

**THE IMPACT OF BID EVALUATION CRITERIA ON CONTRACT  
PERFORMANCE IN PUBLIC PROCUREMENT INSTITUTIONS: A CASE OF  
MUKONO DISTRICT LOCAL GOVERNMENT**

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**UGANDA CHRISTIAN  
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**DECLARATION**

I declare that this research report is my original work and has not been submitted to any institution of learning.

Signature..........


Date ..........

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**APPROVAL**

This research report has been done under my supervision and is ready for submission with my approval.

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## **DEDICATION**

I dedicate this research to my procurement lecturers who advised, encouraged and motivated me throughout my university level. Above all, I thank the Lord God Almighty for His guidance and protection towards completion of this dissertation.

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## **Abstract**

This study examines the impact of bid evaluation criteria on contract performance in public procurement institutions, specifically focusing on Mukono District Local Government (MDLG) in Uganda. The research employs a mixed-method approach, integrating both qualitative and quantitative methods, to assess how responsiveness, technical examination, and financial evaluation influence contract performance. Utilizing a cross-sectional survey design, data was collected from 40 respondents through structured questionnaires and key informant interviews with procurement officials.

The findings reveal a significant positive relationship between all three evaluation criteria and contract performance. High levels of responsiveness-meaning timely communication with the customer and resolution of outstanding issues-strongly correlated with better contract performance. Well-defined technical requirements and professional evaluations proved to be decisive in the pre-selection phase, as well as in project results. Price or financial reviews-based on best value for money, not lowest price-played a key role in pre-selecting bidders capable of delivering their project within budget.

The study has realised successful procurement outcomes through responsive communication, comprehensive technical assessments, and encompassing financial evaluation in the MDLG. Recommendations include the following: increasing responsiveness by having standardized protocols for communications, reinforcing technical examination procedures by providing consistent guidelines, and reinforcing financial evaluation practices for better contractor selection. Further, the areas of future research would relate to the impact of bid evaluation on contract types and consideration of external factors affecting procurement efficiency.

In sum, this research contributes to the understanding of procurement effectiveness in local governments, going a step deeper into the improvement of bid evaluation criteria for better contract performance and service delivery within public institutions.

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.0 Introduction**

The impact of this study will look at the "evaluation criteria of contract performance in public procurement institutions: a case of Mukono District Local Government." This chapter outlines the background of the study, statement of the problem, purpose of the study, objectives of the study, research questions, scope of the study, and significance of the study.

#### **1.1 Background of the Study**

Bid evaluation criteria and contract performance play crucial roles in the efficient functioning of local public procurement institutions. The process of bid evaluation involves the assessment of proposals submitted by vendors or contractors to determine the best-suited candidate for a project or service (Cheaitou et al., 2019). While this is happening, contract performance is a significant process in ensuring that during the execution of the project or service, terms and conditions agreed upon are adhered to. These processes represent vital elements, which are key to realization in local public procurement institutions concerning projects, services, and procurement activities. A clear bid evaluation process ensures that competition will be conducted fairly and procedures are cost-effective, with the selected contractor able to fulfill the stated requirements. Equally important is the subsequent contract performance, ensuring that public resources are used effectively to accomplish the expected outcomes of such contracts (Patrucco et al., 2021).

Every enterprise is meant to utilize limited availability of resources in the best possible way so as to realize its objectives at minimal costs. This therefore calls for the need of evaluation of bids so that the institution gets the best contracts in terms of quality, cost, flexibility, and reliability.

According to Xiao et al. (2020), bid evaluation refers to the practice of approving and evaluating potential supplier bids using quantitative methods to make sure that the best classes of suppliers are made available to supply products and services to an organization. Chen et al. (2021) define bid evaluation as "the process of quantifying the efficiency and effectiveness of supplier action." This means that bid evaluation criteria is a process of quantifying the abilities of the supplier and the buying institution conducts evaluation to stimulate the behavior of the

supplier. Possible changes in behavior range from implementation of green practices, improving social responsibility, improving quality, improving efficiency to lower costs, among others. Effective bid evaluation criteria have furthermore greatly improved contract performance (Brunjes, 2020).

Contract performance can be defined as the execution of a contract by which the contracting parties are automatically discharged of their obligations under it (Hansen, 2020). Although contracts usually call for full and precise performance, a substantial performance may be acceptable under certain circumstances, on a pro-rata basis, or on payment of damages for the unfinished or defective performance. For contract performance to be effectively achieved in public institutions like local governments, supplier evaluation needs to be conducted using set criteria so as to ensure standardization in the evaluation. Development of appropriate criteria that capture the interest of the buyer is one of the indicators of procurement performance as indicated by Nair et al. (2015).

Globally, countries like the United Kingdom, the United States, and various Asian nations have developed comprehensive frameworks for bid evaluation and contract performance in local public procurement institutions (Stella, 2022). These frameworks often emphasize transparency, accountability, and the inclusion of sustainable practices. In the UK and the USA, for instance, public procurement regulations are stringent, focusing on fair competition and value for money. Similarly, Asian countries have taken diverse approaches, such as using technology to enhance the transparency of the bid evaluation process (Chen et al., 2021).

In Africa, issues of corruption and inefficiencies in the evaluation of bids and contract performance have marred local public procurement institutions in countries like Nigeria and South Africa (Adeniyi et al., 2020). This has brought about calls for reforms to increase transparency and accountability in public procurement. Moreover, the research conducted by Akenroye et al. (2012) in Nigeria on supply chain practices included bid evaluation as one of the supply chain activities any organization would have to take part in. Some East African countries, like Kenya, have moved towards improving their procurement systems and putting in place good moves that would remove corruption and ensure a factor of fair competition within the tendering system. For example, the PPDA Act 2005 and procedure 2006 in Kenya serve as a guide that provides guidelines and procurement procedure and bid evaluation for public procurement entities to ensure judicious, economic and efficient use of state resources

ensuring that public procurement is carried out in fair, transparent and non-discriminatory manner (Opawole et al., 2019).

Over 80% of the population of Uganda of 30 million lives in rural areas. These areas are served by Local Government Councils (LGC) mandated by the Local Government Act, Chapter 243 of Laws of Uganda<sup>2</sup> to be the highest political authority in providing decentralized services to the populace (Muhwezi et al., 2020). According to the PPDA baseline survey report of May 2016, over 60% of the budgets of local Government Councils are spent on goods and services. However, the procurement of goods and services is reported to be a very high risk area which is characterized by irregular bid evaluation criteria due to influence peddling, massive complaints of shoddy works, substandard quality of goods and services, inflated cost of inputs and poor management of contract processes, among others (Tumusiime, 2019). According to the PPDA Act (2014), there is a high level of inefficiency in the performance of contract in local governments in terms of lead time and service delivery which could be as a result of the bid evaluation criteria used although no empirical studies have been conducted to prove this hence the need to conduct this study.

## **1.2 Problem statement**

Suppliers are important stakeholders whose operations can impact the overall contract performance of a given procurement function. The choice of an organization's supplier should be guided by elaborate bid evaluation criteria of the potential suppliers since the suppliers can impact the contract performance of any procurement function or process (Brunjes, 2020).

However, poor contract performance, which often manifests itself through delayed delivery, poor quality products or services, failure to complete orders, and even threats of litigation due to delayed payment, is a common scenario anarchy that public institutions find themselves in. For instance, the report by PPDA in Uganda (2019) indicated that in Mukono District, only 60% of the awarded contracts met the stipulated performance standards. This is a reasonable gap that shows many are not meeting satisfactory outcomes, which can be because of the lack of sufficient transparency and accountability within the bid evaluation process plus weak monitoring mechanisms during the contract execution process (Komakech, 2020).

Consequently, this has further led to financial losses, delays in project completion, and compromised quality of public services. If not addressed promptly, this issue may exacerbate corruption, hinder local development, and erode public trust in public procurement institutions

(Nduhura et al., 2022). Furthermore, existing studies (Adeniyi et al., 2020; Patrucco et al., 2021; Muhwezi et al., 2020) in the field have primarily focused on general aspects of public procurement and contract management but often lack a gritty examination of the specific bid evaluation criteria and contract performance dynamics in local government contexts, especially in Mukono District. This study attempts to bridge this gap through assessing the effect of bid evaluation criteria on contract performance in public procurement institutions using a case of Mukono District Local Government.

### **1.3 Purpose of the study**

The purpose of the study is to examine the impact of bid evaluation criteria on contract performance in public procurement institutions: a case of Mukono District Local Government.

### **1.4 Objectives of the study**

- i. To examine the impact of responsiveness on contract performance in Mukono District Local Government.
- ii. To examine the impact of technical examination on contract performance in Mukono District Local Government.
- iii. To examine the impact of financial evaluation on contract performance in Mukono District Local Government.

### **1.5 Research questions**

- i. What is the impact of responsiveness on contract performance in Mukono District Local Government?
- ii. What is the impact of technical examination on contract performance in Mukono District Local Government?
- iii. What is the impact of financial evaluation on contract performance in Mukono District Local Government?

### **1.6 Scope of the study**

The scope of the study will cover three dimensions that is; content, geographical and time and these are discussed in detail below.

#### **1.6.1 Content scope**

This study will specifically focus on; examining the impact of responsiveness on contract performance in MDLG, examining the impact of technical examination on contract

performance in MDLG, and examining the impact of financial evaluation on contract performance in MDLG.

### **1.6.2 Geographical scope**

Geographically, this study will be carried out in Mukono District Local Government located in Mukono District, Central Uganda. Mukono District Local Government is selected because it has been facing challenges of poor contract performance in terms of delayed works, service delivery and value for money which has been attributed to the weak or failure to follow the appropriate bid evaluation criteria.

### **1.6.3 Time scope**

The study will focus on scholarly material from the period 2019 to 2024. It will also be carried out for a period of four month from May to August, 2024.

### **1.7 Significance of the study**

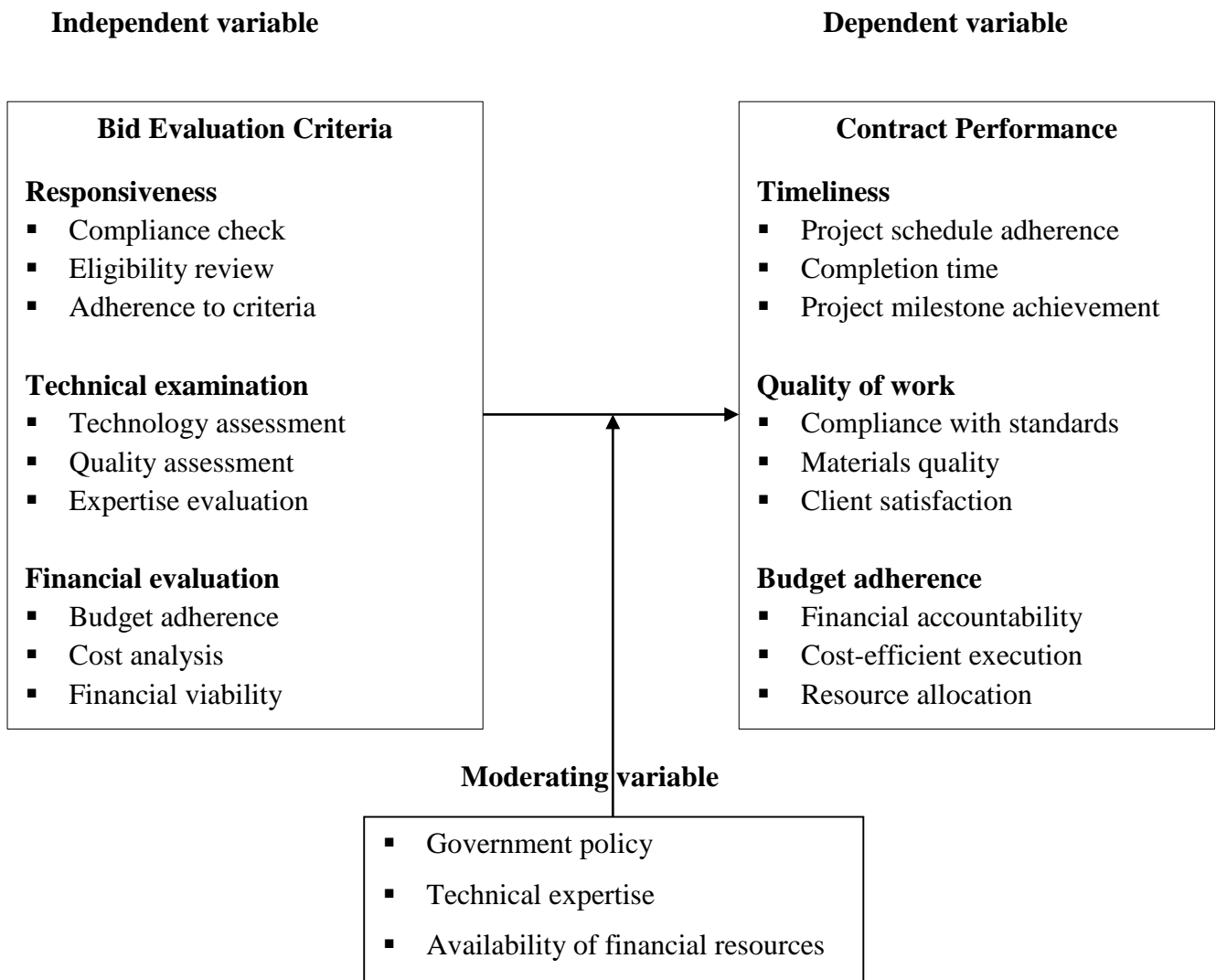
The study findings and recommendations will be of help to Mukono District Local Government and other districts in the country to make prudent decisions concerning bid evaluation and award of contract. It will enable officials especially those in the procurement department and contracts committee to award contract to deserving supplier/ contactors in order to achieve value for work deliver within cost, time and quality standard.

The study will enable the researcher to gain practical experience on the topic pertaining bid evaluation criteria and contract performance. Since the study is part of researchers' academic achievement, it's a partial fulfillment for the award of a bachelor's degree of Procurement and Logistics Management.

Finally, the study is of interest to academicians and future researchers who will be undertaking other researches related to this. This is because it will add on the existing literature that will help other interested researchers to formulate related research questions on related issues of bid evaluation criteria and contract performance.

## 1.8 Conceptual framework

Figure 1: Conceptual Framework



**Source:** Adopted from, Nduhura (2022) and modified by the researcher (2024)

The above conceptual framework looks at the relationship between the independent variable (bid evaluation criteria) and the dependent variable (contract performance in local public procurement institutions). Bid evaluation criteria dimensions in this study are; responsiveness which involves compliance check, eligibility review and adherence to criteria; followed by technical examination which involves technology assessment, quality assessment and expertise evaluation; and financial evaluation which involves budget adherence, cost analysis and financial viability. On the other hand, the dimensions of psychological well-being of teenagers in this study are; timeliness which involves project schedule adherence, completion time and project milestone achievement; followed by quality of work which involves compliance with

standards, materials quality and client satisfaction; and finally budget adherence which involves financial accountability, cost-efficient execution and resource allocation. The conceptual framework also includes the moderating variables which are; government policy, technical expertise and availability of financial resources.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter tries to review the scholarly materials put forward by several personalities on the impact of bid evaluation criteria on contract performance in public procurement institutions as well as critically analyzing the deviations in the explanations to find out the research gap in the study variables. Literature will be reviewed objectively by starting with definition of a concept followed by reviewing of objectives. Sources like newspaper articles, magazines, encyclopedia and books related to the people will be used.

#### **2.1 Definition of terms**

##### **2.1.1 Bid evaluation criteria**

Bid evaluation criteria are a set of predetermined standards used to assess and compare bids submitted by potential vendors or contractors (Chen et al., 2021). These criteria act as a guide to ensure the selection of the most qualified and capable supplier who can deliver the desired goods or services at the best overall value (Oad et al., 2021). These criteria represent a predetermined set of standards used to assess and compare bids submitted by potential vendors or contractors (Hasantha et al., 2024). Therefore, a well-defined and transparent evaluation process will enable the contracting entity to ensure that it has selected the most qualified and capable supplier who can deliver the desired goods or services at best overall value (Almohassen et al., 2023).

The specific criteria employed in bid evaluation will naturally vary depending on the nature of the procurement project. However, some common factors consistently play a critical role in the selection process (Naji et al., 2022). Technical capability is a key consideration, which assesses the bidder's expertise, experience, and qualifications to deliver the project requirements successfully. This might involve scrutinizing past performance on similar projects, evaluating staffing qualifications, and ensuring access to necessary technology or equipment (El-Sayegh et al., 2021). Financial stability is another crucial factor.

A bidder with sound financial standing is likely to face minimal risks during project execution, which could result in delays, cost overruns, or project failure. Financial assessment may include an evaluation of the bidder's financial statements, creditworthiness, and the project budget

proposed to determine its financial capabilities (Nuako et al., 2024). Although not always a sole factor, cost is often one of the most important factors in most procurements. During bid evaluation, the proposed price is analyzed alongside other factors to determine the best overall value proposition for the contracting entity (Herrera et al., 2020). Some of the advantages of a transparent bid evaluation are that it allows equity among the bidders and also competition. Thus, reducing the selection of a vendor unsuitable for project requirements eventually allows the derivation of goods or services that best meet the project objectives and value.

By establishing and adhering to well-defined criteria, contracting entities can ensure they make informed decisions that contribute to successful project outcomes (Hasantha et al., 2024).

### **2.1.2 Contract performance**

Contract performance refers to the successful fulfillment of the promises and obligations outlined in a legal agreement between two or more parties (Barnett & Oman, 2021). In simpler terms, it signifies the degree to which each party delivers on their committed actions within the stipulated timeframe and according to agreed-upon standards (O'Sullivan, 2020). Effective contract performance hinges on both parties fulfilling their roles: the client receiving the desired goods or services, and the contractor delivering them as specified in the contract (Haidar, 2021).

Several key elements contribute to successful contract performance. Clarity and completeness in the initial contract document are essential. A well-framed agreement should include the scope of work, quality of work, timeline, and price. According to Venkataraman & Pinto, 2023, good communication and cooperation during the whole project life cycle is very important. Open communication allows for timely resolution of emerging issues and supports alignment between the parties with respect to project objectives. Additionally, reliable project management practices play an important role. Proper planning, risk mitigation strategies, and performance monitoring processes can help identify and address potential issues that could hinder successful contract completion (Dao et al., 2021).

Ultimately, achieving strong contract performance benefits all parties involved. For the client, it translates to receiving the desired goods or services on time, within budget, and meeting the agreed-upon quality standards (Barnett & Oman, 2021). For the contractor, it signifies

successful project completion, timely payment, and a positive reputation for delivering on commitments. By focusing on clear communication, collaboration, and effective project management, contracting parties can increase the likelihood of achieving successful contract performance and realizing the project's intended outcomes (Haidar, 2021).

2.2 The impact of responsiveness and performance of contract Odhiambo & Kwasira (2019) researched the procurement practices of the County Government of Migori, Kenya, focusing on aspects which create a successful award of contracts. The findings showed that financial and contractual capacities, as well as compliance with the requirements of the bid, have a very important influence on whether one secures a contract award or not. The financial capacity simply means the ability of the bidder to finance the project. This assures that the contractor faces the financial obligations that will be linked with the contract. In the research, the responsiveness of the bidders towards these factors is an assurance of a positive awarding of the contracts to those bidders who have strong financial and contractual capabilities.

In this regard, Nduhura et al. (2022) tested the association of bid evaluation practices with contract performance using the UPF. The researchers found that compliance with bid, technical, financial evaluation, and contract performance were all significantly related to one another. The research showed that the dimension of technical evaluation-process to which bidders are responsive in a technical way against what was described in the tender documents- was the one most related to the contract performance. This means that there is an actual need for a thorough and responsive technical evaluation process to ascertain whether or not the selected contractors are capable of meeting the project specifications with a guarantee of high-quality outcomes. Otim (2018) researched procurement performance in Soroti Municipal Council, Uganda. He seeks to investigate how various variables affect the outcome of procurement.

Indeed, the findings showed that while methods of advertising and community involvement were not significant to affect procurement performance, bid evaluation was significantly and positively related. This goes to say that an effective and responsive bid evaluation process is very important in improving the performance of procurement. To this end, if procurement officials evaluate bids correctly and equitably, then they will be capable of selecting the best-suited contractors to undertake the requirements of any given project. This research emphasizes responsiveness in the evaluation of bids submitted, since such would directly relate to identifying the most capable contractor for enhancing overall contract performance and successful completion of municipal projects. Khan and Akkoc, 2016 The study by Khan and Akkoc, 2016 examined procurement practices in Pakistan, with a focus on the lapses in the evaluation of bids processes and the impact of those lapses on contract performances.

The study pointed to major deficiencies that persist in current assessment procedures, which have often given rise to issues and scandals. They compared the procurement models of the US, UK, Turkey, and Australia with a view to extracting fundamental elements that could help Pakistan improve its current procurement practices. The study emphasizes the need for a responsible, responsive bid evaluation process that can duly incorporate international best practices to enhance the transparency, efficiency, and effectiveness of the process. This improvement in the bid evaluation process may reduce problems like fraud and inefficiency, which could raise the level of performance of the contract. Zhang (2020) focused on constructing a bid evaluation index system for government public project green procurement in China.

Such factors as qualification, economy, technology, management, and public welfare have been incorporated into one evaluation framework in this work. Theorized from sustainable development and system theory, Zhang paid close attention to responsiveness in dealing with multidimensional criteria for successful performance of the contract. By incorporating Dempster-Shafer evidence theory in synthesizing expert opinions and determining index weights, the study has shown that the evaluation should need nuance and responsiveness in bid evaluation. This would in turn ensure that all the factors involved are well catered for in securing more sustainable and efficient project outcomes. Mwandobo 2013, investigated the procurement process in Tanzania, where many deficiencies are observed along the system, delaying or compromising the quality, which also makes the public procurement system inefficient. The study insisted on the need for responsiveness in procurement processes, especially in bid evaluations, in order to get around such problems.

Evaluation on time and effectively will help the tendering authority to select only those contractors who can manage to complete the work within scheduled time. The research has highlighted that due to inadequacy within the evaluation process, there has been a trend of choosing contractors who are unable to manage the project which eventually led towards poor performance and delays. Stella 2022, assessed the impact of alternative contract award procedures on the performance of contractors in Oyam District, Uganda. The study observed that the Least Cost Selection method was the most adopted, while technical factors were considered most critical in the selection of contractors. This is an implication that responsiveness relating to technical aspects in the bid evaluation process happens to be very important in enhancing contractor performance. Therefore, this calls for the consideration of technical

compliance and quality-based selection methods, the study suggests that local governments can improve the performance of contractors on public projects. Responsiveness here means proper evaluation and prioritization of technical qualifications and capabilities; the fittest contractor should be selected. This approach will ensure more successful project outcomes and higher overall contract performance.

Puri and Tiwari 2014 in India identified the theoretical methods and practical criteria for contractor evaluation and bid selection. The study has pointed out that qualified contractors are vital to successful execution of the construction projects. The study identifies responsiveness of contractor evaluation-i.e., the ability to correctly pre-select and select contractors based on qualification and competence as having significant consequence on contract performance". It suggests that the study of project managers can ensure the selection of only those capable contractors who can enhance the probability of successful project completion.

Kisurkat (2017) studied the influence of tendering processes on the performance of public institutions in Kajiado County. This study concluded that effective organizational performance requires suitable tendering committees, procedures, and ethical practices. The study also established the fact that a responsive tendering process, where the evaluations are timely and without corruption or subjective bias, affects contract performance. It also covers the fact that procurement officials can ensure timely and efficient evaluations for ethical standards, adding to transparency and fairness to the process of tendering, thereby yielding better performance of contracts. The study recommended that improving responsiveness within tendering processes can significantly enhance the efficiency of economy and fairness of public procurement practices and contract performance.

Niewerth, Vogt, and Thewes in 2022 focused on this contradiction between political demands related to non-monetary criteria for awards and their ranking in public building construction contracts. They looked at a way, via Data Envelopment Analysis, to get a reliable tender ranking which considers clients' preference and boosts the public goals of sustainability. The responsiveness of such responsiveness towards the client's preference and public goals can facilitate effective performance of the contract. DEA applied to the method excludes irrelevant and insufficiently fitted tenders from influencing the scoring in order to enhance the robustness of the tender ranking. Fair and effective procurement can be realized when responsiveness to a variety of possible criteria present in the award is realized, leading to improved contract performance.

### **2.3 The impact of technical examination on contract performance**

A study by Bartsiotas 2014 revealed several systemic deficiencies concerning the manner in which the UN implements its contracts upon award. For example, the review indicated that the UN significantly lacks human resources with the pertinent competencies and skills in contract management. Such a lack of professional staff constrains the capacity of the UN to monitor the performance of contracts including studying any changes that may be proposed for undertaking any alteration as well as determining whether there are losses that should be corrected. Consequently, it is not possible for the UN to ensure that awarded contracts that provide the best value to the organization are achieved as well as accomplishing the organizational goals.

A study by Okello, 2018, established that reforms in the Ugandan procurement system were highly influencing the achievement of contract management practices; the tender documents took time to be issued, thus incapacitating government bodies in managing and monitoring contracts. The challenge identifies investing in political will as necessary to prioritize open procurement processes. Moreover, this research emphasizes training for procurement officers in order to enhance their capacity and knowledge. Conversely, Okello (2018) ensures that anti-corruption strategies are utilized at the procurement stage to enhance fair competition and performance of a contract.

A study conducted by Mawejje (2017) researched appropriate bid evaluation and its consequences on organizational performance in Uganda. The study established that proper and efficient bid evaluation has a number of beneficial outcomes. Among these are the improved quality of procured goods and services, value for money spent, and culminating in better service delivery. Mawejje (2017) stresses that effective bid evaluation should be based on

prescribed evaluation criteria for fairness and transparency purposes throughout the evaluation process. This objectivity of focus enables it to determine those bids that would provide the best overall value to an organization, hence improving performance in the accomplishment of its goals.

Letarge, Quezon, and Macarubbo, 2016, did a study on the granting of contracts mainly on the lowest price bid basis in public construction projects in Ethiopia. The findings from their research show that this method does not give optimum value to the contracting entity. The low bids may imply low construction quality, problems that may include inferior materials, cost overruns in carrying out the project, and repairs or reconstructions not long from the time of construction. These findings bring into focus the need for looking beyond cost in the bid-evaluation process.

Such includes the study undertaken by Kutosi, Eya, and Moses (2015), in which an examination of the existence of a relationship between effective contracting practices and successful procurement performance was made with regards to Ugandan State-Owned Enterprises. The study concluded that there was indeed an influential positive correlation between the variables- a sign that proper and well-articulated contracting practices do guarantee positive procurement performance. In relation, it also brings into light the competence of the procurement teams that should be assigned the task of carrying out the contracts. This may involve effective communication with the contractors, monitoring the rates of progress, and dealing with much challenges that arise on the actual implementation of the project.

Tumuhimbise (2018) did a case study of the critical factors that determine the performance of a contract in the Ugandan District Local Government - DLGL. In this study, these factors that emerged included workforce factors, process factors, and relationship factors, to mention but a few, that each had a differing degree of influence. Of the factors identified, workforce factors relating to the skills and experience of the personnel involved in managing the contract, had the most minor impact. Process factors, involving the set procedures for carrying out and controlling a contract, and relationship factors, referring to how well the parties to the contract communicate and cooperate, had a moderate effect on the performance of a given contract. In this line, Tumuhimbise (2018) postulated that an optimal contract performance could be realized by embracing an approach that encapsulates all three factors. Kinyanjui (2021) has examined the impact of selected criteria applied during bid evaluation in improving performance of the procurement function at Kiambu County Government in Kenya. The study

concludes that the assessment of bidders on financial position, commitment to quality, human resource competence, and delivery reliability had a significant effect on procurement function performance. Kinyanjui, 2021, thus posits that if these factors are observed during the selection or evaluation of bids, such contractors are likely to do good work, observe deadlines, and hence ensure successful and effective functioning of procurement.

Ahmed 2011 reviewed various best-value bid selection methods for performance-based maintenance contracts for transportation agencies. The study presented a comparison between five different best value-bid selection methods and concluded that multiple-factor selection, such as other than cost, quality, and performance capability yield better results. This kind of approach will ensure that the successful contractor has the relevant expertise and is committed to long-term value and performance for the lifetime of the contract. This is what is termed as "best-value procurement."

Boateng (2014) investigated the tender evaluation practices in the MMDAs of Ghana. The results indicated some worrying trends: lack of transparency in the tender evaluation processes, delayed evaluations, and lack of resources in the evaluation committees. The study established that the other factor likely to affect the integrity of tender evaluation practices in Ghana is political interference, which may undermine objectivity and transparency in the tender evaluation process. The findings by Boateng (2014) thus reveal that reforms should be targeted at ensuring integrity in the tender evaluation practices through the use of permanent and independent evaluation panels, strict regulations that limit the incidence of political interference, and adequate resourcing and training of committee members.

The study by Senzu and Ndebugri (2017) assessed the effectiveness of the Procurement Act in Ghana. While this research largely rated compliance with provisions within the act as high, challenges were realized to work against its full effectiveness in implementation. These are insufficient qualified personnel in public procurement institutions, high-level political interferences during tendering, and poor guidelines on how to handle emergency procurement cases. The study by Senzu and Ndebugri calls for continuous development processes in the better performance of the act. This may also involve, but is not limited to, providing training programs that could enhance the capacity of the staff involved, establishing guidelines on emergency procurement procedures, and developing strategies to prevent undue management influence on the procurement decision-making process.

## **2.4 The impact of financial evaluation on contract performance**

Mukarumongi et al. (2018) conducted a study on the effect of supplier evaluation criteria on the procurement performance in Rwanda. Their research design used a descriptive approach, thus targeting employees in the Rwandan Ministry of Health. The findings indicated that high levels of financial stability and quality commitment and competence had a great bearing on successful contract execution. It could therefore mean that the more detailed the evaluation process on the financial health of a supplier, the better the outcome of the project.

In another study, Uduwage-Don et al. (2023) analyze responsiveness in Sri Lankan public procurement. The findings indicate that the use of a lowest bidder approach is not enough. In practice, it may result in unresponsive bids or unsuccessful projects. These findings from the study insinuate that an extended evaluation process that considers, among other factors, the financial capability of a bidder may not be feasible as a way to ensure successful performance in contracts.

Although Komakech (2020) did not directly assess financial evaluation in the study of contract administration and service delivery in Ugandan local governments, the procurement planning factor was brought out to be very influential for effective service delivery. Since procurement planning affects the management of the finances of the project directly, this finding does indicate indirectly the association between financial considerations and successful contract outcomes.

A work by Ngobeni (2011) has researched problems related to tender procedures in South Africa, where letting of contracts is thought to be awarded to the lowest bidder. The results have brought forth that this may lead to overlooks in the financial stability of a contractor, that afterwards has the potential for becoming unsuccessful in contracts due to an issue of financial crisis when executing the project. This again evidences the requirement of financial assessment in choosing suitable contractors who are financially capable of delivering successful projects.

Khan & Khan (2015) conducted an analysis of the failures of the lowest-bid award system in public construction projects in Pakistan. The analysis shows that encouraging solely financially low bids leads to cost overruns and delays in the completion of the projects. Many such problems arise because contractors tend to bid unrealistically low to get the contract and afterward do not have sufficient financial resources to complete the project within budget and on schedule. Their work therefore inferred that the current evaluation processes, which did not

consider the financial capacity of contractors, were shallow and needed to be improved to minimize such risks to ensure successful contract performance.

Mushori et al. (2020), in their study, assessed the relationship between contractor capacity evaluation and road construction performance in Kenya. The conceptual framework, according to the study, shows that a good assessment of the general capability of a contractor-most likely his financial stability-will ensure better performance of the projects. Good financial stability allows contractors to manage project costs effectively, purchase all materials required for construction, and pay workers on time, which are the key necessities toward guaranteeing the success of projects in road construction.

Kakarapalli focused his research on best value procurement in vertical construction projects. The best value is a procurement approach beyond the lowest price, possibly including financial qualifications of a contractor in the evaluation criteria. Best-value procurement was related to better cost and schedule performance. This might indicate, therefore, a possible linkage between more holistic award processes, including financial factors, and successful contract execution.

The study on the assessment criteria of bidder qualification for public building projects in Ethiopia by Terefe (2021) observed that a great deal of reliance is given to the tender sum, which may not be actually sufficient in determining the financial capability of a contractor. Preoccupation with the lowest bid may result in the selection of contractors who are incapable financially and fail to execute the projects successfully. Results by Terefe showed that expanding the selection process to incorporate financial stability, among other factors could help improve project performance in the Ethiopian public building sector.

Niewerth et al. (2022) proposed a tender evaluation technique for public construction contracts concerning non-monetary criteria next to cost. Although financial evaluation was not the primary focus of their studies, their research does suggest that a more balanced process that incorporates finance as an element may have better output and outcome contracts. By incorporating financial health as part of the evaluation process, the proposed system will go a long way toward identifying those contractors who have the financial wherewithal to successfully execute projects on time and on budget.

Procurement management was also investigated in the research Ofamba on the procurement management effect of contract performance in the local government of Uganda Among the

factors that had an adverse effect on the performance of the contract was bureaucracy. The processes would likely streamline financial management and remove delays and incompetence, which may well help achieve the superior output in contracting that ensures resources have been committed and spent correctly during the project life cycle.

## **2.5 The summary of literature review and research gap**

This literature review will draw a connection between bid evaluation criteria and the performance of contracts in public procurement. Studies indeed confirm that the responsiveness to the prequalification criteria, including the technical capability, financial stability, and requirements set forth, is an assurance in the selection of qualified contractors towards successful delivery. However, emphasis on the lowest price of the bid is only often detrimental and may yield low quality, delays, and overruns in cost. While the basis of most importance may be a financial evaluation, the full scale and the ability to optimally realize contract performance rests in a holistic approach, which includes technical expertise, experience, and commitment to quality. Even though some research has been identified in this aspect, the gap still lingers over the determination of weights in various criteria during bid evaluation and the effect of such weight on contractor selection and hence project performance.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.0 Introduction**

This chapter outlines the research methods. It addresses the area of study, demographic and sampling methodologies, measurement levels, data collection procedures, tools, processing and analysis of the data, ethical considerations, and methodological limitations.

#### **3.1 Research Design**

The research design for this study will be a cross-sectional survey. The design was selected since it requires less time to complete (Barley, 2017). It will also be utilized since it will enable the researcher to record data pertaining to information obtained at a certain moment in time. Additionally, by employing a cross-sectional research design, the study's findings will help refute preconceptions and replace hypothetical data on the specific variables evaluated during the course of the time period taken into consideration.

The research plan will incorporate both qualitative and quantitative research approaches. In the social and natural sciences, quantitative research refers to the methodical empirical examination of observable occurrences utilizing statistical, mathematical, or numerical data or computational techniques (Trochim, 2006). In order to help the researcher use statistics to generalize the findings, reduce and restructure complex problems to a limited number of variables, test theories and hypotheses, and ultimately determine the relationship between the two variables, a quantitative research approach will be used because it is more objective and reliable. In contrast, a qualitative research approach will be employed in order to gather information about the respondents' personalities, feelings, and behavior as well as the impact of bid evaluation criteria on contract performance in public procurement institutions in MDLG.

#### **3.2 Area of study**

This study will be carried out in Mukono District Local Government located in Mukono District, Central Uganda. Mukono District Local Government is selected because it has been facing challenges of poor contract performance in terms of delayed works, service delivery and value for money which has been attributed to the weak or failure to follow the appropriate bid evaluation criteria.

### 3.3 Study Population

Employees from the Mukono District Local Government's Management & Support, Finance, Education, Health, Natural Resources, Community Based, Works & Technical, and Production & Marketing departments will make up the study population. These workers will be taken into account and utilized to get accurate and trustworthy data, enabling the researcher to collect the information needed for the study and produce the most insightful conclusions. A total of 50 local government employees who work for the aforementioned departments are listed in MDLG Human Resource Office Records (2024) and will be the study's target group. The study will also include the CAO, the Procurement Officer, Finance Manager and the Contracts Committee team that will take part as key informants totaling to 10.

### 3.4 Sample Size Determination

The sample size will be determined by the sample calculation formula by Yamane, (1970) as follows;

$$n = \frac{N}{1 + N(e)^2}$$

“n” is sample size, “N” is population, “e” is error (0.05) or level of confidence 95%

“N” (population) = 50 staff of Mukono District Local Government

$$n = \frac{50}{1 + 50(0.05)^2}$$

$$n = \frac{50}{1 + 50(0.0025)}$$

$$n = \frac{50}{1 + (0.125)}$$

$$n = \frac{50}{1.125}$$

$$n = 44$$

Therefore the sample size will comprise of 44 respondents obtained from the 50 population size of employees working in the different departments in Mukono District Local Government. Furthermore, the top management; the CAO, the Procurement Officer, Finance Manager and

the Contracts Committee team totaling to 10 will be involved in the study as key informants as these will be selected purposively. These are further distributed in the table below;

**Table 2: Target Population, Size and Selection**

Category of Respondents	Population Size	Sample size	Sampling Techniques
Employees of MDLG in departments	50	44	Simple random sampling
Chief Administrative Officer (CAO)	1	1	Purposive sampling
Procurement Officer	1	1	Purposive sampling
Finance Manager	1	1	Purposive sampling
Contract Committee Team	7	7	Purposive sampling
<b>Total</b>	<b>60</b>	<b>54</b>	

**Source:** *Mukono District Local Government (2024)*

### 3.5 Sampling Techniques

Both simple random sampling techniques and purposive sampling will be used by the researcher. The key informants will be chosen by means of purposive sampling. These key informants for the study will include the CAO, the Procurement Officer, Finance Manager and the Contracts Committee team of the Mukono District Local Government. Because these respondents have a special qualification and actively participate in the process of bid evaluation for proper contracts management, purposive sampling will be used for this category of respondents. As a result, these respondents are expected to provide detailed information about the impact of bid evaluation criteria on contracts performance in MDLG.

However, due to their large number, simple random sampling will be used to select the personnel working in the various departments of the Mukono District Local Government. This approach will make it easier for them to be chosen and enable everyone to take part in the research. Because it minimizes bias in their work and increases the practicality of large-scale population research, simple random sampling is the favored method.

### 3.6 Sources of data

The researcher will employ primary and secondary data when conducting the research project.

#### 3.6.1 Primary source

Since primary data provide precise information regarding the outcomes of an experiment or observation, they are crucial for all fields of study. Personal interviews and self-administered

questionnaires to a selected sample of respondents will be used to gather primary data from the field and gather their perspectives. The researcher will benefit from primary data when gathering information for the particular goals of their study. The investigator will personally gather the data through the use of questionnaires and interview protocols.

### **3.6.2 Secondary source**

The term “secondary data” describes information that has been handled, gathered, and possibly processed by parties other than the specific researcher. Scholarly books and articles are typically considered secondary sources while conducting research for a historical assignment. Data from previously published works of literature, such as e-books, journals, published articles, and periodicals, will be gathered from this source. To make data collecting and textual analysis easier, documentary resources are categorized (Mubazi 2008). In order to complement the results of the main data, secondary data on staff performance in the Mukono District Local Government will be gathered from journals, papers, and annual reports.

## **3.7 Data collection methods and instruments**

### **3.7.1 Questionnaire**

A survey, according to Amin (2005), is a self-report study designed to learn more about relevant factors. According to Mugenda & Mugenda (2005), the questionnaires would consist of closed-ended questions with a list of potential answers. Respondents will be asked to choose the answers that best express their views on the situation and problem under inquiry. To get data on the topic, a structured questionnaire with sections for each study variable will be created. The respondents will get it administered to them. There will be five response options on a five-point Likert scale, including: (5) strongly agree, (4) agree, (3) not sure, (2) disagree, and (1) strongly disagree. The Likert style will be used because it provides respondents with a range of options for responses and because it makes it simple to tabulate the data collected for comparative analysis. With their permission, questionnaires will be given to the 44 chosen staff members who are employed by Mukono District Local Government in the various departments.

### **3.7.2 Key Informant Interviews (KIIs)**

In order to specifically obtain information relevant to the study, Ahuja (2009) defines an interview as a two-person conversation that is initiated by the interviewer and concentrates on the subject indicated by the research objectives of description and explanation. An interview guide, which consists of a series of scripted questions with recorded interviewer responses, was the tool used to collect the data in this case (Ahuja 2009). Because it allows the researcher to

have control over the investigation's methodology, time will be saved by using it. Ten key informants, including the CAO, the Procurement Officer, Finance Manager and the Contracts Committee team will participate in the KIIs. There will be no noise and a serene atmosphere throughout these interviews. After outlining the objectives and discussing any confidentiality agreements, the interview will begin. The interview will be conducted informally, conversationally, with the interviewer asking questions and recording answers.

### 3.8 Data Quality Control

#### 3.8.1 Validity

To determine whether the questions can capture the desired data, validation will be carried out. The supervisor of the researcher will go over the questions to make sure the anticipated response was captured. To determine the validity of the study instrument, a Content Validity Index (CVI) will be computed. To establish the validity of the study instruments, the researcher will apply the formula shown below (Cohen, Manion, and Keith 2007).

Content validity Index (CVI) = Relevant items by all judges as suitable

Total number of items judged.

The validity of the questionnaire for data collection will be implied if the CVI is equal to or higher than the advised 0.70 (Kent, 2001).

#### 3.8.2 Reliability

The degree to which a research tool yields consistent data or outcomes after several trials is known as reliability (Mugenda & Mugenda, 2003). The reliability of the questionnaire will be assessed with the Cronbach's coefficient alpha. The Statistical Package for the Social Sciences (SPSS) will be utilized to compute the reliability results in a pilot study including ten participants. The Cronbach's coefficient alpha can be calculated using the following formula:

$$\alpha = \frac{k}{K-1} \left( \frac{1 - \sum SD_i^2}{\sum SD_t^2} \right)$$

Where  $\alpha$  = coefficient alpha

$\sum SD_i^2$  = sum variance of items

$$\sum SDt^2 = \text{sum variance of scale}$$

A value of .70 or higher will indicate that the questionnaire is deemed appropriate for data collection (Amin, 2005).

### **3.9 Procedure of Data Collection**

Upon acceptance of the research proposal and data collection tools, the researcher will acquire an introduction letter from the Uganda Christian University Ethical Committee to facilitate participant access. The researcher will next deliver the letter, together with a consent letter that will be given to the respondents, to the Mukono District Local Government management, requesting permission to conduct the study on their property. Without using research assistance, the researcher will physically and personally conduct the data collection exercise. To prevent consultation and hence skewed results, no questionnaire will be left unanswered.

### **3.10 Data Analysis**

**Quantitative data analysis:** Numbers will be applied to responses in order to code the data. Data will be entered into an SPSS editor, and the study will make use of the Statistical Package for Social Scientists (SPSS). It will be double-entered and modified. There will be a guarantee that the first and second entries are identical. For each of the different responses, this will produce a frequency code sheet. This will be utilized in descriptive analysis in order to compute measures of central tendency such as mean, standard deviation, and percentages. The relationship between the predictor independent variables and the dependent variable will be established by testing the hypothesis using inferential statistics and Pearson's correlation coefficient. To determine the strength of the association, a simple regression or coefficient of determination analysis will be conducted. The regression formula is as follows;  $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + e$

**Qualitative data analysis:** This will make advantage of the use of narrative analysis. A range of sources, including surveys, field observations, and respondent interviews, will be employed in this technique. Using firsthand tales and experiences to address research challenges is the main focus. As a result, descriptive text will be edited and reorganized into meaningful sentences. Stated differently, the purpose of content analysis is to look for themes, categories, and patterns in qualitative data. The recurrent themes that emerged in answer to each interview leading question will be shown in the results, with selected participant quotes used as examples.

### **3.11 Ethical Considerations**

Ethics is the study of the standards or laws of conduct that establish what is proper and improper. They help delineate between proper and unacceptable behavior. The way these moral quandaries are resolved has a big influence on the integrity of the research results.

Truthfulness, impartiality, reverence for intellectual property, social accountability, privacy, and a host of other virtues. Informed consent and voluntary involvement will be taken into consideration. The goal of the survey will be clearly communicated to the participants, and their participation in the study will be kindly requested.

Sensitive information kept by the organization; respondents' safety will be guaranteed. Cohen & Crabtree stress how crucial it is that participants have the choice to decline taking part in the study, and that the researcher must provide them that choice. This will be covered in the consent form and questionnaire's introduction section.

Another issue will be anonymity. In order to do this, the respondents' identities will not be sought, confidentiality and anonymity will be guaranteed, and it will be emphasized that the data will only be used in aggregate form for research purposes. After participation, the respondents will get gratitude for their ethical considerations. Since the organization where the study will be conducted may find value in the findings, the researcher will share the study's findings with the respondents.

### **3.12 Anticipated limitations and delimitations of the study**

Some respondents may be reluctant to divulge information if they have concerns about the intended use of the data. This will be resolved by means of the university's excellent and notable reputation as a learning institution and by acquiring an introductory letter from the institution.

Funds that will be required to support the research, such as paying for printing costs, encouraging responders, and even daily transportation to the organization for data collection, are likely to place restrictions on the researcher. Nonetheless, the researcher will generate family financial support through self-initiatives and tactics.

It is possible that some individuals will take longer than expected to return the surveys, which could impact the researcher's intended analysis time. This will be resolved by sending out more questionnaires than the intended number, which will enable her to fill in the blanks for any respondents who might not return the surveys.

## CHAPTER FOUR

### DATA PRESENTATION, INTERPRETATION AND DISCUSSION

#### 4.0 Introduction

This chapter presents and discusses the results of analysis that has been done to look at the specific objectives of the study and in relation to the reviewed literature. The study was carried out using questionnaires with employees working in the different departments in MDLG and interviews with the CAO, the Procurement Officer, Finance Manager and the Contracts Committee team of the Mukono District Local Government. The findings are presented with the help of tables for purposes of clarity and interpretation.

#### 4.1 Response rate

**Table 1: Response rate for questionnaires**

Response Rate	Sample Size	
	Frequency	Percentage (%)
Received	40	90.9%
Non Response	4	9.1%
Expected Response	44	100.0%

**Source:** *Primary data*

According to table 1 above a total of 44 (100%) respondents who are employees of MDLG were expected to respond to the questionnaires, however, 40 (90.9%) responded to the questionnaires leaving out 4 (9.1%). According to Ahuja (2009), a response rate of 70% is excellent, 60% is good and 50% is adequate for analysis. Thus the response rate of 90.9% was considered reliable and appropriate for the study. The reason as to why the researcher was unable to collect from the one of the respondents was because there was limited time to collect data since the researcher had to beat the deadline of dissertation submission yet some of these respondents were delaying to give response.

## 4.2 Findings on demographic characteristics of respondents

This section presents the general background information about the respondents in relation to their gender, age, highest level of education, department and period spent working with Mukono District Local Government as shown in the table below;

**Table 2: Background Information about the respondents**

Item	Description	Frequency	Percentage (%)
Gender	Male	23	57.5
	Female	17	42.5
	<b>Total</b>	<b>40</b>	<b>100.0</b>
Age bracket	21-30 years	11	27.5
	31-40 years	15	37.5
	41-50 years	10	25.0
	Above 50 years	4	10.0
	<b>Total</b>	<b>40</b>	<b>100.0</b>
Level of education	Diploma	8	20.0
	Bachelor's degree	14	35.0
	Master's degree	11	27.5
	Others	7	17.5
	<b>Total</b>	<b>40</b>	<b>100.0</b>
Department	Management & support department	10	25.0
	Finance department	6	15.0
	Production & marketing department	9	22.5
	Community based department	7	17.5
	Works and technical department	8	20.0
	<b>Total</b>	<b>40</b>	<b>100.0</b>
Period spent working	1-5 years	12	30.0
	6-10 years	19	47.5
	Above 10 years	9	22.5
	<b>Total</b>	<b>40</b>	<b>100.0</b>

Source: Primary data

According to table 2 above, the gender distribution of the respondents shows that the majority are male, comprising 57.5% of the total respondents. Females account for 42.5%. This indicates a relatively balanced gender distribution, though there is a slight male predominance among the respondents.

The largest age group among the respondents is those aged 31-40 years, representing 37.5% of the total. This is followed by respondents aged 21-30 years at 27.5%. Those in the age bracket of 41-50 years constitute 25.0%, and the smallest group is those above 50 years, making up 10.0%. This distribution means that the majority of the workforce is in the middle age group, a fairly large section still in the early stages of their careers.

For educational qualifications, the highest percentage recorded is that of the Bachelor's degree, 35.0%. Following this, 27.5% were reported to have a Master's degree to show an educated work force further. Another 20.0% have a Diploma while the remaining 17.5% fall under 'Others', which could include a number of other qualifications. This shows that there is a high level of education in this group of employees, with large numbers having advanced degrees.

These fall within different departments, with the highest percentage being 25.0% working in Management & Support. The Production & Marketing department retains 22.5% of the respondents, while the Works and Technical department takes 20.0%. The Community-Based department retains 17.5%, while that of Finance is the smallest at 15.0%. This spread thus indicates a diverse staffing across the key functional areas within the local government.

From the point of view of the length of time served in Mukono District Local Government, working between 6 to 10 years represents the biggest percent of the respondents with 47.5%. Others were in the category of between 1-5 years of service with 30.0%, while 22.5% of the respondents serve beyond 10 years in this local government. This shows that the bulk of the working staff has considerable experience, though a good number of the workforce will have to be categorized as long-serving.

### 4.3 The impact of responsiveness on contract performance in MDLG

Table 3 gives a summary of the effects of responsiveness on contract performance in MDLG using the Likert scale where SA represents strongly agree, A-agree, NS-not sure, D-disagree, and SD-strongly disagree.

**Table 3: Impact of responsiveness on contract performance in MDLG**

Statements	Extent of agreement and disagreement			
	AGREE	DISAGREE	mean	St.dev
	F (%)	F (%)		
The procurement department responds promptly to inquiries and clarifications during the bidding process.	30 75%	10 25%	3.50	0.90
Bidders are provided with clear and comprehensive information regarding bid requirements.	15 37.5%	25 62.5%	3.94	0.871
The bid evaluation process adheres strictly to the set timelines without unnecessary delays.	13 32.5%	27 67.5%	4.61	0.42
Feedback on bid results is communicated to bidders in a timely manner.	35 87.5%	5 12.5%	4.71	0.42
The procurement department effectively addresses any discrepancies or issues that arise during the bidding process.	37 92.5%	3 7.5%	3.79	0.42
Responsiveness in the bidding process positively impacts the overall contract performance.	36 90%	4 10%	4.78	0.358

**Source:** *Primary data 2024*

Table 3 summarizes descriptive statistics on the impact of responsiveness on contract performance in Mukono District Local Government.

The results from this study indicated that 75% agreed that the procurement department responded to queries quickly for clarification during the bidding process, while 25% actually disagreed with the same statement. This indicated stability in the procurement department in response to inquiries. This was evidenced with a mean of 3.50 and standard deviation of 0.90, which implies that while the moderate mean of 3.50 indicates general satisfaction with prompt

responses, the high standard deviation of 0.90 highlights significant variability, signifying that some respondents may feel that improvements are needed in responsiveness.

The findings of the study further revealed that Bidders were not provided with clear and comprehensive information regarding bid requirements. This finding was portrayed whereby 62.5% of the respondents disagreed to the statement and only 37.5% agreed. This was evidenced in the finding with a mean score of 3.94 and a standard deviation of 0.871. A mean score of 3.94 suggests that the feeling about clarity is predominantly positive. However, a standard deviation of 0.871 indicates a level of disagreement; thus, it reveals that not all bidders feel that they are adequately informed.

The study findings further revealed that the bid evaluation process was not done strictly according to set timelines without unnecessary delays. This is evidenced by the fact that 67.5% of the respondents disagreed with the statement, while only 32.5% of the respondents agreed to the statement. This was supported by a mean of 4.61 and a standard deviation of 0.42. The mean is quite high at 4.61, which signifies that the respondents strongly agree on the adherence to timelines. On the other hand, the standard deviation is quite low at 0.42; this means that the respondents strongly agree that deadlines are effectively met in the process.

The findings of the study strongly revealed that Feedback on bid results was communicated to bidders in a timely manner. This was portrayed whereby 87.5% of the respondents agreed to the statement and only 12.5% disagreed. This finding registered a (*mean of 4.71 and a standard deviation of 0.42*), With a high mean of 4.71 indicating strong agreement about timely communication, the low standard deviation of 0.42 conveys a similar confidence among respondents that feedback is generally efficient and effective.

The findings of the study strongly revealed that the procurement department effectively addresses any discrepancies or issues that arose during the bidding process. This was evidenced whereby 92.5% of the respondents strongly agreed to the statement and only 7.5% disagreed. This finding registered a (*mean of 3.79 and a standard deviation of 0.42*), The mean of 3.79 suggests general agreement about the department's effectiveness in issue resolution, while the low standard deviation of 0.42 indicates that respondents largely concur in their views, although the potential for improvement exists.

Lastly the findings of the study revealed that Responsiveness in the bidding process positively impacted the overall contract performance. This was showed whereby 90% of the respondents

agreed to the statement and only 10% of the respondents disagreed .this finding registered a (mean of 4.78 and a standard deviation of 0.358), A very high mean of 4.78 signals overwhelming agreement on the importance of responsiveness, with a low standard deviation of 0.358 reinforcing a strong consensus among respondents on its critical role in enhancing contract performance.

The findings indicate that a majority of respondents perceive high levels of responsiveness in the procurement processes of Mukono District Local Government, particularly in terms of prompt communication, adherence to timelines, and effective issue resolution. This responsiveness is viewed as having a positive effect on general performance of the contract, hence its importance in ensuring results are obtained with efficiency and success. Further determination of the findings of the study concerning the relationship between responsiveness and contract performance in Mukono District Local Government-MDLG were determined using Pearson's correlation conducted as shown below;

**Table 4: Pearson’s correlation on responsiveness and contract performance in MDLG**

**Correlations**

		Responsiveness	Contract performance
Responsiveness	Pearson Correlation	1	.644**
	Sig. (2-tailed)		.000
	N	40	40
Contract performance	Pearson Correlation	.644**	1
	Sig. (2-tailed)	.000	
	N	40	40

\*\* . Correlation is significant at the 0.05 level (2-tailed).

**Source:** *Primary data*

The findings indicated in table above shows that there is a significant positive relationship between responsiveness and contract performance in Mukono District Local Government (MDLG). This relationship is affirmed by r-values of 0.644\*\* with significant p-values of 0.000 at the level of 0.05 (2-tailed) ( $r = .644^{**}, p < .05$ ). This means that there is better contract performance when the responsiveness within the procurement process is high. This underlines timeliness of communication, timely response, and speed of resolution of issues as key ingredients in the making of procurement contracts successful and efficient.

#### 4.4 The impact of technical examination on the performance of contracts in MDLG

Table 5 summarizes respondents' responses on the impact of technical examination on contract performance in Mukono District Local Government using a Likert scale where SA-Strongly Agree, A-Agree, NS-Not Sure, D-Disagree and SD-Strongly Disagree.

**Table 5: Impact of technical examination on contract performance in MDLG**

Statements	Extent of agreement and disagreement			
	AGREE	DISAGREE	Mean	St.dev
	F (%)	F (%)		
Technical specifications and requirements are clearly defined in the bid documents.	28 70%	12 30%	4.73	0.505
The technical evaluation team has the necessary expertise to assess bids accurately.	25 62.5%	15 37.5%	3.62	0.466
Technical evaluation criteria are applied consistently across all bids.	10 25%	30 75%	4.68	0.55
The technical evaluation process thoroughly examines the bidders' capabilities and past performance.	30 75%	10 25%	4.77	0.482
Technical evaluations are conducted in a fair and transparent manner.	33 82.5%	7 17.5%	3.93	0.570
The thoroughness of the technical examination directly influences the success of the contract execution.	20 50%	20 50%	4.61	0.513

**Source:** *Primary data*

Table 5 represents the descriptive statistics on the impact of technical examination on contract performance in Mukono District Local Government.

The findings of the study revealed that technical specifications and requirements are clearly defined in the bid documents. This was portrayed whereby 70% of the respondents agreed to the statement and 30% of the respondents disagreed to the statement. This was evidenced through the mean of 4.73 and a standard deviation of 0.505. The high mean of 4.73 will indicate wide agreement on clarity of specification, while the low standard deviation of 0.505 will denote the fact that most respondents perceived clear definitions as important for success.

The second finding entailed that the technical evaluation team possess sufficient knowledge, skills, and experience to evaluate the bids appropriately. This was portrayed in the findings where 62.5% of the respondent agreed to the statement and 37.5% disagreed. This was evidenced by a mean of 3.62 and a standard deviation of 0.466, A mean of 3.62 suggests there is some uncertainty about the expertise of the team, while a low standard deviation of 0.466 indicates that although many respondents hold this view, there is also some divergence of opinion on the competency of the team.

The results of the study further showed that criteria for technical evaluation are not uniformly used in the evaluation of all bids. This was evident from where 75% of the respondents disagreed with the statement and only 25% agreed. The mean was 4.68, with a standard deviation of 0.55. A high mean of 4.68 represents strong agreement on the consistency of criteria application, while the moderate standard deviation of 0.55 implies slight disagreements and thus areas which may call for improvement.

The findings of the study indicated that the technical evaluation process was all inclusive in scope in regard to the capabilities and past performance of the bidders. This was represented whereby 75% of the respondents agreed to the statement and 25% disagreed. The latter was manifested in a mean of 4.77 and a standard deviation of 0.482. This means that the high mean of 4.77 underscores very strong confidence in the thoroughness of the technical evaluations, while the low standard deviation of 0.482 describes a wide agreement among respondents on this critical process.

The findings of the study further showed that 82.5% of the respondents agreed to the statement: Technical evaluations are done in a fair and transparent way. 17.5% of the respondents disagreed to the statement. This was evidenced by the mean of 3.93 and a standard deviation of 0.570. With the mean of 3.93, favorable views on fairness and transparency prevail; besides, a moderate standard deviation of 0.570 indicates that while some perceptions vary, additional areas may likely require better communication to develop more transparency.

Finally, results indicated that 50% of the respondents agreed to the fact that completeness of the technical check directly affects the effectiveness of contract performance. In consideration of that, results indicated that 50% of the respondents disagreed with the statement. These findings were accompanied by an average of 4.61 with a standard deviation of 0.513. An average of 4.61 suggests that there was very good agreement in the opinion that comprehensive technical evaluations influence success, and a standard deviation of 0.513 suggests that there

is reasonable variation in opinion. This should, therefore, prompt further investigation into specific areas.

Overall, the findings tend to present a formidable consensus among the respondents that such technical examination practices as clear specification, teams of expert evaluators, criteria consistency, thorough evaluations, and fairness/transparency are the main ingredients needed to be put into place to improve contract performance in Mukono District Local Government. The relationship between technical examination and contract performance in Mukono District Local Government was further assessed using Pearson's correlation conducted as shown below.

**Table 6: Pearson’s correlation on technical examination and contract performance**

**Correlations**

		Technical examination	Contract performance
Technical examination	Pearson Correlation	1	.656**
	Sig. (2-tailed)		.000
	N	40	40
Contract performance	Pearson Correlation	.656**	1
	Sig. (2-tailed)	.000	
	N	40	40

\*\* . Correlation is significant at the 0.05 level (2-tailed).

**Source:** *Primary data*

In accordance with the table above, it's observed that the findings indicate that technical examination is highly positively correlated with contract performance in MDLG. This is attested by the r-values of 0.656\*\* with significant p-values of 0.000 at the 0.05 level, 2-tailed ( $r = .656^{**}, p < .05$ ). This would therefore mean that clear specifications and detailed evaluations in the technical examination processes simply go hand in hand with improved contract performance. This should therefore be a reaffirmation of the fact that strong technical examination practices form the real backbone through which successful contract execution can be achieved.

#### 4.5 The impact of financial evaluation on the performance of the contract at MDLG

Table 7 summarizes how contract performance at MDLG has been affected by financial evaluation, as reported by respondents, using the Likert scale SA: Strongly Agree, A: Agree, NS: Not Sure, D: Disagree, and SD: Strongly Disagree.

**Table 7: Impact of financial evaluation on contract performance in MDLG**

Statements	Extent of agreement and disagreement			
	AGREE	DISAGREE	Mean	St.dev
	F (%)	F (%)	F (%)	F (%)
Financial proposals are evaluated based on clear and transparent criteria.	29 72.5%	11 27.5%	3.73	.550
The financial evaluation team is skilled in assessing the cost-effectiveness of bids.	30 75%	10 25%	3.99	.521
Financial evaluations take into account the overall value for money, not just the lowest bid price.	20 50%	20 50%	4.12	.478
The financial stability of bidders is adequately assessed during the evaluation process.	15 37.5%	25 62.5%	4.77	.564
Financial evaluations are conducted without bias or favoritism.	27 67.5%	13 32.5%	3.89	.499
Effective financial evaluation ensures that the selected contractor can deliver the project within budget.	27 67.5%	13 32.5%	4.90	.505

**Source:** *Primary data*

Table 7 shows descriptive statistics regarding the impact of financial evaluation on contract performance in Mukono District Local Government.

The study revealed that financial proposals have a chance of being selected based on criteria that are clear and transparent. This was witnessed whereby 72.5% of the respondents agreed to the statement and 27.5% disagreed. This was evidence with a (*mean of 3.73 and a standard deviation of .550*). The mean of 3.73 indicates a reasonable agreement on the clarity of evaluation criteria, but the standard deviation of 0.550 reveals some respondents view it as less transparent, pointing to a need for clearer guidelines.

The findings of the study also showed that 75% of the respondents agreed that the financial evaluation team is skilled in assessing the cost-effectiveness of bids. The findings still showed that 25 % of the respondents disagreed to the same statement. This registered a (*mean of 3.99 and a standard deviation of .521*), A mean of 3.99 indicates a generally positive view of the team's skills, yet the standard deviation of 0.521 suggests variability in confidence levels, highlighting a potential need for additional training or support.

The findings of the study further revealed that Financial evaluations takes into account the overall value for money, not just the lowest bid price. This was portrayed whereby 50% of the respondents agreed, while the other 50% disagreed. This was evidenced with a (*mean of 4.21 and a standard deviation of .478*), The mean of 4.12 suggests a favorable perception of value considerations in financially evaluating bids, while the standard deviation of 0.478 reflects a relatively uniform opinion among respondents, supporting the importance of comprehensive evaluations.

However, the findings of the study also revealed that the financial stability of bidders was not adequately assessed during the evaluation process. This was portrayed whereby 62.5% of the respondents disagreed to the statement and 37.5% agree to the statement. This registered a (*mean of 4.77 and a standard deviation of .564*), A high mean of 4.77 reflects strong agreement on the importance of assessing financial stability, while the standard deviation of 0.564 indicates moderate variability in how well respondents perceive this aspect is being achieved.

The findings of the study further revealed that financial evaluations were not conducted without bias or favoritism. This was portrayed where by 67.5% of the respondents agreed to the statement and 33.5 disagreed .this statement registered a (*mean of 3.89 and a standard deviation of .499*), The mean of 3.89 suggests some concern surrounding bias in evaluations, whereas the standard deviation of 0.499 indicates varied opinions, emphasizing the necessity for maintaining impartiality in the evaluation process.

Lastly the findings of the study showed that 67.5% of the respondents agreed that Effective financial evaluation ensures that the selected contractor can deliver the project within budget. The findings also showed that 32.5% disagreed to the statement. This was evidenced with a mean of 4.90 and a standard deviation of 505), A very high mean of 4.90 demonstrates strong belief in the correlation between effective financial evaluations and budget compliance, with a low standard deviation of 0.505 underscoring a shared consensus among respondents regarding its significance.

Overall, the findings revealed that majority of respondents believe in the clarity, transparency, skill, and fairness of the financial evaluation process in Mukono District Local Government. This strong confidence in the financial evaluation process implies that effective financial evaluation practices are critical for ensuring successful contract performance, including delivering projects within budget and selecting contractors that offer the best value for money. Findings related to the relationship between financial assessment and contract performance in Mukono District Local Government were further ascertained using Pearson's correlation, carried out as follows:

**Table 8: Pearson’s correlation on financial evaluation and contract performance**

**Correlations**

		Financial evaluation	Contract performance
Financial evaluation	Pearson Correlation	1	.623**
	Sig. (2-tailed)		.000
	N	40	40
Contract performance	Pearson Correlation	.623**	1
	Sig. (2-tailed)	.000	
	N	40	40

\*\* . Correlation is significant at the 0.05 level (2-tailed).

**Source:** *Primary data*

From the table above, the findings indicate a strong positive relationship between financial evaluation and contract performance in the Mukono District Local Government, supported by r-values of 0.623\*\* and significant p-values of 0.000 at the level of 0.05, 2-tailed ( $r = .623^{**}$ ,  $p < .05$ ). This implies that best practices in financial review contribute highly to the performance of the contract, which isolates comprehensive and independent financial assessments as major factors for successful project delivery and keeping within budgets.

## **CHAPTER FIVE**

### **DISCUSSION OF FINDINGS, SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.0 Introduction**

The discussion of findings in relation to the literature is discussed in this chapter. This chapter also summarizes all findings reported in chapter four according to questions of the study, draws conclusions, suggests recommendations and also proposes some areas for further study.

#### **5.1 Discussion of findings**

##### **5.1.1 The impact of responsiveness on contract performance in MDLG**

The findings showed that responsiveness has contributed positively to the contract performance at MDLG in terms of timely communication, timeliness of the operation, as well as the effective resolution of the issues. This agrees with the literature, for instance, Uduwage-Don et al. (2023), who noted that improved responsiveness in bid management positively leads to best procurement results. The authors have argued that timely feedback and clarity in communication are important in maintaining project schedules and developing successful contractor relationships. This agrees with the very high level of agreements recorded in the study concerning promptness and clarity.

The study further finds that the findings regarding responsiveness and contract performance tally with the arguments of Venkataraman & Pinto (2023), where effective management of responsiveness is considered to be vital to project momentum, thus helping to keep the project on course and meeting the target project timeline. They consider responsiveness as one that affects project success directly, since most problems would be resolved so much quicker in addition to minimizing delays. This is evidenced by the fact that the study established that high responsiveness leads to better performance of the contract, as projects will be completed within budget estimates and more efficiently.

Their work on the importance of effective communication and feedback in the selection of contractors and their performance evaluation, Cheaitou et al. (2019), is also supported by the strong responsiveness and contract performance observed in this study. They observe that responsiveness enriches the decisionmaking framework in the evaluation of tenders with the purpose of deriving improved performance from contractors. This interrelation makes it

eminently important to integrate responsive practices into procurement processes in order to achieve high performance of contract execution.

Finally, the results find their support in the study of Khan & Akkoc (2016) that investigates an impact of bid evaluation processes on projects relating to the public sector construction industry. Their study identifies the fact that the responsiveness nature of any given bid evaluation, featured by timely and clear information, is of crucial importance to the performance of contractors along with the success of a project. This consolidates the finding of the current study that responsiveness is vital to ensure effective contract performance regarding local government procurement, and such a practice needs to be continued or adopted to enhance overall project outcomes.

### **5.1.2 The impact of technical evaluation on Contract Performance in MDLG**

The study revealed that technical analysis at MDLG has a strong positive influence on effective contract performance. The finding is further in line with recent literature underpinning clear technical specifications and competent assessments. As a matter of fact, there is an agreement in the works of Cheaitou et al. (2019) that a well-structured decision-making framework in tender evaluation, if covered with clear technical criteria and consideration of risk, greatly enhances the performance of public contracts. This also falls in line with our findings that the value of technical examination adds to contract performance by making specifications clear and the evaluation processes open and fair.

The findings are related to the literature reviewed by Almohassen et al. (2023), where in a robust evaluation model incorporating evaluators with high skill, the performance of the results was much better in the domain of contractor selection and project performance. Their findings of the importance of an integrated evaluation model for successful contract implementation support our findings of a strong relationship between technical examination and the better performance of the contract. This strengthens our point that well-conducted technical appraisals are crucial for effective and efficient procurement processes.

Besides this, the results reinforce research conducted by Patrucco et al. (2021), who reported that centralization and standardization of procurement processes, including technical evaluations, have contributed to improving performance in local governments. Their study shows how systematic and standardized evaluation practices helped to achieve better procurement outcomes, which also agrees with our finding that technical examination

positively influences the performance of the contract in MDLG, considering that this is done in an absolutely fair and transparent manner.

Our findings are further supported by the observations of Komakech (2020) that comprehensive contract management and technical evaluations were adopted to make service delivery in the local governments. The study reiterated that when there is the adoption of clear technical requirements and competent teams for evaluations, successful contract outcomes are achieved in the tender process. This is supported by our results that a robust framework for technical examination mainly leads to improved performance of contracts and intended procurement outcomes in MDLG.

### **5.1.3 Impact of Financial Evaluation on Contract Performance in MDLG**

The responses showed that financial evaluation was highly positively influential on contract performance in Mukono District Local Government. A significant majority among the respondents expressed confidence in the clarity, transparency, and skill involved in financial evaluations. The Pearson's correlation analysis,  $r = .623^{**}$ ,  $p < .05$  was positive and statistically significant between financial evaluation and contract performance. This means that the correct financial assessment-one that is typified by clear criteria of assessment, skilled evaluation, and fair processes - increasingly becomes very decisive in the selection of contractors who can complete projects within the appraisal budget and successfully bring about an outcome in the contract.

The results relate to the literature in that Khan & Akkoc 2016 observed that thorough and clear financial assessments seem to affect the procurement process outcomes. Their findings emphasized the need for precise and distinct criteria, along with judgments from experts in the field. It corroborated these findings and verifies that the financial assessment of tenders is indeed positively linked with the performance of contracts. Cheaitou et al. (2019) voiced similar opinions on the implementation of an adequate framework in the evaluation stage of tenders and incorporated elements of risk into this framework, which also has a positive impact on the performance of contracts. This confirms the validity of distinct and transparent financial assessments that featured in the MDLG study.

These findings are further supported by Adeniyi et al. (2020), who asserted that adherence to laid-down procurement procedures, one of which involves strict financial appraisals, improves contract performance at the local government level. This work applies as it was seen that at the

heart of successful contract delivery lie financial appraisals. It also supports the findings of Boateng, who in his study estimated that there is a significant impact of best tender evaluation practices on the performance of projects at local governments. The consistency in such findings outlines that indeed financial evaluations make two-thirds of the success ingredient for completion of any project within the budgetary allocations.

The present study also shares similarities with the deductions made by Tumusiime, 2019, that procurement processes, particularly financial reviews, are vital in enhancing performance in the execution of construction contracts at local governments. The work of Tumusiime, 2019, demonstrated how such profound financial reviews have culminated in the general quality of projects, further strengthening the positive relationship manifested in the MDLG study. This agrees with the most recent literature reviewed, which further underlined that for optimum contract performance there was a need for good financial assessment practices and that procurement processes had to be subject to continuous improvement.

## **5.2 Summary of findings**

Responsiveness makes a significant contribution to positive contract performance in MDLG. The high level of consensus among the respondents is that communication is timely and clear, timelines are adhered to, and issues are resolved by the procurement department. This finding is further emphasized as Pearson's correlation analysis shows that the responsiveness-variable-interval relationship is positively strong ( $r = .644^{**}$ ,  $p < .05$ ) with the variable of contract performance. The data underlines that speedy, unambiguous communication, on-time feedback, and also handling discrepancies accordingly all play a very relevant role in high contract performance, even more to ensure the responsiveness to efficiently achieve successful procurement outcomes.

The findings also proved that the technical examination has, among other factors, a strong positive effect on the performance of the contract in MDLG. Most of the respondents converged into the following: "Technical specifications are well defined, the team evaluating the bids is competent, criteria are uniformly applied, and the conduct of evaluation is fair and open". On the part of the technical examination, Pearson's correlation analysis also confirms that there exists a significant positive relationship, at  $r = .656^{**}$ ,  $p < .05$ , between the said variable and that of contract performance. This then implies that clear technical requirements, competent evaluations, and nondiscriminatory processes are very important for better contract

performance. The importance of thorough technical evaluation cannot be overstated if successful procurement is to be affected.

Finally, the findings revealed that there is a strong positive influence of financial evaluation on the performance of a contract in Mukono District Local Government. Indeed, a significant proportion of the respondents believed that financial evaluations were lucid and skillful, hence conducted in a way perceived to be both fair and focused on the overall value for money. In fact, this is also supported by the Pearson's correlation analysis, which shows that there is a significant positive correlation, at  $r = .623^{**}$ ,  $p < .05$ , between the contract financial evaluation and performance. That is, fair criteria, competent evaluation, and no discriminatory procedures characterize effective financial evaluation, which essentially constitutes one of the key determinants in the selection of those contractors who can deliver projects within budgets and are capable of achieving successful contract outcomes.

### **5.3 Conclusions**

The study findings bring responsiveness, technical examination, and financial evaluation to the fore as being important to improve contract performance in MDLG. A strong positive correlation between responsiveness and contract performance brings out the importance of clarity and timeliness of communication and resolution of issues. In the same way, the strong positive influence of technical examination indicates that to have the desired procurement outcome, there should be clear technical specifications supported by competent evaluations. Second, the strong positive correlation of financial evaluation and performance of contracts confirms that clear, open, and competent financial assessment is a critical factor in the selection of contractors who can execute projects within the budget and deliver expected outputs. Overall, the findings underscore how the various factors combine to create an effective procurement process with successful implementation of contracts and thus their continuous attention for upgrading procurement and project performance.

### **5.4 Recommendations**

Based on the findings of the study, the recommendations are captured below based on the effect of bid evaluation criteria on contract performance in public procurement institutions, a case study of Mukono District Local Government.

The study recommended that responsiveness in procurement processes should be improved by ensuring clarity in communications, timely execution, and resolution of issues. This could also be realized at MDLG through the adoption and application of appropriate standard protocols

of communication and feedback mechanisms that ensure speedy responses and transparent interaction between the procurement department and its contractors. This will enable prompt attention to issues, enhancement of general contract performance, and proper relations among all relevant parties.

The study also mentioned that the procedures for technical examination need to be reinforced through clear definitions of technical specifications, skills within the evaluation team, and consistent and transparent application of criteria. It is recommended that MDLG invest in training for the evaluation team and develop a comprehensive guideline on setting a framework for standardizing the technical evaluations. This will surely ensure more appropriate and equitable technical assessments, allowing for better delivery of contract performance that will lead to successful project outcomes.

The study also recommends that there is a need to improve financial evaluation practices by undertaking financial assessments based on predetermined criteria, openness, and competence. For example, MDLG needs to formulate detailed financial assessment models and train assessors on how to use these models consistently. If MDLG focuses on ensuring financial evaluation practices are nondiscriminatory and offers value for money, then it would be able to select those contractors capable of undertaking projects within the set budgets and providing desired performance at lower costs, therefore increasing overall procurement efficiency.

This study further recommends a need for periodic auditing and reviewing of this bid evaluation process so that its effectiveness is guaranteed, and any need for improvements identified. MDLG shall constitute an independent review committee that would review the procedures for tender evaluation and results from time to time. This shall be useful in bringing into light the inefficiency and biasedness of the procedure, hence an opportunity to make timely corrective actions and upgrade the standard of procurement decisions and subsequently contract performance.

The last thing is that the research recommends a need to increase stakeholder engagement and mechanisms of feedback in the process of procurement. MDLG is supposed to create opportunities for contractors and other stakeholders to give feedback regarding the bid evaluation process and performance of the contract. This should be used in making informed procurement practice adjustments, understanding of any concerns and ensuring the stated criteria conformed to industry standards and best practice which would be beneficial in yielding better contract outcomes and satisfaction amongst the parties involved

## **5.5 Areas for further research**

Since this study aimed to investigate the influence of bid evaluation criteria on contract performance in public procurement institutions, a case of Mukono District Local Government, the study recommends that a similar study should be done on other areas concerning this topic and that the following are some of the areas of further research needed:

In the future, research should, therefore, be directed toward establishing what types of contracts, such as between construction and service contracts, different bid evaluation criteria will have an impact on to see whether certain criteria work better for particular procurement categories.

In addition, further research is needed to consider the impact of changes in external factors, such as market conditions or regulatory frameworks, on the efficiency of the bid evaluation criteria and on contract performance.

Finally, comparative research into the practices of bid evaluation across different public procurement institutions in Uganda would give broader insights into best practices and common challenges of any such evaluation process for further refinement in public sector governance.

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## APPENDICES

### APPENDIX 1: QUESTIONNAIRE

#### QUESTIONNAIRE

#### FOR STAFF OF MUKONO DISTRICT LOCAL GOVERNMENT

##### Introduction

Dear Respondent,

I am Rukaari Joshua a bachelor's student of Procurement and Logistics Management from Uganda Christian University-Mukono conducting a research on "the impact of bid evaluation criteria on contract performance in public procurement institutions: a case of Mukono District Local Government". You have been selected to participate in this study because the contribution you make to your organization is central to the kind of information required. The information you provide is solely for academic purposes and will be treated with utmost confidentiality.

Please kindly spare some few minutes to respond to the following questions.

#### **SECTION A: BACKGROUND DATA**

*Please TICK the numbers representing the most appropriate responses for you in respect of the following items:*

1. What is your age?

a) 21-30 years

b) 31 -40 years

c) 41-50 years

d) Above 50 years

2. What is your gender?

a) Male

b) Female

3. What is your education level?

a) Certificate

b) Diploma

c) Degree

d) Masters

e) Others specify:.....

4. Which department do you work with in Mukono District Local Government?

.....

5. How long have you been working in Mukono District Local Government?

a) Less than 1 year                       b) 1-5 years

c) 6-10 years                       d) Above 10 years

**Guide for Completing the Questionnaire:**

Please answer questions by making a tick (√) and explain where necessary.

**For the following sections, please rank by ticking in the boxes the alternative which best suits your answer using the likert scale below**

<b>Strongly Agree</b>	<b>Agree</b>	<b>Not sure</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>

**Section B: Bid Evaluation Criteria**

No.	Questions	Responses				
		5	4	3	2	1
1	The procurement department responds promptly to inquiries and clarifications during the bidding process.					
2	Bidders are provided with clear and comprehensive information regarding bid requirements.					
3	The bid evaluation process adheres strictly to the set timelines without unnecessary delays.					
4	Feedback on bid results is communicated to bidders in a timely manner.					
5	The procurement department effectively addresses any discrepancies or issues that arise during the bidding process.					
6	Responsiveness in the bidding process positively impacts the overall contract performance.					

<b>No.</b>	<b>Technical examination</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
1	Technical specifications and requirements are clearly defined in the bid documents.					
2	The technical evaluation team has the necessary expertise to assess bids accurately.					
3	Technical evaluation criteria are applied consistently across all bids.					
4	The technical evaluation process thoroughly examines the bidders' capabilities and past performance.					
5	Technical evaluations are conducted in a fair and transparent manner.					
6	The thoroughness of the technical examination directly influences the success of the contract execution.					
<b>No.</b>	<b>Financial evaluation</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
1	Financial proposals are evaluated based on clear and transparent criteria.					
2	The financial evaluation team is skilled in assessing the cost-effectiveness of bids.					
3	Financial evaluations take into account the overall value for money, not just the lowest bid price.					
4	The financial stability of bidders is adequately assessed during the evaluation process.					
5	Financial evaluations are conducted without bias or favoritism.					
6	Effective financial evaluation ensures that the selected contractor can deliver the project within budget.					

**Section C: Contract performance in Mukono District Local Government**

	Statements	Responses				
		5	4	3	2	1
<b>NO.</b>	<b>Contract performance</b>					
1	The awarded contracts are completed within the stipulated time frame.					
2	The quality of work delivered by contractors meets the specified standards.					
3	There are minimal disputes or conflicts during the execution of contracts.					
4	The procurement department effectively monitors and manages contract performance.					
5	Contractors adhere to the terms and conditions set out in the contracts.					
6	Overall, the procurement processes in Mukono District Local Government lead to successful contract outcomes.					

**Thank you very much for your cooperation**

## **INTERVIEW GUIDE**

### **FOR TOP MANAGEMENT OF MUKONO DISTRICT LOCAL GOVERNMENT**

Introduction

Dear Respondent,

I am Rukaari Joshua a bachelor's student of Procurement and Logistics Management from Uganda Christian University-Mukono conducting a research on "the impact of bid evaluation criteria on contract performance in public procurement institutions: a case of Mukono District Local Government". You have been selected to participate in this study because the contribution you make to your organization is central to the kind of information required. The information you provide is solely for academic purposes and will be treated with utmost confidentiality.

Please kindly spare some few minutes to respond to the following questions.

#### **Section A: Introductions**

1. Tell me about yourself (*gender, age, level of education*)
2. What position do you hold in Mukono District Local Government?
3. How long have you worked with Mukono District Local Government?

#### **Section B: The Impact of Responsiveness on Contract Performance in Mukono District Local Government**

4. How does the responsiveness of the procurement department to bidder inquiries impact contract performance?
5. Can you provide examples where timely responses to bidder inquiries led to improved contract outcomes?
6. What challenges do you face in ensuring prompt responses to bidders, and how do you overcome them?

**Section C: The Impact of Technical Examination on Contract Performance in Mukono District Local Government**

7. How does the thoroughness of the technical examination during bid evaluation affect contract performance?
8. Can you share an instance where a detailed technical examination significantly influenced the success of a contract?
9. What technical issues commonly arise during the evaluation process, and how do they impact contract performance?

**Section D: The Impact of Financial Evaluation on Contract Performance in Mukono District Local Government**

10. How does the financial evaluation process ensure that the selected contractor can perform within budget and deliver quality results?
11. Can you provide examples of how a rigorous financial evaluation has led to successful contract execution?
12. What measures are in place to ensure transparency and fairness during the financial evaluation of bids?

**Thank you for your cooperation.**

**APPENDIX 2: INTRODUCTORY LETTER**

**SCHOOL OF BUSINESS**

19<sup>th</sup> Aug, 2024

**TO WHOM IT MAY CONCERN**

Name: **Rukaari Joshua** Reg. No J22B12/141

A bachelor's student who is seeking permission from your office to collect data for his dissertation titled

**The impact of bid evaluation criteria on contract performance in public procurement institutions: A case study of Mukono district local government.**

We shall be grateful if you could render assistance to him in collecting the necessary data for his dissertation

The Uganda Christian University School of Business thanks you in advance



.....  
Mukisa Simon Peter  
Research coordinator