

Compliance with Procurement Processes and its Effect on Service Delivery: A Case of Selected Departments in Limpopo Province

HE Zitha

Limpopo Provincial Treasury, South Africa

MA Mamabolo and MP Sebola

University of Limpopo, South Africa

Abstract: Compliance with procurement processes has been at the centre stage of the findings and recommendations by Auditor-General of South Africa. This is necessitated by the fact that procurement has become a strategic function for the enhancement of service delivery in South Africa. This paper presents the findings on the study that investigated compliance with procurement processes and its effect on service delivery: a case of selected departments in Limpopo Province. The departments included in the study are: The Department of Education, Public Works, Roads and Infrastructure, Social Development and Economic Development, Environment and Tourism. The study used two paradigm of social research namely; qualitative and quantitative methods. Furthermore, for quantitative research method, questionnaires were used, whilst face-to-face interviews were used for qualitative method. The sampling strategy involved both purposive and random stratified sampling methods. In this regard the study focused on the sections responsible for the procurement function i.e. Demand and Acquisition Management units. The study revealed that government has made great strides with regard to the legislative and policy framework for enhancing compliance with procurement processes with the main focal point of improving the speed of delivering sustainable quality services to the people. Yet to be seen is translation of the great strides into the speedy delivery of quality service delivery expected by the citizenry. Furthermore, the study revealed that procurement officials agree that compliance with procurement process has an effect on service delivery. Political interference, conflict of interests were amongst the key issues that were raised by respondents as factors that negatively affect compliance with procurement process which have a gross effect on service delivery. Service delivery backlog and violent public service delivery protests were cited as issues attributable to failure to comply with procurement processes. Training and capacity building programmes introduced aimed at enhancing compliance with procurement processes, introduction of punitive measures and consequence management were mentioned as amongst other recommendations.

Keywords: Compliance, Procurement, Public finance, Supply Chain Management

1. Introduction

Currently, in many countries, Public procurement has become an issue of public attention and debate, and has been subjected to reforms, restructuring, rules and regulations (Tukamuhabwa, 2012:34). Mkhize (2004), National Treasury (2005), Ambe and Badenhorst-Weiss (2011) reiterate that procurement occupies a centre stage in the context of ongoing financial management reform process in the South African public sector. According to Roodhooft and Abbeele (2006), government departments have always been big purchasers responsible for dispensing huge budgets. Mahmood (2010) also reiterated that public procurement represent 18.42% of the world Gross Domestic Product (GDP). According to the Organisation for

Economic Co-operation and Development (OECD, 2005), public procurement is vital for the effective provision of social services and to achieve the Millennium Development Goals. Due to colossal amount of money dispersed through government procurement and the fact that such money comes from the public, there is a need for compliance with procurement process. Moreover, Lues (2007:219) argues that there are multitude of policies, strategies and programmes directed to the rendering of effective services to the citizenry of South Africa by public service. However, in spite of the pursuant to effectiveness and the condemning of non-compliance to procurement processes in public service, scandals such as misappropriate use of public funds still occur and allegations are still made against various government departments

regarding the compliance with procurement processes. According to National Treasury Instruction Note on enhancing compliance monitoring and improving transparency and accountability in Supply Chain management issued in May 2011, improper Supply Chain Management practices at institutions are seriously undermining sound financial management, weakening the spirit and ethos of the Public Finance Management Act (PFMA), as amended by Act 29 of 1999 and ultimately eroding scarce resources that are intended to improve service delivery (National Treasury, 2011).

In 2011, five Provincial Departments in Limpopo Provincial Administration were put under administration in terms of Section 100(1)(b) of the Constitution of the Republic of South Africa, 1996. This section provides that when a province cannot or does not fulfil an executive obligation in terms of legislation or the Constitution, the national executive may intervene by taking any appropriate steps to ensure fulfilment of that obligation, including assuming responsibility for the relevant obligation in that province to the extent necessary to maintain essential national standards or meet established minimum standards for the rendering of a service, maintain economic unity, maintain national security; or prevent that province from taking unreasonable action that is prejudicial to the interests of another province or to the country as a whole. The departments which were put under administration were Education, Public Works, Roads and Transport, Health, and Provincial Treasury. According to the Joint Ministerial Team in Limpopo Section 100 Intervention (2012), on 22 November 2011, it became clear that the province would not be able to pay teachers, doctors, nurses, social workers, service providers and other public sector employees. The report also indicated that Supply Chain Management processes were generally not in line with the legal requirements. Compliance with procurement processes is not only a challenge applicable to the departments under administration, but a transversal challenge affecting all government departments. Therefore, the purpose of the study is to investigate compliance with procurement processes and its effect on service delivery: a case of selected departments in Limpopo Province. The study will be focusing on four departments, namely; Department of Education, Public Works, Roads and Infrastructure, Social Development, and Economic Development, Environment and Tourism.

2. Literature Review

2.1 Theoretical Grounding

As cited by Defee, Williams, Randall and Thomas (2010), good research should be grounded in theory. There are various theories that did an exploration on the deviant behaviour of human beings. The theories explore why does deviance occur and how does it affect a society. Therefore, the researcher has adopted the social control theory to better assist in giving a broader understanding on why procurement official deviate from the legislative and policy framework for enhancing compliance with procurement processes and how such deviance affects service delivery. To this end, Hirschi's 1969 social control theory will be applied. This theory has been used by Hollinger (1986) to better explain employee deviance and literature proposed that this theory can also be used to better understand the ethical rule breaking (Sims, 2002). According to Hirschi (1969), social control theory refers to a perspective which predicts that when social constraints on antisocial behavior are weakened or absent, delinquent behavior emerges. This implies that when an individual has experienced a lack of social connections or a lack of social network that would normally prohibit criminal activity, the likelihood that the individual will participate in criminal activity increases. Reckless (1961) echoes the same sentiments by indicating that the individual is so isolated in contemporary society – so free to move from one context of external control to the other or even to escape from most of it – that internal control is the more basic factor in conformity. Thus advocating for the notion of internalization which he refers to it as the process by which social norms are taken so deeply into the self as to become a fundamental part of the personality structure (Reckless, 1961). Tittle (1995) made an innovative insight that people are not only objects of control but also agents of control.

2.2 Legislative Framework Governing Public Sector Procurement in South Africa

According to Hanks, Davis and Perera (2008) public procurement operates within a highly legislated environment set by national government and extended by provinces and local government bodies to specific policies, legislation and regulations. The focus of this chapter will only be limited to acts, legislative and policy frameworks which give guidelines

on the compliance with procurement processes and the enhancement of service delivery in South Africa.

2.2.1 The Constitution of the Republic of South Africa, 1996

Under the constitutional supremacy, the Constitution of the Republic of South Africa, 1996 is the bedrock for compliance with regards procurement of goods and services and a yardstick through which service delivery can be measured. More precisely section 217 of the Constitution of the Republic of South Africa, 1996 establishes the primary and broad secondary procurement objectives. Section 217(1) of the Constitution of the Republic of South Africa, 1996 provides for the basis of procurement and determines that when an organ of state in the national, provincial or local sphere of government, or any other institution identified in national legislation, procure contracts for goods or services, it must do so in accordance with a system which is fair, equitable, transparent, competitive and cost-effective (Van Gruenen & Van Niekert, 2010). Ambe and Badenhorst-Weiss (2012) and Purera and Turley (2014) indicated that Section 217(2) of the *Constitution of the Republic of South Africa, 1996* makes it clear that procuring authorities are also empowered to implement procurement policies based on certain categories of preferences. Bolton (2008) asserts that section 217 of the Constitution of the Republic of South Africa, 1996 is the cornerstone against which procurement requirements, legislation and subsequent regulations are based.

2.2.2 Public Finance Management Act (PFMA) (Act No.1 of 1999)

The Public Finance Management Act, 1999 governs financial management practices in South Africa and establishes a regulatory framework for supply chain management within national, provincial and state owned enterprises. According to Purera and Turley (2014), this act makes provision for the use of procurement as a policy tool, and following the aforementioned five pillars outlined in the Constitution of the Republic of South Africa, 1996 which define the features of procurement system as fair, equitable, transparent, competitive and cost-effective. According to Ambe and Badenhorst-Weiss (2012) and van Wyk (2011), this act promotes the objective of good financial management in order to maximize service delivery through the effective and efficient use of limited resources and secure transparency, accountability and sound management. This Act advocates for accountability and responsibility of public servants in dealing with public resources.

2.2.3 Preferential Procurement Policy Framework Act (PPPFA) (No.5 of 2000) and its Revised Regulations

Parliament approved the Preferential Procurement Policy Framework Act No.5 of 2000 and its revised regulations to adhere to the requirements of the Constitution of the Republic of South Africa, 1996. This act gives effect to the government priority of empowering designated categories of persons through preferential treatment in procurement activities. According to Bolton (2006) preferential procurement is used as a wealth redistribution strategy in order to channel funds to discrete categories of economic actors. Bolton (2006) asserts that the act prescribes the preference points system for evaluating tenders. According to the Preferential Procurement Policy Framework Regulations of 2001, the price of the bid is no longer a deciding factor in evaluating and awarding of tenders.

2.2.4 National Treasury Regulations (2005) and Instruction Note

The National Treasury regulations reinforce the provisions of the PFMA, finalise the devolution of the procurement function to the accounting officer, and formalize the integration of various procurement function into supply chain management function. According to Hanks *et al* (2008) the national treasury regulations provide the broad framework for supply chain management and outline minimum requirements in the areas of supply chain and preferential procurement. Section 16A6.4 of the Treasury Regulations, 2005 stipulates that

"if in a specific case it is impractical to invite competitive bids, the accounting officer of accounting authority may procure the required goods or services by other means provided that the reasons for deviating from the competitive bids must be recorded and approved by the accounting officer or accounting authority".

From time to time, National Treasury issues instruction notes which provide guidance on how procurement processes must be applied.

2.2.5 Construction Industry Development Board Act (CIDB) (Act 38 of 2003)

The purpose of the Act is to provide for the establishment of the Construction Industry Development Board; to implement an integrated strategy for the reconstruction, growth and development of the construction industry and to provide for matters

connected therewith. Through this Act, government departments derive comfort from the fact that the work and financial capabilities of prospective bidders have been tested by CIDB before confirming the award of construction related bid. Compliance to this Act will see government contracting companies that have requisite skills and capability to execute construction projects. Furthermore, compliance with this act will assist government to curb against awarding contracts to service providers who will render poor quality services or abandon sites before completion due to works and financial incapability.

2.2.6 Private Security Industry Regulation Act (PSIRA) (Act No.56 of 2001)

The Act regulates the Private Security Industry and to exercise effective control over the practice of the occupation of security service provider in the public and national interest and the interest of the Private Security Industry Itself. Through this Act, government departments derive comfort to the fact that prospective bidders (security companies) have been pre-tested by PSIRA to meet a certain criteria set by this Act. This minimises the undesirable consequences of appointing security companies without minimum requirement prescribed by PSIRA. Failure to comply with this act compromises the security of state property, thus exposing the property to theft and vandalism. Therefore, it remains imperative for government department to ensure that in the process of procuring security services, the provisions this act are taken into serious consideration to enhance the quality of service delivery.

2.2.7 Promotion of Administrative Justice Act (PAJA) (Act 3 of 2000)

The purpose of the Act is to give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in section 33 of the Constitution of the Republic of South Africa, 1996; and to provide for matters incidental thereto. Through this Act, the disqualification of bidders and the passing over of bids can only be done if such decision is fair, reasonable, justifiable and can stand the test of time if tested before the courts of law. Although it has often prolonged the timelines for finalizing bids, however it does protect the state against possible litigations. Therefore, any compromise with regard to compliance with the provisions of this act has a gross potential of plunging government into legal battles. It is also

important to highlight that each time government is taken to court, there are cost in terms of time and financial resources which could have been used to accelerate service delivery. Therefore, compliance with this act will assist government in reducing the number of litigations with regard to procurement processes.

2.2.8 Broad-Based Black Economic Empowerment Act (BBBEE) (Act 53 of 2003)

In 2007, the B-BBEE became the basis of the preference point system that is used to protect or advance certain groups as provided for in the Constitution of the Republic of South Africa, 1996 and thus establishes a legislative framework for the promotion of black economic empowerment. The act also provides codes for good practice that are taken into account when government departments want to determine the preferential procurement policies (Pauw, 2011). The Act provides a broad-based charter to promote BEE and issue codes of practice that could include qualification criteria for preferential procurement and other economic activities (National Treasury, 2003). Therefore, this Act has been introduced to ensure that blacks and women are given a lawful preferential treatment to address the socio-economic imbalances introduced by the apartheid policies. It is through compliance with the above mentioned Act in which South Africa will be able to address the socio-economic imbalances of the past wherein blacks and women were deprived from participating and contributing meaningfully in the economic mainstream of the country.

2.2.9 Prevention and Combatting of Corrupt Activities Act (2004)

The Prevention and Combatting of Corrupt Activities Act (2004) makes corruption and related activities an offence, and establishes a Register in order to place certain restrictions on persons and enterprises convicted of corrupt activities relating to tenders and contracts. The Act places a duty on certain persons holding a position of authority to report certain corrupt transactions, including those related to the procurement function. Again, provinces and local governments are allowed to extend and develop these policies, systems and structures within the ambit of the national regulatory framework. It is through this act wherein departments can be able to implement punitive measure to those who circumvent procurement process. Combating corrupt practices will save government resources that could be used to improve the quality service delivery.

3. Policy Framework for Enhancing Service Delivery

The South African government has committed itself to service delivery through the enactment of various legislative frameworks and the creation of an enabling environment for service delivery. According to Maluka, Diale and Moeti (2014), the policy framework for enhancing service delivery is driven by three critical policies. Firstly, the White Paper on the Transformation of the Public Service (1995), which its purpose is centred on the establishment of a policy framework to guide the introduction and implementation of new policies and legislation aimed at transforming the South African public service. Secondly, the White Paper on Transforming Public Service Delivery (1997) the *Batho Pele* White Paper, 1997 which states that "the South African Public Service will be judged by one criterion: its effectiveness in delivering services that meet the basic needs of all South African citizens". Section 1.2.3 of the White Paper on the Transformation of Public Service Delivery, 1997 or the *Batho Pele* White Paper, 1997 calls on all national and provincial departments to make service delivery a priority. These provisions are applicable to all civil servants, however, they are more relevant and pivotal to procurement officials since they are executing a critical support function to service delivery. Thirdly, section two of the Public Service Regulations (2001) includes the code of conduct, which issues guidelines for the conduct of public officials' relationship with the legislature and the executive, the public and another employee, as well as performance of their official duties and the conduct of their private interests. The code of conduct prohibits an employee from using his or her official position to obtain gifts and benefits for herself or himself during the performance of his/her official duties. Section three of the Public Service Regulations (2001) requires senior managers (equivalent of a director) in the public service to declare their personal financial interests in private or public companies, directorships and partnerships, ownership in land and property, gifts and hospitality received (Public Service Commission, 2013). Without compliance to this act, officials will see their private interests overtaking their interest to serve the public which puts service delivery in jeopardy.

4. Research Methods

The paper adopted both qualitative and quantitative research approaches. The main reason for employing both methods was that the researcher wanted to

look at both breadth and depth, or at both causality and meaning. Welman, Kruger and Mitchell (2005:8); Webb and Auriacombe (2006) posit that there are two paradigms in social research, namely, quantitative research and qualitative research designs.

4.1 Population

The population of this study is officials working in the provincial departments of Education, Public Works, Roads and Infrastructure, Social Development, as well as Economic Development, Environment and Tourism. Therefore, in this study the targeted population was one hundred and thirty-seven officials attached to supply chain management units of the above mentioned four departments According to Bless, High-Smith and Kagee (2006:98) population is the entire set of objects or people which is the focus of the research and about which the researcher wants to determine some characteristics. Cooper and Schindler, as cited by Lushaba (2006) describe population as the total collection of elements about which the study wishes to make some inferences. Limpopo Province has twelve (12) departments namely; Agriculture, Cooperative Governance, Human Settlement and Traditional Affairs (COGHSTA), Education, Health, Economic Development, Environment and Tourism, Office of the Premier, Public Works, Roads and Infrastructure, Provincial Treasury, Transport, Safety, Security and Liaison, Social Development, and Sport, Arts and Culture.

4.2 Sampling

According to Bless, High-Smith and Kagee (2006:98) and Hanekom (2006:54) a sample is the subset of the whole population which is actually investigated by a researcher and whose characteristics will be generalised to the entire population. They posit that there are various sampling techniques that can be used. The sampling strategy in this study involved both purposive and random stratified sampling. Respondents were purposefully selected from the Demand and Acquisition Management units that are responsible for procurement function thus focusing on Directors and Chief Directors. The stratified random sampling was administered through questionnaires directed to officials selected from Demand and Acquisition Management units that are responsible for procurement function thus focusing on Admin Officers, Assistant Directors and Deputy Directors. The targeted respondents of the study in this regards were fifty-four (4) Chief

Table 1: Biographical Characteristics in Percentage

Designation	Gender	Age group	Educational levels
Administration Officers (45%)	Male (65%)	30 – 39 (42%)	Degree (35%)
Assistant Directors (25%)	Females (35%)	40 – 49 (34%)	Matric (25%)
Deputy Directors (15%)		50 – 59 (17%)	Post graduate (23%)
Directors (13%)		18 – 29 (5%)	Post matric (17%)
Chief Directors (2%)		60 – 69 (2%)	

Source: Authors

Directors, and eight (8) Directors who are at senior management echelon of their respective departments charged with the responsibility of ensuring that procurement process is implemented in line with the prescribed legislative frameworks.

4.3 Data Collection and Analysis

For the purpose of this article, data was collected through semi-structured interviews (qualitative method) and structured questionnaires (quantitative method). Researchers in Public Administration most probably use interviews as a data collection instrument due to its flexibility to allow the researcher to explain the questions to the respondents if they cannot clearly understand (Brynard *et al.*, 2014:42). Structured questionnaire was employed in order to provide standardized instruction on how to complete the questions and explain what is expected of respondents (Brynard *et al.*, 2014:48). The collected data was analysed by making use of tables, graphs and pie charts.

5. Findings and Discussions

The research methodology adopted both quantitative and qualitative methods, therefore the presentation of findings will be divide into two categories. The first category of findings will be for the data collected through quantitative method (questionnaire), whilst the second category will be for data collected through qualitative method (face-to-face interviews).

5.1 Presentation of Findings Based on Quantitative Methods (Questionnaire)

5.1.1 Biographical Characteristics of Respondents

Reference to Table 1 indicates the biographical characteristics in terms of designation, gender, age group and educational levels. Table 1 reveals that a high number of procurement officials occupying a lower level i.e. 45% of the respondents are Administration

Officers which poses a potential risk of such officials being susceptible to bribes.

Mafunisa (2002:195), Clapper, De Jager and Fourie (2002:30), Kuye, Thornhill and Fourie (2007:197) and Badenhorst (1994:744) argue that economic factors can prompt unethical behaviour of procurement officials. On the other hand, some respondents, however, argued that that the issue of level of procurement officials does not necessarily suggest that low level officials will not comply with procurement process since there are cases of senior management, well paid who also fall victims of accepting bribes, thus not complying with procurement processes. Therefore, government departments have a responsibility to ensure that the level of procurement officials is given a consideration, not only focusing on the salary per se but mainly the level of responsibility that goes with a particular designation. With regard to gender, Table 1 shows that procurement function is dominated by males which gives a question to ponder with regard a reflection on employment equity targets that South African government has set regarding gender. This poses a question to the departments with regard to the need to address gender disparity especially at management echelon. With regard to age group, it remains important for government departments to have a programme in place that will ensure that the skills and capacity of ageing procurement officials is harnessed and transferred to remaining workforce to ensure business continuity within the procurement function. Whilst appreciating the fact that the majority of the respondents have degrees, it remains critical to conduct a further study to understand if the degrees equipped respondents with the requisite skills and knowledge to execute procurement function i.e. the relevancy of their studies to procurement function.

5.1.2 Adherence to Procurement Guidelines

The respondents were asked whether they think public officials in the procurement division adhere

to procurement guidelines. The question is in line with General Procurement Guidelines issued by National Treasury (National Treasury, 2005), which highlights five pillars of public sector procurement as follows: value for money, openness and transparency, ethics and fair dealings, accountability and reporting, and equity. 79% of the respondents are of the view that procurement officials adhere to procurement guidelines. However, this finding remains an area of great concern since it gives a picture which is contrary to the literature from authoritative sources. The Auditor General report (2015-16) reveals that in total, R42 543 million (92%) of the irregular expenditure in 2015-16 was as the result of non-compliance with supply chain management legislation.

This contradiction remains a good reason for the researcher to ponder. Firstly, the respondents might have opted to give a positive impression about their employer i.e. painted an ideal world whilst reality on the ground paints a different picture altogether. Secondly, the sensitivity around public procurement could have resulted in them portraying their departments as institutions that are complying with procurement process. The third variable to the contradictions could be that the respondents gave a true reflection in terms of their level of operation taking into account that respondents in this regard are not decision making office bearers. This implies that an official who is responsible for the development of specifications, inviting bids, opening and closing of bids, when asked about compliance with procurement processes will only respond in line of his/her responsibility. These findings prompt the researcher to suggest that may be non-compliance issues as painted by the Auditor-General 2015-16 above might be happening at senior management echelons of the departments and not at the junior levels. Therefore, there is a need to further researcher to unearth the exact location where non-compliance with procurement process is taking place.

5.1.3 Adherence to Procurement Threshold Values

One of the question of the respondents was to understand if procurement officials adhere to procurement thresholds in with National Treasury Instruction SCM Number 08 of 2008 (National Treasury, 2008). The results above indicate that 91% of the respondents share the same sentiments that procurement officials adhere to procurement threshold values.

5.1.4 Awarding Contracts to Service Providers Registered in the Central Supplier Database (CSD)

The question in this section focused on establishing if contracts are only awarded to service providers registered in the Central Supplier Database in line with National Treasury in its section 2.1 of SCM Instruction No. 4A of 2016/17. 89% of the respondents are of the view that government contracts are awarded to service providers who are registered in the Central Supplier Database. However, 21% of the respondents argue that there are, however, some service providers who are awarded contracts outside the Central Supplier Database which amounts to non-compliance with procurement frameworks.

5.1.5 Contracts Awarded to Service Providers Who are Not Complying with the South African Revenue Services (SARS) Requirements

The question was aimed at establishing if contracts are awarded to service providers in compliance with SARS requirements in line with section 16A9.1(d) of the Treasury Regulations of 2005. 94% of the respondents are of the view that there are some service providers awarded contracts do not comply with SARS requirements. This remains a great considering the fact that the delivery of sustainable quality services is based upon the revenue collected by SARS. Therefore, awarding contracts to service providers not complying with SARS requirements has a gross negative bearing on the provision of sustainable quality service delivery.

5.1.6 Impact of Political Pressure on Adherence to Procurement Guidelines

Respondents were asked to give their own view if the political pressure has an influence on adherence to procurement guidelines. The majority of the respondents (87%) agreed that procurement guidelines cannot be adhered to due to political pressures. According to Mafunisa (2008:84) politicians are responsible for upholding high ethical standards and their conduct must be beyond reproach. They must portray exemplary leadership and must be seen a beacon of ethical moral fiber in the society.

5.2 Presentation of Findings Based on Qualitative Method (Face-To-Face Interviews)

5.2.1 The Absence of Procurement Guidelines in Departments

Respondents were asked to express their views on the implications of not having procurement

guidelines. All five respondents indicated that without procurement guidelines, compliance with procurement processes will remain a farfetched dream citing that it enables procurement process to be managed in a fair and transparent manner. One respondent further indicated that:

"I believe that procurement guidelines are a spring-board for compliance with procurement processes and without such guidelines, procurement function will be a nightmare".

5.2.2 Critical Nature of Compliance in Departments

The question in this section was on establishing how critical compliance is in departments. All respondents indicated that compliance is very critical in all departments however cited various reasons. Firstly, without compliance with procurement processes, delivery of quality services to the people will be highly compromised; secondly,

"government has an obligation to ensure that the socio-economic imbalances imposed by the apartheid regime are addressed and procurement is one of the vehicle through which this objective can be realised. This put lot of responsibilities amongst us since we are required by law to ensure that procurement is done without favors or prejudice".

Lastly, compliance with procurement guidelines enables government to use the limited resources efficiently.

5.2.3 Government Punitive Measures on Non-Compliance to Procurement Processes

The respondents were asked whether government is doing enough to punish non-compliance with procurement processes. Some respondents were of the view that government is not doing enough in this regard. In echoing the same sentiment, one respondent indicated that:

"I feel that heads of departments are letting us down in this regard. It is in the public knowledge that offenders are subjected on a long disciplinary hearing procedure and are put on suspension for a longer period with full pay".

This could be construed to mean that government is incentivising wrong doers especially when such officials are later seen back in the system. One respondent expressed different view that:

"I personally have seen situations wherein government take actions against transgressors, but also at the same time I feel that whilst acknowledging the efforts by government in addressing this matter, there is still a lot of work to be done in this regard to discourage non-compliance thereof".

The response from the respondents is also supported by authoritative sources. According to the Auditor-General report (2014/15), 20% (90) of the auditees did not implement adequate consequence management in response to the to the previous year's transgression. Section 16A9.1(a and b) of the Treasury Regulations of 2005, gives accounting officers authority to take necessary steps against officials or role players who circumvent supply chain management and ensure that such perpetrators are reported to the relevant treasuries (National Treasury, 2005).

5.2.4 Value of Procurement Plans in Enhancing Compliance with Procurement Processes

The question wanted to establish whether procurement planning contributes towards enhancing compliance with procurement processes, and also to test if procurement plans are utilised effectively. All respondents showed a great understanding of the importance of the procurement plans and confirmed that their respective departments do have procurement plans. According to Ambe and Badenhorst-Weiss (2011a) procurement planning defines the decision making processes that allows departments to procure at right time, right place and at the right cost. Moreover, Mofokeng and Luke (2014), inappropriate planning, under-spending of budgets and ineffective procurement form part of the root causes of poor service delivery, as this restricts the movement of resources to the right places. However, they were all of the view that procurement plans are not utilized effectively to enhance compliance with procurement processes. The following reasons were given in supporting their responses:

- there are no effective monitoring mechanisms
- timelines set in the procurement plans are not adhered to
- procurement officials not regarding the procurement plan as a strategic tool to enhance compliance
- procurement plan developed and submitted only for malicious compliance

- departments still advertise projects that were not included in the procurement plans
- there are no valid justification for amending the procurement plans.

5.3 Impact of Compliance with Procurement Processes on Service Delivery

Respondents were asked to confirm whether the compliance with procurement processes has an impact on service delivery and also the extent to which it affect service delivery. All respondents shared the same sentiments that failure to comply with procurement processes has adverse effect on service delivery and backed their responses as follows:

- It compromises the quality of service delivery
- Deprives citizens of their constitutional right i.e. sustainable quality service delivery
- It is contributing towards service delivery backlog
- It gives rise to violent public service delivery protests
- Erode public trust on government
- Dent the credibility of government procurement system
- It becomes the veritable ground for self-interest and corruption

The above assertions from the respondents are supported by literature review. According to Zitha and Mathebula (2015), unethical conduct of procurement officials may also result in service delivery protests and loss of life. The majority of the people are faced with inadequate health services, unclean water, poor educational services, badly maintained roads, inadequate housing and lack of food because state institutions have become so paralysed by corruption that they are unable to deliver on their promises (Frimpong & Jacques, 1999:125). According to South African Management Development Institute (SAMDI) SAMDI (2002) in Sindane and Nambalirwa (2012) service delivery in the Public Service is defined as a "systematic arrangement for satisfactorily fulfilling the various demands for services by undertaking purposeful activities with optimum use of resources to delivering effective, efficient, and economic services

resulting in measurable and acceptable benefits to the customer". On the other hand, respondents argued that compliance with procurement processes holds glorious benefits to the citizenry. Firstly, it remains a critical to be used as a strategic intervention to reduce poverty and inequality. Turley and Purera (2014) and The International Institute for Sustainable Development (2014) opine that with government procurement representing 19 per cent of the Gross Domestic Product (GDP), it has a significant potential to be leveraged to address South Africa's social, economic and environmental challenges. Secondly, all respondents are of the view that compliance with procurement processes can contribute towards restoring the integrity of government in delivering services to the community. This assertion is supported by Zitha, Sebola and Mamabolo (2016) who hold the view that non-compliance with procurement processes paralyses the state machinery for delivering services to the people.

5.4 Strategies for Enhancing Compliance with Procurement Processes

Respondents highlighted critical considerations that government has to employ in order to enhance compliance with procurement processes. Central to the strategies is their direct linkage with the delivery of quality services to the citizenry.

5.4.1 Procurement Planning

The responses from the interviewees linked with the literature shows that procurement plan must be accorded a strategic status and thus be elevated to the strategic agenda of each department. This implies that procurement plan must be part of the strategic planning of the department and its performance must be monitored and reported to the executive management on monthly basis. It is therefore the researcher's view that procurement plans must form part of the performance agreements of heads of supply chain management units and it be incorporated to their reporting frameworks. Ambe and Badenhorst-Weiss (2011a) who posits that procurement plan defines the decision making processes within an organisation with regard to how the procurement of goods and services will be executed.

5.4.2 Capacity Building and Training

All respondents hold the view that capacity building and training plays a crucial role in enhancing compliance with procurement processes. This assertion is

supported by Public Sector Supply Chain Management Review (2015) which revealed that supply chain management practitioners frequently do not have the skills, knowledge and experience that they need. While the system contains many excellent people, competency assessments show significant gaps in SCM skill and knowledge. Zitha and Mathebula (2015) proposed that there is a need for sense of urgency for government to invest on more on training and workshops on ethical conduct of public servants and not only procurement officials. Ambe and Badenhorst-Weiss (2012) posits that government training programmes must include the legislative environment, sourcing strategies, integrated supply chain management and technological advancements.

5.4.3 Integration of Procurement Risks into the Departmental Risk Management Strategy

In general, 85% of the respondents concur that integrating procurement risks into departmental strategic risk management can enhance compliance with procurement processes. They posit that without procurement risk integrated to the departmental management risk strategy, government will not be able to timely detect procurement risks and any other risk that has a potential to hinder government departments from awarding tenders on time. To the contrary, 15% holds different view in that they argue that the same people who integrate procurement risks into the departmental risk management strategy will develop new strategies on how to circumvent the fairness of the system.

5.4.4 Implementing Punitive Measures for Non-Compliance with Procurement Processes

All respondents hold the same view that sanctioning/criminalizing non-compliance to procurement processes can enhance compliance. They argue that it will send a message that when you do not comply with procurement processes you will be punished. One of the respondent indicated that:

"if government can be seen implementing consequence management non-compliance issues within public sector procurement can be minimized".

According to the Auditor-General report (2014/15), 20% (90) of the auditees did not implement adequate consequence management in response to the to the previous year's transgression. Section 16A9.1(a and b) of the Treasury Regulations of 2005, gives accounting officers authority to take necessary steps against officials or role players who circumvent supply chain

management and ensure that such perpetrators are reported to the relevant treasuries (National Treasury, 2005). Tittle (1995) made an innovative insight that people are not only objects of control but also agents of control. In his social control theory, he postulates that each person has a certain amount of control that he or she is under and a certain amount of control that he or she exerts.

5.4.5 Signing Declaration of Interests

Majority of the respondents acknowledge that signing of declaration of interests by officials responsible for the development of Terms of Reference/specifications, evaluation and adjudication of bids is very much important to enhance compliance with procurement process. They argue that this will assist in addressing conflict of interests that has grievously dented public procure system. McDonald (2002) and Grundstein-Amndo (2001:5) describe conflict of interests as a situation in which a person, such as government official, an employee, or a professional, has a private or personal interest sufficient to appear to influence the objective exercise of his or her official duties.

5.4.6 Code of Conduct and Policy Guidelines

All respondents are of the view that code of conduct and policy guidelines are very critical in providing procurement officials with better understanding of their work. This is supported by literature in that Mafunisa (2002:55) highlights that a code of conduct is necessary to promote public trust and confidence in the ethical performance of public employees. Furthermore, Rosenow and Rosenthal (1993:360) argue that formal code of conduct is defined as a set of principles that is adopted by associations or institutions to define specific principles for which the institution stands. Moreover, Hanekom, Rowland & Brian (1987:163) in Mafunisa (2008:86), posits that code of conduct is necessary to promoting and maintaining the responsible conduct of public employees, providing guidelines to public employees in their relationships with fellows' public employees, elected representatives and members of the public.

6. Conclusion

According to the literature review and the results of the empirical data collected, the paper has been able to indicate the importance of compliance with procurement processes. Furthermore, this article also unearthed the direct relationship that exists between compliance with procurement processes and service delivery. Moreover, the article displayed how

South African government values its citizenry and thus enacted legislation aimed at protecting, enhancing and advancing the aspirations of the majority of the people with regard to the delivery of sustainable quality services. Moreover, the paper also captured the strategies that that can be employed to enhance compliance with procurement processes. The proposed strategies do not only enhance compliance with procurement processes, but have direct positive impact on service delivery.

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