 896(0.05)^2} \]

\[ n = \frac{896}{3 + 896(0.0025)} \]

\[ n = \frac{896}{3 + 2.24} \]

\[ n = \frac{896}{5.24} \]

\[ n = 171 \]

Kumar (1976) proportional allocation formula was applied to give every unit a fair representation and thus:

\[ nh = \frac{nN_h}{N} \]

Where:

\[ nh = \text{number allocated each unit} \]

\[ n = \text{total sample size} \]

\[ N_h = \text{total population of each unit} \]

\[ N = \text{overall population} \]

Applying the formula, we have:

Table 2: Selected Sample of Surveyed Staff in Bureau of Public Procurement

<table>
<thead>
<tr>
<th>S/N</th>
<th>Units</th>
<th>Population of Staff</th>
<th>Sampled Per Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Bursary</td>
<td>294</td>
<td>[ \frac{171 \times 294}{896} = 56 ]</td>
</tr>
<tr>
<td>2</td>
<td>Registry</td>
<td>328</td>
<td>[ \frac{171 \times 328}{896} = 62 ]</td>
</tr>
<tr>
<td>3</td>
<td>Internal Audit</td>
<td>274</td>
<td>[ \frac{171 \times 274}{896} = 53 ]</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>894</td>
<td>171</td>
</tr>
</tbody>
</table>

Source: Sampling from Field Survey, 2022

Method of Data Collection: Data were collected with the help of Questionnaires which required respondents to tick from options that were graded on the Likert scale of strongly agreed, agreed, undecided, disagree, and strongly disagreed. These were graduated from 5 to 1 from strongly agreed to strongly agreed in that order. The instrument was validated through peer review and the reliability assured using the split-half method with a correlation of 0.76.

Method of Data Analysis and Model Specification: Using the descriptive statistics, which quantifies the variables (Mugenda & Mugenda, 2008), the statistics were regressed by the ordinary least square (OLS) simple regression method. The regression indicated the nature of relationship between the Independent and dependent variables. The t-statistics of the regression were used to test the hypotheses put forth.

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The preference for the use of the regression estimation method is because it gives both the magnitude and direction of the effect of the independent variable on the dependent one. In notational form the model used is here specified:

\[ OP = \pi_0 + \sum_{i=1}^{t} \pi_i CME + \sum_{i=1}^{t} \pi_2 CR + \sum_{i=1}^{t} \pi_3 SS + \mu_i \]  

(1)

Where:

- \( \pi_0 \) = the autonomous measure (Intercept or constant)
- \( \pi_1, \pi_3 \) = The coefficients of the variables (contract monitoring and evaluation, contract review, supplier selection)
- \( OP \) = Organisational Performance
- \( CME \) = Contract Monitoring and Evaluation
- \( CR \) = Contract Review
- \( SS \) = Supplier Selection
  
\[ \sum_{i=1}^{t} \] = Sigma Identity for summation

\[ \mu_i \] = Error term

IV. Results and Discussion

Descriptive Statistics Results

Results from the descriptive statistics are captured in Table 3.

<table>
<thead>
<tr>
<th>Table 3: Descriptive Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>OP</td>
</tr>
<tr>
<td>-----</td>
</tr>
<tr>
<td>Mean</td>
</tr>
<tr>
<td>Std. Dev.</td>
</tr>
<tr>
<td>Skewness</td>
</tr>
<tr>
<td>Kurtosis</td>
</tr>
<tr>
<td>Jarque-Bera</td>
</tr>
<tr>
<td>Probability</td>
</tr>
<tr>
<td>Observations</td>
</tr>
</tbody>
</table>

Source: Researchers’ Computation, 2022

The descriptive statistics showed, on the average, magnitudes of 2.97 for organisational performance (OP) and 2.85 for contract monitoring and evaluation (CME). Contract review (CR) has a magnitude of 2.60 while supplier selection (SS) is 2.85 as shown in Table 1.

Three of the variables (OP, CME, and SS) have negative skewness meaning that the distribution is tilted to the left. Contract Review (CR), however, has a positive under skewness meaning that the distribution is tilted to the right. Variables having kurtosis values of more than 3 are judged to be slim or long-tailed (leptokurtic) while those with values below 3 are considered fat or short-tailed - platykurtic (Hair et al., 2010; Bryne, 2010). From the statistics in table 3, all the variables, except Organizational Performance, are short-tailed or platykurtic since they have kurtosis values below 3. Organizational Performance with kurtosis value of 3.52 is long-tailed or leptokurtic.

The Jarque-Bera statistic indicates the normality or otherwise of any distribution. All the variables were found to be normally distributed. The Jaque Bera values were between -2 and +2 for all the variables. For small samples (less than 2000), Jaque Bera values should be less than 1.96 (George & Mallery, 2010). None of our values were more than 1.96. Similarly, the Kurtosis were found to be between -7 and +7 (Hair et al., 2010; Bryne, 2010). All these suggested that our data were normally distributed.

Regression Results and Test of Hypotheses

The three hypotheses were tested for significance using 5%. The p-value of t-statistics were the bases of rejecting or failing to reject the null hypothesis. Values that were less than or equal to 5% led to the rejection of the null hypothesis and the consequent acceptance of the alternate hypothesis.

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Table 4: Regression Result

<table>
<thead>
<tr>
<th>Method</th>
<th>OLS-Approach</th>
<th>No. of obs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Source</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Model</td>
<td>Sum of Square</td>
<td>DF</td>
</tr>
<tr>
<td></td>
<td>6.529</td>
<td>3</td>
</tr>
<tr>
<td>Residual</td>
<td>2.133</td>
<td>169</td>
</tr>
<tr>
<td>Total</td>
<td>8.662</td>
<td>171</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OP</th>
<th>Coef.</th>
<th>Std. Err.</th>
<th>t(pv)</th>
<th>[95% Conf. Interval]</th>
</tr>
</thead>
<tbody>
<tr>
<td>_Cons</td>
<td>3.25221</td>
<td>1.00557</td>
<td>3.23352(0.0011)</td>
<td>1.9521442</td>
</tr>
<tr>
<td>CM</td>
<td>0.24589</td>
<td>0.12966</td>
<td>1.89633(0.0992)</td>
<td>0.0241543</td>
</tr>
<tr>
<td>CR</td>
<td>0.36996</td>
<td>0.13441</td>
<td>2.75241(0.0033)</td>
<td>0.2548754</td>
</tr>
<tr>
<td>SS</td>
<td>0.14522</td>
<td>0.05651</td>
<td>2.56968(0.0045)</td>
<td>0.2115435</td>
</tr>
</tbody>
</table>

Source: Researchers’ Computation, 2022

The f-statistic was used to assess the combined power of independent variables at predicting the independent variable at 5%. This was good as the probability was less than 5%., the study sought to investigate the joint impact of the multiple regression model to know whether it was valid or not. The study found out that the model was valid F (3, 171) = 10.192, P<0.0000. Therefore, this implies that all the three predictors (contract monitoring, contract review, and supplier selection) variables are good in explaining variation in organisational performance.

The study ascertained how fitted the model is from the R statistic. The R squared of 0.8655 showed the joint power of the independent variables in determining the dependent variable. This implied that 86.55% of the performance of Bureau of Public Procurement is explained by contract monitoring, contract review, and supplier selection. The variation in performance that the model could not explain is 13.5% representing the noise term of the model.

The Durbin-Watson statistic of 1.9566 suggests the absence serial or autocorrelation as it is within the acceptable band of 1.7 to 2.5. The measures of the variables are, therefore, reliable with no serious distortion as a result of correlation between them. Their relationship with the dependent variable can, therefore, be taken for what they are making the measures of determination between procurement practices and organizational performance reliable for decision making.

Contract Monitoring & Evaluation and Organisational Performance

H01: Contract monitoring and evaluation has no significant impact on organisational performance. Table 4 reveals that contract monitoring and evaluation have no significant influence on organizational performance. Our t-statistic of 1.89633 has a probability of 0.0992 which is greater than 5% suggesting that the effect is not significant being a random occurrence. We, therefore, unable to reject the null hypothesis. We reject the alternate hypothesis (H01) that states that contract monitoring and evaluation has a significant effect on the performance of Bureau for Public Procurement.

Contract Review and Organisational Performance

H02: Contract review has no significant impact on organisational performance

The contract review probability of 0.003 is less than the 5% rejection threshold of our null hypothesis. We, therefore, reject the null hypothesis and accept the alternate which states that contract review has a significant impact on organizational performance. Our t-statistic of 2.75241 suggests that for every unit increase in contract review, the performance of Bureau for Public Procurement improves by 2.75. The Bureau should pay close attention to contract review so as to improve its performance.

Supplier Selection and Organisational Performance

H03: Supplier selection have no significant influence on organisational performance

Table 4, however, indicated that supplier selection significantly impacts on the output of an organizational with a t-statistic statistic 2.56968 and a probability of 0.0045 which is less than our stipulate probability of 5%. Null hypothesis 3 is, therefore, rejected and the alternate accepted. It means that a unit increase in supplier selection has the potential of improving performance by 2.57 units.
V. Discussion of Findings

From the study, it was established that contract monitoring and evaluation has not significantly impacted the performance of the bureau of public procurement. Lack of proper monitoring of contract and supply has not helped project implementation targeted at money valuation and corruption reduction. The study further revealed that public procurement agencies have not contributed to a reduction of impost and make-belief projects neither have they improved on the quality of service. and improvement in quality of service. This slightly divergent findings are in contrast with the work of Wambua and Kagiri’s (2019) who showed that information and communication technology, contract monitoring and evaluation, and supplier partnership all have a positive and significant effect on organizational performance. The contexts of the two studies may explain the asymmetry in the findings. Kenya has a better transparency ranking than Nigeria (Nigeria = 154, Kenya = 128, transparency.org, 2021). This may make contract monitoring and evaluation to be resisted more in Nigeria than in Kenya (Gado, 2021). The efforts may, therefore, lead to a significant improvement in performance in Kenya and an insignificant improvement in Nigeria.

However, the study discovered that contract review was positively and significantlyrelated to organizational performance. The implies that contract review and long-term planned has a key position in deciding on in-bound logistics that will improve outcomes and give superior position of the organization among its peers. This is in-line with Hoffmann, et al (2021), whose study findings suggest that timely contract reviews and proper picking of suppliers coupled with proper maneuvering to reduce risk enhance the performance of the organization.

As indicated by the study, supplier picking positively and significantly affect the performance of the National Bureau of Public Procurement. High performing suppliers were chosen which strategically rub off on ‘effectiveness and efficiency’. It demonstrated proper resource deployment and good project execution with the combined effect of higher organizational performance. This strategy was also found to have reduced cross-current interest among suppliers and organizational decision makers. This is in agreement with the work of Fonseca and Lima (2020), whose study showed a symmetric alignment between supplier picking, supplier disposition and organizational outcome.

VI. Conclusion and Recommendations

The importance of procurement practices to an organization with regards to above-colleagues advantage and superior performance appear to be untapped by most government parastatals in Nigeria. The important processes of both procurement and purchasing are often skipped. This study thus examined the effect of procurement behaviour on outcomes in the Bureau of Public Procurement in Nigeria. The results showed that contract review, and supplier selection all impacted outcomes positively and significantly in the National Bureau of Public Procurement. However, due to lack of effective contract monitoring and evaluation, coupled with poor transparency ranking, has not significantly enhanced the performance of the Bureau of public procurement. As such, the organization needs to come up with a strategic plan of action with regards to its surveillance and examination of contracts so as to tap the fruits of ‘supply chain management’ which is enhanced performance.

Based on the findings, the following recommendations were made:

i. The research work established that contract monitoring and evaluation significantly affect implementation of project, and therefore there is the need for ICT adoption to provide for more development and less wastage in the organisation for sustainable performance. This will help reduce the incidence of corruption among stakeholders involved during project implementation in the organization.

ii. As regards to contract review, there is the need to ensure that outstanding contracts are timely reviewed for long-run sustainable performance. The government should scrutinize and probe the bidding mechanism to bring in openness and fairness as these will improve effectiveness and efficiency of the organisation.

iii. The public procurement agency also needs to tackle the problem of conflicting interest between the management and the outsiders when dealing with the supplier selection and project implementation section. This will help ensure effective service delivery and efficiency that sustains organisational performance. The public procurement agency also needs to advance more to the green procurement in project implementation and quality projects are achieved at the long run which is beneficial to the organisation.

References


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