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ABBREVIATIONS

CPAR	Contractor Performance Assessment Report
CUIS	Common Used Items
DC	District Council
E-GP	Electronic government procurement
KASHWASA	Kahama Shinyanga Water Supply and Sewerage Authority
MNH	Muhimbili National Hospital
MOA	Ministry of Agriculture
MOW	Ministry of Water
NFRA	National Food Reserve Agency
NHC	National Housing Cooperation
NHIF	National Health Insurance Fund
MOFP	Ministry of Finance and planning
MoHCDGEC	Ministry of Health, Community Development, Gender, Elderly and Children
ONA	Office of National Assembly
PPA	Public procurement Act
PPR	Public Procurement Regulation
PPRA	Public Procurement Regulatory Authority
PSSSF	Public Service Social Security fund
TANePS	Tanzania electronic Procurement System
TFNC	Tanzania Food and Nutrition Centre
TPDC	Tanzania petroleum Development corporation
UDOM	University of Dodoma
UDSM	University of Dar es Salaam
UNCITRAL	United Nations Commission On International Trade Law

WB	world Bank
WMA	Weight and Measures Agency

TOPIC I: Contemporary issues in Procurement and Supply Chain Management – Protocol and Diplomatic Etiquette

Biography: Amb. NELSON J. LYMO

NELSON JOSEPH LYMO is a retired career diplomat. He has held different responsibilities during his service in the Government of The United Republic of Tanzania and that of the Revolutionary Government of Zanzibar respectively for 36 years. During this period, he acquired extensive knowledge and experience on government, international relations, diplomacy, state as well as diplomatic protocol.

NELSON JOSEPH LYMO was born on 25-10-1951 in Kilimanjaro, Tanzania and started his professional career in diplomacy at The Centre for Strategic Studies (Paris), DSE - West Berlin (Germany), Mozambique – Tanzania Centre for Foreign Relations, Centre for Foreign Relations, Dar es Salaam (Tanzania) and Centre for Development Studies (Islamabad, Pakistan)

Having completed his secondary education in 1973 at Lumumba High School, Zanzibar he was employed in the Presidents' Office – Zanzibar Revolutionary Government as Assistant secretary III - I. He was a Director of Protocol of Zanzibar Revolutionary Government (1984 - 1990), in 1990; he was transferred to the Protocol department in the Ministry of Foreign Affairs and International Cooperation of the United Republic of Tanzania. Having acquired such experience from 1991 – 2007, he assumed position of Head Section in several departments of Ministry of Foreign Affairs and International Regional Cooperation (MFAIRC) – Dar es salaam.

On his tour of duty, between 1999 - 2006 he was Minister Plenipotentiary Deputy Head of Mission (Deputy Ambassador) and Head of Chancery at the Embassy of Tanzania in Cairo, Egypt while, in 2007 -2011 he was Minister Plenipotentiary Deputy Head of Mission (Deputy Ambassador) and Head of Chancery at the Embassy of Tanzania in Bujumbura, Burundi.

He retired in 2011 and left the office of Ministry of Foreign Affairs and International Regional Cooperation (MFAIRC) – Dar es Salaam in good faith and good health.

Currently, he is a management and training consultant at the Economic Diplomacy Training Academy.

Abstract:

The present study aims to observe relationships and determining factors between diplomacy and diplomatic protocol as outlined by historical and contextual analyses. The approach is very dynamic and practical oriented, provided that concepts are able to show their richness and Suggestion for improvement on best practice to procurement and supplies professionals. Courtesy, etiquette, respect and professionalism are most important components of a diplomatic protocol. Important elements of diplomatic protocol are ceremony, etiquette, titles and introduction, correspondence, savoir-vivre, wardrobe/dress code and table manners/dinning etiquette.

Keywords: Diplomacy, diplomatic protocol, diplomatic ceremonial, etiquette, courtesy, Savior Vivre, Communication:

1. Diplomacy: *definitions, aims and application*

Word ***diplomacy*** comes from the Greek word “”***diploo’’***”, meaning “to double”. Greeks used to hand two documents to messengers: a ***recsymbolia*** and written instructions, folded into two, called *diploma*. The current meaning of the word diplomacy was introduced later. Accordingly, in the Homeric era Greeks called their messengers and later, in the classical era, they called them *presbeis*. Roman messengers were called *nuntior oratores* as The representative of the Pope in the *apocrisiar.*

Official papers referring to international relations, contracted on the basis of mandates ware granted by monarchs. Only later, in the XIXth century, a new idea was beginning to catch contour, according to which diplomacy was the activity that mediated the representation identify several definitions given to diplomacy, corresponding to different historical stages as the science of foreign relations based on diplomas or written papers granted by sovereigns” dealing with affairs between states through peaceful means”.

Practically, diplomacy is *a discipline, function, activity*. As a discipline, Diplomacy is a civilized and peaceful means of human interaction at the personal or national level. As function, Diplomacy is the art and practice of conducting negotiations between representatives of groups or states. As activity, Diplomacy is the conduct of international relations through professional Diplomats with regard to issues of peace-making, trade, war, economic, culture, environment and human rights.

Accordingly, contemporary diplomacy is the official activity of state representatives in foreign affairs and mainly of diplomats run through treaties, mailing and other peaceful means to reach goals and accomplish tasks of foreign policy to defend the rights and interests of the respective state abroad.“is the art to reconcile peoples interest (through peaceful means, mainly through negotiation). The science of rapports and mutual interests of states and this is the most important means of conducting the foreign policy of states.

Diplomatic relations between states may be established by friendly contacts of any form between their governments; but permanent diplomatic relations are considered to exist only with the establishment of a diplomatic mission, or preferably with the exchange of diplomatic missions. These are established by mutual consent and on the basis of a mutual understanding of the functions that will be undertaken by the mission. These functions have become generally accepted over past centuries, and have been defined in the 1961 Vienna Convention on Diplomatic Relations as consisting, basically, of:

- **I.** Representing the sending state in the receiving state;
- **II.** Protecting in the receiving state the interests of the sending state and its nationals, within the limits permitted by international law;
- **III.** Negotiating with the government of the receiving state;
- **IV.** Ascertaining, by all lawful means, conditions and developments in the receiving state, and reporting thereon to the government of the sending state;
- **V.** Promoting friendly relations between the sending state and the receiving state, and developing their economic, cultural and scientific relations.

Accordingly, states establish diplomatic relations to advertise themselves as a sovereign state and national policies, to protect and defend the interests of your country and the interests of your people to receiving country, to promote friendly relationship between the sending state and receiving state, to brings cooperation between States concerns in various area eg. Political, commerce, social and cultural, military, etc. Diplomats entrusted to carry out this noble job which is very delicate. The number one Diplomat in any country is the President, followed by the Minister for foreign affairs.

2. **Diplomatic protocol:** *definitions, aims and application*

Each Ministry of Foreign Affairs writes guidelines of protocol. Protocol is not an end in and of itself. Rather, it is a means by which people of all cultures can relate to each other. It allows them the freedom to concentrate on their contributions to society, both personal and professional. Protocol is, in effect, the frame for the picture rather than the content of it. When different protocols are compared, certain differences may be noticeable, such as cross-cultural ones. With the main aim being proper and respectful communication between diplomats (and non diplomats), differences between cultures can be seen as a positive rather than negative. Protocol, courtesy, good manners and etiquette represent crucial tools. They create the atmosphere needed in the activities of diplomacy, in the collaboration between sovereign partners. The protocol and the ceremonial contribute not only to the proper foreign manifestation of a state but especially to the quality of its relations to different foreign states.

The Macquarie Dictionary defines it as *"the customs and regulations dealing with the ceremonies and etiquette of the diplomatic corps."* protocol is therefore about building relationships and facilitating positive outcomes for the parties involved, while etiquette is a set of rules which have been accepted to be observed, respected and are expected by people present in a function for its smooth functioning.

From the diplomatic point of view protocol is an international culture whose formality is timeless irrespective of location or space. From the legal point of view protocol is an addition or amendments to an existing Treaty or Agreement. In most cases it stands as an appendix to the main Agreement.

For practical purposes, a diplomatic protocol is about following correct procedures. It is the art of ensuring that official (and unofficial) occasions, visits, meetings and functions are planned and conducted in accordance with a set of rules that are formally, socially and culturally accepted and expected by the parties involved.

The diplomatic protocol is used as a tool for the mutual communication in order to minimize the possibility of diplomatic blunders as much as possible. It is not only used in diplomacy but also in other professional areas, such in the world of large multinational companies. After all, the most important components of protocol such as Courtesy, Professionalism and Respect are important concepts in different spheres of our lives. Many of the rules of social behavior that were routine a generation ago and good manners are practiced daily by most people, but protocol provides a set of rules prescribing good manners as recognized system of international courtesy. Basic elements of any protocol are rules, customs, regulations, procedures, courtesy, professionalism, respect and etiquette.

Etiquette is a set of rules which have been accepted to be observed, respected and are expected by people present in a function for its smooth functioning. And in accordance with the rules of etiquette, one should treat others as you like to be treated, respect the privacy of other people without imposing on them personal tastes, respect people bases on seniority and status, be tolerant and discrete to individuals, be punctual (Respect time upon invitation), Dress Code/Cleanliness/Make-ups, etc.

2.1 Protocol Officer

Is a person who facilitates people to observe the international protocol culture including etiquette aimed at achieving the best results at every official function over time and space. A protocol officer should be able to observe and detect non-compliance of accepted set of rules and procedures for ceremonies and other official functions. A protocol officer has to analyze the situation and offer immediate solution where necessary in order to prevent ensuing embarrassment to the public and dignitaries from behavioral and social pattern of the group of the people present.

3. **Diplomatic Protocol and etiquette:** *concept and best practice suggested to procurement and supplies professionals*

3.1 Diplomatic Protocol and etiquette: *definitions and application*

Etiquette is a set of rules which have been accepted to be observed, respected and are expected by people present in a function for its smooth functioning. Protocol involves etiquette on a local and international scale, and the practice of good manners on a daily basis. It evolved as a result of old traditions, when in the early days of civilization hospitality was extended to an arriving guest. Today it is particularly important because it not only covers the ceremonial rules that are followed during official functions and how to behave on these special occasions, but it also provides a set of established rules of courteousness that are to be respected in society.

For instance, in international politics, protocol is the etiquette of diplomacy and affairs of state. It may also refer to an international agreement that supplements or amends a treaty. A protocol is a rule which describes how an activity should be performed, especially in the field of diplomacy.

3.2 Order of precedence

An order of precedence in protocol is an orderly hierarchical structure of importance used for formal government functions. It should be noted that the position of someone in the order of precedence is not necessarily an indication of functional importance, but rather an indication of ceremonial or historical relevance. At regional level or at district level the sensitivities ensued from practice and wishes of the host should be respected regardless of international norm. At the end of the day all that is required is smooth running of the function.

In diplomacy order of precedence depicts date and time of presentation of Letters of Credence to the relevant authority in the Receiving State. All State functions will abide to the order of precedence especially in sitting arrangements and should never be overlooked. When a Region invites more than one Ambassador it is vital for the regional authorities to heed to the international norms of protocol in treating all Ambassadors present. If you are not sure contact the Ministry of Foreign Affairs and International Cooperation for guidance.

3.3 Order of Seniority

Any Institution or government office has some staffs that have different titles or ranks. In protocol it is very important to objectively asses seniority order as it is used to determine where people/someone sit, order of arrival and departure, etc. Order of seniority and Order of Precedence basically used to determine *WHO* does *WHAT, WHEN* and *WHERE.* What is important at any function/event is attendance, and attendance depends on invitation basing on titles or ranks.

Errors made by a protocol officer with respect to order of precedence are grave because failure to recognize or honor the appropriate rank and order of precedence of a guest is equal to an insult to his position and the country represented.

3.4 State ceremonies

It usually falls to the Chief of the Department of Protocol to plan and execute arrangements for state ceremonies and these (assuming the once-and-for-all nature of independence celebrations) are most commonly: inaugurations, visits, anniversaries of national significance and funerals. On all the above occasions (funerals being a possible exception) detailed plans are produced several weeks, even months, in advance and the Ministry would make a point of consulting with the Dean of the Diplomatic Corps if the Corps as a whole would be involved. The cooperation of various organisations is essential for most functions, and it is usual to create an ad hoc planning and coordinating committee which might include representatives of the police (for parking and the regulation of traffic); the army (for a band and guard of honour); the press relations office and civic authorities; and, if foreign visitors are expected in any number, representatives of the customs, immigration and airports.

On the occasion of the visit of a foreign Head of State or member of the government or other person of distinction, the head of mission of the state concerned is invited to all the official functions and entertainments which the visitor attends; and in return the visitor offers hospitality at his head of mission's residence or an appropriate place for the corresponding dignitary in the host country (e.g. Head of State to Head of State, Foreign Minister to Foreign Minister, Head of Church to Head of Church).

A formal diplomatic visit begins when the visitor arrives in the diplomatic capital of the state (which normally must be his first objective) and it is there that the official reception takes place. The visitor's national anthem will be played, the guard of honour inspected, and compliments paid to the host's flag. If, however, the port, airport, or frontier post by which the visitor enters the state is some distance from the capital, the visitor is met by members of the local authority and an official representative who accompanies him to the capital. A procession with motor-cycle or horse escort is then arranged with the visitors riding in a carriage or motor car (depending on the distance involved).

The general rule for the seating of state visitors in carriages and cars in a procession is that they are placed in the vehicles in descending order of precedence with the senior person in each vehicle seated behind the flag. It is a recognised practice that the host of a state visit should be invited to make a return to visit to the other's capital within a reasonable time.

3.5 Other Ceremony *(corporate and official ceremonies)*

A ceremony *(fr. cérémonie)* is the official public act with an official character that progresses with the previously established rules and procedures. With each ceremony there is a master of ceremony who makes sure that the ceremony ends in the way it is expected. There are various forms of ceremonies such as public state ceremonies, state funerals, the singing of the national anthem, opening up a public building or unveiling a plaque, presentation of awards and ceremonies, and many others.

During ceremonies the representatives may need to provide a speech. There are only a few rules during the presentation of a speech during a ceremony. At the beginning it is a host who gives a voice. His or her speech is typically very short and its aim is to welcome the guests and provide the aim of the event. Next in order is the office held by the honorary guests. In some countries, such as Poland, the first honorary guest speech is delivered by a person who holds the highest office. In other countries, such as France, the most important guest speaks at the very end. Only one person speaks for one institution. The common approximate number of honorary guests is two to three.

There are few elements of ***savoir vivre,*** which are worth mentioning:

1. **Greetings:** it is both a form of salute and a show of respect. In certain culture the greeting form includes words such as *"Good morning"* or *"Good evening,"* a bow or a handshake (determined but not bone crashing). In a more information environment, a kiss on both cheeks is often used. The form used during a greeting should be used again during a farewell.

2. **The order of greeting:** to put it simply: the younger greets the older, men greet women and an employee greets an employer. However, there are exceptions, such as when a woman greets a an older man first. In farewell the order is vice versa.

   Remember: *if you are entering a room full of people waiting for you, you greet them first no matter of the gender or your employment status.*

3. **The order of entering a room/lift:** similar like with a greeting, we first allow to enter a woman, employers and seniors. When entering a room yourself, look behind you to see if there is someone following- it is polite and proper to keep a door open for the person behind you.

4. **The order of leaving room/life:** same as above. If there is a group waiting outside, we first allow people to leave a room and then a new group may enter the place.

5. **Hand grip:** remember that representatives in some cultures may feel uncomfortable when greeting with a handshake. In Muslim culture a man cannot handshake with a woman. The handshake is not often used in Japan and Britain (with some difference to business groups). Please note that we are also moving away from a custom of kissing a women's hand. If she does not want to, just follow her wish.

6. **Introduction and conversation:** we use the same rule of order when we introduce two people. We introduce a man to a woman, the younger to senior and

the employee to employer. If you are unsure about the name of your quests, simply allow them to introduce him/herself.

7. **Gift** is always a symbol of sympathy and respect. According to diplomatic protocol, gift giving should be as discrete as possible.

3.6 Introductions

Knowing the rules is critical because it will help you feel more relaxed and confident and make the subsequent interaction with the other person or people much easier. When meeting someone for the first time, expect three things: eye contact, a smile and a handshake.

I. When making an introduction, remember, that in business age and gender play no role, rank and authority do. If the two people being introduced are of similar seniority or importance, first introduce the guest or visitor to the other person, and use their correct titles.

II. The rule is that people of lesser authority are introduced to people with greater authority.

III. Add minor background information to the introduction, as this is a good starting point of conversation for the two people who have just met. When they start talking to one another, you can excuse yourself.

IV. No matter the seniority, status or gender, a person seated should always stand up when being introduced.

V. Although the person to whom one is being introduced usually extends their hand first, often both parties will extend hands at the same time. However in case of senior and junior, only the senior should be the first on to extends a hand.

VI. If you are the host to a function, make sure you welcome all your guests personally. If it is a function of high authority, the host will appoint a greeter. In this case the greeter has to introduce them self to guests and then make sure that he or she makes the appropriate all round introductions

VII. Be sensitive to the issue of gender, please

VIII. After the introduction, say a few words about the person / people whom you have just introduced, and try to say something of special interest about them.

3.6.1 Getting the names right

I. Listen very carefully when being introduced and try to memorize the name of the person you're being introduced to. If a name is unfamiliar, politely ask the person to repeat it. Then try to form a memory link by associating the name with an object or rhyme.

II. Use the first available opportunity to use the person's name in conversation.

III. If someone introducing you mispronounces your name or gives you the wrong title, wait until the introductions are over and say: ***"Jim is not the first person to have trouble pronouncing my name, it is … (and give the correct one)."*** Or*:* ***"I am afraid Jim has given me a promotion (or demotion). Actually, I am now … (and give your title)".***

IV. If you are the one making the introduction and you forget the name of the person you are introducing, you can say something like ***"I remember our last meeting at the Hilton Hotel. Please tell me your name again. I am having a memory lapse".***

V. If you have been introduced to someone and you need to introduce them to a third party, and you have a memory lapse, ask the person who introduced you to the person to do the introductions.

3.7 Hand shakes

I. Clenched hand-shakes should be light and brief not exceeding 5seconds

II. Look straight into the eyes of the other person

III. The up and down movement should not exceed three times

IV. Be aware of the positioning of the other hand. In any case it should never be in your pockets, it must be visible to the other person.

V. Crushing hand shake is normally used by soldiers

VI. Avoid getting too close to the other person

VII. Other types of hand-shakes or greetings can be used depending on the culture and discipline of the group of the people concerned like scouts using left hands to greet each other. Other groups use a hug. Others greet each other on their knees or sprawling in-front of the other person esp, in case of a king or queen

VIII. A handshake should be brief, and accompanied by a smile. Look the person directly in the eye and use words such as *"how do you do?"* and *"pleased to meet you."* Even if you know the person well, avoid standing too close. You should be able to turn 360°, and not have physical contact with your colleagues. When you are queuing in the canteen or perhaps waiting in the foyer, the same rules apply. If a person enters your personal space, move one step back and keep your legs slightly apart, creating more space around you. Be careful that you are not too obvious with your gestures, as people might take offence. It is not polite to tell a colleague to move back as they are in your personal space.

3.8 Accommodating Colleagues with a Disability

Disability is a condition caused by an accident, trauma, genetics or disease. The effects of the condition may include; limited mobility, hearing, vision, speech, and intellectual or, emotional function. With sweeping legislative changes in employment equity, disabled persons have been afforded opportunities to join main stream employment and knowing the correct etiquette and protocol when dealing with a disabled colleague or client has never been more important.

When you're around someone who has a disability, be relaxed and talk about mutual interests. t's okay to talk about the disability if it comes up, but don't pry.

3.8.1 Guidelines for interacting with a colleague with a disability include:

I. Always address the person fi rst-not the disability. For example, say "a person with a disability" instead of "a disabled person." Likewise, say "people who are blind" rather than "the blind," and avoid old-fashioned terms such as afflicted, crippled or lame.

II. Speak directly to someone who is hearing impaired, rather than to an assistant. Don't shout, but speak clearly and slowly and remember that your colleague will rely on your eye contact, facial expressions and gestures in order to receive the message.

III. Be patient if the person needs extra time to do or say something.

IV. If the person uses a wheelchair, sit down to talk so you're at the same level.

V. Listen carefully and patiently to a person with speech impairment. Avoid speaking for the person, and try to ask questions that require short answers.

VI. Don't touch a guide dog or a wheelchair or crutches used by the person unless you're asked to do so.

VII. Offer help if asked or if the need seems obvious, but don't insist.

VIII. If you are part of the day-to-day life of a person who has a disability, your emotional as well as physical support can be an invaluable source of strength.

IX. Learn the facts about the person's disability. Knowing what to expect can help prepare you for future challenges.

X. Know how and when to help. Respect the person's feelings. Ask a person who uses a wheelchair if he or she would like assistance before you start pushing.

XI. Foster self-esteem. Be positive and encourage independence, to the extent possible. Help your colleagues look for new ways to achieve his or her goals.

3.9 Professional Communication

Effective communication is about conveying your messages to other people clearly. It's also about receiving and interpreting information that others are sending to you, with as little distortion as possible. Doing this involves effort from both the sender of the message and the receiver. If the process is not used properly, messages can get muddled by the sender, or misinterpreted by the recipient. When this happens, it can cause tremendous confusion, wasted effort and missed opportunity.

Communication is only successful when both the sender and the receiver have the same understanding of the same information as a result of the communication. By successfully getting your message across, you convey your thoughts and ideas effectively. When not successful, the thoughts and ideas that you actually send do not necessarily reflect what you think, causing a communications breakdown and creating barriers that stand in the way of your goals – both personally and professionally.

In a recent survey of recruiters from companies with more than 50,000 employees, communication skills were cited as the single more important decisive factor in choosing managers. The survey, conducted by the University of Pittsburgh's Katz Business School, points out that communication skills, including written and oral presentations, as well as an ability to work with others, are the main factor contributing to job success.

A useful factor in building positive relationships is to understand that each person has a unique communication style. Once procurement and supplies professional recognise communication styles he can adjust his own to communication more effectively. Ideally this is mutual, but if the other person does not adjust their style, it is up to you to accommodate and adjust to make the interaction as successful as possible. Being able to communicate effectively is therefore essential if you want to build a successful career. To do this, you must understand what your message is, what audience you are sending it to, and anticipate how it may be perceived. You must also weigh-in the circumstances surrounding your communications, such as situational and cultural context.

3.10 Procurement and supplies Professionals Image

Being thought of as procurement and supplies professional in your field takes a lot more than doing your work well. Even if you are good at what you do, you may find it difficult to reach the type of success you strive for unless you are also considered to be professional by others. It's obvious that in order to be considered a procurement and supplies professional by clients and peers, you need to work hard and be good at what you do.

There are many different factors that go into creating a professional and well-respected image.

While each individual factor can help increase your success, together these below mentioned elements can create a professional and sought-after image your clients and potential clients will appreciate. The following are points to remember when you are creating your own professional image;

I. Always show respect for senior management and be loyal to them. They lay down the company rules and set the tone of the workplace and the relationships within it. They also uphold the image of the company.

II. Show respect for your colleagues generally. You will quickly earn theirs' if you do.

III. Do not make people wait. Be on time for meetings and appointments. If you are going to be late, contact the person and inform them.

IV. Dress according to your company's requirements. If the company has no dress code policy, dress in the same manner as senior management.

3.10.1 Factors that you should focus on as part of your professional image:

I. ***Responsiveness and customer service***

The level of importance procurement and supplies professionals place on his clients is an important element of creating a professional persona. Some facets of responsiveness and customer service may include:

(a) Being willing to go the extra mile to make your clients happy

(b) Responding to e-mail and phone messages promptly

(c) Following up with clients after a project to ask for their feedback

(d) Being willing to make recommendations and offer solutions to problems

II. ***Accountability***

Holding yourself accountable can be challenging at times, but if you do it successfully, you will gain the respect of others. This means that although you should take credit and celebrate successes, you also need to face your role in any failures and shortcomings, without excuses.

III. ***Overall presentation***

Essentially, your presentation is responsible for making a solid first impression and getting potential clients moved to the next level. This can be your web site, marketing materials, proposals and project plans, portfolio, voicemail message, e-mail signature, your look and voice when you meet with clients, and any element that puts you in front of your prospects.

IV. ***Communication and listening ability***

The way procurement and supplies professionals communicate, verbally and in written form, tells a lot about who you are and how you work. Being clear, concise, respectful and responsive is vital for success. And don't forget about the importance of listening to your clients and taking the time to hear and understand what they are saying.

3.11 Dress code: *Dress for Success*

Benjamin Franklin once said *"Eat to please thyself, but dress to please others."* Each situation requires a different set of dress codes. Going to a high level conference one would wear something more formal than what one would wear to a university classroom or during family annual dinner meetings. Therefore, there are just general rules for both men and women themselves about diplomatic protocol dress code:

I. **Dress elegantly.** The basic rules of an elegant wardrobe are simplicity and moderation. The extravagant (those who caught people's attention) clothes use for another occasion.
II. **Diligence and carefulness.** Make sure that the length of your trousers match, the clothes are ironed, shoes are clean and the colors are discordant.

For work meetings both men and women should dress in *business attire*. A man should wear a suit and cravat and a woman should wear either a dress (knee-length), a suit with a combination with matching trousers or a skirt. In terms of accessories, men should not wear any bracelet or rings, unless the latter one is a family ring. A man is allowed a watch and clasp cufflinks and he should wear a tie. A woman is allowed more accessories: a watch, bracelet, rings, necklace, earrings, and a handbag. However, she is advised to use moderation so the accessories will not make her look too extravagant. If either a man or a woman has long hair they are both advised to pull them together at the end of their neck. During an official ceremony the attire should be darker and decorative.

If procurement and supplies professional has specific dress code due to your religious belief, discuss the matter with the human resources department. Most organizations will allow staff to wear clothing that forms part of a religious belief. Respect colleagues who wear clothing for religious purposes. Ask your colleague what the meaning is of the item worn for religious purposes. Figuring out professional dress attire for men and women is not diffi cult. Here are some guidelines to follow to ensure you are dressing for success. Guidelines for procurement and supplies professionals (men) include:

I. Beards and moustaches as well as protruding nose and ear hair should always be neat and trimmed.
II. Avoid brightly colored, white or patterned socks and ensure your socks are long enough to cover your ankles.
III. Wear leather belts that match your shoes and overweight men should wear braces rather than belts.
IV. Ensure that the length of your trousers is acceptable; they should touch the front of your shoe and be about two centimeters above the shoe heel.
V. Avoid filling your pockets until they bulge.

VI. When wearing a long-sleeved shirt without a tie at an informal occasion, you could roll up your sleeves, preferably no further than mid-forearm.

VII. To appear informally dressed, undo the fi rst one or two shirt buttons and splay your collar.

VIII. Wear a plain tie with a striped or patterned shirt, and vice versa. Neatly knot your tie, leaving no more than half a centimeter of space between your top button and the knot.

IX. Make sure your tie is the correct length when knotted; the broad end of your tie should just touch your belt.

X. Remember your tie is your signature; it reflects your personality and should harmonize with the rest of your clothing.

XI. The dark clothes and long dress are used for the evening ceremonies or galas after 20 o'clock.

3.12 Dinning etiquette/ Table Manners

When dining the basic rule is according to one of the English advices: a mouse on back, a cat on lap. It means that one should sit straight to press the back to the chair and also have space between himself and a dining table. On your lap put a napkin and while eating resist an urge to lean on a table. In some cultures people wish themselves a good meal (in French, *'bon appetite'*). However, in the formal setting we typically do not say that. In the case your neighbour says it to you, simply answer in the same manner. It is a host or hostess who gives a sign to start and to end a meal. Wait for his or her signal.

The main issue is deciding whether you and the employer would be at the table, the meal shows the candidate's potential as a team player and his/her ability to move from one setting to another. Employers look for excellent communication and interpersonal skills and a meal is a good place to show such qualities, it is a time to judge how the candidate interacts with others. To present power dining results and appropriate table manners before, during, and after a meal, procurement and supplies professionals should observes these guidelines on table manners/ dinning etiquette

3.12.1 Showing Appreciation

If you (procurement and supplies professional) are invited to the home of a local business associate, arriving empty handed is considered neither polite nor thoughtful. A gift of some sort is welcome, whether it is a bottle of wine for the host or a box of chocolates or a bouquet of fl owers for the hostess. A friendly phone call or SMS, the following day, to the host / hostess, is generally appreciated, especially if you know that they have gone to considerable effort to put together a pleasant evening.

The hand-written note of thanks is seen all too rarely these days. It is still a sign of good etiquette, also when you have received birthday gifts or other presents. Do not be afraid to discreetly ask your host whether there is anyone whom you should thank personally. People behind the scenes often make a bigger contribution than those in front, and a word in the right direction can ensure ongoing ease of communication in the business environment. Cultural differences.

3.13 Dealing with Difficult people

As procurement and supplies professionals, understanding your colleagues will assist you in building better relationships with them. We achieve this by having open honest and clear communication. Every individual has needs that need to be satisfied; and with etiquette we need to understand why people become difficult. The reason is clear, the basic needs we have are not being met. Focus on the issue, not the individual. So identify the need that has not been met and address the issues. Guidelines on how to deal with such a situation in a professional manner include:

I. Always be in control of your emotions. Keep your voice in control and check your body language.
II. Address the problem NOT the person.
III. Air your views in a calm manner - take a deep breath and count to ten if you have to!
IV. Do not sulk and spoil the office atmosphere if you do not get your way. Accept the fact that other people’s viewpoints may diff er from yours and admit that if there are two different viewpoints that both parties can be right.
V. Always be honest but at the same time be as diplomatic as you can. The truth does not always have to “hurt”. You can communicate your side of the story without compromising the other persons sense of self-worth.

3.14 Conversations at Work

An employee spends most of your life at work and therefore you will socially interact with your colleagues. Procurement and supplies professionals should tak**e** note of the following office etiquette on Conversations at Work:

I. Excessive social chit-chat, office gossip, politics and anything very personal should be

II. Avoided. *"Say nothing, then there is nothing!"*

III. Criticising or reprimanding someone in front of others is hurtful and shows insensitivity -

IV. rather call the person aside and address any issues in private.

V. Give praise where praise is due.

VI. Don't discuss your personal affairs at work, if your need help go to an appropriate professional like a counsellor, doctor etc.

VII. Avoid sexist or racist jokes, especially in a large organization with a diverse workforce.

VIII. Avoid asking personal questions and do not feel obliged to answer personal questions.

IX. Don't shout to get someone's attention - it reflects laziness and disrespect for the person

X. you are calling and other around you.

XI. Don't converse in front of others in a language they don't understand - the official business language in South Africa is English - use it.

XII. Make sure that anything shared with you in confidence whether work-related of personal stays that way.

XIII. Avoid losing your temper at work or becoming aggressive - it shows poor emotional intelligence and is not professional.

a. Sitting arrangement

Protocol is *"a set of internationally accepted courtesy rules which prescribe certain formalities and behavior patterns at all time."* Failure to follow these rules in social, formal and diplomatic setting is a violation that can cause embarrassment or damage relationships. But it is not uncommon for people to misunderstand or confuse certain common elements of protocol, hence this article. So let me at the outset state the difference between protocol seating and sitting protocol-two common protocol procedures.

Protocol seating also known as seating arrangement is the placing of dignitaries and guests in designated seats according to their ranks, tittles or role at a given event, based on the exiting order of procedure. The protocol order of precedence is the hierarchical standing of persons depending on their ranks (status) and relevance for the event, be it political, social diplomatic, cultural or personal.

A common problem is operational protocol is determining the correct placement of dignitaries and guests at events. But protocol seating arrangement for dignitaries and other guests is a necessary procedure that must be undertaken to ensure orderliness and decorum. The easiest recipe for chaos, confusion and embarrassment at public events is the failure to prepare appropriate seating positions. Guests at events should sit in designated seats, Plain and simple. Good seating arrangements always remove potentially awkward situations and guarantees decorum.

Event planners and protocol will always be confronted with complicated seating plans. But they should be guided by the following protocol guidelines that on Seating arrangement: the most senior will sit at the middle, to his/her right will be no.2, to his her left will seat no.3, this will alternate until they are all finished

b. Tanzania National symbols and their significances

Tanzania has four national symbols, national anthem, Uhuru torch, national flag and The National coat of arm (emblem)

i. The Uhuru Torch

The Uhuru Torch symbolizes freedom and light. It was first lit on top of Mount Kilimanjaro (5,890m) in 1961. Symbolically to Shine the country and across the borders to bring hope where there is despair, love where there is enemity and respect where there is hatred. Yearly there is the Uhuru Torch race, starting from different prominent places.

3.16.2 The Flag

The flag of Tanzania is made up of green, Golden, black, and blue stripes. The flag is divided diagonally from the lower hoist (left) side to the upper fly (right) corner with a thick black stripe. On either side of the black stripe is a narrow yellow stripe. Below the yellow stripe, on the lower fly side, the flag is blue, forming a triangle. On the opposite side, the upper hoist side, the flag is a green triangle.

The colors are symbolic of various aspects of Tanzania. The green is symbolic of the fertile lands of Tanzania, while yellow is for the country's mineral deposits, and blue is for the waters of Tanzania, including the Indian Ocean. The black in the center represents the people of Tanzania. This flag of Tanzania was adopted on June 30, 1964.

3.16.3 The National coat of arm (emblem)

The central feature of the Coat of Arms is the Warrior's Shield which bears a Golden portion on the upper part followed underneath by the United Republic flag of Green, Golden, Black and Blue; and a red portion under which are wavy bands of blue and white. The Golden portion represents minerals in the United Republic; the red portion underneath the flag symbolizes the fertile red soil of Africa; while the wavy bands represent the land, sea, lakes and coastal lines of the United Republic.

The Shield is set upon a representation of Mount Kilimanjaro. Shield there is an elephant tusk supported by a man on the left (as you look at the emblem) and a woman on the right symbolizing both the theme of co-operation and gender and equality of the people of Tanzania. At the feet of the man is a clove bush and at the feet of the woman is a cotton bush symbolizing agriculture in the Republic. Superimposed features on the Shield are flames of a burning torch which signifies freedom, enlightenment and knowledge; a spear signifying defense of freedom and crossed axe and hoe being tools that the people of the United Republic use in developing the country.

- **Motto:** "Uhuru na Umoja" (*"Freedom and Unity"*)

3.16.4 The Tanzania National Anthem

1.

Mungu ibariki Afrika.
Wabariki viongozi wake.

Hekima Umoja na

Amani hizi ni ngao zetu

Afrika na watu wake.

Chorus:

Ibariki Afrika,

Ibariki Afrika,

Tubariki watoto wa Afrika.

2.

Mungu ibariki Tanzania.

Dumisha uhuru na umoja

Wake kwa waume na watoto.

Mungu ibariki Tanzania na watu wake.

Chorus:

Ibariki Tanzania,

Ibariki Tanzania,

Tubariki watoto wa tanzania.

4. Conclusion

Protocol by definition involves proper procedure which assists us in our interactions. Correct protocol ensures good sense of decorum, etiquette and respect. As we procurement and supplies professional and Tanzanians, specifically, strive to be part of the modern global village, we should endeavor to observe internationally accepted courtesy rules to enhance our image and respect both internally and externally.

Amid economic diplomacy practices, the world is becoming more like a global village with the amount of travel and investment as well as international business which is undertaken daily by business people. Procurement and supplies professionals you will find yourself meeting people from all walks of life and with many different cultural backgrounds. Sometimes the mannerisms and behaviour shown by these people will be totally alien to your own and it may leave you wondering what to expect next.

Examples of this are particularly prevalent in Africa and the Far East, where direct eye contact is often considered extremely rude, which is the opposite of how it is perceived in the Western world. Similarly men preceding women through doors can be seen as being extremely rude but in African, Far Eastern and certain European countries, it is common practice, as the man is seen to be protecting the woman.

Diplomatic protocol and etiquette, tolerance and acceptance of others’ behaviour in the work place is vital to ensure harmony between the many people of the world. Even though you may be tempted to tell someone that they are doing something in the wrong way, in their eyes, they may be acting with perfect grace and etiquette.
Procurement and supplies professionals when travels overseas it is also important to learn about the traditional customs of the place you are going to visit, but it is equally important to learn about the different customs that are prevalent in your own country. More and more people are transferred to different parts of the world and just as you would appreciate someone understanding your habits if you moved, it is good etiquette to try and understand those of the people you work with on a daily basis.

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INNOVATION THAT FOSTERS VALUE FOR MONEY IN PROCUREMENT AND SUPPLY

Gaitan Banzi MCIPS

ABSTRACT

Value for money in procurement has drawn excessive attention from shareholders, governments, academicians, researchers, practitioners and the general public due to the importance of wise spending of resources. There are various avenues to realize value for money and one of them is innovation, which is more critical today than yesterday. This paper aims at examining the contribution of innovation to the achievement of value for money. The literature proposes that innovation in procurement when well organised and implemented creates to achievement of value for money.

A measure in the performance and success of the procurement function is multidimensional. While most of the focus lies on the financial measures, non-financial measures contribute significantly to the achievement of value for money; the paper examined how innovation can foster value for money to drive the procurement function from achieving long term sustainable success. Amongst this exploration, an examination assessing different techniques related to innovations in procurement which create value for money employed and ascertained their impacts.

Value for money is a key given that procurement spends financial and non-financial resources that sit between the procuring entities and supply markets. Given its importance, innovation in procurement and supply is no longer a nice to have but a critical activity that must be employed by procuring entities. In procurement all innovation enablers are important each playing specific role, nonetheless, their role is secondary to that of people. Thus, innovations being one of the important aspects of life, the paper concluded the importance of innovation in creating value for money in organizations to attain merits in the procurement and supply.

Keywords: value for money, innovation, procurement, supply and sustainability

I. INTRODUCTION

Procurement is the process by which organisations acquire goods and services using organisation's or public funds. It includes planning, inviting offers, awarding contracts and managing contracts. For procurement to achieve its goals, it should follow two principles; professionalism and value for money.

Value for money (VfM) is the optimum combination of whole of life costs and quality (or fitness for purpose) of the good or service to meet the user's requirements. Value for money is therefore not a choice of goods or services which is based on the lowest bid price, but a choice based on the whole life costs of the goods, works or service (World Bank Report, 2013). The Concept of Value for Money (VFM) in everyday life is easily understood: not paying more for a good or service than its quality or availability justify. In relation to public spending it implies a concern with economy (cost minimisation), efficiency (output maximisation) and effectiveness (full attainment of the intended results).

Therefore, Value for money is derived from the optimal balance of benefits and costs on the basis of total cost of ownership. As such, value for money does not necessarily mean that a tender must be awarded to the lowest tenderer (Civil Service College, 2010). Value for money is a term generally used to describe an explicit commitment to ensuring the best results possible are obtained from the money spent.

Traditionally VfM was thought of as getting the right quality, in the right quantity, at the right time, from the right supplier at the right price. This concept has been updated to - obtaining better quality goods or services in more suitable quantities, just in time when needed, from better suppliers at prices that continue to improve. VfM should be achieved through pursuing the lowest whole of life cost, clearly defining relevant benefits and delivering on time. Preventing waste and fostering competition, transparency and accountability during the tendering process are key conditions for achieving value for money. The form of competition should be appropriate to the complexity of the procurement and barriers to the participation of suppliers should be removed. In practice, the level of competition is indicated by the estimated value of the proposed procurement.

For procurement to better contribute to organisational effectiveness, then, it needs to innovate. Promoting innovation in procurement means processes that are transparent and efficient, and that facilitates equal access and open competition. End-users needs are instrumental to delivering better requirements with long-term value for money. The change management strategy required to deliver on this value proposition includes, among other things, stimulated and sustained innovation as a business model. Innovation should not be about products or corporate functions. It must be embedded in everything we do and applied at the juncture of our strategic, organizational, and behavioral approaches (World Bank 2016). If we are successful in implementing this change, it will also allow better to capture user departments and stakeholders' imagination and became their partners of choice in resolving complex implementation and institutional problems and delivering value for money. Hence, this mini survey aims to investigate the innovation that foster value for money in procurement and supply.

II. REVIEW OF LITERATURE

The purpose of this study is to explore the innovation that fosters value for money in procurement and supply. From the introductory part, various aspects of innovation in procurement have been discussed, including how can articulate and bring value for money.

2.1 Value for Money

Value for money is the management concept related to the right price to ensure maximum utilisation of budgetary resources and provide value added product. Value for money is when the perceived value of a product matches or exceeds the perceived value of the amount of money or the cost of product. Value for Money is always established through a competitive process, a strong competition from a vibrant market delivers value for money outcome.

Value for money is a term generally used to describe an explicit commitment to ensuring the best results possible are obtained from the money spent. Contrary to how it sounds, value for money isn't just about saving money. It is about ensuring that the business is efficient, effective, and economical.

Efficiency
Efficiency is a measure of productivity – how much you get out in relation to what you put in. It is the efficiency of converting resources (inputs) into results (outputs).

Effectiveness
Effectiveness measures the impact of obtaining value for money. It can be quantitative (the amount of effectiveness) or qualitative (the value of effectiveness).

Economy
Economical is the price paid (the impact on people as well as actual money spent) for providing a service at the best value, taking price and quality into account.

embedded in everything we do and applied at the juncture of our strategic, organizational, and behavioral approaches (World Bank 2016). If we are successful in implementing this change, it will also allow better to capture user departments and stakeholders' imagination and became their partners of choice in resolving complex implementation and institutional problems and delivering value for money. Hence, this mini survey aims to investigate the innovation that foster value for money in procurement and supply.

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2.2 Innovation

Innovation is a vast subject and there is much literature regarding the topic and for the purpose of this paper a concentration is extended to innovation that fosters value for money.

Innovation is defined as the adoption of an idea or behaviour, whether a system, policy, program, device, process, product or service that is new to the adopting organisation (Daft, 1982; Damanpour & Evan 1984) cited in Dar manpour, 1992). Ostergaard et al (2011) describes innovation as an interactive process that often involves communication and interaction among employees in a firm and draws on their different qualities from all levels of the organisation. Innovation is about turning ideas into reality. Innovation in procurement is about using the competitive market to come up with better ideas before turning them into reality. It also includes improvements to internal procurement processes for attaining value for money – the 3E (Economy, Efficiency and Effectiveness).

Determinants of Innovation

The identification of the determinants of innovation and the firm's innovative behaviours is a popular topic in the literature of innovation. Studies in the area of value for money procurement starts from the hypothesis that the level of innovation in procurement can be explained in terms of the structural characteristics of the industry in which it competes, namely the market opportunities (Doughery, 1990; Levin, 1981; Schmmokler, 1966), technological opportunities (Geroski, 1990) and appropriability conditions.

Studies in the field of business management focus on identifying the internal characteristics of firms that affect their innovation behaviour. Researchers have evaluated a considerable number of organizational characteristics as possible determinants of innovation, which range from the risk taking behaviours (Rotemberg and Saloner, 2000; Shapira, 1994) to the organizational learning (Senge, 1990; Nonaka, 1994) and the organization's resources and technological capabilities. While resources are important, innovation is not about money. It's about people, ideas, and leadership. It is about understanding clearly the unmet needs that we want to target (be that resolving a problem, or improving value for money by listening, collaborating, capturing the potential for enhancing outcomes, and scaling it up (World Bank……).

Theoretical and empirical researches have proven the positive relationship between inter-organisational collaboration and innovation performance (Panayides and Venus Lun, 2009; Wang et al, 2011). An extensive involvement of suppliers in product development is argued to be one of the ways to enhance innovation performance in terms of productivity, speed and product quality (value for money). The buyer-supplier co-design partnership not only aligns conflicts and different interpretations of goals and tasks across the supply chain, but also facilitates new technology adoption (Handfield et al, 1999).

Trust allows more open and honest sharing of information supports shared understanding, reduces the need to guard against opportunistic behaviours in innovation. In short, trust can increase the transparency and initiative of inter-organizatioal learning (Lane et al, 1992; Gulati 1995) and processes in the procurement and supply function toward the achievement of value for money. Empirically, researchers have found that trust amongst partners directly affected capability development (Narasimhan and Nair, 2005) and the innovativeness (Panayides and Venus Lun, 2009).

Sources of innovation

In broad, sense innovation consist of certain technical knowledge about how to do things better than an existing state of the art (Teece, 1986). As such, the innovation is the result of a process of new knowledge creation, which can be activated in different forms and at different levels. At the organizational level, the new knowledge creation can be a deliberate process resulting from the R&D activity, but it would also, take place through the processes of learning by doing and learning by using (Lundvall, 1992).

Innovation Process

Innovation is complex, non-routine and presents dilemmas and uncertainties which are mostly unknown to production processes. The key to innovation success is an effective and efficient organisation of the firm's innovative function (Cobbenhagen, 1999). However, in all situations, innovations, whether of product, process or market, always move through two quite different stages. First someone has to come up with the new idea. Then someone (often someone other than the idea originator) had to refine, focus and implement that idea (Roberts, 2002).

Techniques for Innovation in Procurement and Supply

Procurement and supply does not take place in a vacuum. It is therefore, necessary to consider the importance of working together with our pear teams and suppliers hence, the role of supply managers in driving corporate performance is changing with an increased emphasis on supply market intelligence, collaboration, inter-organisational partnerships and operational integration with supply partners (Handfield et al, 2009).

It is now widely acknowledged that proactive value focused rather than passive cost focused procurement strategies are a means of achieving competitive advantage and integral to long-term organisational strategy (Tassabehji and Moorhouse, 2008). Cross functional involvement is needed to ensure that the procurement and supply function is able to respond appropriately to the shifting business environment, managing challenges to deliver sustainable organisational performance. Cross functional involvement used the expertise of groups and individual from relevant internal organisational functions and external supply partners to deliver new product/service development. It plays a key role in integrating processes, relationships and information within integrated teams.

Procurement staff can make high-quality contributions to cross-functional teams by effectively dealing with such things as supply chain risk, preparing and negotiating tailor made contracts, exposing product and services cost drivers, applying high-level negotiation skills and conducting financial due diligence (Lysons and Farrington, 2016).

Research from organisational psychology highlights that procurement professionals need to demonstrate task-oriented and citizenship behaviours to support cross-functional involvement (Pellathy 2016).

Supply chain integration is the degree to which a supplier strategically collaborates with its supply chain partners and collaboratively manages intra- and inter-organisation processes. The goal is to achieve and efficient flows of products and services, information, money and decisions, to provide maximum value to the customer at low cost and high speed (Flynn et al, 2010). Innovation results comes from suppliers and procuring entities working together to influence enhancements in procurement and supply. Supply chain integration requires the procurement professionals to develop strategic collaboration with key supply chain partners and understand customer requirements to manage processes within (intra) and between (inter) organisations in order to maintain competitive advantage.

Competitive dialogue is a method where a procuring entity can dialogue with the pre-qualified tenderers for contracts considered particularly complex to set up solution (which can be a combination of solutions) Nicola Dimitri, et al 2011). The aim of the dialogue shall be to identify and define the means best suited to satisfying the needs. They may discuss all aspects of the contract with the chosen candidates during this dialogue. Procuring entities may not reveal to the other participants' solutions proposed or other confidential information communicated by the candidate participating in the dialogue without his/her agreement. Finally, there is a tendering process limited to at least three participants without further negotiation based on the requirements issued from the dialogue.

Innovation Enablers

Innovation is centered on providing solutions to complex problems through collaboration of independent, multiple actors who work together under a system of rules. The change management strategy required to deliver on this value proposition includes three closely interrelated dimensions: develop and mobilize practical knowledge which can be applied effectively to problem solving; ensure that this knowledge is systematically curated and mainstreamed through experiential learning; and stimulate and sustain innovation as a business model. Innovation should not be about products or corporate functions. It must be embedded in everything we do and applied at the juncture of our strategic, organizational, and behavioral approaches.

Upon implementation of this strategy, a key question is: What can we learn from organisations that have innovated procurement and supply successfully? While resources are important, innovation is not about money. It's about people, ideas, and leadership. It's about understanding clearly the unmet needs that we want to target (be that resolving a problem, or improving value for money) by listening, collaborating, capturing the potential for enhancing outcomes, and scaling it up.

Another important and enabling element is a culture that encourages intelligent risk taking and recognizes and rewards innovation. Innovation, especially in procurement, is not just "invention" in an environment where a thousand flowers bloom. It is useful when specifically needed or desirable, possible with technology, and viable in the context where it is supposed to be implemented. This is why most organisations where innovation happens consistently rely heavily on big data and technology, value technical excellence, and focus on external customers, rather than internal clients.

Human capital is critical for innovation both in public and private sector procurement. Procurement staff should be change agents in the organization, defining new ways of collaboration. Skill sets required include strong competencies in internal and external relationship management, broad technical knowledge and a strategic mindset.

With technology the trend is toward dramatic change which means implementing a procure-to-pay process where key elements of each transaction are fully automated. It might mean e-procurements solutions, web-based supplier networks, and/or supplier portals all integrated with or integrated on an overall Enterprises Resource Planning (ERP) system. Technology can support innovation by easing the measurement of performances. It creates a new value by modern sourcing or the availability of purchasing tools (e-procurement). Technology also offers new web based tools to gather, interpret and share procurement related. It is essential that procurement shall change at a rate equal or faster than business (Spray, 2009).

Enterprise Resource Planning (ERP)

ERP is the collection of systems and software that many organisations now use to integrate business activities, including; Procurement, Warehousing and distribution, Finance and accounting, Manufacturing and Human Resources. ERP systems are cross-functional, connecting different parts of a business together by allowing data to flow easily between them. It does this by collecting data from multiple sources and making it available elsewhere in the organisation in such a way that duplication is eliminated and data accuracy is high. ERP helps in managing and monitoring various functions of the organization in an integrated manner and on a real time basis.

The evolution of ERP begun in 1913 when an engineer called Ford Whitman Harris developed what became known as the economic order quantity or EOQ. This developed into a paper based manufacturing systems for production scheduling and became a standard for many manufacturing organisations (Oracle 2019). In 1964, Black & Decker developed a new model called material requirements planning (MRP), which combined EOQ concepts with mainframe computers. In 1983, MRP was developed into MRP II (manufacturing resource planning) which took a modular approach to an organisation's needs. MRP II integrated core manufacturing components, including purchasing, bill of materials, scheduling, contract management, into a common system. This allowed organisations to boost operational efficiency with better production planning, reduced inventory and less waste.

The adoption of ERP grew rapidly, with more and more organisation using ERP to streamline core business process and improve data visibility. However, the cost of implementing ERP systems began to climb as ERP often generated the additional costs that came from customising the coding used by the system, as well as consultants to advise and lead the implementation and the costs of training.

ERP continued to evolve to incorporate the benefits of the internet and new functionality such as analytics. Over time, many organisations found that having their ERP systems on their own premised would not allow them to keep pace with modern security demands or emerging technologies such as smartphones. The solution has been the development of cloud computing and software as a service. This means that a third party hosts its ERP system on a network of remote computers. This removes the need for organisation to have their own costly IT infrastructure or for them to buy their own software. This has reduced the cost of using ERP dramatically.

Organisations implement ERP systems for a number of reasons. Perkins (2019) identifies some of the major ones, which are; integration of financial information, reduce errors and increase speed, provide insight from customer information, standardize systems, for use by all employees, improved agility, lower risk, faster reporting and better collaboration. Organisations often find additional benefits from implementing ERP including; better decision making, adaptability and enhanced security (Perkins, 2019).

Figure 1: Enterprise Resource Planning (ERP)

E-Procurement

E-procurement is one of the tools (software) through which you can manage the entire procure to pay cycle i.e. send enquiries (RFQ, RFP, etc.), float tenders, compare bids, do e-Auction, set up internal workflows for the internal procurement approvals, generate PO, manage material delivery, make payments. Depending on the organization the cycle may vary. Some organizations have the complete procure to pay cycle and in some organisation, only procurement is part of the E-procurement and post order part may be separate. It provides suppliers the information they need. Therefore, it's worth noting that **e-**procurement is a part of the ERP. E-procurement software vendors claim users can negotiate 10 to 20 percent savings. Furthermore e-procurement allows firms to measure their suppliers on a scorecard which they can share with them (Ghahremani, 2008).

Figure 2: e-Procurement

Behaviours Enhancing Innovation

In order for innovation to occur, key workplace behaviours are needed to ensure that collaboration occurs. Pellathy (2016) identifies three key behaviours that affect how individuals engage with others and their work activities. These behaviours influence supply chain behaviours and include the following;

- Task behaviours
  These are sometimes referred to as in-role behaviours and examine how an individual executes technical aspects of their job role.

- Organizational citizenship behaviours
  These arise as a result of social and psychological factors in the work environment and affect the social interaction that an individual has with their co-workers, including how engaged and individual is with the organization itself. Organizational citizenship behaviours refer to the quality of an individual's interpersonal actions, their ability to positively challenge areas where change is required and their accommodation of others. This has an impact on both individual and team performance.

- Counterproductive work behaviours

These are almost the opposite of citizenship behaviours in that they cover behaviours that an individual engages in which are harmful to others, the function or the organization as a whole. This includes behaviours that sabotage efforts to move a project forward, create conflict between parties and generally create disruption and delay. These behaviours are often the result of an individual's reaction to a situation with the work environment.

III. METHODOLOGY

To obtain the opinion of stakeholders about innovation that fosters value for money, a mini-survey was conducted in the banking industry in Tanzania. According to Kumar (1990) a mini-survey typically focuses on a narrowly defined issues, question, or problem. Also, the author used the observation from the experience acquired from the banking industry and interview as the methods to find data and provide evidence that complement the purpose of the study. Interview is vital as more suitable information can be retrieved from the interviewee in order to have a full understanding of the area investigated. The purpose of interviewing is to find out is to find out what is in and on someone else's mind. I have interviewed people to find out from them those things we cannot directly observe. Saunders et al 2007 mentioned methods are the techniques and processes utilized in attaining and evaluating information. This includes observation and interviews and both qualitative and quantitative study methods (Saunders et al, 2003). According to Miller and Dingwall (1997) there is a distinction between two methodological approaches in literature, that is, the qualitative and the quantitative approaches. The qualitative method involves examining and reflecting on observation while quantitative method, it concentrates on quantifying a phenomenon. In order to achieve the purpose of this paper, the qualitative methods have been adopted. The aim of the study is to examine the innovation that fosters value for money in procurement and supply.

IV. CONCEPTUAL FRAMEWORK

With the concept and understanding the value for money offers us, this paper examines innovation and value for money to find a correspondence between the two. Specifically, the study develops a conceptual framework build on a series of testable propositions about innovation that fosters value for money.

V. DISCUSSION

In this section, the information gathered for the study through experience, observation and interview released to portray how innovation enhances value for money in procurement and supply. The findings lie on the available innovation techniques which organisation can put in place toward the achievement of competitive advantages in the field. A mini-survey of the best innovation approaches and techniques deployed to show how innovation can be employed to provide the end results of value for money.

Enterprise Resource Planning (ERP) and e-Procurement

The survey of ten selected banks reveal that the use of ERP and e-procurement is given importance based on the benefits of the technology, the interviewed procurement staff provided their status.

S/No.	Type of ERP/e-Procurement	Number of banks	Status of operation
1.	SAP COUPA	1	ERP
2.	SAP ARIBA	2	ERP
3.	TANePS	3	e-Procurement
4.	SAP GUI	1	ERP
5.	SAP	1	e-procurement
6.	Microsoft Dynamics 365	1	e-procurement
7	None	1	None

Table 1: Status of banks in adoption and use of ERP/e-procurement systems

As it can be revealed from the table the banks using SAP COUPA and SAP ARIBA are fully integrated with the ERP end to end (procure to pay) means that the entire procurement process from requisition of the need to payment of the suppliers is carried out is managed within the system and the system also, manages other functions such as stores, warehouse. The requisition process is done by the user departments from the head offices and branches, this is the advanced way of using ERP and the key elements of each transaction are fully automated. Respondents using SAP GUI (Graphical User Interface) and SAP shared their experience of creating procurement requisition at a centralized point by a team designated for that role, inviting bids out of the system and preparing Purchase Orders and contracts in the system however, the SAP links procurement with finance which takes care of the payment of suppliers.

Those using TANePS showed experience that the system can do all the procurement process from initiation of the tender to awarding of the contract while the requisition is prepared manually out of the system and the system is not integrated with the financial systems. This requires the banks either to procure a separate system that will integrate finance and accounting or handle the payment process, warehousing and store activities manually which is very risky.

In responding to the question; what are the benefits of using ERP/E-procurement apart from the challenges you may encounter? The respondents revealed that since the use of the ERP/e-procurement their banks experienced a high level of competition from suppliers in terms of Total Life Cost of the procured requirements because of the global access and coverage. They, further, portrayed that given the users are connected to a diverse network of high-quality suppliers who lower costs for goods and services while minimizing risks while ensuring compliance. The use of ERP experience a cost saving of up to 10% when comparing the independent cost estimates with tender prices, whereas, it has been proved by the respondents.

In addition to the achievement of the competition, the respondents and through my personal experience in the use of the systems a number of benefits are made available;

Reduce Costs
By accessing a broader range of suppliers and leveraging different automation strategies, e-procurement presents significant cost savings for procurement teams.

Saves time and boost efficiency
Electronic sourcing also speeds up the time it takes to award a contract. It does this by reducing the amount of time procurement specialists spend on the tendering process, and therefore, freeing up time to spend on other tasks.

Leverage detailed supplier information
e-procurement improves transparency between procurement specialists and suppliers. A portal is typically used where suppliers can see all tender opportunities from a supplier with deadlines status and other key information,

Reinforce compliance
With all procurement-related documents stored in one place, auditing is made simpler, and therefore, so is compliance with regulatory procedures with a system transparency showing how and why a supplier was selected.

Early supplier involvement in the procurement process

The mini survey results revealed that early supplier involvement is an important innovation aspect in creating value for money. The responses mentioned that Suppliers have sometimes been involved at the beginning of the procurement process in order to facilitate creativity through the interaction between tendering designers and suppliers, to define requirements, provide feedback on feasibility and affordability, and gear them up to be able to respond to future procurements. It has been revealed that, it is the responsibility of the procurement professional to manage supplier involvement, including determining what involvement, supplier have and how to engage with them, and whether it is for new product development or existing products and services.

Competitive dialogue

Respondents from three banks confirmed the use of competitive dialogue in their procurement process. They were then asked why they use competitive dialogue and mentioned that it allows tenderers to submit initial solutions after being successful at the selection stage. They further revealed that, competitive dialogue allows a procuring entity to negotiate proposed solutions with bidders. This may help to open up cross-border markets by encouraging bidders to discuss possible solutions.

The survey further revealed that competitive dialogue is very beneficial when: greater flexibility is needed. For example, highly complex and risky projects i.e. systems and software procurements; you are procuring innovative projects; you are unable to specify your requirements e.g. your technical, financial or legal solutions. Therefore bidders may have a major role in defining the solution, e.g. fintech projects; you cannot assess without in-depth dialogue on what the market can offer; or the open or restricted Procedures may not deliver the expected outcomes.

The respondents further portrayed that this procedure cannot be used when the requirements can be provided by many different market operators, or it is in an off-the-shelf service or supply. Competitive Dialogue when conducted properly for the requirements with complex features may allow organisations to clarify, specify or optimise the final bids and the negotiations with the ultimate preferred bidder may also confirm financial commitments or other terms contained in the tender to finalise the contract. This helps, for example, in situations where a preferred bidder needs to secure final planning permission for a project before the contract can be concluded. However, care should be taken before selecting this route; a procuring entity must ensure that it legally satisfies the criteria of using competitive dialogue, this process is costly and resource intensive for procuring entity and bidders

Outcomes-based procurement

The survey interested to know what kind of specifications and terms of reference are commonly used and which one can be innovative in achieving value for money. It has been revealed that all banks use both output or outcome based specifications and pre-specified specifications, however, for the sake of achieving value for money outcome-based specifications must be given priority than the other type of specification which guides the suppliers what to offer.

Respondents further, demonstrated that the performance based (functionalities) specifications should be well constructed in order to stimulate suppliers in proposing innovative solutions. A well-defined outcome can go a long way towards challenging suppliers to generate ideas. A well-constructed output specification identifies the outputs from, rather than the inputs to, a requirement. An outcome specification takes this one step further and only specifies the end result to be achieved. It is equivalent to specifying the problem and inviting proposed solutions.

In allowing suppliers freedom to submit innovative bids, procurers should specify compliance with standards where appropriate, for example to ensure compatibility. In order to stimulate innovative solutions (process, integration, production, or delivery), requirements as well as evaluation criteria have to be based on a set of functionalities that the contractor must provide, regardless of the technology used to implement them (making intelligent use of standards).

In order to achieve the desired results, a good management of the tendering process must ensure bidders sufficient time and opportunity to develop innovative proposals. Often, tenders have to be submitted in a very short time, and this does not allow suppliers to find innovative solutions. The duration of the procurement process should be fine-tuned with the role played by innovative solutions.

An example of the outcome-based specifications for an organisation requiring to print a certain number of pages per a day, could be **“we require a document copying/printing system for 1000 employees”** and letting the suppliers work out what the best solution is, justifying how it will meet requirements and what benefits that solution will bring.

The use of relationship assessment methodologies

The use of key performance metrics and introduction of performance systems to measure and improve the performance of supply partners has increased in importance. If the performance in the supply chain is to improve, both the organisation and the suppliers must be able jointly develop an approach to performance in particular tasks.

Relationship influencing Key Performance Indicators (KPIs)

A procurement KPI or metric is a measurable value that tracks all relevant aspects of obtaining or buying goods and services. These KPIs enable the procurement department to control and optimize quality, quantity, costs, timing and sourcing of purchasing processes. The procurement professionals asked to provide suggestions on the importance of the relationship influencing KPIs quoted that if you cannot measure it, you cannot improve it. They further, portrayed that measuring efficiency of a procurement process is important, as it plays a critical role in the supply chain. While cost savings are an obvious objective of procurement performance, it is not just restricted to that. By measuring the performance of a procurement process, organizations can find answers to other important questions like:

- What needs to be improved?
- How do we compare with other organisations?
- Are we improving or declining?

The following are the 15 most important procurement KPIs which procurement professionals must adopt in setting mechanism of evaluating performance of the supply/service partners;

- <u>Compliance Rate:</u> Understand if suppliers fulfill your requirements
- <u>Number of Suppliers:</u> Track your level of dependency towards your suppliers
- <u>Purchase Order Cycle Time:</u> Know who to address your urgent orders to
- <u>Supplier Quality Rating:</u> Analyze the quality of your suppliers
- <u>Supplier Availability:</u> Measure suppliers' capacity to respond to demand
- <u>Supplier Defect Rate:</u> Evaluate your suppliers' individual quality
- <u>Vendor Rejection Rate & Costs:</u> Examine your quality management strategies
- <u>Lead Time:</u> Understand the total time to fulfill an order
- <u>Emergency Purchase Ratio:</u> Track the number of your emergency purchases
- <u>Purchases In Time & Budget:</u> Monitor purchasing time & budget
- <u>Cost of Purchase Order:</u> Control the internal costs incurred by each purchase
- <u>Procurement Cost Reduction:</u> Streamline the tangible costs savings
- <u>Procurement Cost Avoidance:</u> Avoid potential extra costs in the future
- <u>Spend Under Management:</u> Track and optimize your expenditures
- <u>Procurement ROI:</u> Determine the profitability of investments

Procurement Balanced Scorecard

The Balanced Scorecard (BSC) is a strategic management technique for communicating and evaluating the achievement of the mission and strategy of the organisation using both financial and non-financial measures. The balance scorecard link the performance metrics used in the procurement and supply function with the organisational strategy and ensures that the activities and evaluation of the supply chain are focused and aligned with what really matters to the organisation.

The respondents interviewed explained the purpose of a procurement and supply focused balanced scorecard is to have a positive impact on procurement and supply chain. Producing a procurement-specific balanced scorecard means that the procurement professional can capture and communicate key objectives for the procurement and supply function and demonstrate how these related to key procurement and supply requirements in evaluating activity and alignment to the organisation's strategic objectives.

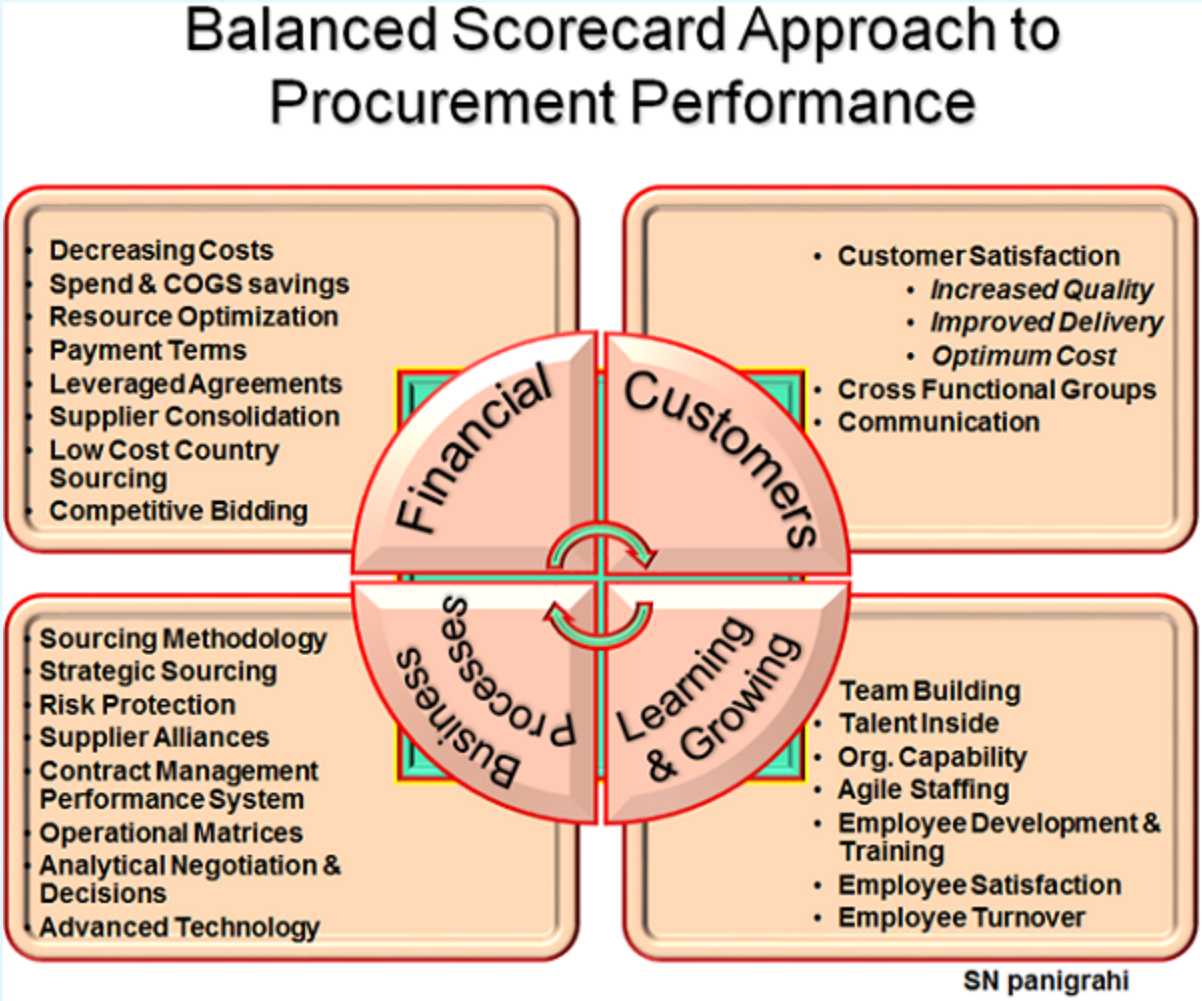


Figure 3: Procurement Balanced Scorecard

Competitive bidding and selection

The competitive bidding is the best method of procurement to stimulate competition, prevent favouritism and secure the best goods and services at the lowest practicable price for the benefits of the procuring entity. The respondents to this mini survey in responding to the question about how the selection process would ensure competition and provide assurance to the attainment of the procurement objectives showed their trust to the competitive bidding method of procurement.

The selection process is very important to ensure innovation in the procurement and supply whereas, the Prequalification Questionnaire (PQQ) and Post Qualification (PQ) must contain questions that seeks to find out a supplier's approach to and experience of improvement and innovation, the way in which scores are attributed to these questions and what weighting they are given is how the successful supplier is selected. These scores and weighting therefore are a key way to incentivise supplier to offer their best bid in terms of what they will do to make improvements and innovate. The danger if the award of scores and their relative ranking is not handled carefully is that selection becomes a box-ticking exercise. In many cases, some questions could form part of a contract or be managed during the contract rather than being part of the selection exercise.

The assessment of which supplier to select needs to focus on some key areas;

- The right competencies such as technological, quality and continuous improvement.
- The ability to collaborate as evidenced by the alignment of the supplier's goals and values with those of the buying organisation.
- Conformity between cultures of the two organisations (buyer and seller).

Although the answers to the questions in the PQQ and PQ can provide the buying organisations, valuable insight and evidence from previous customers should certainly be done prior to the award decision. The post qualification must concentrate on the following areas;

- Experience and technical capacity
    a) Experience - Show evidence that the bidder has successfully completed at least two (2) contracts within the last five (5) years with at least one of the two contracts having a value of at least TZS 100,000,000 that have been successfully and substantially completed and that are of similar nature to the proposed contract.

b) Technical capacity – the bidder shall demonstrate that the plans and arrangements for the supply are complete and adequate to meet the technical requirements and delivery schedule. The procuring entity may design various technical forms which the bidder must fill in to demonstrate the technical capacity.

- Financial capability

The Bidder shall furnish documentary evidence that it meets the following financial requirement(s):

(a) The average annual turnover (or annual sales volume) of the certain number of years whereas, the bidder must furnish requirements of the bid.

(b) A form of credit line from a commercial bank or a bank-account statement, to demonstrate that the **bidder** has money available for the contract if awarded to the bidder and evidence must be provided.

- Number and scope of patents
  When a procuring entity procuring an innovative requirements such as IT systems, another way of post-qualifying how innovative a supplier is through the number and scope of patents each supplier had applied for recently. This approach is f

Soft skills

Soft skills are any skill or quality that can be classified as a personality trait or habit and these interpersonal and communication skills and often intrinsic. Through experience in the field of procurement and supplies and the response from the selected interviewee the highlighted top five skills below are seen as very important for procurement professionals to do their jobs well. The key for procurement professionals to deliver strategically is through the development and use of the right soft skills.

- **Communication** - Procurement professionals need to able to communicate effectively on all levels to engage with user departments, other stakeholders and suppliers to develop the correct specifications, supplier relationships and effective contract management.
- **Influencing skills** - Procurement professionals need to influence colleagues and suppliers while at the senior levels it is important to influence upwards to gain buy-in and raise the profile of procurement in the organisation.

- **Internal Stakeholder Management** - Success in procurement originate from building a relationship and managing internal stakeholders through effective identification, communication and engagement.
- **Leadership** - Strong leadership skills are very important in creating successful team and elevating the profile of procurement at senior levels because leadership is the single most important factor affecting people's motivation and performance at work. Therefore, leaders must be able to introduce and implement;
  a) Functional leadership - developing and inspiring procurement staff to exceed their normal levels of capability
  b) Functional Goals – Introduction of functional procurement SMART (S - Specific, M - Measurable, A – Achievable, R - Relevant, T – Timed) goals
  c) People Capability **-** Investing significant resources (time, capital and leadership effort) on building and maintaining the people. Also, designing and developing an organisational environment which enables people to be innovative.
- **Supplier Relationship Management** - Relationship management is fundamental to creating value with suppliers and contract management. Through a more collaborative relationship, procurement can be more innovative and achieve competitive advantage.

VI. RECOMMENDATIONS AND CONCLUSION

Recommendations

When the respondents asked about specific barriers to innovation in procurement and supply, in relation to knowledge and skills reported;

- Non procurement professionals practicing procurement activities in the country.
- There is lack of buy-in at the management level to try something new i.e. the resistance in adopting ERP or e-procurement when compared to cost without considering the long term sustainable benefits of the innovation
- Some of the procuring entities are not innovative thinkers which create resistance to change sometimes with simple excuses such as budget.

These barriers can all be related to lack of knowledge and skills of the procurement officers and even some of them lacking perquisite procurement profession qualifications, for example professionals in finance, accounting and engineering who don't even have the professional qualifications such as CPSP being practicing the procurement function. This creates these practitioners being reactive rather than proactive attributing to lack of innovation in the procurement and supply function as it is not their core trained area of expertise.

When the respondents were asked to provide suggestion as to how these barriers might be removed, they suggested the following which are the recommendations for this paper;

- Procurement and Supplies Professional and Technician Board given the mandates it has to conduct a countrywide inspection to identify all people practicing procurement while they don't possess procurement and supply profession qualifications and appropriate actions to be taken upon them.
- Procurement professionals to continually pursue professional development initiatives in order to be up to date which seem to cause some employers decide to employ non-procurement professionals.
- The board to pursue innovative ways of promoting the procurement and supply profession such as providing online trainings creating the image of the board to the public.

Conclusion

The mini survey has highlighted various approaches of innovation that fosters value for money in procurement and supply. The list of the approaches might not be exhaustive, however, the paper focuses on the innovation directly related to the activities involved in the procurement cycle. When the innovation approaches highlighted are used appropriately, they can create value for money in procurement and supply. The procuring entities will pay for the perceived value of products or services which match or exceed the perceived value of the amount of money or the cost of the products or services. Most of the banks selected for this paper have recognised this potential, and have adopted these innovation approaches in procurement and supply toward achievement of Value for Money. Procuring entities either in public or private are requested to embrace innovation in procurement and supply more aggressively to attain the best value for the money.

TOPIC III: Enhance service delivery through e-procurement for practitioners:

Dr. Christopher P. Nditi
PhD, CSP (T)

Dr. Christopher Nditi is a specialist in Procurement and project Management with over 25 years of Procurement work experience and 7years Post-graduate Experience. He has a PhD (Walden University-USA- 2011) in Applied Management and Decision Science with focus on Information System Management; MSc in Project Management, Information System Management and Networking and Communication (DeVry University USA - 2008),B.Sc.- Management Information Science(Franklin University USA-2001), MBA Finance(University of Dar- 1999) , ADMM(St Augustine University aka NSTI-1991). Certified Supplies Professional (PSPTB a.k.a NBMM-2004).

DrNditi is Proficient in all areas relating to the management of procurement, finance, and project and information system. Accomplished several Procurement professional presentations at seminars or workshops for senior executive staff as well as teaching short courses. Proven track records in increasing productivity, quality, and satisfaction. He worked as Head and then the Director of Procurement Management in central Government for over 24 years. DrNditi Has vast knowledge and experience in practical procurement activities and participated in several procurement committee set by the Government.

Academically and professionally, DrNditi has been a post graduate adjunct lecturer for Higher learning institutions such as KIU-Dsm, TUMAINI-Dsm, IAA-Arusha, and CBE –

Dodoma; He was also appointed in 2018, as external examiner of Mzumbe University(Postgraduate studies in procurement and Supply Chain management). Professionally, he is Research Supervisor and workshop facilitator at Procurement and Supplies Technician Board (PSPTB) for Certified Procurement and Supplies Professional (CPSP) candidates since 2016.

In 2019 he was appointed as team member for re-affirmation-accreditation visit at College of Business Education (CBE) –Dodoma under the sponsorship of National Council for Technical Education (NACTE) and was appointed as a member of Public procurement disciplinary committee that was coordinated by PSPTB. In the same year he was also appointed as team member in developing Public Procurement Operation Manual under coordination of the Ministry of Finance and Planning (MOFP).In 2018, DrNditi was invited to Present Paper on Logistics and agricultural Supply chain and the paper on Inter organizational Information System which was held at the 1st African Logistics and Supply Chain Conference & Operation Management, organized by University of Dar es Salaam Business School (UDBS), this was sponsored by KUEHNE foundation in Switzerland. In 2017 he Presented paper on E-procurement and the journey towards industrialization, at PSPTB annual conference, Held from 4-5 December 2017 at AICC, Arusha. In the same year, he Facilitated training on Information system management for Social Security Staff from Eastern and central Africa under sponsorship of Eastern and Central Africa Social Security Association (ECASSA), which held in Arusha.

In 2016, He has also participated as Member of Curriculum Validation Committee (Master of Supply Chain Management) facilitated by NACTE. Also Facilitated Training on Procurement and Contract management for Social Security institutions in Eastern and Central Africa under sponsorship of ECASSA, Arusha. In 2015 he was appointed as Chairman of Curriculum Validation Committee (Project Management) facilitated by NACTE, and also participated as a Member of Ministry of Finance and Planning Committee for the preparation of Public Procurement Operational Policy. Currently, Dr.Nditi is the Director of procurement management Unit at the Ministry of Water, and member of board of Directors for RUWASA.

1.0 INTRODUCTION

This paper is prepared to showing the enhancement of Service Delivery through e-procurement for Practitioners. In addition the paper has covered the background of e- procurement, Emerging Information Technology, achievement from practicing e-procurement system, The procurement system in private sector, Electronic procurement in Tanzania, conclusion and recommendation.

2.0 THE BACKGROUND OF E-PROCUREMENT

The provision of sufficient, affordable and quality basic services is considered a core function of the government. The Government plays important roles in service delivery, regulating, facilitating and collaborating with other stakeholders and institutions. However, in many developing countries, delivery is constrained by challenges of coordination, governance, finance and capacity.

E-procurement adoptions make procurement activities more effective in terms of both time and cost. E-procurement and the use of computers in procurement is gaining grounds and becoming more popular in today's business. According to Qrunfleh and Tarafdar (2014), modern business state that for any business firm to succeed they must embrace and incorporate Information Technology into day-to-day running of the enterprise. This reason coupled with many other positive effects has prompted many companies both locally and all over the world to adapt and implement IT in its procurement process and overall running of the business (Rita and Krapfel, 2015).

The Institutions that use e-procurement technologies save 42% in purchasing transaction costs due to the simplification in the purchase process and the reduction in purchasing cycle time, which in turn, increases flexibility and provides more up-to-date information at the time of placing a purchase order (Hawking et al, 2004).

Currently, the government of Tanzania is undergoing reformation process in order to mitigate challenges facing the effective service delivery of goods and services. Specifically, the government has reformed the traditional way of procurement to electronic procurement (e-procurement). E-procurement increases customer service delivery efficiency and improves control system of an organization. It is evident that Information Technologies have totally transformed the way organizations and governments operate (Nelson et.al, 2001).

The Tanzania Government has long realized the importance of public procurement to the economic development of Tanzania and hence to the fulfillment of key objectives within the national Poverty Reduction Strategy. Tanzania was one of the first countries in Sub-Saharan Africa to enact a law modeled on the UNCITRAL model law.

- In 1992 - the government commissioned a consultant to conduct a study on Public Procurement and Supplies management
- In 1996-the first CPAR was carried out, including the enactment of PPA and PPR in July 2001.
- There after the enactment of PPA of 2004 and implementation of PPR in July 2005.
- In 2014, the government has endorsed the use of new enactment PPA of 2011 and implementation of Regulations of 2013.
- In 2016, the government endorsed the amendment of PPA 2011 and its regulation of 2013.

1. 3.0 EMERGING INFORMATION TECHNOLOGY

In this world of uncertainty, there only a few things that can be taken for sure. One is the fact that we are living in the information Age. The impact of IT on society has already been felt during the last 50 years and will be further growing in the years to come.

Section 9(1)F of PPA 2011(and its amendment of 2016), the government endorsed the application of electronic system in procurement activities. The following actions were taken to initiate electronic procurement in Tanzania:

- PMIS was first to be established in Financial year2008/09
- Online procurement forum followed.
- E-procurement is the grand system and its feasibility study was initiated in 2009, followed by another study in 2013/14.
- Year 2015 - 2016: Feasibility Study /Preparation of System requirements and launching procurement of Developer.
- Year 2016: Contract signed and development commenced.
- Year 2017/18: System tested and deployed, training of 81 pilot procuring entities conducted
- Year 2018/19: 80 Pilot entities commenced using TANePS for procurement of CUIS
- E- Procurement took full control in 2019/20, by allowing all PEs to perform their procurement activities using E-procurement System (PPRA, 2018).

Therefore with the introduction of E- procurement the government anticipated to enjoy various benefits such as reduce errors caused by manual processing of orders, Expedite order fulfillment through quicker order processing, Maintain or reduce staffing levels in mail order and phone order processing, Open new communication channels through Internet, Increase competition, transparency and accountability, Increase customer loyalty through extensive customer support and information, and so on.

In Tanzania the adoption of e-procurement is still at growingstage. In order to ensure an efficient and effective public procurement functions, the Government of Tanzania has mandated all Procuring Entities to apply TANePS in all their procurement activities.Many countries that are living in information age have applied the Electronic procurement system. However despite such efforts, public entities are facing challenges to complete the entire procurement process online, and e-procurement is still progressing slowly in government institutions and ministries.

2. 4.0 KEY CONCEPTS

4.1 e-government procurement (E-GP)

E-GP is the use of information technology (especially the Internet) by governments in conducting their procurement activities with suppliers for the acquisition of works, goods, and consultancy services required by the public sector. The adoption of e-GP has the capacity to increase the **transparency** and **efficiency** of government procurement. This is done in three ways: by making public transactions' information available for consultation and recorded for auditing, by rationalizing public spending, and by diffusing technology in the economy. E-GP is important because it has the capacity to increase the **transparency** and **efficiency** of government procurement, which represents a large portion of Government expenditure. Due to less human interference, e-GP can ensure **compliance** with procurement policies and contribute to reducing the opportunities of corruptive and fraudulent practices. (WB, 2007).

4.2 e-procurement

The term e-procurement results from the electronic support of procurement activities between a purchaser and a supplier through information and communication technologies (Chaffey, 2014). The main role of government of Tanzania toward Public E- Procurement is to ensure efficient and effective public procurement functions.

4.3 Information Technology

Information technology is the use of computers to store, retrieve, transmit, and manipulate data or information. IT is typically used within the context of business operations as opposed to personal or entertainment technologies.

4.4 Service delivery

Service Delivery is the ability of the county governments to prevail in the form of efficiency and effectiveness with which they deliver services (Sigma, 2016).

3. 5.0. ACHIEVEMENT FROM PRACTICING E-PROCUREMENT SYSTEM

According to WB (2007), E-GP can improve the quality of government procurement outcomes, at a lower cost and with historical track records which can be audited more easily. By improving accessibility and interoperability of the government procurement information, e-GP makes possible:

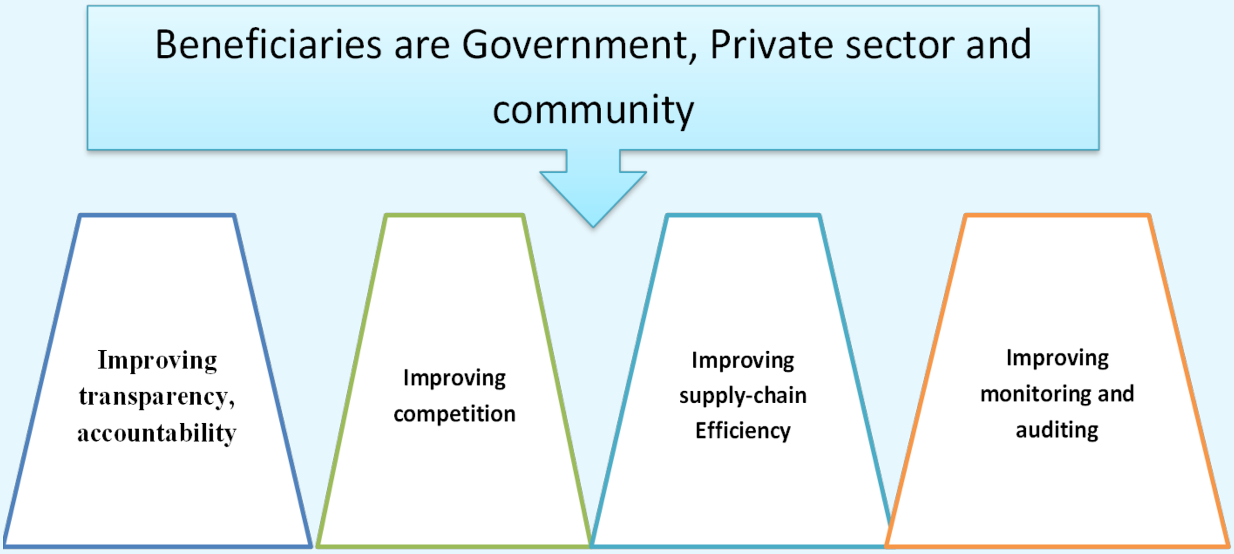
5.1 Improving transparency, accountability, and fiduciary compliance with less opportunity for corruptive or fraudulent activities.

5.2 Increasing business access and competition for government expenditure (creating commercial benefits for businesses; price and quality gains for the government),

5.3 Improving efficiency and reducing processing costs by integrating and automating workflow processes for transactions and other supply chain management activities.

5.4 Increasing and facilitating access to real time and historic information for management and audit (enabling better decision making, planning, monitoring and reporting).

FIGURE 1: Achievement of e-procurement



4. 6.0 THE PROCUREMENT SYSTEM IN THE PRIVATE SECTOR

Private organizations are profit-oriented and mainly focus on increasing returns for company owners or shareholders. Their procurement activities are confidential; they operate in a competitive business environment, where sharing trading intelligence with competitors isn't advisable. Private organizations (as in public organizations) share a similar objective in getting value for money in all procurement activities.

They focus on purchasing goods and services at the right prices and often engage in cost-reduction negotiations with suppliers. Private organizations operate under institutional policies that are often tailored to meet their business goals. They can source suppliers at will and award direct contracts without a bidding process. For example, if a private hospital wants to purchase insulin pumps, it can contact various medical device manufacturers to inquire about product quality and pricing and negotiate a potential supply deal. If private organizations choose to invite vendors to submit bid proposals, they naturally focus on awarding contracts to suppliers with favorable terms and conditions.As far as service delivery is concerned private organizations do so by selling products and services at the reasonable rates based on competition, which can lead to superior service.

6.1 Impact of e-procurement in private sector

The introduction of an e-Procurement system has been identified as a mechanism for many private sectors to improve their procurement processes and thereby reduce the cost of procurement and deliver better value for money. The use of e-procurement in private sector provides the basis for supply chain integration by providing efficient, timely and transparent business information to the appropriate parties (Cagliano et al. 2003).

E-procurement Systems and Applications E-procurement is more than just a system for making purchases online. A properly implemented system can connect sector and their business processes directly with suppliers while managing all interactions between them.

The study conducted by Nziku and Siwadenti(2017), titled as factors affecting adoption of e-procurement in private companies in Tanzania: the case of TBL Mwanza plant, revealed ample evidence that Private companies in Tanzania can adopt e-procurement and enjoy the fruits of this new technology like customer service level improvement, procurement cost reduction, inventory optimizations, buyer/supplier collaboration by direct operational links and easier audits and compliance significantly by the institutions. In additions, the Applications of good e-procurement software system , would help them greatly reduce the time and effort required to complete purchasing transactions by eliminating traditional paper chain of requisitions, approvals, receiving, payment reconciliation and reduces face to face interaction hence lower risk of corruption.

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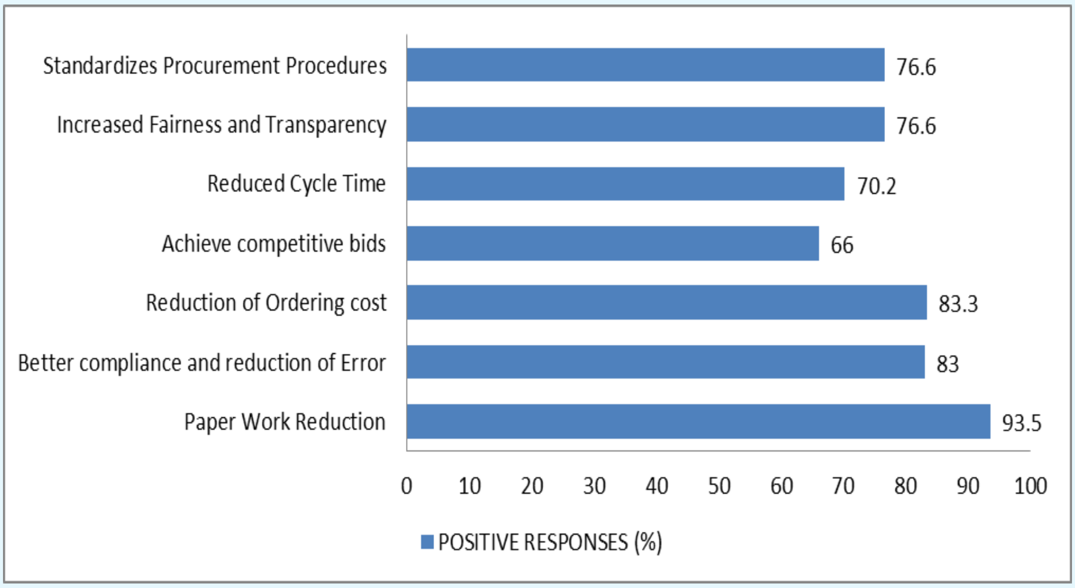
Figure 3: Rating of factors of Value obtaining by Adopting E-procurement in Private companies (TBL)

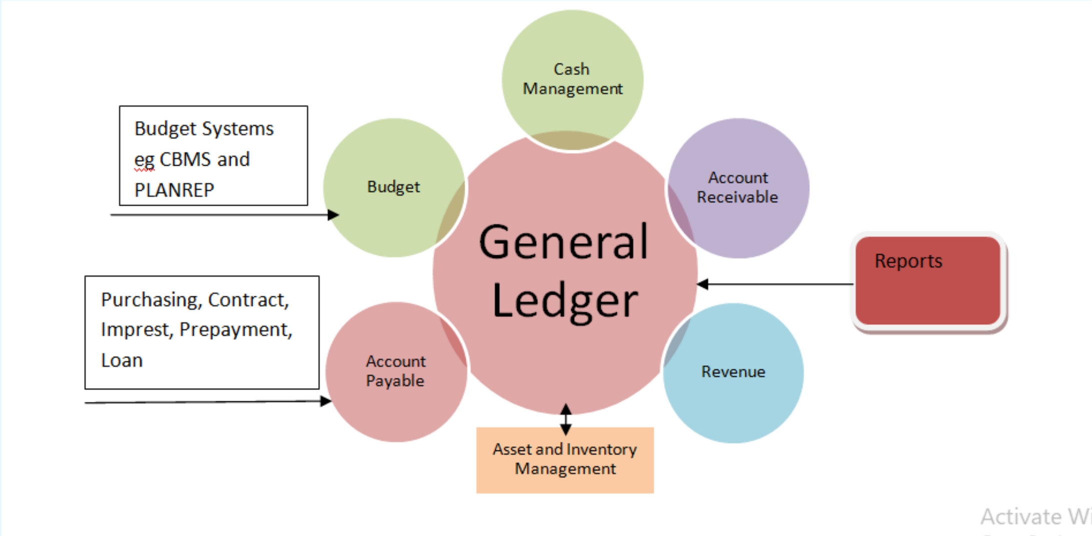


Therefore, it can be observed that, private companies are likely to benefit a lot in adoption of e–procurement in the areas identified in the research.

5. 7.0 THE IMPLEMENTATION OF WEB BASED ACCOUNTING SYSTEM IN TANZANIA (MUSE)

MUSE is a web based accounting software which is fully developed and maintained by Government. MUSE was developed to control all financials processes in Central Government, LGAs and Agencies. The use of MUSE will help to ensure that; the Government has visibility to all public expenditure which will increase accountability in financial management. The system is easy-to-use and has all the standard accounting features plus additional features that satisfies user requirement (MoFP, 2020)

Figure 2: MUSE COMPONENTS



Source: MOFP (2020)

7.1 The effectiveness of MUSE in enhancing service delivery

MUSE helps in preparationLocal Purchase Order and Contracts for goods and services. Actually MUSE is designed to capture purchase costs through Local Purchase order and Contracts management.For Cash Based Institutions LPO Issue will commit on fund allocated Balances. For Accrual reporting institutions LPO will commit on both Fund allocated and Budget Balances. Contract issue will commit on Fund balance and Budget balance where necessary. This system ensures funds and budget commitment during local purchase order and other contract issues and therefore there should be clear contract management and tracking of any variation. As far as Asset and inventory management is concerned, the procuring Entities may be in the position to update their records at the time of receiving and issuing of inventory and Assets.

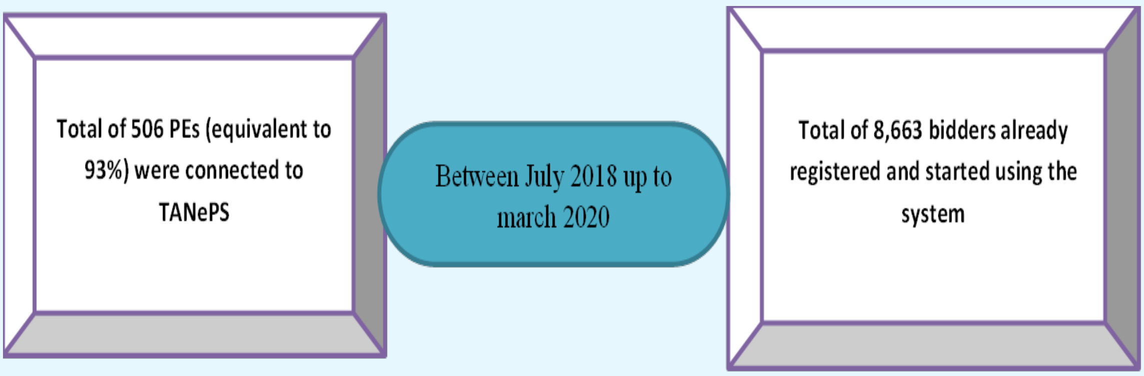
6. 8.0 THE ELECTRONIC PROCUREMENT FOR PUBLIC SECTOR IN TANZANIA

The evaluation conducted by the World bank (2016) revealed that between 60% and 70% of the government budget is expended through procurement of goods and services which are facing different challenges such as lack of tranparence,equity,competition, and increasing of corruptions in procurement proceedings, and these has direct impact to the value for money procurement.

Therefore in order to mitigate those challenges the government through section 9(1) of PPA Cap 410 has mandated the establishment of TANePS. Also the government through circular number 4 of year 2019 has mandated all procuring entities to start using TANEPS with effective from 01 January 2020.

The government through PPRA initiated TANePS in order to facilitate electronic procurement as per section 63 PPA cap 410, and regulation 340 up to 368 of PPR 2013 as amended.

Figure 3: Number of PEs and bidders connected to TANePS between July 2018 up to March 2020



Source: MoFP (2020)

8.1 The impact of TANePS in service delivery in public sector

In June 2020, MoFPthrough Public procurement policy Division (PPPD) came up with the report that shows the expedition and evaluation (as per sect 6(2)(b) of PPA cap 410) of the implementation of TANePS among 100 PEs to determine the level of understanding in using TANePS, comparing number of practitioners and bidders received training on TANePSagainst those who didn't,challenges detected in implementation of the system, pros and cons of using this system.Total of 100 PEs as shown in the following figure:

Figure 4: Sample PEs Evaluated for TANePS implementation

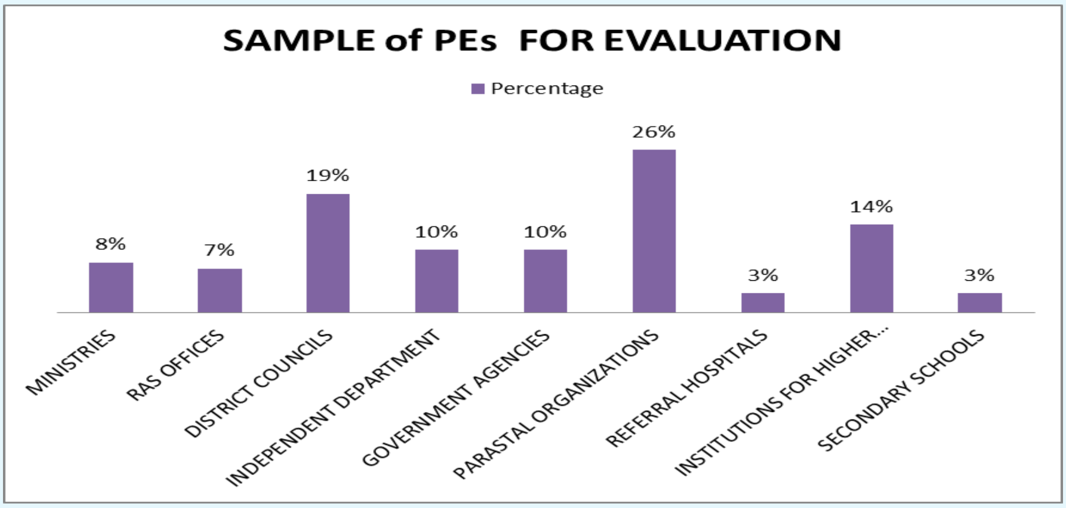


Table 1: Taneps Application: Challenges, Benefit and Recommendation Found By MOFP

CHALLENGES FOUND:	BENEFIT FOUND	RECOMMENDATION
1 Lack of capacity building to some practitioners 2 Lack of efficient help desk to practitioners 3 Lack of knowledge to some practitioners of the system 4 Performing e-procurement procedures those are contradicting PPA cap410 5 Failure of other institutions to submit APP on time. 6 The system itself has challenges on APP submission, tender advertisement, evaluation and notification of award.	1 Transparency, equity and competition have increased 2 chances of bribery and corruption has been reduced 3 reduced cost of printing hardcopies and allowances to members of evaluation team 4 Reduced costs for bidders in procuring tender documents	1 To analyse all areas in the system that lack legal guidance of procurement 2 All PEs must use TANEPS in their daily procurement activities. 3 Taking corrective actions for all institutions which has not initiated procurement through TANEPS 4 Capacity building should be done to TANEPS helpdesk 5 All public service agencies such as TPC,TEMESA and GPSA should be linked to the TANEPS 6 The system should allow negotiation to be done online. 7 Guideline for using TANEPS should be provided to all PEs

8.2 The current status of Service delivery through Electronic procurement Public sector

In October 2020 a study were conducted to determine the effectiveness of Electronic Procurement in Public sectors of Tanzania. The number of Participants were 32 coming from 17 organization namely MOW, MNH, TPDC, KASHWASA, UDSM, MoHCDGEC,GEC, PSSF, UDOM, MOFP,WMA, MOA,NHC,NHIF,TFNC, ONA, CHAMWINO DC, and NFRA.

CHALLENGES FOUND:

1 Lack of capacity building to some practitioners

2 Lack of efficient help desk to practitioners

3 Lack of knowledge to some practitioners of the system

4 Performing e-procurement procedures those are contradicting PPA cap410

5 Failure of other institutions to submit APP on time.

6 The system itself has challenges on APP submission, tender advertisement, evaluation and notification of award.

BENEFIT FOUND

1 Transparency, equity and competition have increased

2 chances of bribery and corruption has been reduced

3 reduced cost of printing hardcopies and allowances to members of evaluation team

4 Reduced costs for bidders in procuring tender documents

RECOMMENDATION

1 To analyse all areas in the system that lack legal guidance of procurement

2 All PEs must use TANEPS in their daily procurement activities.

3 Taking corrective actions for all institutions which has not initiated procurement through TANEPS

4 Capacity building should be done to TANEPS helpdesk

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Table 2: Demographic studies

1. **Gender**

MALE	FEMALE
59.38%	40.62%

2. **Years of Experience in your current position**

1yr - 5yrs	6yrs 10yrs	11-15yrs	more than 15yrs
43.75%	34.37%	12.50	9.38%

3. **Level of education:**

Diploma	Degree	Masters	PhD
0	68.75%	31.25%	0

4. **Level of Professional Qualification**:

GRADUATE	APPROVED	AUTHORIZED
50%	40.62%	9.38%

1. **attended TANEPS training that is conducted by PPRA?**

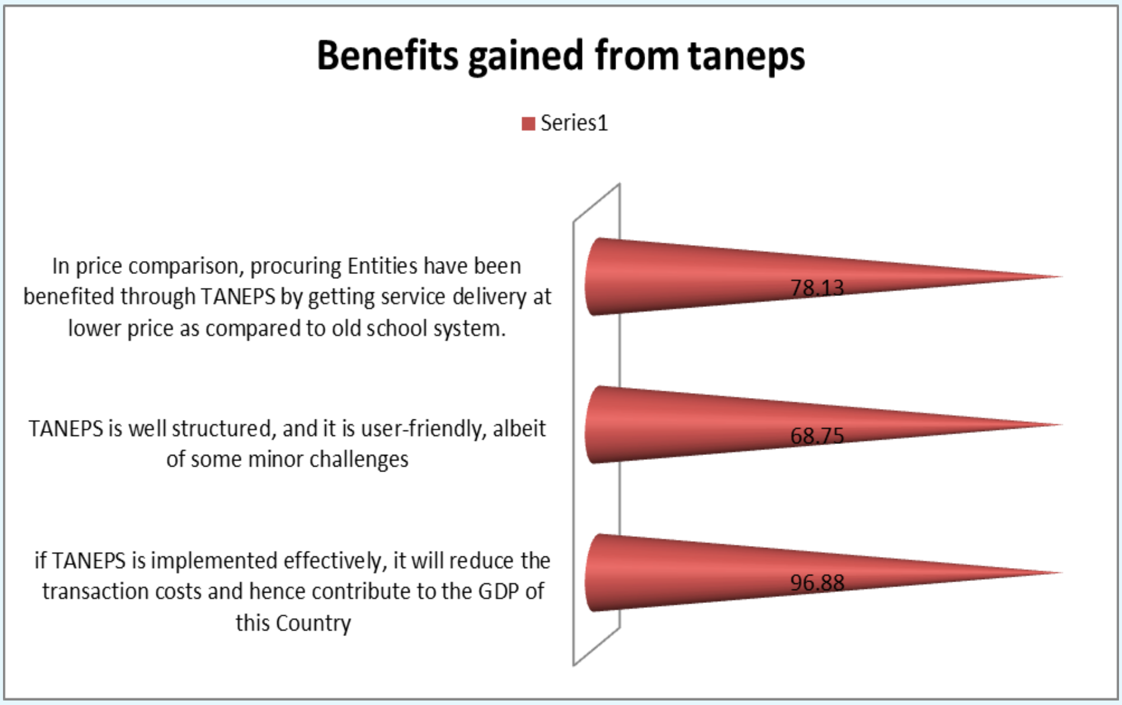
YES	NO
87.50%	12.50%

2. **plan to attend TANEPS in this financial year 2020/2021?**

YES	NO	NO SURE
50%	15.62%	34.38%

The findings(as shown in the figure 3 below) revealed that The electronic procurement System in Tanzania iswell structured, and it is user-friendly, albeit of some minor challenges andif this system is implemented effectively, it may reduce the cost and hence contribute to the GDP of this Country. In addition the Electronic procurement system may help to enhance the service delivery more easily than Old School System, but only when all obstacles to its application will be mitigated or removed.

Figure 3: The Benefits of using TANEPS

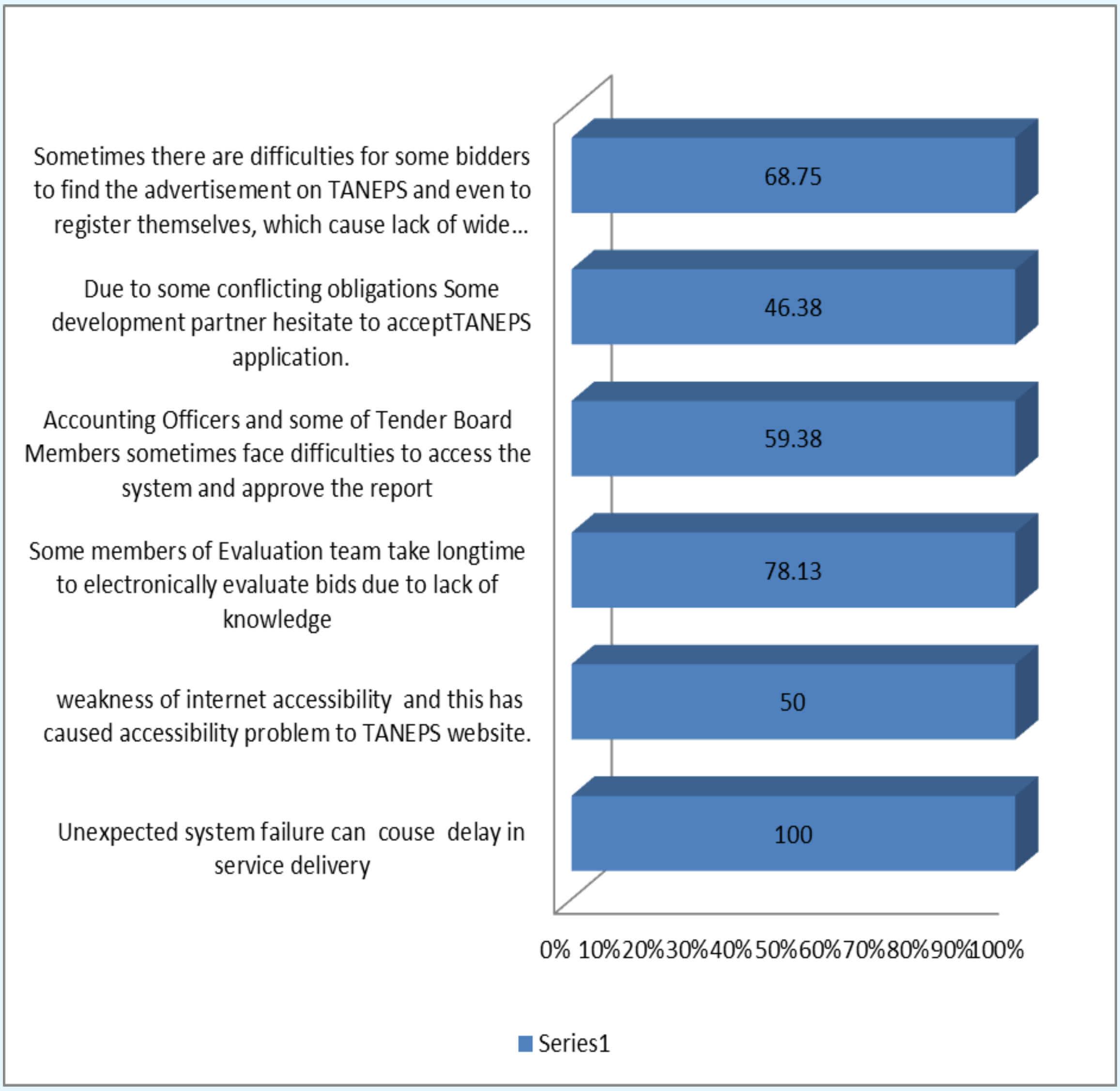


However it was revealed that the Electronic procurement System in public sector faces some challenges (as shown in the figure below) such as:

- Unexpected system failure cause delay in service delivery
- Weakness of internet accessibility and this has caused accessibility problem to TANEPS website.
- Some members of Evaluation team take longtime to electronically evaluate bids due to lack of knowledge
- Accounting Officers and some of Tender Board Members sometimes face difficulties to access the system and approve the report
- Due to some conflicting obligations some development partners hesitate to acceptTANEPS application.
- Sometimes there are difficulties for some bidders to find the advertisement on TANEPS and even to register themselves in the

system, and this result to lack of wide range of competition and hence no value for money procurement.

Figure 4: challenges of taneps application



7. 9.0 CONCLUSION AND RECOMMENDATIONS

9.1 Conclusion

Effective E-Procurement and Contract Management is a key to achieving the required deliverables of a contract. Practitioners responsible for E-Procurement in the Public Sector and private sector need to know the elements, objectives and role of e-procurement. The government applies Rules and Regulations in implementing e-procurement management in Tanzania.

The Electronic procurement system has proven to enhance the service delivery by ensuring Transparency and there by combatingfrauds and corruption Apart from Private sector the electronic procurement systemis mandatory to all Public procuring entities in Tanzania. The electronic procurement System in Tanzania is well structured, and it is user-friendly, albeit of challenges as already explained together some minor challenges such as e-cataloge for CUIS is not functioning, and some applications in taneps are not matching with law and regulations, late response from help desk once you fail to access the system or having technical problems with the system, and these cause difficulties in implementation of taneps. Sometimes there is system maintenance without prior notification. There are possibility of awarding a tenderer who has no capability and resources to perform particular contract especially in mini competition. Few list of suppliers or service provider to some CUIS bids. The system does not have the option for the correction of errors specifically in financial evaluation system, which automatically ranks the supplier according to how they have quoted (regardless of errors).

9.2 Recommendation

In order to effectively implement the e-procurement system in Public sector, it is recommended that all obstacles to its application will be mitigated or removed.Also it is recommended the e-procurement system TANePS should provide a space for giving comments to those suppliers who are ejected. It is advised to schedule training for users, accounting officers, auditors and Service providers on how to use the system. Also amendment is needed for PPA and PPR to match with some applications of taneps. I addition, the help desk should be strengthened so as to give the best customer support as and when needed.More vetting needed for suppliers of CUIS by checking their technical and financial capabilities in order to mitigate chances of some suppliers who appear to be the lowest bidder, to fail to deliver the goods and/or services. Lastly, more improvement needed to this system by considering other activities, which apparently not included in the system.

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TOPIC IV: REFINING STRATEGIC PROCUREMENT AND SUPPLY CHAIN AND ACHIEVING HOLISTIC GOALS

MR. ANDREA SWAI

I possess Masters of Science in Procurement and Supply Chain Management (Msc. PSCM) from Mzumbe University obtained in 2019, Bachelor of Business Administration with proven coverage in Procurement and Logistics Management(BBA-PLM), from St Augustine University of Tanzania (SAUT) obtained in 2009; Post Graduate Professional qualification in Procurement and Supplies with Certified Procurement and Supplies Professional – CPSP (T) awarded by Procurement and Supplies Professionalsand Technicians Board (PSPTB) in 2010; An International Diploma on Purchasing and Resourcing Management from Cambridge International College (CIC- UK) obtained in January 2015.

ABSTRACT

Strategic procurement, also known as strategic sourcing, is the long-range plan to ensure a timely supply of goods and services that are critical to an organization's ability to meet its core objectives. It incorporates actions aimed at reducing the overall supplier base, negotiations, communications, and working to maintain long-term relationships with suppliers. Strategic procurement also deals with the development of cost-saving communications and IT, improved procedures and logistics, high consumer demands, increasing environmental awareness and transparency requirements, and dynamic competition.

This paper presents how strategic procurement should be refined, so as to bringing great value and success to an organization. Procurement strategies should be aligned with the vision, mission, values and goals of the organization. These strategies should further support the needs of the community and key stakeholders, and be designed proactively with the involvement of all levels and units an organization. Through a holistic procurement strategy planning process, the organization is better positioned to balance and align resources against the current and future requirements of the community and improve positive outcomes for the organization.

This paper presents the utilization of strategic procurement through the use of technology, Spend Management, strategic sourcing, supplier relationship management, contract management and administration, risk mitigation and role of the procurement professional.

Realizing the strategic value of any organizational function requires that an entity's leaders understand how the function contributes to the achievement of organizational goals, meeting the set mission and vision, enable and align that function for maximum contribution, and set performance expectations that reflect the aptitudes of that business function. The complementing corollary is that those responsible for carrying out the function have the capability to deliver on the promise and expectation of a "strategic contribution"

1.1 The concept of Strategic Procurement and Supply Chain

Procurement and Supply Chain occurs within a corporate environment, wherein there will be a long term business strategy. Understanding and contributing to delivery of the strategy is a vital driver for Procurement and Supply Chain.

Strategic procurement and Supply Chain is an organization-wide process that aims to ensure the timely supply of goods and services in line with the organization's business goals, while reducing risk within the supply chain. Closely related to terms like strategic purchasing and strategic sourcing, it includes activities such as managing budgets and researching, identifying and selecting suppliers. Strategic procurement is an activity that requires co-operation from all departments throughout the organization. Organizations may opt to have a dedicated strategic procurement and supply chain team in order to set the direction of the business by using data from the existing procurement process to implement future plans.

Strategy is the direction and scope of an organization over the long term, which achieves advantages for the organization through its configuration of resources within a changing environment and to fulfill stakeholder's expectations.

1.2 The Role of Procurement and Supply Chain Within an Organization

The roles include

i. Support Operation requirements, through

- Understanding business requirements in line with other departments (Manufacturing, engineering and technical group, information technology etc)
- Buy product and service (at right price, from right source, at right specifications that meet user needs, in the right quality, for delivery at the right time, in the right quantity)

ii. Manage procurement process and the supply base efficiently and effectively by

- *Identify opportunities* (through evaluating and selecting suppliers, periodic review of requisitions, acting as a primary contact with suppliers, and manage supplier base)
- *Manage internal operations* (by managing procurement staff, developing and maintenance of policies and processes, providing procurement leadership to the organization, provide professional training and growth opportunities)
- *Achieve objectives* (through sourcing management, leadership of procurement for the organization, communication purpose, process and pay-off, team work, ownership and accountability for sourcing process)

iii. Develop strong relationships with other functional groups (engineering, operations, marketing)

iv. Support organizational goals and objectives

1.3 The Benefits of Strategic Procurement

Modern-day organizations consider the sourcing of goods and services is a viable strategy to reduce their production and operation costs.

Strategic Procurement and Supply Chain can be seen as activity aiming at *risk management, the continuous scope for improvement, better decision making, enhanced reputation (strong relationship with suppliers/service providers/consultants/contractors/customers)* and *increased savings*.

1.3.1 Managing Risks / Improved Risk Mitigation

Business risks are very much present in today's fluctuating global economy. Henceforth, an increasing number of organizations are feeling the need for scrutinizing their categories, expenses, and suppliers. When it comes to strategic procurement, marketers evaluate suppliers based on quality risks, financial risks, supply risks, and support services. Organizations take effective measures to avoid the above-mentioned risks.

1.3.2 Scope for Improvement (Quality/Service)

If organizations engage themselves in strategic sourcing activities, there is always a scope for improvement. Strategic sourcing involves a continuous cycle of activities. Even top-ranked executives get an opportunity to learn new skills. In this way, the managers can improve on their findings. This increases the value of their companies at large. Areas such as product improvement, high level customer service to mention few, will be highly considered.

1.3.3 Better Decision Making / Better Collaboration

Strategic Procurement and Supply Chain facilitates the decision-making process to organizations, thus enhance collaboration. This is helping organizations to reduce their costs which may result in lost sales opportunities. Every organization wants to attain greater value and enhanced efficiency. In this age of cut-throat market competition, marketers are trying new ways to reach out to the public. With the help of strategic sourcing companies, organizations are streamlining their procurement operations.

1.3.4 Strong Relationships with the Suppliers

New-age organizations realize the fact that they need to build strong relationships with suppliers to get the most of their procurement activities. Organizations that have greater control over not only their direct suppliers but also their supplier's supplier benefit from improved quality control. Strategic sourcing activities of companies lay stress on supplier interactions. It comes as a blessing for organizations when they need to work with a large list of enterprises.

1.3.5 Increased Saving / Revenue Contribution

Within the broader objectives of the organization, the aim is to seek and achieve supply process goals that will move the organization towards the highest possible return on investment over time.

Ideally, the strategy should be to know how much additional revenue would be generated through incremental improvements in the quality of customer service provided.

Procurement and Supply Chain department may generate profit to an organization either by *driving down procurement costs, improve supplier terms, decrease product prices (aggregating requirements to get discounts), review specs –ToRs -BoQ, use of technology, control risks.*

2.1 How to implement Strategic Procurement and Supply Chain and Achieving Holistic Goals

Holistic means full / complete

Goal means an idea of the future or desired result that a person/group of people plan and commit to achieve.

A well established strategic Procurement and Supply Chain may result to the following goals

- Timely supply of goods / service while reducing risk within the supply chain and ensure security of supply
- Lower costs
- Manage relationships
- Improve quality
- Pursue innovation
- Minimizing errors
- Eliminate excessive spending
- Increase efficiencies

2.1.1 By Analyzing Organizational Spend

Before you can make any changes to your current procurement strategy and supply chain, you have to analyze your existing spend culture. To do this, you must obtain data from internal stakeholders, suppliers, and any other parties who are involved in the processes.

The information you gain here will not only serve as a knowledge base within your organization but function as the foundation of your procurement and supply chain strategy. Tools like total cost ownership (TCO) can be used to identify and analyze often overlooked her unknown costs associated with an item or service in addition to its initial purchase price.

2.1.2 By Determining Needs / Strategic sourcing

Before you can design a robust procurement and supply chain strategy that gives your company the best possible results, you must understand your organization's needs. Conducting a fact-based analysis will help you align and prioritize your strategy across other functions and business goals.

2.1.3 By Assessing the Current Market Conditions / Risk Mitigation

After you finish the internal analysis to determine the business needs, look to the external side of everything – you're supply markets and their current conditions. Collect the necessary data from suppliers and potential suppliers. To ensure the data remains relevant, organizations must work to keep the data current and up-to-date over time.

2.1.4 Set Objectives

After you have determined what your business needs are, it is crucial to come up with a clear vision of what you need to achieve. Using the data you collected in the previous steps can help you determine the annoyances in your procurement and supply chain processes.

After you figure out areas where the procurement and supply chain processes can be improved, support them in descending order of impact based on how much they affect your company's bottom line. Using a strength, weakness, opportunities and threats (SWOT) analysis can identify the current state of your procurement functions. For example, if you need to reduce maverick spending, you should implement procurement software that makes the process transparent.

2.1.5 By Defining Procurement Policy

Create a list of best practices that will eliminate the existing inefficiencies. Modify your procurement and supply chain policies to address the risks you've identified during the SWOT analysis. Instead of starting from scratch, adapt existing procurement and supply policy templates to fit around your organization's business needs. Your policy should offer guidance on fair practice for everyone involved in the process and remedies for possible violations.

2.1.6 *By Adding Procurement Software*

Companies that ought to handle the procurement and supply chain process manually are more likely to spend more as a result of human error, late payments, and other delays. A procurement system improves employee productivity and reduces error by eliminating manual data entry and its Associated Inefficiencies.

Using a procurement management system helps track the picture to pay process from end-to-end. Each step of the procurement process from identifying the sourcing needs to completing the payment is streamlined. The best procurement software will find an address any process gaps and enforced purchasing policies without manual intervention and if anything seems out of line, it will stop it in its tracks and call attention to the issue.

2.1.7 *By Outlining Procurement Strategy*

Using data and information you've obtained, create a draft procurement strategy that lists down your goals and tactics that you will use to achieve them. Follow the smart method when it comes to developing your goals. Take time to implement a digital procurement strategy as it will enable your company to spend more time with suppliers and the strategic parts of procurement instead of transactions and administrative tasks.

2.1.8 *Executing, Managing, and Refining*

After you have developed a strategy, it's time to execute it. As your strategy is executed, it will demand involvement from other departments in your business such as Human Resources, Administration, Sales, and Finance. After you execute a digital procurement strategy, you need to track and measure the progress and the success of the implementation. Keep an eye on what's Happening and make adjustments when and where possible to continuously improve your results.

The right strategic procurement strategy helps ensure your company's success and maximizes its value contribution. That's why procurement leaders have the responsibility to take the necessary actions to implement a successful strategy.

2.1.7 *By Enhancing Networks*

Enhancing your network will give you an exposure to new ideas. Thus, you shall include and consult the stakeholders from other teams while taking a charge of any project. With their inputs, accomplishing the project will become simpler for you. Apart from that, the good relationships you will form within the organization, plays a major role in building trust, giving a boost to efficiency and in a quick workflow.

3.1.5 By enhancing Compliance to Contract Management and Administration

Organizations should ensure that quality control aspects are controlled from need identification through purchasing process to delivery of goods, services or works. Adequate controls should be established to ensure that works with substantive value for their quality are achieved with the best value.

Organizations should properly assess procurement needs which contain the proper preparation of technical specifications, terms of references and bills of quantities. The proper assessment and preparation of needs will avoid the future variation during implementation of contract of which according to this study attract corruption in poor handling them, cost overruns and delay of contract completion.

Organizations should ensure that all technical personnel they are in place before the contract is engaged. It is recommended that every contract process should be transparent enough and engaging all the necessary parties.

4.1 Conclusion

A look at some of the more major objectives of strategic procurement and Supply Chain makes it clear that considerable focus is put on reducing redundancies and enhancing relationships with the supplier base. Thus, these are often the main aspects organizations consider when heading towards implementation of strategic procurement and Supply chain and achieving holistic goals, they include analyzing organization spend, enhance strategic sourcing, assessing marketing conditions, properly setting of objectives, well defining guiding procurement and supply chain policies, and the proper use of technology as the work is in the fast moving era.

Further Procurement and Supply chain practitioners are argued to execute their roles in very professional manner so as to help their organizations in supporting any project. With their inputs, accomplishing the project will become simpler for you. Apart from that, the good relationships you will form within the organization, plays a major role in building trust, giving a boost to efficiency and in a quick workflow.

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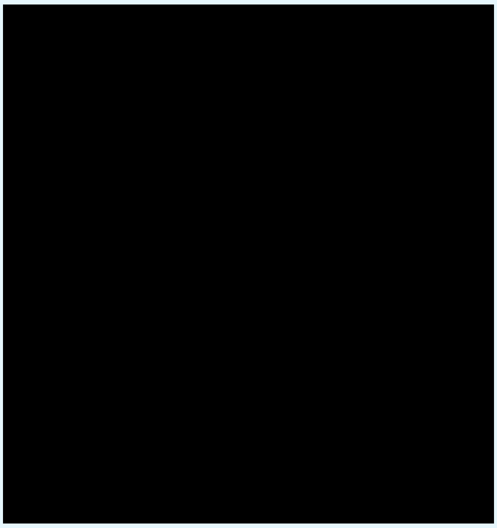
Further Procurement and Supply chain practitioners are argued to execute their roles in very professional manner so as to help their organizations in supporting organizational operational requirements, properly managing the whole procurement process and supply base efficiently and effectively, and support organizational goals and objectives. They are also argued to be proactive while maintaining high level of integrity, ethical conduct.

TOPIC V: REFINING STRATEGIC PROCUREMENT AND SUPPLY CHAIN FOR GLOBAL PANDEMIC RESILIENCE; A SYSTEMATIC REVIEW

DR.FAUSTINE PETER PANGA



Dr. FaustinePanga is a lecturer at Moshi Co-operative University, He holds PhD in Governance and Regional Integration majoring in Public Procurement Governance. He is registered Public procurement and Supplies Professional by PSPTB since 2010. He also holds Masters and Bachelor Degree in Procurement and Supply Chain from Mzumbe and Sokoine Universities respectively. Currently he is the Head of Department of Marketing, Procurement and Supply Management and coordinator of the Prostigraduate Studies at MoCU. DrPanga has published research papers and articles in procurement, contract management, good governance and SMEs in local and international journals.

Abstract

While strategic procurement and supply chain function had evolved to achieve a level of complexity that was deemed favourable for global value chains, much of the complexity was not fashioned to withstand global supply chain disruptions. Long hailed strategic procurement and supply chain practices as effective and cost-efficient collapsed in the face of COVID-19, leaving enormous supply shocks, demand shocks, ripple effect, bullwhip effect and constraint cash inflows in the global supply chain.This has raised the need to question the effectiveness of these strategies as to whether there is need to refine or perhaps to rethink strategic procurement and supply chain in face ofglobal pandemics. This paper points the direction companies should take as they seek to refine their strategic procurement and supply chain to make it resilient to global supply chain disruptions post COVID-19. This was achieved through a systematic review of 17 published scholarly articles and review of other non-scholarly and grey literature. The findings indicate that strategic procurement and supply chain practices that enhances resiliency will be favoured over efficiency post COVID-19. Indeed, strategic procurement and global supply chain has undergone a test that will necessitate refining the practice.Therefore, as companies embark on refining their strategic procurement and supply chain after coronavirus, this study recommends that companies should seek to balance efficiency with resiliency, rather than trading off one over the other.

Keywords: COVID-19, post COVID-19 supply chain, supply chain resilience, strategic procurement and supply chain, global pandemic resilience.

1.0 Introduction

With increasing globalization, procurement and supply chain management function had reached a level of complexity that was perhaps seen as a major driver of globalization and not vice versa. Unlike traditional procurement function that focused on purchasing low cost quality materials, components and services, the 21st century procurement was dictating global competition by initiating and sustaining new product development, strategic alliances, cost containment centres and in building flexibility that was almost at par with fast-paced changing customer requirements (Hong and Kwon, 2012; Weigel and Ruecker, 2017). This has seen procurement and supply chain management rapidly evolve from a backdoor function to boardroom strategic function every organization finds quintessential in building sustainable competitive advantage. Procurement and supply chain departments have been increasing in status in both public and private sector organizations, often participating in strategy planning and being perceived as an equal partner by other departments while expected to make significant contributions to value creation and competitive advantage and therefore improve organizational performance (Patrucco*et al*, 2017).

As Hong and Kwon (2012) describe, beginning in 2000, procurement and supply chain embarked in building strategic network capability involving multiple organizations by ensuring seamless collaboration and coordination of activities among various interdependent actors to magnify total procurement value. This was a major shift from 20th century (1980s to late 1990s) procurement whose emphasis was on supporting cross-functional collaboration within the organization (Hong and Kwon, 2012). Beyond 2010, procurement and supply chain has become strategic function spearheading the formation of strategic and collaborative global value chains for achieving sustainable competitive advantage (Weigel and Ruecker, 2017). Through this ideology, strategic procurement and supply chain currently fuels time-based competition where products are designed in one continent, manufactured in different continent, and through global value chains delivered to customers worldwide almost at the same time. Characterized by risk management, strategic alliances, lean supply chain, global sourcing, offshoring, outsourcing, single sourcing, make-to-order among other features (Senft, 2014; Weigel and Ruecker, 2017; Hong and Kwon, 2012), modern-day strategic procurement and supply chain had reached a level of complexity which was almost being equated to its immunity to supply chain disruption.

However, since the World Health Organization (WHO) declared the novel virus SARS-CoV-2 (COVID-19) on March 11, 2020 a global public health pandemic, global strategic procurement and supply chain is struggling to adapt to the new norm. The outbreak of the virus has put to test the resiliency of procurement and supply chain strategies that had been postulated as efficient and cost-effective. The COVID-19 pandemic, which is stated to be worser than 2008-2009 financial crisis, not only affected demand and supply, but also the interactions of supply chains around the world causing 13-32 percent decline in global trade according to World Trade Organization (2020). The dismal performance of global procurement and supply chain strategies under COVID-19 has raised the need to question suitability of these strategies that have been for a long-time hailed as efficient and strategic (Linton and Vakil, 2020), and ask whether there is need to refine or perhaps to rethink strategic procurement and supply chain in face of global supply chain disruptions. To this end, this study sought to answer four major questions

i. What strategic procurement and supply chain practices increased vulnerability of global supply chains to COVID-19?
ii. How is the performance of strategic procurement and supply chain under global supply chain disruptions?
iii. What are the weaknesses of modern-day strategic procurement and supply chain exposed by global pandemics?
iv. How should strategic procurement and supply chain management be refined post COVID-19?

2.0 Methodology

To answer the above questions, a systematic review of literature was conducted for research studies published between 2010 and 2020 to capture procurement and supply chain trends purely informed by large scale global supply chain disruptions such as the 2011 floods in Thailand, 2011 earthquake and tsunami in Japan, 2017 hurricanes in Florida and Texas U.S and Puerto Rico. A group of five key words which are global supply chain pandemics, COVID-19/Corona virus, supply chain resilience, strategic procurement and supply chain, and global pandemic resilience were used to research for articles from Emerald Insight, Google Scholar, and Taylor and Francis research databases. The search was conducted in three phases where the first phase screened the titles to identify key words. Studies containing keywords in the titles were selected for the second phase. The second phase involved analysis of the abstracts to establish the main problem of the study, research methodology, findings and conclusion. Studies that were not in line with research objectives were excluded. Lastly, the remaining articles were read in full and selection was based on their congruence with pre-determined research objectives leading to a selection of 17 research articles. In addition, non-scholarly articles such as reports and other grey literature were surveyed to collect data that could not be found in published articles but is necessary to put the findings into perspective (Paez, 2017). The next section of the paper is organized as follows;

I. Strategic procurement and supply chain practices that increased vulnerability to COVID-19
II. Performance of strategic procurement and supply chain under global supply chain disruptions.
III. Refining strategic procurement and supply chain post COVID-19.

3. Strategic Procurement and Supply Chain Practices that Increased Vulnerability to COVID-19

3.1 Lean Supply Chain

According to Womack and Jones (1996), lean thinking refers to the ideology of realizing improvements through the most cost-effective ways with a particular focus on waste hailed as efficient and strategic (Linton and Vakil, 2020), and ask whether there is need to refine or perhaps to rethink strategic procurement and supply chain in face of global supply chain disruptions. To this end, this study sought to answer four major questions

i. What strategic procurement and supply chain practices increased vulnerability of global supply chains to COVID-19?
ii. How is the performance of strategic procurement and supply chain under global supply chain disruptions?
iii. What are the weaknesses of modern-day strategic procurement and supply chain exposed by global pandemics?
iv. How should strategic procurement and supply chain management be refined post COVID-19?

2.0 Methodology

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3. Strategic Procurement and Supply Chain Practices that Increased Vulnerability to COVID-19

3.1 Lean Supply Chain

According to Womack and Jones (1996), lean thinking refers to the ideology of realizing improvements through the most cost-effective ways with a particular focus on waste elimination, so that organization can produce more using minimal resources. The concept of lean supply chain is based on five principles as emphasized by Womack and Jones (1996); 1) state the value by specific product; 2) map out the value stream for each product; 3) ensure that the value flows without interruptions; 4) allow customers to pull value from the product; and 5) pursue perfection. Lean supply chain practices appealed to many companies due to their ability to reduce waste while increasing profit margins (Fonseca and Azevedo, 2020). The most common lean supply chain practices that collapsed in the face of COVID-19 is just-in-time philosophy.

Just-in-time is a lean supply chain practice that aims at eliminating all non-value adding activities, hence reducing costs and improving operational efficiencies. It is based on the principle of ensuring that right products are at right location when they are just needed.The two main facets of JIT are supplier/inventory strategy and production strategies which are supported by top management commitment on quality management, and continuous education on quality (Fonseca and Azevedo, 2020; Free and Hecimovic, 2020). On supplier or inventory strategy, JIT prefers small lot sizes and frequent deliveries from supplier that just meet the current need. To achieve this JIT prefers sourcing from a single supplier to increase coordination. On production, JIT advocates for pull based production system which only allows production to start when there is known demand. All these strategies proved ineffective in the advent of COVID-19 since frequent delivery in small lot sizes could not be done due to closure of borders and high cost of transportation (Fonseca and Azevedo, 2020). Single sourcing also made it difficult for companies using JIT to identify and use alternative sources due to restrictive contractual terms (Free and Hecimovic, 2020). Pull based production ensured that there was no ready to order stock, creating severe shortages of products and other essential goods that were needed to fight the pandemic.

3.2 Long and Complex Supply Chains

According to Free and Hecimovic (2020), the inability of supply chains to appropriately respond to COVID-19 crisis was escalated by their long and complex nature that hindered visibility across the entire supply chains. Globalization had resulted in multi-tier international supply chain high complexity and interdependence, that was simply favoured because of its ability to reduce costs and maximize economies of scale (Free and Hecimovic, 2020). When COVID-19 broke out, most businesses could hardly gain visibility beyond their first tier of supply chain, these delayed mitigation efforts that were needed to increase resilience (Zhu, Chou and Tsai, 2020).

3.3 Offshoring

Offshoring is supply chain practice where companies relocate their production facilities to low cost regions (Dolgui, 2020). This enables companies to reduce the cost of production by accessing cheap and skilled labour in emerging economies such as China and India. According to Ivanov and Dolgui (2020), 1000 world largest supply chains have more than 12,000 facilities in areas that have experienced high cases of COVID-19 infections and lockdowns. For instance, China, which accounts for 35 percent of global manufacturing experienced prolonged lockdowns and quarantine between January and March, 2020

(Rustici, 2020). This left many companies outside China, particularly in Europe and United States without parts and components to continue with production (Dolgui, 2020). Furthermore, closing of borders made it difficult for companies which had offshore production to transport their goods to consumer markets (Ivanov and Dolgui, 2020).We have also witnessed the cross border logistics challenges even in east African countries with long queues and a lot of testing for drivers entering from one country to another which caused shortages for some products in importing countries. There were even claims from Ugandan Authorities that drivers from Kenya and Tanzania are spreading COVID -19 to the residents in Uganda.

3.4 Single sourcing

Before the outbreak of COVID-19, China was the single hub of global manufacturing. Many of the companies around the world dependent on China as the single source of supply, and there was no motivation whatsoever to diversify to other countries, after all, clustering of suppliers in one region significantly reduced costs of operations. This clustering of suppliers explains the enormous growth of China share of global manufactured goods from 8% percent in 2003 to 19 percent in 2018 (Garcia-Herrero et al., 2020). Currently, China is producing 30% of manufactured goods, 80% of printed circuit boards that are essential in the manufacture of smartphones and laptops, and 50% of stainless still (Rustici, 2020). However, as Free and Hecimovic (2020) explained, consolidation of production centres in China and other cities in Southeast Asia has resulted in lack of capacity in other parts of the world that was revealed by the advent of COVID-19. Locally in Tanzania we have experienced the shortage in sugar in several areas due to over dependence on few sugar factories and difficulties of importing caused by COVID-19.

3.5 Focused Production Factories

The concept of focused factory was introduced by Skinner (1974) in an article published by Harvard Business Review. The idea of focused factory as postulated by Skinner (1974) was that grouping too many different products, markets, and technologies in the same production plant may undermine performance and productivity. As such, focused factories were specifically built to focus on particular product serving particular market with unique technologies. Since, its inception, there has been little opposing views that focused factories are more competitive than unfocused factories. However, a lot has changed since 1974, reducing the competitiveness of focused factories, particularly in light of increasing natural disasters with floods and earthquakes in Thailand, Japan, outbreak of diseases such as Ebola and now COVID-19, which many global supply chains failed to take notice.

During this COVID-19 era, many companies that have survived are those that were quickly able to reinvent their factories to begin producing components that were in short supply, add a new product line on the same production line, and introduce new products targeting new markets that the company was not initially serving (Zhu et al., 2020) . For instance, many textile and beauty products companies were able to transform within days to start manufacturing masks, surgical gowns and hand sanitizers that were on high demand, while the demand for other non-essential products plummeted. Such companies include KICOTEC in Kenya, L'Oreal in France, Zara in Spain, and Hudson Valley Skincare in U.S. among others (Industry Europe, 2020). However, companies that had focused factories particularly in automobile industry were left helpless since they could not use their factories to manufacture components in short supply, or switch to new lines of products (Ivanov, 2020).

3.6 Global sourcing

Global sourcing is another procurement and supply chain practice that increased the vulnerability of supply chain during COVID-19. With growth in membership of WTO, companies have found it easier to acquire materials, parts, components and goods from overseas suppliers. While a number of factors have led to increase in global sourcing, low cost over domestic suppliers has been a key driving force (Gereffi, 2020; Dun and Bradstreet, 2020). Astudy by Dun and Bradstreet (2020) revealed that more than 5 million firms had direct suppliers and tier-2 suppliers in Wuhan, China where corona virus originated. Studies in the global value chain of medical products and personal protective equipment that were under severe shortages in early stages of the pandemic outbreak show that countries had specialized in production of specific line of products making it inevitable to source overseas (Gereffi, 2020). For instances, China controls 50.4% of textile face masks, 48% of protective spectacles, and 42 percent of non-woven protective garments exports, while USA controls 17.7% of intubation kits, 22% of patient monitoring devices globally (Gereffi, 2020). Since, both China and USA were severely hit by the pandemic, leading to longer quarantine especially in China, the entire world experienced shortage not only because of ballooning demand, but ineffective supply chain that was based on hyper-efficient but rigid structure that failed to respond appropriately.

4.0 Performance of Strategic Procurement and Supply Chain Under COVID-19

4.1 Supply shocks

One of the immediate effects of COVID-19 in supply chain was supply shocks. Many industries found it difficult to meet ballooning demand particularly of healthcare products that were needed to fight the pandemic and other essential goods for human survival (Zhu et al., 2020). Industries such as automobile, textile, electronics, and aerospace also suffered gravely from the pandemic. A recent study revealed that production in automobile, textile, and aerospace manufacturing declined by 13%, 8% and 5% respectively (McKenzie, 2020). The supply shocks were caused by inability to source materials, parts and components from China due to lockdown restrictions that were imposed in the country to control the spread of the virus (Zhu et al., 2020; Ivanov, 2020).

4.2 Demand shocks

At the onset of COVID-19, global supply chain experienced panic buying. People tried to imagine all measures the government was going to impose and therefore decided to shop in preparation for long-term uncertainties. This caused higher variability in demand that the global supply chain could not manage (Zhu et al., 2020). Empty shelves at supermarkets for essential goods such as toilet paper and sanitizers witnessed at the onset of the pandemic was an indication of demand shocks (Zhu et al., 2020). In turn, companies put it in all efforts to ramp up production and to ensure shelves are all stocked. Unfortunately, the increased demand particularly for toilet papers and hand sanitizers was quickly followed by low demand since people were buying in larger quantities that lasted longer than usual. This led to high variability in demand, that was hard to accurately forecast (Free and Hecimovic, 2020)

4.3 Bullwhip effect

COVID-19 also caused bullwhip effect within the supply chains (Zhu et al., 2020; Fonseca and Azevedo, 2020). According to Chowdhury, Moktadir, Paul and Sarkar (2020), bullwhip effect occurs when inventory levels experience larger fluctuations in upstream portion of supply chain in response to shift in consumer demand (Chowdhury et al., 2020). The major causes of bullwhip effect are fluctuations in demand forecasting, buying once in larger quantities rather in small frequent orders in a period of time and increased sales promotions. Bullwhip effect experienced during the health pandemic was largely caused by fluctuations in demand forecasting and order batching. At the onset of COVID-19, consumers experienced panic buying leading to empty shelves of groceries in retail shops (Zhu et al., 2020). Retailers responded by placing larger orders with wholesalers to sustain the sudden increase in demand. Wholesalers, in turn placed larger magnified orders up the supply chain to meet retailers demand. Although the panic buying lasted for awhile, much of what was being purchased was not being consumed immediately. Eventually, inventory levels increased upstream the supply chain as consumer demand declined in subsequent months following the outbreak of COVID-19.

Some of the industries that were hard hit by bullwhip effect are consumer-packaged-goods (CPG) industry including food and beverage. For food and beverage industry, bullwhip effect, also worsen by total lockdowns, meant risk of obsolete inventory occasioned by expiry of products in closed retail shops, distributors warehouse and manufacturers depots, since some of the products have short lifespan (Chowdhury, Moktadir, Paul and Sarkar, 2020).

4.4 Ripple Effect

According to Dolgui, Ivanov and Sokolov (2017), ripple effect is an inverse of bullwhip effect which occurs due to low-frequency-high-impact supply chain disruptions or exceptional risks that constrains the ability of supply chains to fulfil orders downstream. Ripple effect occurs when there is deep uncertainty that causes risks such as production plant closure or plant explosion. This differs from bullwhip effect which occurs due to random uncertainty usually caused by demand fluctuation disturbing lead-times and inventory levels (Dolgui et al., 2017). Ripple effect was experienced in consumer-packaged goods industry, as retailers failed to restock the shelves in time (Chowdhury et al., 2020; Zhu et al., 2020). Automobile manufacturers also experienced ripple effect.

For instance, Fiat Chrysler Automobiles temporarily halted production at its car factory in Serbia since it could not get components from China (Ivanov, 2020). Hyundai was also forced to suspend production lines at its plants in South Korea as a result of disruptions in supply of parts from China caused by the outbreak of COVID-19 (Ivanov, 2020). The ripple effect experienced in this time of COVID-19 can be attributed to a number of procurement and supply chain strategies such as single sourcing, low safety stocks, lack of contingency plans, operating at 100% percent capacity, and production in batches (Dolgui et al., 2017). Locally ripple effects was experienced in cement supply when Dangote Factory in Mtwara was closed for maintenance and the price of cement was doubled in some parts of the country and shortages were experienced all over country.

4.5 Constraint cash inflows

As a result of COVID-19, many supply chains experienced a huge cash flow shortage, leading to shortage in working capital. COVID-19 drastically reduced the demand for goods and services. Public health measures put in place to contain the spread of the virus led to closure of hotels, bars, and short operating hours of retail stores leading to a decline in sales volumes. In addition, as export volumes declined and other industries such as international air travel shut down for months, the purchasing power of many consumers declined, reducing positive cash flows to companies. Consequently, many companies are still struggling to meet their operational expenses, with some being forced to lay off substantial percentage of staff, enforce pay cuts, and some have completely shut down, especially for small and medium-sized enterprises. According to Fortune Magazine, about 100,000 businesses have permanently shut down due to COVID-19 in the U.S. A study by Bartik, Bertrand, Cullen and Stanton (2020) done among 5,800 small businesses in U.S. between March and April revealed that 43% of businesses had already shut down. More than 100,000 businesses are projected to shut-down in South Africa due to shortage in working capital caused by COVID-19 (Xinhua,2020). According to Chowdhury et al., (2020), some of business closures could have been averted if the companies had increased visibility within their supply chains, and had contingency plans in place.

4.6 Blurred supply chain visibility and traceability

In an increasingly global multi-tier supply chain, visibility is key to building resilient businesses by enabling timely identification and prevention of a supply chain disruption at lower tier from affecting the entire supply chain. According to McIntire (2016), supply chain visibility refers to the degree to which actors in the supply chain share and access information pertaining all the transactions across the entire supply chain. Besides, accessing information, visibility in supply chain demands that actors understand the typology of the supply chain network; the structure, the number of nodes, level of tiers, number of actors within each tier, location of each actor and the relative distance between players (McIntire, 2016). On the other hand, traceability refers to ability to map the path materials and components flow as well as the chronology of events in the upstream and downstream supply chain. COVID-19 revealed lacked visibility and traceability over extended supply networks. Many companies believed that having knowledge about first tier supplier operations was enough to and ignored tracking the operation of lower tier suppliers. On the contrary, Dettenbach, Thonemann and Tempelmeier (2015) state that lower tier suppliers have a critical impact on the operation of supply chain since they can either have monopolistic powers or be part of an extended supply chain network, implying that any disruptions occurring at their level can partially or completely paralyze operations in the supply chain.

It was this lack of visibility that caused magnified bullwhip effect and suspension of production at many plants. For instance, huge quantities of food and beverage products held by distributors were at risk of becoming obsolete due to closure of hospitality industry (Chowdhury et al., 2020). When Foxconn, the Chinese based iPhone manufacturer could not get components from lower tier suppliers, Apple supply chain was gravely disrupted (Li, Ting-Fang and Liu, 2020). Automobile companies such as FiatChrysler and JCB among others had to suspend their operations at certain plants due shortage in supply of components originating from China (Ivanov, 2020).

5.0 Refining Strategic Procurement and Supply Chain Post COVID-19

5.1Near shoring

Post COVID-19, offshoring to low cost production areas as source of competitive advantage is likely to be replaced with near shoring according to studies by Fonseca and Azevedo (2020), Free and Hecimovic (2020); Zhu et al., (2020) and Foley (2020).Although locally manufactured goods command higher prices, many businesses will begin increasing the quantity of inputs sourced locally, to ensure that they have local supplier ready incase the global supply chain is disrupted (Free and Hecimovic, 2020). Zhu et al. (2020) explains that companies may be compelled to localize the production of critical components either within their country or region, to maintain a steady supply. This trend will foster the multiple sourcing and diversification practices that have identified by other studies. Currently, many manufacturing companies in the U.S. had already heeded the call by the Trump administration and moved the manufacturing back to U.S. and Mexico. A similar call has been made by the French governments for manufacturing companies to move production back home (Free and Hecimovic, 2020). A study by Foley (2020) reported that 74 percent of U.S. firms were planning to leave China and move their production back to U.S., Mexico or Canada. Australia has also established a new manufacturing taskforce to promote onshoring within Australia, signalling the end to off-shoring (Free and Hecimovic, 2020).

5.2 Redundant Supply Chain

Due to weaknesses experienced with operating a lean supply chain, studies (Free and Hecimovic, 2020; Foley, 2020; Fonseca and Azevedo, 2020) indicate that moving forward, many companies are likely to focus on ensuring continuity of operation rather than 100 percent waste elimination. Fonseca and Azevedo (2020), describes this shift as a move from just in time to just-in-case methodology in supply chain. A study by Foley (2020) comprising of U.S. and Mexican manufacturing companies revealed that 23 percent were moving away from lean manufacturing inventory model to warehousing.

The characteristics of this paradigm shift may include a major compromise between efficiency and resilience of supply chain. This will see companies building higher levels of safety and buffer stock, keep extra unutilized capacity, increase levels of make to stock inventories, and source from multiple suppliers (Gereffi, 2020). Additionally, Fonseca and Azevedo (2020) state that companies may be willing to accept longer delivery times, higher procurement costs, for as long as the supplier is reliable rather than low cost unreliable source of supply.

5.3 Multiple Sourcing

Multiple sourcing is going to increase as mitigation strategy against supply chain disruptions in one region of the world (Azevedo and Fonseca, 2020; Gereffi, 2020; Foley, 2020). Foley (2020) reports that 39 percent of manufacturing companies in U.S. and Mexico were implementing multiple sourcing strategy to move away from relying on single supplier. Azevedo and Fonseca (2020) and Gereffi (2020) also reported all companies studied were implementing multiple sourcing of all their critical components.

5.4 Diversification of supply chains

Post COVID-19, companies will seek to diversify their production sites and suppliers in different countries to avoid overdependence on a single location. This was confirmed by Foley (2020) study which showed that 30% of manufacturing companies in U.S. and Mexico had already started to source from suppliers in different geographical regions to reduce exposure to supply chain disruptions in any particular region. Free and Hecimovic (2020) and Zhu, Chou and Tsai (2020) also identified that many companies will diversify their supply chain operations in other regions away from China. These will include a blend between low cost economies such as Vietnam, Indonesia and shortened supply chains where US companies will shift to Mexico, a trend that is already underway (Foley, 2020), and European countries moving to Turkey and other Eastern European countries (Free and Hecimovic, 2020).

5.5 In-house Sourcing

According to Foley (2020) study, 20 percent of U.S. and Mexican firms started to produce certain parts and components in-house rather than relying on external suppliers. Companies will likely trade off cost efficiencies that comes with buy-decisions with supply chain reliability and resiliency, during disruptions. This strategy was also reported by Free and Hecimovic (2020), and Fonseca and Azevedo (2020).

5.6 Flexibility and Agility

Building flexibility and agility within the supply chain both internally and externally will take a centre stage post COVID-19 (Foley, 2020; Zhu et al., 2020). Companies will strive to ensure they can be able to respond to changes in supply and demand, including introducing a new product line just to stay in business. Zhu et al., (2020) report that businesses will focus on building both business-to-business (B2B) and business-to-consumer (B2C) markets. Other form of supply chain flexibility will be building unfocused factories rather than focused product plants to realize product mix flexibility, volume flexibility and new products flexibility (Foley, 2020).

5.7 Force majeure clause revision

Although force majeure clause has always been part of procurement and supply chain contracts, the outbreak of COVID-19 has showed how such clause can make a difference when drafted carefully. A common practice has been to copy and paste the same force majeure language used in old contracts to new contracts. A study by Foley (2020) shows that force majeure clause may undergo revisions to ensure that risks are rightly allocated when pandemic occurs. According to a study by Foley (2020) both buyers and sellers will have competing interests in new force majeure clauses as summarized in the table below.

Figure 1: New Force Majeure clause considerations in Procurement and Supply Chain

Considerations for Buyers	Considerations for Sellers
Force majeure will be limited to events that are completely outside supplier's control.	Expand the force majeure list to include all possible events including industrial unrest, breakdowns in equipment, shortage of raw materials among others.
Exclude acts of government from force majeure clause while increasing protection for price paid to cover all costs like taxes, tariffs, and imports.	Include pandemics, epidemics, quarantines, curfews, and all acts of governments as force majeure event.
Rewrite the clause to ensure that the seller will not be able to cite anything that is not explicitly stated that hinders performance as a force majeure event.	Focus on including broad language that will capture all foreseeable, unforeseeable, stated and unstated events beyond their reasonable control that hinders performance in any way.
Include a provision for prompt notice of any force majeure event so that an immediate evaluation of its impact can be carried out.	Keen on understanding the buyer's rights when enforcing a force majeure.
Provide a clause that will allow the buyer to exit the agreement if the supplier will not be able to resume performance within agreed period of time.	Be careful to trigger the clause since it may allow the buyer to exit the contract if performance is not resumed within agreed period.

Source; Foley (2020)

5.8 Supply Chain visibility and tracking

Companies will also seek to increase visibility in their supply chain. According to Zhu et al. (2020) many businesses will focus on mapping their supply chain to include both the first tier and the lower tier suppliers. This mapping will also include identifying the specific geographical location of lower tier suppliers' factories and warehouses (Zhu et al., 2020). Companies will concentrate on understanding the interplay between their supply chain networks to proactively prepare for any disruptions emanating from pandemics.

5.9 Increased adoption of Industry 4.0 technologies

A greater focus will shift to developing world class technologies and innovation in procurement and supply chain management. The purpose of these technologies will be to improve future capabilities of mitigating risks from supply chain disruptions, increase efficiency, and improve relationship with suppliers (Foley, 2020). Foley (2020) study shows that investment in robots and collaborative robots technology will increase to mitigate against the risk of bringing employees on site by reducing human involvement on assembly line. This technology has been widely explored in automobile industry with companies such as Fiat, BMW, Renault and Ford already using it. Other advanced manufacturing technologies such as artificial intelligence, 3D printing will be widely explored to eliminate differential manufacturing wage rate that has been pushing companies to low cost economies in Asia, facilitating local production by significantly reducing production costs (Free and Hecimovic, 2020).

3D printing is a relatively new technology that was first used in aerospace and defence industries around 1989 (Conrad, 2018). It is also referred to as additive manufacturing due to its ability to reduce waste through cut-offs and rework on scrap. Mainly, the technology is applied in developing functional prototypes, tooling, and manufacture of lightweight components. The main advantage of 3D printing is enabling production in low volumes, reducing material wastes and consolidation of parts among others (Conrad, 2018).Blockchain is another technology that is increasingly going to be adopted in supply chain to increase visibility and supplier relationship management (Free and Hecimovic, 2020). Blockchain, unlike enterprise resource planning (ERP) is relatively new technology with origin from bitcoin that allows all supply chain partners to access real-time information on all activities happening within the supply chain. Other digital supply network technologies will also be adopted to increase tracking, tracing and overall supply chain visibility particularly taking advantage of 5G network and Internet of Things. Generally, studies report that COVID-19 will increase the uptake of industry 4.0 technologies.

5.10 Supplier selection based on Time-to-Survive (TTS) Disruptions

According to Fonseca and Azevedo (2020), in pursuit of building long-term resiliency, suppliers must be prepared to be evaluated on their ability to survive disruptions. Price, quality and delivery capabilities have mostly been used to select suppliers. Fonseca and Azevedo (2020) explain that these factors will be expanded to include time to survive (TTS) and time to recovery (TTR). According to Fonseca and Azevedo (2020), TTS refers to maximum period of time that the supply chain can be able to meet demand after supplier or node disruption” while, TTR refers to the time it would take to reinstate to full functionality at supplier facility such as distribution centre, production equipment, after a supply chain disruption. Suppliers will only be chosen if TTS is longer than TTR since the supply chain can still match demand with supply until the system is fully restored (Fonseca and Azevedo, 2020).

6.0 Conclusion and Recommendations

In conclusion, strategic procurement and global supply chain has undergone a test that will surely necessitate rethinking the suitability of certain supply chain strategic practices.In particular, this study shows that JIT, offshoring, single sourcing, global sourcing and focused factories among others contributed significantly to increased supply chain vulnerability to COVID-19. While findings suggest that companies are already moving away from this practice, the fragile supply chain structure post COVID-19 may not support such a move. Therefore, as companies seek to refine their strategic procurement and supply chain, taking a trade-off approach between efficiency and resiliency would be a wrong move. Rather, this study recommends that companies should be concerned with balancing efficiency with resiliency, favouring long-term resilience over short-term efficiency.

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TOPIC VI: IMPLEMENTATION OF FORCE ACCOUNT: PROCEDURES, SUCCESS AND CHALLENGES

MR. CASTOR KOMBA

Castor Komba – Manager, Procurement Guidelines Section; Capacity Building and Advisory Services Division; PPRA – Tanzania; P.O. Box 2865, Dodoma.

-Certified Procurement and Supply Professional (PSPTB-Tanzania)

-Master's of Science Procurement and Supply Chain Management (Mzumbe University); Advanced Diploma in Procurement and Supply (Tanzania Institute of Accountancy); Dip. in Education (Mpwapwa Teacher's College); Mkwawa High School; Kigonsera Secondary School; Matimira P/R School.

-Other expertise/skills- Capacity Building in Oil and Gas (UDSM); e-Government Procurement Course (i-sourcing Technologies Pvt. LTD – India); International Procurement for Donor Funded Projects Course - Remrot Training institute (Pretoria); Training on Public Procurement in the Mining Sector (African Center for Professional Development (Pretoria).

1.0 Introduction and Background

Section 64 of Public Procurement Act, 2011 as amended 2016 provides for use of Force Account (FA) procedure to carry out works by procuring entities. During procurement audits in FY 2018/19 PPRA carried out assessment on procurement through force account to determine the level of compliance by PEs of procurement law and regulations. During the assessment, it was revealed that, some of procurement through force account were implemented at the lower levels of the Local Government Authorities mainly for construction of schools, colleges, hospitals and health centers whereby the procurement procedures were based on specific Guidelines issued by their ministries namely Ministry of Education, Science and Technology and the President's Office, Regional Administration and Local Government**.** Other procuring entities carried out works guided by Public Procurement Act of 2011 and the Public Procurement Regulations, 2013, together with the Public Procurement (Amendment) Act, 2016 and Public Procurement Regulations (Amendments), 2016. Some procuring entities developed their own guideline to carry out works through FA.

The objective of the assessment was to establish whether the Government obtains value for money in those implemented projects. Also, to determine how procurement process and contract management was conducted. In addition, the Authority reviewed the guidelines which were prepared by the Ministry of Education, Science and Technology and the President's Office, Regional Administration and Local Government so as to identify areas with weaknesses and issue appropriate recommendations. The audit revealed some serious issues in FA, some of which could have caused a lot of inconveniences in procurement and thus the government failure to achieve it procurement objectives.

It is at this juncture that the Authority decided to prepare guideline for carrying out works through FA, and on 22nd May, 2020, the guideline was issued.

2.0 What is force Account?

This is a process where works are carried out by a public or semi public departments or agencies by using its personnel and equipment or in collaboration with any other public or private entity (GoT, 2013). This is not a procedure that combines several procurement methods in order to carry out all types of works including construction of buildings, roads, water infrastructures and other maintenance and or repairs of the like. Force account is not be used for procurements not related to works.

3.0 conditions for Use of FA

The conditions that may justify the use of force account by procuring entity are listed under the provision of Section 64(5) of PPA, 2011 and Regulation 167 (1) of The Public Procurement Regulations, 2013 as amended respectively. They include: where works are small, scattered and in remote location for which qualified construction firms are unlikely to tender at a reasonable price; Work is required to be carried out without disrupting ongoing operations; emergency that needs immediate attention; where the risks of unavoidable work interruption are better borne by a PE or public authority than by a contractor; where the PE has *qualified personnel* recognized by relevant professional bodies to carry out and supervise the required works; and maintenance or construction is part of the *routine activity* of the PE.

All principles of Public procurement (e.g. competitiveness, accountability, transparency etc.) must be observed. This includes approvals to be granted by tender board for procurement procedure, tendering documents and award. Procuring entities are not allowed to waive these principles as they will compromise the professionalism and procurement objectives.

4.0 Execution of works through FA in the PEs

The procuring entities needs to plan ahead of time, in its Budget and Annual Procurement Plan (APP) as well as in its action plan, all activities related to carrying out works through FA. Plans that need to be in place include all matters related to procurement of materials and equipment to be used in the projects; engagement of workforce; project implementation team and quality and cost controls.

There shall be appointed a Project Manager or Supervisor for each project to be executed. The project manager shall be required to have appropriate knowledge, skills and experience in a required works or project to be carried out. The Project Manager shall be proposed by the Technical department and be appointed by the Accounting Officer. The project manager shall be responsible for day to day supervision of the project. Depending on the complexity of the project, the accounting officer may appoint other project management team members for supervision and execution of the project.

During Procurement of construction materials, preference shall be given to procurement of materials directly from the Manufacturers, dealers or agents. Preference to locally made materials or local manufacturers or suppliers shall be given. In the circumstances where, neither the manufacturer nor dealer/agent of the materials to be procured is justified that it is impossible to be preferred, normal procurement procedure through competition shall be applied. For materials falling under common used items and services by Government Procurement Services Agency (GPSA), PEs shall proceed to procure materials from the suppliers awarded framework contracts by GPSA in accordance with Public Procurement Regulations and Guidelines.

PE may engage a public entity with capacity to supply semi or unskilled or both labourers to be engaged in force account implementations through specific agreement. Where there is more than one public entity, PE shall offer quotation for the same, where the lowest evaluated bidder will be awarded the tender.

Where private entity is required, PE shall engage them through competitive procurement methods for supply of semi or unskilled or both. Where for the interest of project sustainability or to achieve certain specific social value of the project PE may call for the participation of local community or special groups in supply of semi and unskilled labours.

5.0 Collaboration with other entities

PEs are required as much as practicable, to utilize internal resources. However, certain projects may not be executed using only internal personnel and equipment. In this case, collaboration with any other Public or Private entity may be necessary, to make ensure project is carried out efficiently and effectively. The public or private entities referred to here, are those recognized by relevant professional bodies or authorities. Projects under this arrangement shall be contracted to other entities under personnel only; equipment only; or personnel and equipments.

The choice of the Public Entity shall be based on the expertise and experience mandated to them in accordance with its establishment and or relevant circumstances giving rise to the needs or requirements.

Private entities shall only be engaged through competitive method of procurement in carrying out works through Force Account. Prequalification is highly recommended when collaborating with other entities, both public and private.

6.0 Completion and Closure of Works project

At completion of the project, the project manager and project implementation team shall be required to check the following:

a) Inspect the executed Works ;
b) Identify snag list for the Works;
c) Prepare and issue completion certificate. ;
d) Determine the commencement of defect liability period for the Works as per Contract; and
e) For projects executed in collaboration with public entity, the PE may consider retaining of certain percentage of money to cover defects liability period if such has been stated.

For Works project executed in collaboration with other entities, the Contracts for Works shall provide for Defect Liability Period, associated with retention of 5% of the Contract price to be released upon satisfaction of the work at the end of the period.

7.0 Application of Force Account at the Lower Government Levels

Lower Government Levels means schools, health facilities and similar establishments receiving funds directly from the government for the purpose of carrying out works and related activities.

The Accounting Officer may delegate certain procurement and disposal by tender functions to a member of staff, or a tender board function or procurement management unit to a sub-division, department or Unit of that respective entity where the subject of procurement is as a result of public funds received directly from the Government.

Where the office of the delegated Accounting Officer has qualified procurement specialist, the delegated Accounting Officer shall constitute delegated tender board and PMU to carry out procurement functions in accordance with the Public Procurement Act. Where there is no qualified procurement specialist in the delegated office, the delegated Accounting Officer shall appoint two to three staff within his jurisdiction to carry out all procurement functions of a particular project. The appointed procurement staff shall work under the guidance of the PMU of the delegating office.

The delegated AO shall form two teams with number between 3-5 persons, implementation team, and inspection and acceptance team for the purpose of ensuring that the procurement of materials and works are carried out with due regards to the value for money. The teams shall report directly to the delegated Accounting Officer on the progress of their duties and responsibilities assigned to them as prescribed in programme of works and approved by the delegated Accounting Officer. Delegated Accounting Officer may request technical assistance/personnel or special training from the delegating Accounting Officer in any area before or during execution of the project.

One of the skilled labour/personnel shall be appointed as Project Supervisor, who shall possess necessary technical expertise and experience in the field of works. Where skilled personnel cannot be sourced from the community, request shall be submitted to the delegating Accounting Officer, who is supposed to appoint an officer(s) from within his jurisdiction for such an assignment.

The project supervisor is responsible for establishment of gang leaders from the list of labourers listed or appointed with respect to Gudeiline issued by the Authority or other labourers from the community if such has been requested by the Project Supervisor, provided that the project implementation team has approved such a request. The project implementation team is required to meet often with the Project Supervisor to discuss progress of the work. Project supervisor shall submit work programme to the project implementation team on weekly basis as prescribed before submitting such report to the delegated Accounting Officer.

Labourers shall be paid on daily, weekly or monthly basis as determined by the delegated Accounting Officer. All payments shall be supported with proper documentation and justification, with authorization by the delegated Accounting Officer. All payments to labourers shall be based on market prices.

Delegating Accounting Officer shall assign the Head of Internal Audit Unit, head of works department and HPMU to audit and inspect procurement and works transactions on a regular basis.

8.0 challenges of carrying out force account

- Lack of awareness by stakeholders
- Procurement is conducted without having regard to procurement law (compliance issues)
- Inspection of works are not done and Payments made without proper records (transparency issues)
- Directives from authorities or donors without assessment of viability of the process
- Differing guidelines issued by other authorities and agencies
- Perception by stakeholders
- Poor cost analysis and estimates by implementing entities
- Poor quality controls measures by procuring entities
- Management of force account projects
- Professional Accountability issues
- Shortage of professionals, especially in the lower government levels

9.0 Way forward

- PPRA continues to build capacity on carrying out works through FA
- Authorities and government financiers should consult with the PEs before deciding a procurement procedure
- All guidelines issued by any other authority regarding implementation of FA should be discontinued
- PEs should use experts/professionals in preparation of cost analysis and BOQ for the projects

- Use FA only when appropriate
- Each PE should establish effective controls to ensure that projects implemented through FA are well managed
- All other guidelines issued by any other authority or agency is to discontinued following issuance of the FA guideline by PPRA.

TOPIC VII: MANAGING CONSTRUCTION PROJECTS THROUGH FORCE ACCOUNT

MR. EDWIN RIWA

Abstract, this paper reports on the experience gained during implementation of a force account. The paper provides insight on how to effectively implement force account project, risks involved, and the mitigation measures that may improve exposure to the risks which are exposed to the construction industry.

Recommendations provided in this paper are entirely of the Author and does not represent employer views.

Key Words: Force account, Constructions Project, Risk, Cost

1.0 INTRODUCTION

In the last five years, the use Force Account in managing Public construction projects has gained prominence, thanks to the impressive results particularly in construction of infrastructures such as schools, hospitals and office buildings which have all been implemented through the use of force account arrangement (Tanzania Procurement Journal ISSN: 1821-6021 Vol XI-No.30, Tuesday July, 2018).

Various scholars have defined force account in different way notably; **'World Bank'** refers to works such as construction and installation of equipment and Non-consulting Services carried out by a Government department of the Borrower's country using its own personnel and equipment, may be the only practical method of procurement under specific circumstances. A government-owned construction unit that is not managerially, legally, or financially autonomous is considered a Force Account unit. The use of Force Account requires that the Borrower apply the same rigorous quality checks and inspection as for contracts awarded to third parties.

Public Procurement Regulation 167 refers force account as construction by the Procuring Entityitself or use of Public or semi Public agencies or departments concerned, where a procuring entity or the public or semi –public agency uses its own personnel and equipment or hired labor. Further, Public Procurement guidelines issued by PPRA elaborated on the reasons behind use of forces account being the need to build capacity to Procuring entity and secondly, ensure carry out projects at minimum cost.

Faith Mbalaza et al(2017), defines force account as undertaking the works of a procuring organization using own personnel and equipment of another organization, they further suggest that there are many advantages to performing work internally including lower costs(larger volume jobs) as it utilizes existing resources that are already available 'internally', close monitoring of the work and response as employees who work for the procurement agency, are aware of specific criteria and can be made accountable.

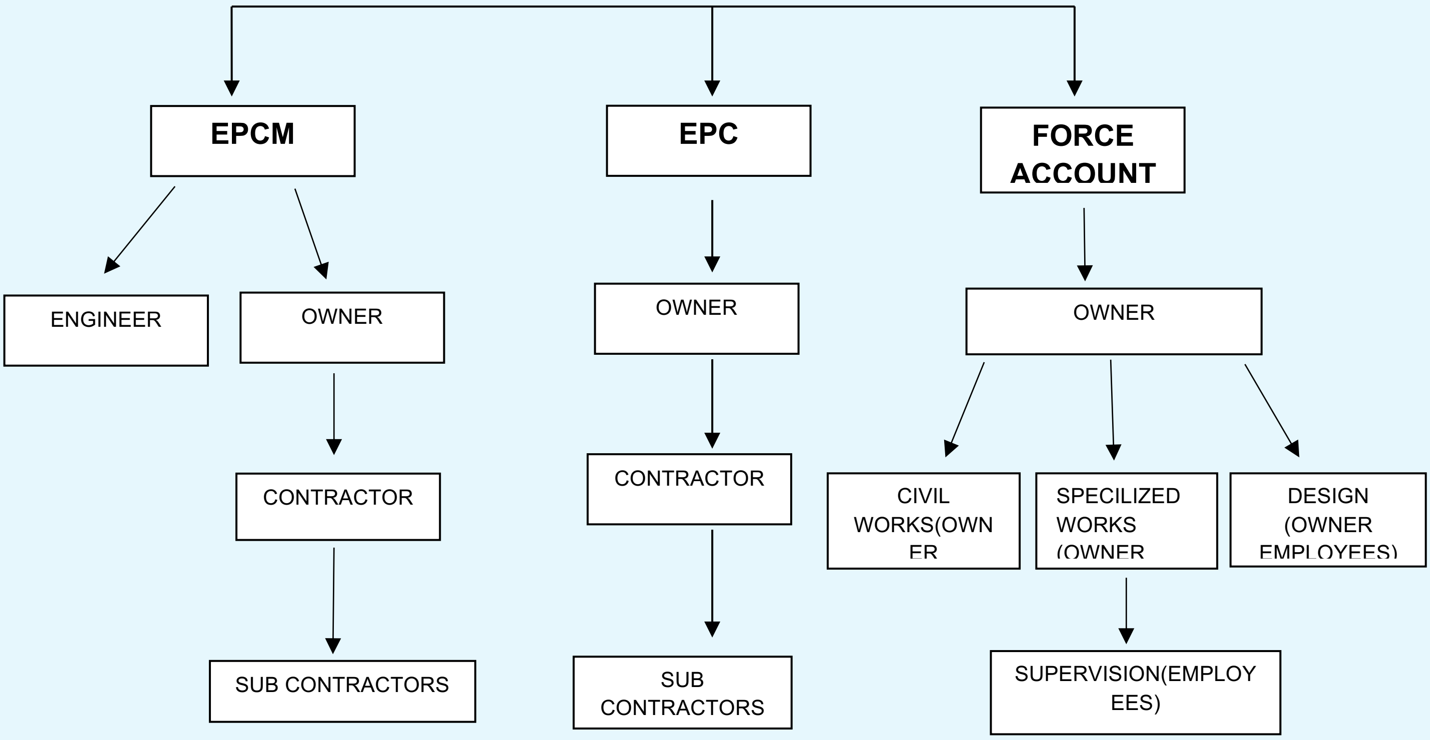
Based on the definition provided from various sources, force account in simple terms is the use of internal workforce by owner of the project for managing of a construction project from the planning phase up to the project closure instead of outsourcing the workforce from a third party, the essence for use of the force account is centered on one main pillar which is cost saving other parameters being equal.

2.0 CONSTRUCTION MANAGEMENT ARRANGEMENT

Management of a construction project can take different forms depending on the owner desire, and can be carried out through conventional approach by Phil Loots et al (2007; one being Engineering Procurement, Constructions and Management **(EPCM)** whereby the Government engage a consultant to carry out design work and management of the project. Another route is through Engineering Procurement and Construction **(EPC)** of which single contractor takes the responsibility of design, construction, procurement and management of the project. Another one is the use of **force account**.

Use of force account as model in executing of Public Works is not a new phenomenon, the model has been used in many developing countries Faith Mbalaza et al(2017),Tanzania being a developing country has successful adapted the model in the last five years, results have been remarkable. Therefore, depending on the owner desirability, management of a construction project can be depicted on the **figure I** below:

Figure I: CONSTRUCTION MANAGEMENT ARRANGEMENT



Source: Phil loots et al (2007) Source: Phil loots et al (2007) Source: E. Riwa

3.0COST SAVING SCENERIO

The essence for use of the force account is centered on one main pillar which is cost saving other parameters being equal. All proponents of the force account arrangements have supported the arrangement when handled with extreme care cost saving is guaranteed as compared to other arrangements. The arguments is clear and can be supported by a simple formula shown below. The formula assumes that contractor’s prices for the scope of the work which include material and labour reflects market prices.

D = A+ B+ C

Where,

D = Contractors Price

A= Contractor estimates on the scope of works which include material cost and labor

B= Consultant Costs

C=Contractors Mark UP

From the above formula,

When implementation is under force account arrangements the formula changes to:

D = A + O.15B

Where,

B =15% of the budget that was set aside for hiring of a consultant was incurred by the employee of the procuring entity hence there was saving of the 85% of the designing cost .

C=automatically become redundant hence dropped from the cost of the procuring entity and the saving that is guaranteed to be obtained from C was estimated to be 20% of the Total bid price.

Therefore, total saving to the procuring entity with assumption that the project was undertaken successfully will be as follows:

Savings Guaranteed

=0.85B + 0.2D

From the above formula it is evident that saving is guaranteed when using force account.

4.0 RISK

Constructions projects are affected by many risks that must be assessed and accounted for, otherwise procuring entity may suffer tremendous loss by Samuel Laryea and Will Hughes (2006). Most common risks includes; cost of the materials, weather, substandard materials, poor workmanship, poor plan and inadequate specifications.

Some of the identifiable risks can be directed to other players when a construction project is undertaken through other construction management arrangements but when force account is the chosen route, all these risks have to be managed and controlled by the procuring entity. Japhary Juma Shengeza, (2017), noted that Construction projects are still facing major challenges in completing the construction projects within the estimated budget, quality of the project, therefore, an effective application of force account is required.

Existence of risk is supported by Faith Mbabazi et al(2017) noted that, survey conducted in Uganda 2015/2016 revealed that 40% percent of the audited procurements conducted using force account mechanism were rated unsatisfactory and the reasons for unsatisfactory performance among other aspect: delays in executing the works, irregularities in contract management, and procuring entity lacked the required equipment. Risks which were noted in the case study were as follows:

4.1.1Multiple contracts

Force account resulted into having multiple contracts due to complexity of the project which involved acquisition of goods from different vendors. Multiple contracts contains diverse risks that the procuring entity had to manage itself.

4.1.2 Quality Control

One of the key parameters to ensure construction project is carried out successful is to have in place a robust quality control team which is entirely dedicated to ensure adherence to construction industrial standards. Quality control sometimes involved use of testing equipment's to ascertain quality of the materials. Notable challenge which the quality control team faced was that, market is flooded with materials which contains right specification information's but upon usage results were below the envisaged expectations.

4.1.3Price of the Materials and Equipment

Main principle which underpin use of force account is to ensure that the project is carried out at a minimal cost, consequently, the project owner must ensure that all procurable items are obtained at a market prices short of it might cause the project costs overrun. Using two projects which were undertaken,prices variance empirical analysis was carried out so as to ensure that the prices of the materials reflects market prices.

Procurement of materials involved different procurement methods, competitive procurement method was used for more than 95% of the total construction materials used.Price comparison analysis had to be made amongst competing suppliers by computing percentage divergence between lowest submitted bid price against highest bid price (**price variance)** as presented on Table**I,** for the selected three items which constituted more than 92% percent of the totalconstructionmaterials.

Table I: Price Variance Analysis- Empirical case

S/N	**Suppliers**		**Manufacturer**
	Common used	Not Common Used	Not Common Used
Price Variance	45%	70%	25%
	37%	67%	27%
	39%	57%	-

Source: E.Riwa

From the above analysis it clearly indicated that our supply market is characterized by speculative prices amongst competing bidders even from the manufacturers whereas price variance was more than 25% percent.

Given the current scenario, whereby evaluation is centered on compliance of the documentary requirements, it was noted there was great possibility of getting products from the highest bidder simply because the bidder had complied with documentary submission while the lowest submitted price missed out due to documentary omissions. Probability of occurrence of this scenario to happen is very high when conducting competitive bidding. Therefore, given price variance amongst bidders it was noted selection of the bidder if not done critically with due consideration, the essence of using force account could be achieved.

4.1.4 Completion Period

Another notable risk when implementing projects under force account is the project completion period. Given tender processing time as indicated in the Public Procurement Regulation, procuring entity must ensure that all materials are on sight before commencement of the construction. Competitive bidding procedures sometimes results into cancellation of the tender when results of the bidding process not in favor of the procuring entity as evidence by the empirical analysis that was done on **Table I.** Cancelation will add up delay in the execution of the project.

Given the perceived risks, Public Procurement Regulatory Authority issued guidelines to be used when implementing a construction project under force account arrangement which include: appointment of a Project Manager whose main tasks is to monitor closely all risks associated with cost, time, quality and take corrective action in the event of any deviation ,appointment of the implementation team responsible for preparing specific tasks for personnel or piece of work contracts for laborers and Inspection and Acceptance team responsible for day to day inspection of the materials and works.

RECOMMENDATIONS;

Basing on the experience gained, the following are recommendations that might be an improvement or addition to what is already in place in implementing of force account.

- There is a need for revision of the force account conditions as highlighted in the Public Procurement Regulation number 167(1) to reflect what has been achieved through application of force account in the country in the last five years.
- Synchronization of the quality control requirement under force account must be aligned with the quality control requirement of the other players in the industry.
- There should also be established a market information for most common used items whereas inputs commonly used in the implementation of force account can be sourced under single sourcing arrangement in particular when price variance among suppliers is less than five percent. This can be achieved through provision of product price range cap.
- Procuring entity to have concerted efforts be directed to the management of the contracts since the same was used be outsourced.

- Enforce equipment sharing among Procuring Entities instead of resorting to hiring which mighty in the end add up cost and defeats the key requirements of the force account which is cost saving.

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TOPIC VIII: IMPLEMENTATION OF EMERGENCY PROCUREMENT DURING PANDEMIC: CONCEPT, PROCEDURES, CHALLENGES AND RECOMMENDATIONS

MR. BARAKA CHRISANT MTEBE

ABSTRACT

During pandemic, Public Authorities require to procure products and services from the private sector with unprecedented urgency. Recognizing the need to conduct public procurement with extreme and unforeseeable urgency, the Public Procurement Act, 2011 has made the provision on how Emergency Procurement (EP) may be determined and applied. Section 65 of the PPA, 2011 states that, 'emergency procurement may be made where the Accounting Officer determines that it is in the public interest that goods, works or services be procured as a matter of urgency.' This means that a government can award a contract directly to a pre-selected company, rather than using a normal competitive procedure. This enables procuring entities to acquire supplies and services within the shortest possible timeframe (within a matter of days or even hours). Yet, while EP is needed in order to get supplies to those in need, this urgency should not compromise basic procurement code of conduct. The main goal of this paper is to create a better understanding on implementation procedures of EP during Pandemic Crisis and provide recommendations that can give advice and guidance to procurement practitioners. The study employed both primary and secondary data where; interviews with procurement experts were conducted for primary data. Secondary data were collected through desk research methodology which applies various research sources including searching libraries, on-line published information, internal data within government institutions and a thorough review of public procurement laws, regulations and guidelines, procurement reports, procurement policy, articles, journals, directories, government statistics, books and research reports on emergency procurement and pandemics in Tanzania. Content analysis was used to construct meaning or concepts of the text content and was applied in interpretation of the content to draw meaningful conclusions. The study summarizes critical knowledge concerning EP and provides recommendations that illuminate some of the common risks and challenges in public procurement.

Keyword: Emergency Procurement (EP), Pandemic

1.0 INTRODUCTION

Under normal conditions, procurements rules ensure that procuring entities adhere to fair and reasonable timetable and procedures to encourage open competition. In situations of extreme urgency, however, public authorities can enter into direct contracting with a specific supplier/service provider, a procedure which is essentially a less competitive and less time consuming. However, there is a dilemma whether most of the Procuring entities (PEs) and other stakeholders at large understand clearly the concept, procedures and challenges of emergency procurement. Report of the Controller and Audit General, 2020 showed that there is a big number of unjustified and unapproved emergency procurement for government projects contrary to the requirements of the Public Procurement Act (PPA) No. 7 of 2011 and Public Procurement Regulation (PPRA) GN No. 446 of 2013 and its Amendments of 2016 (URT, 2020). Public procurement is already a government's number one corruption risk area (WB, 2013). During pandemic crisis the risk is even higher. It has also been noted from previous pandemic outbreak, such as the Ebola virus in Central Africa that there were misconducts of procurement practices during that particular time (Dupuy and Divjak, 2015). Emergency situations can provide opportunities for manipulation of information and can generate conditions that encourage improper use of procurement procedures. Emergency procurement will be even more vulnerable to misconduct, as it may involve single sourcing, less timeframes, prepayment and rapid procurement that may minimize due diligence and supplier evaluation. The recent outbreak of the COVID-19 pandemic necessitated urgent procurement and supply of essential health commodities across the globe, Tanzania was no exception. Clearly, the pandemic has underscored the need for procurement practitioners to understand the context of emergency procurement, its implementation procedures and challenges so as to ensure efficiency and economy in service delivery. The primary concern at this point, however, is that even at times of urgent need for delivery; the basic principles of public procurement should be observed. This paper therefore, discusses the implementation of emergency procurement to cover the concept, procedures, challenges and suggests recommendations to ensure basic principles of good governance.

1.1 The Context of Emergency Procurement

The term 'emergency' is a diverse one. But generally it includes the following elements: an immediate threat to human life, and an acute need on the part of the affected population. The United Nations High Commissioner for Refugees (UNHCR) describes an emergency as 'any situation in which life or well-being will be threatened unless immediate and appropriate action is taken, and which demands exceptional measures' (UNCHR, 1998). Oxfam defines an emergency as 'an exceptional and widespread threat to life, health or basic subsistence that is beyond the coping capacity of individuals and the community' (Oxfam GB 2003). Emergencies occur as a consequence of natural calamities or human-made activities, including pandemic diseases, epidemic outbreak, earthquakes, war, and failing security.

According to the United Nations Office of Supply Chain Management, the term Emergency Procurement (EP) can be referred to the procurement process made to fill an immediate, unexpected urgent need, quickly and accountably in lieu of standard competitive procedures, due to unforeseen circumstances which may result in injury or loss of life.49 This essentially allows simplified processes arising from an urgency that could not be anticipated and that is happening under an uncontrolled environment. In a similar context, The PPA, 2011 as amended in 2016, Cap 410, defines emergency procurement as procurement of goods, works or services essentially to meet an emergency situation which cannot be done through normal procurement process. Typically, public procuring entities enter into contract with private companies for acquisition of these goods and services. The purchase contract may be of a long-term agreement with specific companies, based on pre-qualification tender processes, to deliver the goods/service once an emergency occurs. However, some requirements cannot be anticipated, or arranged in advance, and EP will consequently be inevitable. This is particularly true during the outbreak of COVID-19 pandemic in the year 2020.

1.2 Pandemic

The term Pandemic can also be used to mean 'pandemic disease'. World Health Organization (WHO) defines a pandemic disease as an epidemic that has spread over a large area, that is, it's 'widespread throughout an entire country, continent, or the whole world'. An epidemic disease however, is one, which affects many people at the same time and spreading from person to person in an area where a particular disease is not permanently common at the level of a region or community. Although pandemic can be referred to as a disease that has spread across an entire country or several countries, it is generally kept for diseases that have wide spread across continents or the entire world. On March 11, 2020 WHO officially declared the COVID-19 outbreak a 'pandemic' due to the global spread and severity of the disease.

1.3 Emergency Procurement during COVID 19 in Tanzania

The United Republic of Tanzania in responding to COVID 19 prioritized the most urgent and life-saving interventions to be undertaken within a short period of time. One among the action response area is emergency procurement and distribution of WASH IPC supplies to limit transmission, purchase of Personal Protective Equipment (PPEs), and supply of medical equipments and consumables. Ministry of Health, Community Development, Gender, Elderly and Children (MoHCDGEC) through its anonymous department, the Medical Stores Department (MSD) had comprehensive purchase agreements with preselected vendors in Tanzania and simplified procurement procedures for emergency needs, increasing its capacity to respond quickly to the crisis (URT, 2020).

1.4 Emergency COVID-19 procurement in selected East African countries

As the world copes with the COVID-19 health crisis, EA countries' initial quick responses have been to secure their citizens' health, well-being and safety. As a result, demand for urgent medical care equipment such as diagnostic testing kits and infection prevention and control commodities went up. During this crisis, emergency procurement has been taken as an emergency response task to purchase more equipment to cope with the rising statistics cases.

In Kenya, particularly, The Public Procurement Regulatory Authority (PPRA) issued a circular guide for procurement during the pandemic crisis, further requiring that all emerging procurement is reflected on approved procurement plans and necessary approvals are sought as per the law. PPRA however fell short of issuing policy direction or clarifying the law with regards to procurement in a time of emergency especially in situations where the market for required items is uncertain.

The Government of Uganda as well, through its Public Procurement and Disposal of Public Assets Authority (PPDA) issued Circular on Emergency Measures for Handling Procurement Activities in Procuring and Disposing Entities (PPDA, 2020)

2.0 Procedures for Conducting Emergency Procurement in Tanzania

Section 65.-(1) of the PPA, 2011 states that Emergency procurement may be made where the accounting officer determines that it is in the public interest that goods, works or services be procured as a matter of urgency. Section 65(2) of the PPA Cap 410 stipulates criteria/circumstances which shall form the basis for carrying out an emergency procurement. These criteria/circumstances are addressing the following issues; First, whether there was a compelling urgency that created a threat to life, health, welfare or safety of the public. Second, whether the threat has been caused by a major natural disaster, epidemic, riot, war, fire or such other reasons of similar nature. Third, whether the situation was so critical that without urgent procurement the Government or the organization would have suffered irreparable loss, or its properties or health and safety of the public would have been threatened.

The Tanzania Public Procurement Act, 2011 with its Regulation, 2013 as amended in 2016 does not prevent the use or enforcement of measures necessary to protect health and human life, provided that those measures are in conformity with the Public Procurement law. The analysis provided below is based on provisions of the Public Procurement Act, No.7 of 2011 but equivalent provisions are also to be found in the Public Procurement Regulations GN No. 446 of 2013 Amendment 2016. The Accounting Officer (AO) should in the first place evaluate the need for the EP and decide on the procurement method that guarantees efficiency and economy; a procuring entity (PE) with semi autonomous zonal or regional offices must ensure that the officer in charge of the said office seeks and obtains approval of the accounting officer to carry out emergency procurement. The PE should comply with the criteria prescribed under Section 65 (2) of the PPA, 2011. The PE should identify, specify and prioritize immediate procurement activities to be used at the time of emergency. Where

2.1.2 Use of framework agreements

PPA, 2011 defines framework agreement as a contractual arrangement which allows a procuring entity to procure goods, services or works that are needed continuously or repeatedly at an agreed price over an agreed period of time, through placement of a number of orders. When framework agreements are in place they are also a useful way to ensure adequate competition in public procurement in the context of quickly rising demand, as in the case of the response to the pandemic, at least for as long as the participating suppliers are able to accelerate deliveries as needed (Reg. 50, PPR, 2013). In health sector procurement for instance, it is very common that demand may often be unpredictable in volume over time, for example during outbreak and rapidly rise of cases of communicable diseases, where statistics from year to year are not constant. As a routine measure, it may therefore be advantageous to have a framework agreement, or several agreements, for any items where needs are difficult to predict with precision and it is important not to run out of supplies if unexpected requirements occur. Section 50 (1) (b) of the procurement Regulation states that 'The procuring entity shall, for the purpose of efficiency of procurement process and reduction of procurement transaction costs within and across public bodies, engage in closed or open framework agreements in accordance with the procedures prescribed in the PPR, 2013 where it is determined that by virtue of the nature of the subject matter of the procurement, the need for it may arise on an urgent basis during a given period of time'. If there is a risk that there may be a temporary, unforeseen increase in demand, the framework agreement may have to require an ability to accelerate deliveries above the regular rate expected in the normal circumstances.

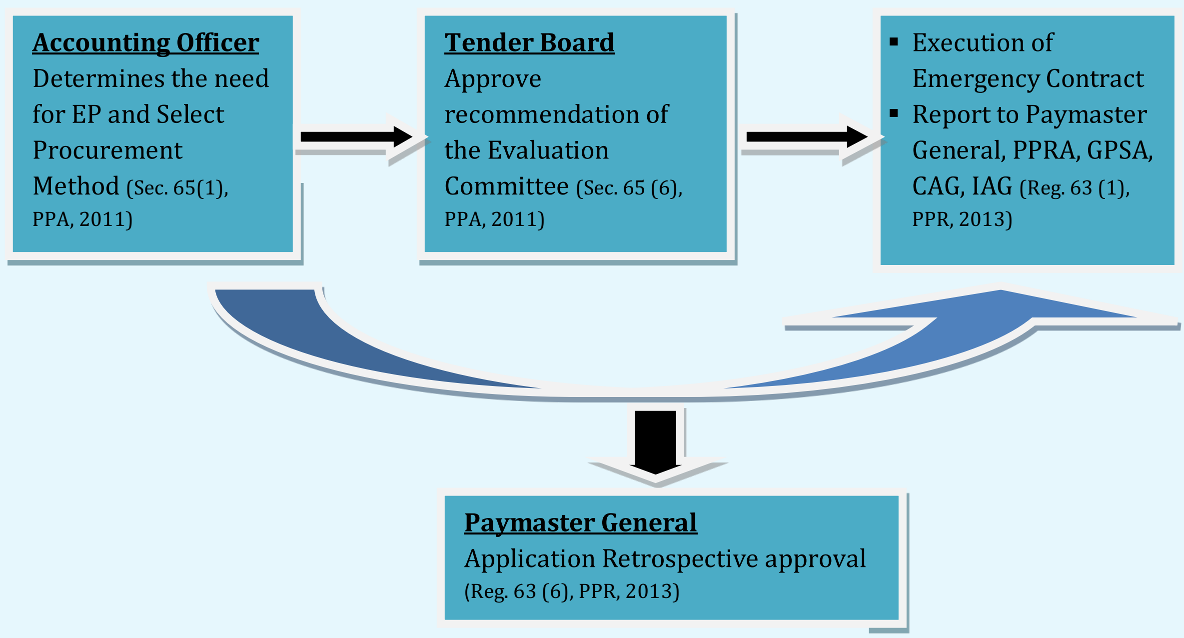
2.1.3 Provisions on Variations for ongoing contracts

Standard Contracts document may provide provisions for variation purposely to undertake necessary deliveries which cannot be anticipated in advance. The provision for variation may be useful to undertake emergency delivery without a new procurement procedure "where all of the following criteria are fulfilled: (i) the need for variation has been brought about by circumstances that was unforeseeable; (ii) such variation does not alter the overall nature of the contract; (iii) any increase in price is not higher than fifteen percent of the value of the original contract (Reg. 61 (4), PPR, 2013). Such modifications though should obtain approval of the Accounting Officer, Tender Board, and other relevant bodies including the Attorney General (Sect. 77 (1) (b), PPA, 2011; Reg. 61 (2), 2013). In that context, when pandemic outbreak, contracts which are ongoing may be approached to procure emergency deliveries as provision for variation of the original contract instead of engaging in another separate contract - a procedure which can be time consuming.

2.1.4 Use of Force Account Procurement Method in case of Procurement for Works

In case of the need for emergency works, Force Account (FA) method may be used where the public interest demands the emergency procurement for a particular works pursuant to Reg. 167 (1) (d) of the PPR, 2013. Satyanarayana, 2012 defined FA as a, “direct labor”, “departmental forces” and “direct work” whereby the PE execute works using their personnel and equipment. In the similar context, the Public Procurement Regulations, 2013 as amended in 2016 describes FA as a process where works are carried out by a public or semi - public departments or agencies by using its personnel and equipment or in collaboration with any other public or private entity (Reg. 167 (2), PPR, 2013& Amendment of Reg. 64, 2016). During pandemic in that manner, the work of construction of isolation buildings/tents to treat the infected people for instance, may be carried out through FA procurement method.

Figure 2.1: Process for obtaining approval to employ EP



3.0 CHALLENGES OF EMERGENCY PROCUREMENT

EP may lead to several consequences as a result of waiving some procedures due to the need for rapid delivery in a very short period. Apparently at this time of crisis the pressure is high and inspection team are often relaxed, a situation which may result into several challenges when carrying out EP. Some of the common challenges of EP are corruption, less quality of goods and services procured, inflated prices, biased allocation of resources, and reputational damage to the humanitarian community.

3.1 Fraudulent Practices and Corruption

Fraudulent practice means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Government or a public body and includes collusive practices among tenderers, prior to or after submission designed to establish tender prices at artificial non-competitive levels and to deprive the Government of the benefits of free and open competition (PPA, 2011). Corruption on the other hand, refers to the practice of offering, giving receiving or soliciting of anything of value to influence the action of a public officer in the procurement process or contract execution (PPA, 2011). Opportunities to engage in corruption are particularly high during the period of emergency situation where pressure is high and check-system is weak (Schultz and Soreide, 2006). The financial cost of corruption in procurement can be calculated by comparing the prices of similar goods and services delivered during emergency situation through methods which are less competitive versus those paid pursuant to an apparently competitive bidding process. Price differentials between the two procedures can be up to 20 - 30 percent of the contract amount (Tanzi and Davoodi (1998); Strombom (1998)).

3.2 Delivery time

Right time of delivery is one of the principles of public procurement. Time of delivery for products/service during pandemic is affected by restrictions of movement of goods and people imposed by authorities across the border and within regions in the country. Despite the fact that at the time of pandemic crisis materials are urgently needed, it is however a longer time is taken to deliver the consignment due to restrictions of movement of people and products, lockdowns, inspection procedures and testing for diseases procedures across the border.

3.3 Reduced quality of goods and services

A cost-efficient result is the primary goal of every competitive tender-procedure. A bribe, in contrary, is a payment made or favor given or promised in order to influence the judgment or conduct to obtain a deviation from this goal, and a tender that has been influenced by corruption will, by logic, not ensure 'best value for money.' The contract is awarded to the most successful briber, not necessarily the firm that offers the best price-quality combination. In return, the PE may receive outdated, expired, or diluted commodities.

3.4 Inflated prices

Corruption can change the market structure in a way that increases the economic power of the best bribers. Corrupt procurement officers will repeatedly patronize those firms that are willing to bribe. As the profits of these firms increase, the potential personal profits become even higher for the corrupt customers. Higher profits and more contracts enable a firm to further increase its market power also through other (honest) mechanisms, such as through more extensive advertising or the reduction of prices to squeeze out competitors in certain segments of the market. The ultimate result of more market power for one or a few firms will be higher prices for all customers. That is, all donors and agencies will have to pay more than usual for the required products (whether they are involved in corruption or not). In addition, as the urgency of an emergency reduces bargaining power anyway, rapid procurement is particularly prone to inflated prices and expenditures. In war and post-war contexts, the impact of monopoly suppliers can be devastating if such suppliers have an interest in sustaining a conflict economy.

In Tanzania, During COVID – 19, the issue of inflated price was evident from many wholesale distributor and retailer of pharmaceutical products. Customers were complaining on excessive pricing on essential hygienic goods. According to the report however a longer time is taken to deliver the consignment due to restrictions of movement of people and products, lockdowns, inspection procedures and testing for diseases procedures across the border.

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In Tanzania, During COVID – 19, the issue of inflated price was evident from many wholesale distributor and retailer of pharmaceutical products. Customers were complaining on excessive pricing on essential hygienic goods. According to the report by United Nations Development Program (UNDP) on Rapid Social Economic Impact of COVID 19 in Tanzania there is occurrence of inflated price for essential products and services especially to groceries (non-perishables) and pharmathetical products. However the report said there is deflation on the commercial products due to restriction of cross-border movements.

3.5 Biased allocation of resources

Corrupt procurement officers are not only biased in their choice of supplier, but also in their prioritization of procurement projects. Bribes will seldom be obtainable in all markets, and a corrupt official may shift the focus of acquisition to sectors where bribes and personal benefits are easier to gain. Besides, if the bribe is calculated as a percentage of the total contract, the corrupt official is likely to exaggerate investments in certain products or services, at the expense of other needs. This could result in the acquisition of too many computers or power generators, or an overstated concern about shelter construction while real priorities lay elsewhere.

3.6 Lock down that may restrict means of transport and movement of people

It was evident during COVID-19 pandemic many countries in the world closed their borders and restrict movement of people not only from outside the country but even across regions within the country. Such restriction prohibits smooth delivery of materials needed to respond to the emergency situation which has been caused by pandemic outbreak. The supply of medicines, medical products, food supplies, shelter, and other essential humanitarians' needs may be affected by restrictions along cross border countries.

3.7 Application of technologies like TANePS

Applications of procurement software like TANePS is challenging during the outbreak of pandemic since these software do not provide enough flexibility to procure goods and services in less time than normal. In a similar context, challenges accompanied by application of technologies such as network problems, power cuts, unfamiliarity by some users may bring about difficulties to use these procurement technologies at time of pandemic crisis.

4.0 Recommendations for efficient implementation of Emergency Procurement method during Pandemic

Despite the fact that EP is certain during pandemic crisis in order to obtain goods and services that are desperately needed by the public, those who are entrusted to carry out the process should ensure effective implementation of EP methods. The process of EP may be quick and less competitive but when the process is transparent enough, all the necessary approvals has been obtained and is effectively implemented as required by law it will ensure attainment of professional code of conduct and enhance procurement good governance. There are several ways in which procurement practitioners can enhance effective implementation of EP as discussed below:-

4.1 The use of emergency procurement must be justified, recorded, and made public

For each EP undertaken, the PE must issue a report justifying its decision. Not only that, it is also a good practice to make this report open so that those spending public money can be held accountable. Publication of the justification is therefore also a safeguard for the contracted supplier/service provider that the emergency procurement is justified. The Public Procurement Regulation of 2013 as amended in 2016 requires the AO, within fourteen days after completion of the procurement process, to prepare and submit a report on emergency procurement to the Paymaster General, the Authority, the Controller and Auditor General and Internal Auditor General (Reg. 64 (1), PPR, 2013).

4.2 Emergency Procurement should be applied on a case by case basis.

Emergency procurement is the exception, not general, and should be applied on a case-by-case basis. While Pandemic diseases may be classified as unforeseen and therefore justify the use of emergency procurement, this crisis cannot and should not generally be used as justification for all procurement that takes place during this crisis. There should be individual assessment for a particular procurement of whether a use of emergency procurement is justified. What might be unforeseeable this particular time may not be so in future. Option to use emergency procurement is the exception, not general, even in a time of crisis. Public authorities should carry out a separate assessment before undertaking any subsequent or additional procurement to ensure that all the criteria are met, particularly to test whether the circumstances are still unforeseeable.

4.3 Complete Publication of Project Document including Payments.

One of the basic codes of conduct for procurement practitioners is openness and integrity. In order to ensure integrity and avoid corruption scandals the procurement officers should go an extra mile to earn public trust. Full publication of both awards of contract and payments at each stage of contract execution process is an important check against corruption, helping to identify important red flags. This is also important to prevent suppliers/service providers under performance and under-delivering on supplies and services. The publication should include but not limited to; Justification for selecting a particular procurement method, showing that there are genuine reasons for extreme urgency, the events that have led to the need for extreme urgency were unforeseeable, due to this it is impossible to comply with the usual timeframes, and normal competitive procurement procedures; Justification for selection of a particular Supplier/Service Provider; Notice of Contract Award; Emergency contracts in full; Detailed Bill of Quantities or Specification for was is being purchased; Terms of payment and delivery and subsequent payments at each stage of contract; and Value of the of contract .

4.4 Application of Price Ceiling Mechanism

Price ceiling is the action by the government to control the price or limit, on how high a price is charged for a product, commodity, or service. During emergency situation price of commodities tend to go up. Governments may use price ceilings to protect consumers from conditions that could make commodities to be so much expensive. Such conditions can occur even during periods of Pandemic, of which if not controlled it can cause rational problems. Whilst prices may be higher than would be expected in a regular market, any abnormally high pricing should be approached with caution.

4.5 Carrying out Post qualification and due diligence on prospective suppliers

The rapid response of the PE to react on the Pandemic outbreak can lead to poor sourcing, unqualified suppliers, inflated prices and poorly prepared contracts. During a crisis oversight can be weak, and consequently fraudulent practices can emerge. Undertaking post qualification and due diligence to the prospective supplier/service provider on emergency procurement can facilitate supplier search. Although the process of post qualification and due diligence can be time consuming but a quick look to just key qualification characteristics of the supplier such as its capabilities to perform a particular work is essential. Information published as open data for a particular supplier can be used in analysis of the suppliers' capability. Governments should release emergency procurement data as open data and should also have open Supplier/Service Provider registers. In so doing it will facilitate appropriate supplier sourcing and carrying out due diligence on those suppliers.

4.6 Publicize Sanctions for Fraudulent Practices and Corruption

Given the increased risk of fraud and corruption in times of crisis, governments should ensure that those involved in the procurement process, both public officials and private sector suppliers, are made aware of the consequences of breaking the law. The regular publication of sanctions given to companies during this crisis can help act as a deterrent for those who are thinking of committing fraud, and can also keep the public and public watchdogs informed of measures that the government is taking to ensure that funds allocated to the pandemic response are being well spent.

4.7 Community Involvement and Cooperation

At time of pandemic outbreak government action is often very rapid to and its monitoring mechanism is commonly weak. This provides a clear chance for corruption to strike. To tackle this, governments should turn to community people, journalists and humanitarian organizations. Through making emergency procurement data open and transparent, civil society and investigative journalists can act as valuable allies by analysing procurement information and investigating suppliers to ensure that resources are allocated efficiently. Humanitarians and civil right organizations are also a valuable tool in detecting corruption in emergency procurement. Through their close contact with the procurement system, they can effectively contribute to the detection of unlawful procedures in public procurement by disclosing information that may not be readily available or evident.

5.0 CONCLUSION

EP provides opportunity for PE to acquire commodities at the most effective and economic manner when there is compelling urgency that creates threat to life, welfare or safety of the public. While the urgency for procurement of these goods and services at the time unforeseeable catastrophes is evident, that should not in any way give leeway for violating procurement guidelines and ignoring basic principles of good governance. Procurement practitioners entrusted with the responsibility to undertake or oversee EP should familiarize themselves with the concept, procedures and conditions for use of EP provided in legal framework to achieve intended outcome during pandemic outbreak. It is worth to draw a line that in order to efficiently respond to emergency situation caused by pandemic outbreak, it is necessary to appropriately implement emergency procurement method as guided by the law. This paper therefore calls critical thinking on the best ways to implement EP methods during pandemic and achieve the intended best outcome without compromising the prevailing laws neither jeopardizing value for money procurement.

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Procurement and Supplies
Professionals and Technicians Board,
Nyerere Road, GPSA Premises
P.O Box 5993 DAR ES SALAAM
Tel/Fax +255 - 22 -2862138, Tel: +255 - 22 - 2865860
Email:info@psptb.go.tz, Website: www.psptb.go.tz

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