

Evaluation of Critical Factors Influencing Framework Agreement in Public Procurement: Evidence from Administrative Offices in Ethiopia



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ABSTRACT

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The purpose of this study is to determine the factors influencing framework agreement in public procurement in the case of Siltie Zone Administrative offices, Ethiopia. To achieve this objective, this study used explanatory research design and quantitative research approach. The study used a survey questionnaire as a tool for data collection with the use of census sampling technique and applied multiple linear regression analysis for the data analysis. The results of the study found that corruption and organizational factors have a significant positive impact on framework agreement. On the other hand, the social factors found to be insignificant in the study. By looking at the influence of independent variables on framework agreement, the study ensures the core issues in public procurement offices which affect the government budget. The researchers recommend that government needs to work on the troubled agency involved in the wastage of a large portion of the government budget. The study adds to the current body of knowledge in framework agreement research. Furthermore, concerned bodies can utilize the findings of this study as a guide to comprehend the significance of framework agreement in taking appropriate measures.

1. INTRODUCTION

Material is the lifeblood of any business, and purchasing is responsible for ensuring that it flows properly. Establishing specifications, selecting suppliers, determining price, and negotiating are all functions of procurement [1]. Purchasing, employing, or getting commodities, works, consulting, or other services by any contractual means are referred to as procurement Ethiopian Procurement and Property Administration [2]. It is done in all facet of life, from the farmer to the banker and from the private to the public. Procurement by a public body employing public funds is referred to as public procurement [2]. Ethiopian public procurement began in 1940 E.C., according to Tesfahun [3], citing the Ethiopian Procurement and Property Administration Agency, with the purpose of acquiring military equipment and supplies for soldiers. Purchasing public goods and services, on the other hand, amounts for 64 percent of the budgets of multiple government institutions, according to the Ethiopian Procurement and Property Administration Agency Report [2].

Procurement has a significant impact on development, according to the World Bank [4], because resources are typically used to purchase goods, works, or services that are critical to the project's development goals (PDOs). Public procurement accounts for 10 to 20% of a country's GDP, and the risk of fraud and corruption has an impact on PDOs. Thus, as a result, proper public procurement management entails effectively allocating a considerable quantity of resources to meet the organization's objectives.

As a result of their involvement not just as regulators, but also as customers and significant purchasers with the potential to influence market decisions, governments around the world

have more or less become active stakeholders in the market economy.

Governments in both rich and developing countries are now the greatest buyers and sellers of commodities and services. According to Tukamuhabwa [5] Government agencies have always been large customers with large expenditures using a huge budget. Public procurement is becoming increasingly important in the delivery of services in developing countries. Basheka and Bisangabasaija [6] also accounts for a significant share of total spending. Ethiopia is one of a developing country in the world and Public procurement is a recent phenomenon. As noted by Tassabehji and Moorhouse [7], "Procurement is a strategic component of many organizations and may be considered a key component".

To regulate the public procurement procedures, the Federal Democratic Republic of Ethiopia brought Procurement and Property Administration Proclamation No. 649/2009. These provisions empower the Public Procurement and Property Disposal Service, a central government body established by Council of Ministers Regulation No. 184/2010, to ensure the timely supply of goods and services commonly used by public bodies, as well as goods and services of national importance, in the desired quality and at prices attributable to economies of scale resulting from bulk purchases.

The federal public procurement and property disposal agency is public organization under the federal level engaged in procurement and material disposal. The authority procurement unit is organized under different important departments which is different from other public sector procumbent unit to supply the requested material to different minister and zonal offices). The government of Ethiopia decided to organize an agency to ensure a vital implementation

with an integrated public property administration to ensure that public property, in which a large amount of public money is invested, is used in such a way that the government derives maximum advantage from it and modernizes its management. (Proclamation No. 649/2009). Making procurement centrally or by framework agreement can achieve value for money, standard items for all beneficiaries, quality product, and least price from large or bulk purchase, minimizing piecemeal purchase and reducing corruption (Proclamation No. 649/2009). However, the reality reveals an inept process, with a slew of issues in the domain of central procurement/framework agreements, including professional integrity, quality of procured commodities, procurement policy and procedure, purchasing contract, and after-sales service. There are several complains by beneficiaries in the framework agreement in terms of quality, spare components, long lead time, transportation and technical evaluation costs, large bureaucracy to acquire the material. In addition to that, the price of the product or goods that the public procurement is purchasing is higher compared to the market price. The Siltie administration's zone and Wereda finance offices deploy a major chunk of the annual budget, identifying the procurement problem but unable to come up with alternatives.

Government strategic goals differ from those of the private sector, and their separate purchasing goals will differ as well [8]. The need to practice and exhibit equity, democracy, public accountability, efficiency, competitiveness, balancing stakeholder interests, and managing the associated political processes and telecommunications drives the strategic goals of public-sector companies, while the incentive to maximize profit and shareholder value drives the strategic goals of private-sector companies [8]. Public procurement decisions are influenced by a complicated network of individuals and stakeholders, each of whom has little influence over the strategic aims of the others [9]. The investigator should examine the content of the variables that have high loadings from each factor to see if they fit together conceptually and can be named [10].

The study has an importance for the government offices that have public procurement trouble and the stakeholders. In addition to that, the researchers will address additional issues relating to the problem areas with possible recommended solutions. The solution of the addressed problem will be through admitting the problem from the concerned offices and taking corrective action. Finally, researchers and academicians will find it an addition value to the literature in its field.

2. LITERATURE REVIEW

2.1 Social factors determining public procurement

2.1.1 Education of a society and public procurement

Education has a significant impact on society happiness. Individuals with a higher education earn more money and have a better chance of finding work. They live longer, have better health, and are less likely to develop chronic diseases and disabilities. Individuals with a greater level of education are also more politically active and involved in their communities. They commit fewer crimes and are less reliant on government assistance. On a societal level, better education leads to stronger GDP growth, more tax revenues, and reduced social spending.

As discussed in the OECD Public Governance Reviews, a

society's degree of education has a significant impact on public procurement. Increasing workforce skill levels contributes to both well-being and economic growth through increased (and higher quality) labor market participation. Furthermore, easy access to (high-quality) education can have an impact on a society's work ethic as well as citizen attitudes toward government policy (like public service or tax compliance).

Renu and Githa [11] provide a comprehensive review of research in the areas of capacity management strategies (CMS) for product-based and services-based supply chains as they pertain to the services industry. CMS has been identified as a neglected supply chain discipline, especially in view of the increasing shift from goods to services supply chains (SSCs). After four layers of screening of 6,328 records of citations and reading of 664 papers, 133 papers were reviewed in detail. The scope of the review encompasses both products and services, across regions, and across all elements of trade (assets, information, knowledge, and relationships), as well as research conducted using diverse approaches. The findings highlight research gap that exists in developing economies for adapting network-based supply chain structures, as well as the need to bring together research from disciplines such as services marketing, manufacturing supply chains, industrial engineering, and operations management to provide methodical approaches to SSC capacity management.

An initial literature review finds supply management not to be a discipline, as the field lacks quality of theoretical development and discussion, and coherence. Tests for increasing evidence of coherence, quality and impact yield positive results, indicating that supply management is progressing in its theoretical development. The test findings combined with the existence of the start of a discipline-debate indicate that supply management should be judged to be an emerging discipline [12].

Rakesh et al. [13] Their investigation aimed to examine the performance of existing suppliers in order to streamline the supplier base and identify top strategic suppliers capable of meeting market demand. For analyzing the selection criteria and rating the selected vendors, the analytic hierarchy process (AHP) was used. For ranking suppliers based on the weights of the criteria acquired from the AHP evaluation approach, the technique for order preference by similarity to ideal solution (TOPSIS) was used. The results of both techniques were compared, and the best vendors were identified. Finally, a gap analysis was conducted between the AHP and TOPSIS approaches to establish the most effective ranking tool. The study's findings revealed that volume flexibility is the most important evaluation parameter, with supplier 'VA' being the best of all.

The performance of national economies and societal well-being are heavily influenced by public sector productivity. To begin with, the government is a large direct provider of goods and services. At the same time, public investment improves access to educational and medical facilities for individuals while also improving the quality of public services in these fields.

2.1.2 Women involvement in public procurement

World Economic Forum's Gender Gap Report showing a positive correlation between gender women's empowerment, GDP per capita, and human development [14]. In a worldwide perspective, according to an OECD analysis from 2014, women in the EU hold fewer than 22% of management and strategic posts [15, 16]. Women account for only 16 out of 200

heads of state and government, according to the research, and too few women are promoted to top government positions that include important decision-making [15, 16].

2.2 Organizational factors affecting public procurement

Here are the key factors internal to the organization that affects public procurement.

2.2.1 Procurement planning

One of the key functions of procurement is procurement planning, which has the ability to contribute to the success of public institution operations and enhanced service delivery. [17, 18]. Procurement planning aims to solve the following questions as a function: (a) what are you looking for? (b) When would you like to get it? (c) When will you procure and when will you use the goods, services, and work that you have procured? (d) Where are you going to get them? (e) When will the resources be ready? (f) What procurement procedures will you employ? (g) How will the user of the item(s) and the public procuring and assets disposal entity be affected by timely procurement or failure? (h) How can you make the procurement process more efficient? and Who will be a part of the procurement process? [18].

Summing up the issue, procurement planning comprises determining what needs to be procured, how the organization's needs can be best fulfilled, the breadth of the goods, works, or services necessary, procurement techniques or methods to be used, time frames to be specified, and accountability for the entire procurement process [17].

2.2.2 Supplier selection

As discussed by Hugos [19] Once the present purchasing position is understood, as well as what a firm requires to support its business plan and operational model, a search for suppliers with both the items and service capabilities required can be conducted. Only in the context of the business plan and the company's operating model can the value of product quality, service levels, just-in-time delivery, and technical assistance be calculated. The firm is anticipated to reduce the number of vendors it works with at this stage. It can then use its purchasing power with a few suppliers to negotiate cheaper pricing in exchange for acquiring larger quantities of product.

All the factors if it is studied well it will help in taking the right decisions at the right time [20]. López-Fernández [21] has studied and analyzed corporate social responsibility (CSR) from a variety of aspects, including social and economic, as well as internal and external perspectives; and increasingly applied in enterprises around the world, regardless of line of business or size.

2.2.3 Procurement staff capacity

Competency includes the application of knowledge and skills, performance delivery, and the conduct required to get things done correctly [22].

According to Hamza et al. [23] many firms lack the personnel with the necessary skills to manage procurement processes effectively. As a result, significant and ongoing investment in training and development is made [23, 24].

Berger and Humphrey [25] a professional procurement function is at the heart of any service delivery based on the value for money premise. Furthermore, Sultana [24] mentioned that in order to maintain economic growth and effective performance, it is critical to maximize employees'

contributions to the organizations' purposes and goals. As a result, competency can ensure that the advantages of new products and services are brought to the attention of the appropriate individual within the company.

2.2.4 Contract negotiation and management

Contracts must be negotiated with individual vendors on the preferred supplier list as specific business needs arise, according to Hugos [19]. Contracts for the purchase of indirect products, where suppliers are chosen based on the lowest price, are the most straightforward to negotiate. The most challenging contracts to negotiate are those for purchasing direct goods that must meet stringent quality requirements and require high service levels and technical help.

Once contracts are in place, vendor performance against these contracts must be measured and controlled. Because businesses are reducing the number of suppliers they use, the performance of each one that is chosen becomes increasingly critical. A single supplier may be a company's only source for an entire category of products, and if that supplier fails to meet its contractual duties, the operations that rely on those products may suffer. According to Hugos [19], a corporation must be able to track its suppliers' performance and hold them accountable for meeting the service levels agreed upon in their contracts. People in a firm must collect data on supplier performance on a regular basis, just as they must with consumption management.

Government contracts may require detailed clauses in developing and transitional nations whose legal systems are not complete [26]. Any provider who repeatedly fails to meet criteria should be informed of the problem and asked to fix it. Suppliers should frequently be held accountable for their own performance tracking. They should be able to take proactive measures to ensure that their contracted performance levels are met [19].

2.3 Corruption and public procurement

Public procurement corruption is said to be the most serious and common type of corruption [26]. Because governmental contracts frequently include big sums of money, it's logical to infer that 'human greed' is to blame for the majority of this type of corruption [27].

According to Ateljevic and Budak [28] for many years, social scholars have focused their attention on corruption as a global problem. It is only recently that scholars from a wide range of disciplines have begun to pay attention to it. Corruption has grown especially quickly in transitional economies, where severe institutional flaws lead to inefficient economic, social, and political outcomes. Indeed, in transitional countries, 'reform' and readjustments of political and economic institutions have coupled with a quick process of internationalization of business and communication, producing fertile ground for new systemic corruption and excessive use of official power.

It is stated that a lack of justice and openness in public procurement allows political corruption and state capture to flourish, resulting in lasting development consequences. Corruption in procurement is caused by various forms of illicit collaboration between civil workers and enterprises, which has negative consequences for the efficiency of government expenditure, the quality of government services, as well as market competitiveness in related areas [28, 29].

According to Ferguson et al. [30], governmental

procurement corruption is suspected of increasing earthquake deaths and injuries. Many of these deaths and injuries were caused by building collapses due to poor construction techniques. Based on the previous literature review, the researchers developed the following hypotheses:

H₀₁: Corruption has a negative significant impact on regular usage of framework agreement in public procurement.

H₀₂: Social factors have a negative significant impact on regular usage of framework agreement in public procurement.

H₀₃: Organizational factors have a negative significant impact on regular usage of framework agreement in public procurement.

Based on the previous studies the reserchers developed the above hypotheses with three independent variables (Social factors, Corruption, and organisation wide factors), whereas the dependent variable is the usage of framework agreement in public procurement.

3. METHODOLOGY

This study is based on quantitative research methods. The quantitative aspect of the research approach is through a survey that used questionnaires as a measuring instrument to obtain information [31]. Furthermore, this research employs an explanatory research design. The explanatory research design identifies the determinants of entrepreneurs' engagement in their business activities, which shows the association between the independent and dependent variables. All of the 151 experts in the procurement offices from 12 sectors (Siltie Zone Administration) that includes plan and program experts; purchase specialists; procurement process unit; and finance heads are involved. Therefore, the study used a census technique. Secondary data collected from books, journals, magazine, websites and others relevant sources [32].

Multiple linear regressions used to model the linear relationship between the independent variables (organizational, social and corruption impact) and dependent variable (frequent use of framework agreement on public procurement).

The model employed in the study:

$$y = \alpha + \beta_1x_1 + \beta_2x_2 + \dots + \beta_px_p + \varepsilon \quad (1)$$

where, *Y* represent dependent variable of frequency of frequent usage of framework agreement of public procurement; α =Represent constant Coefficient; β_1 =Represent coefficient of organizational factors and *X*₁ represent organizational factors; β_2 =Represent coefficient of social factors and *X*₂ represent social factors; β_3 =Represent coefficient of corruption factors and *X*₃ represent corruption factors; ε =Represent estimated error.

4. RESULTS AND DISCUSSIONS

In this part, a brief description of the study is discussed and results are analyzed. When the researchers asked the targeted respondents about the trouble before working with framework agreement purchase, all the respondents involved agreed that they face trouble when working with framework agreement in public procurement. To better identify and understand the kind of problems government organizations face before, the following question raised in Table 1 below in the survey

clearly portrays it in detailed manner.

Table 1. The kind of troubles you face in framework agreement purchase

Statement	Frequency	Percent
Purchase unstandardized product	49	32.5
On time delivery of materials	53	35.1
Effective budget utilization	40	26.5
Purchase order accumulation from government organization	9	6.0
Total	151	100.0

Source: Survey result.

The table above and personal interview conducted in the study clearly dictates that, among the many troubles public procurement in framework faced such as on time delivery of materials as a trouble with 35.1%, as Tamiru [33] discussed sometimes public bodies may wait more than six months to get the issued items and also supported by Tadesse [34] concerning timely supplying of goods, public procurement and property disposal service (PPPDS) is failed to provide satisfactory service delivery to its customers. Followed by purchase of unstandardized product 32.5% this is also supported by Tamiru [33] that suppliers are not delivered right quality as per the specification. 26.5% or considerable number of respondents' response indicates effective budget utilization in jeopardy. From the same data above the tendency to accumulate orders from government organization seems to be absent at 6% share as Schapper et al. [35] examines how public procurement is characterized by an unstable tension between public expectations for transparency and accountability, as well as for resource management efficiency and effectiveness.

The results of the sample survey in Table 2 indicates that the size of allocated budget in the organizations seems to be not enough with a ratio of 37.7%, 17.9% of respondents that responded agree and strongly agree respectively, whereas the result depicts nearly 29.8% of respondents didn't agree and said size of budget is not the problem. The respondents who have a neutral resposnes are 14.6%.

With reference to responses of the respondents about the lack of regular and routine feedback given to suppliers on their performance, Table 3 survey result clearly indicates that majority of the respondents 47% and 15.9% agree and strongly agree respectively. The information here tells us that 63 percent of respondents support the idea of missing the importance of regular and routine feedback to best and worst performers. The remaining 35% of respondents replied that there is indeed regular and routine feedback given to suppliers on their performance before.

Table 2. Lack of organizational budget size

Statement	Frequency	Percent
Strongly Disagree	19	12.6
Disagree	26	17.2
Neutral	22	14.6
Agree	57	37.7
Strongly Agree	27	17.9
Total	151	100.0

Source: Survey result.

As discussed by Tamiru [33] domestic suppliers have limited capacity compares to foreign bidders. The suppliers also point out that the requirement that specified in framework agreement document is one of the bottlenecked that encumbers

our performance and our capacity.

Table 3. Lack of regular and routine feedback given to suppliers on their performance

Statement	Frequency	Percent
Strongly Disagree	19	12.6
Disagree	35	23.2
Neutral	2	1.3
Agree	71	47.0
Strongly Agree	24	15.9
Total	151	100.0

Source: Survey result.

Table 4. Better experience on the speed of delivery of materials from those awarded

Statement	Frequency	Percent
Strongly Disagree	39	25.8
Disagree	64	42.4
Neutral	11	7.3
Agree	24	15.9
Strongly Agree	13	8.6
Total	151	100.0

Source: Survey result.

In the another point of view with concern of the trouble organizations experienced when practicing framework agreement in public procurement, the question of better experience on the speed of delivery of materials from those awarded shows a conclusive result disapproval by 68.2% of respondents as mentioned in Table 4. On the other hand, only 24.5% of respondents agree there is a good record concerning speed delivery of materials purchased same technique. Tamiru [33] discussed sometimes public bodies may wait more than six months to get the issued items and also supported by Tadesse [34] concerning timely supplying of goods, PPPDS is failed to provide satisfactory service delivery to its customers. As Eyo [36] discussed significant procurement delays as the PPPDS often failed to set frameworks in time for entities to use, and there were supplier-related issues as some suppliers accepted on the frameworks, failed to sufficiently honor purchase orders issued by entities.

Nearly 29.8% of respondents approve agency's capacity in identifying and anticipating risks like service failure, reputation as damage and additional costs in the study. Unfortunately, large majority of respondents involved rejected the agency's capacity in identifying and anticipating risks like service failure, reputation as damage and additional costs with 66.2% as shown in the results of Table 5. Researchers can clearly see that those engaged in framework agreement purchases faces difficulty dealing with unstandardized products in which the supplier is not reliable to service failure, reputation as damage and additional costs. Operating a centralized framework agreement raises additional difficulties, among which are the presence of a third party (the centralized purchasing agency) matching demand to the potentially higher heterogeneity of procuring entities which may differ in terms of institutional mission, location and budgeting rules [36].

Table 6 indicates the results of the lack of adequate facilities for staffs almost 55% of respondents agree that there is a problem and much needed intervention is mandatory to have adequate facilities for staff. On the other hand, 32% of respondents disagree with the lack of adequate facility for the staff in sampled organization.

The results of Table 7 depict the low salary for public

servants working on the sector almost perfectly split between those who support it and not.

The survey result in Table 8 indicates there is a strong support for the societal toleration of corrupt officials with 62.9% of respondents agree and strongly agree with the issue. The survey clearly shows corruption is becoming a challenge that the government needs to work with it seriously. As Furgusen [37] when the items that consumers eventually pay for are harmful, inappropriate, or expensive, public confidence and faith in governments will inevitably erode.

To find out how much the independent variable explains the dependent variable, regression analysis was used. It's also used to figure out how much each independent variable affects the other. (Organizational factors, social factors and corruption factors) explains the dependent variable that is frequency of regular usage of framework agreement on public procurement.

Table 5. Agency's capacity in identifying and anticipating risks like service failure, reputation as damage and additional costs

Statement	Frequency	Percent
Strongly Disagree	41	27.2
Disagree	59	39.1
Neutral	6	4.0
Agree	33	21.9
Strongly Agree	12	7.9
Total	151	100.0

Source: Survey result.

Table 6. Lack of adequate facilities for staff

Statement	Frequency	Percent
Strongly Disagree	18	11.9
Disagree	30	19.9
Neutral	20	13.2
Agree	40	26.5
Strongly Agree	43	28.5
Total	151	100.0

Source: Survey result.

Table 7. Low salary of public servants

Statement	Frequency	Percent
Strongly Disagree	22	14.6
Disagree	44	29.1
Neutral	12	7.9
Agree	29	19.2
Strongly Agree	44	29.1
Total	151	100.0

Source: Survey result.

Table 8. Societal toleration of corrupt officials

Statement	Frequency	Percent
Strongly Disagree	18	11.9
Disagree	20	13.2
Neutral	18	11.9
Agree	44	29.1
Strongly Agree	51	33.8
Total	151	100.0

Source: Survey Result.

As it is revealed in Table 9, an R^2 of .409 which indicate that the studied independent variable explains only 40.9% of the variation in the regular usage of framework agreement of the case study area. Hence, this implies that there are other factors

which are not studied are going to explain the remaining of the variation in regular usage of framework agreement in administrative offices. Therefore, it needs further research or investigation to be made.

Table 9. Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.640 ^a	.409	.397	.29116

a. Predictors: (Constant), Social Factors, Corruption Factors, Organizational Factors;

b. Dependent Variable: Regular Usage of Framework Agreement.

Table 10. ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	8.628	3	2.876	33.925	.000 ^b
Residual	12.462	147	.085		
Total	21.090	150			

a. Dependent Variable: Regular Usage of Framework Agreement;

b. Predictors: (Constant), Social Factors, Corruption Factors, Organizational Factors.

To set up the significance of regression table, the researcher used ANOVA. The ANOVA test tells weather the overall model is acceptable from a statistical perspective i.e. weather the independent variables are in a significantly good degree of prediction of the dependent variable. In testing its significance level, the study considered significant if the p value is less than or equal to 0.05. Therefore, as it is depicted in Table 10 above, the significance of the regression is with a p value of 0.000 which is < 0.05. Consequently, it shows that the regression model is statistically significant as a result, it is right for prediction.

As it can be seen from the results of table above, the independent variables which affect the Regular Usage of Framework Agreement significantly predicted with F = 33.925 and sig = .000. (I.e. the regression model is the good fit of the data). F tests used to find out overall probability of the relation between the dependent variable and all the independent values occurring by chance. The F test result of the study was 33.925 with a significance value of 0.000, which means that the probability of this result occurring by chance was less than 0.05, which means the variation explained in the model not simply brought by chance. The overall ANOVA result suggest that the model become significant or substantial at F= 33.925, P=.000. Hence, accept the alternative showing that independent variables affect regular usage of framework agreement.

Table 11. Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.013	.126		8.051	.000
1 Organizational Factors	.201	.036	.383	5.526	.000
Corruption Factors	.174	.031	.384	5.546	.000
Social Factors	-.010	.016	-.038	-.594	.553

a. Dependent Variable: Regular Usage of Framework Agreement

The research result in Table 11 shows that corruption and organizational factors have positive significant impact on the frequent usage of framework agreement on public procurement. The frequent usage of framework agreement increases by one unit, organizational factors increase by 0.383 units and frequent usage of framework agreement increases by one unit, corruption factors increase by 0.384 units. The result of independent variables explained dependent variables by 0.397 (39.7%).

5. CONCLUSIONS AND RECOMMENDATIONS

All sampled organizations face troubles when conducting public purchase using framework agreement. The major challenges facing organizations distinguished as on time delivery of materials, product standard and effective budget utilization problems ranked one, two and three respectively. The challenges of government organizations with respect to public procurement is not limited to budget utilization but also organizational budgeting size seems to be small as survey result suggests.

The model utilized in the study revealed that independent variables corruption and social factors have significant positive impact on public procurement in framework agreement. On the other hand, the third independent variable social factors found to be insignificant in the study with respect to the dependent variable public procurement in framework agreement. Finally, the unexplained factor in the study still constitutes the larger percentage as the model indicates and this requires further research.

Government needs to work on the troubled agency involved in wastage of large portion of government budget invested. Delivering training, close communication and coordination with those involved in public procurement is advisable as the effective budget utilization seems to be a problem for government organization as it is linked to corruption.

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