Corruption and Service Delivery in Public Sector of Uganda: Causes and Consequences

Article by Benson Benedict Okech
Ph.D in Management, Texila American University, Uganda
E-mail: okechb@gmail.com

Abstract

Quality service delivery is a precondition of Good governance. Corruption retards quality services and this has been prevailing in public procurement process in Uganda. The purpose of the study is to identify the significant causes of corruption in public procurement system of Uganda. The focus of analysis was to answer the research question: what are the major causes of procurement corruption, what are the consequences of procurement corruption on quality service delivery and be able to suggest remedial ways of reducing procurement corruption in the public sector. The method of data collection was through customized questionnaire which covered both quantitative and qualitative information. There are several state laws and regulations on corruption and those who have been found guilty of corruption have been named and also exposed in public but corruption has remained high. It was found that Violation of Procurement Procedures, Use of High Ranking Officers to influence decisions, Influence Peddling during bid evaluation, Bribery of Procurement Officers and Use of gifts to get contracts are the major causes of public procurement corruption to deliver the quality services in Uganda. The key consequences of procurement corruption on service delivery were noted as follows; corruption affects the quality of services offered to the citizens, corruption diverts Government revenues, corruption affects the economic growth of the Country, corruption leads to loss of confidence in public officials and corruption breeds impunity and dilutes public. It can be concluded that making guilty officers to refund, improvement in accountability and Transparency, Strong and independent Judiciary, revision of laws and acts on procurement and inception of E-procurement systems might be the measures to be taken to eradicate public procurement corruption in order to provide optimum service delivery which would ultimately accelerate the pace to uplift the Uganda to a middle income country as per the agenda 2040.

Keywords: Corruption, Quality service delivery, good governance.

Introduction

There is no universal definition of Corruption because there are as many definitions as authors and different aspects of the issue are seen different depending on the object of the investigation (Gupta et al., 2000). However, Corruption can be defined as the abuse or misuse of entrusted power for any private gain. It can also be defined as impairment of integrity, virtue and moral principle for private gain.

Corruption is a global ethical and legal issue which is spreading all over the world like wild fire. From 1995 to date, Transparency International, a UK based International Organization has widely published annual reports on Corruption Perception Index for each Country. Globally, according to the annual report of (Transparency International 2015), North Korea, Somalia, Afghanistan, Sudan and South Sudan were the five top most corrupt countries in the world and Uganda was number 24. In its annual report (Transparency International 2014), Somalia, North Korea, Sudan, Afghanistan and South Sudan were the top five most corrupt Countries in the world while Uganda was number 33. In Sub Saharan Africa, Uganda is among the top fifteen (15) most corrupt countries.

Public procurement corruption in Uganda has become a big challenge for doing business and affecting the good Governance of the Country. The departments within the Uganda Public service which are perceived to be very corrupt include but not limited to the following; The Uganda Police force, the judiciary and also public Procurement (Gan 2016). The main and core instrument of Uganda

in terms of legal framework against public procurement corruption is the Uganda Anti- Corruption Act 2009, the Uganda Penal Code 1950, the Uganda Inspectorate of Government Act 2002, the Uganda Public Finance and Accountability Act 2003 and the Uganda Leadership Code Act 2002 among others (Gan 2016). Each of the frameworks deals with different areas of public procurement corruption. The Penal Code clearly give instruments to deal with various corruption offences including any form of embezzlement, causing any financial loss to the government, abuse of authority or office including frauds. The Leadership Code Act 2002 is designed in such a way that it increases transparency in civil service and to reduce any form of corruption; equally, it has it criminal to do any form of corruption, bribery and/or any form of extortion by a civil servant. The Leadership Code Act makes any form of gifts; any donations in whatever form exceeding five currency points in total value to be declared. Transparency International (2013) report indicated that corruption challenges are even aggravated by the weak law enforcement which eventually fuels a culture of impunity in public services.

Public procurement is susceptible to corruption and yet there are adequate measures which are not only legal but also institutional frame works put in place to fight corruption according to (BTI 2014). Civil society and companies have reported that government officials from Ministries, Departments and Agencies often give preferential treatment to very well connected and known companies and also some individuals not only within the public service but also in the private sector when awarding lucrative government contracts (GCR 2014-2015). Some of the firms belonging to American have formally complained of serious and gross lack of transparency in government procurements and pointed out possible collusions between competing businesses and government officials in managing the bidding or tendering processes (ICS 2014). Most high-profile governmental tenders for infrastructure projects like in the case of Bujagali Energy and also Karuma dam projects were at some time suspended as a result of some serious allegations of corrupt practices within the procurement cycle. Additionally, most of the investors have also complained of individuals and also companies interested in government procurement contracts giving 'under-the-table' cash payments directly to Ministries, Departments and Agencies officials to get an edge over other competitors in the same procurement (ICS 2014).

A common corruption scheme which is consistently applied in the public sector in the procurement process involves deliberate delay in doing adequate planning by the public official so as to justify doing emergency procurement processes which are in most cases carried out with very limited or even no competition at all. This was reported by the (Inspectorate of Government, 2008).

The study and subject of public procurement in developing countries requires urgent and special attention if citizens are to hold their governments accountable for effective service delivery. (Desta, 2006; Doug and Riley, 2002) asserted that there is need to conduct country specific studies on procurement corruption in an attempt to systematically deal with the vice. While such assertions come with widespread assumptions, it ought to be clear that there is evident lack of political goodwill to deal with the issue of procurement corruption. This has been made worse by the lack of empirical studies on the subject. Most attempts by academicians to conduct an inquiry on the issue has been very limited and as such, the problem of procurement corruption has been perceived to be information or merely reports of Government Ministries, Departments and Agencies and Transparency International. There has been an attempt by National Integrity Public Procurement survey which was conducted in 2006 to understand the problem of public procurement corruption but the scope of this survey was only limited to professionals in the procurement field.

This study was conducted to add to the already existing knowledge bank, fill the knowledge gap in public procurement and at the same time examine the causes of procurement corruption, impacts of procurement corruption and the consequences which come with it on effective service delivery in Uganda.

1) To examine the major causes of procurement corruption within public sector of Uganda
2) To assess the consequences of procurement corruption on service delivery in Uganda
3) To suggest possible measures to reduce procurement corruption in Uganda

Corruption in Uganda is very severe, growing and economic problem which if not managed well can lead to serious consequences in the economic development and growth of the country. While the much needed political commitment to address corruption is lacking from the government, posing a real challenge for the implementation of proposed and necessary reforms (Amundsen, 2006).

Corruption occurs in all countries both developing and developed including in private and public sectors and not forgetting the not for profit organizations (Myint, 2000). Corruption has been said to be the most serious obstacle to not only economic development but also to economic growth (Mauro, 2004). In the public sector of Uganda, Corruption is widely spread than in the private sector. Specifically, Registry and licensing services within Uganda public sector have been ranked as the number six most corrupt institution within the Government Ministries, Departments and Agencies in Uganda and yet, corruption within these sectors are even worse in all other East African countries namely Tanzania, Rwanda, Burundi, South Sudan except only Kenya (EABI 2013). It has been pointed out that inadequate infrastructure is one of the most problematic factors for running business in Uganda according to (GCR 2014-2015), but it is also reported that infrastructure is slowly improving according to (BTI 2014). Ideally business inspections should be carried out by government officials within the Ministry mandated to ensure that not only public health but also safety standards. However, most times, these are carried out by the same government officials in an arbitrary and ad hoc manner. More than not, bribes are often paid by business communities or companies in return for favourable treatment or expeditious processing of any documentation according to (GI 2011).

The problem to be solved is the increasing level of public procurement corruption in Uganda. Several state laws and legislation which have been passed by parliament, Commissions of inquiries constituted to investigate the cases, reports produced pinning individuals, Statutory bodies like Inspectorate of Government (IG), Anti-Corruption Court, Directorate of Public Prosecutions, Criminal Investigation Departments, Financial Intelligence Authority have all been set up. Unfortunately, there have been no serious actions taken by government to reduce or eliminate the procurement corruption. What is even more worrying, however, is that corruption and fraud are still on the increase and no actions are or have been taken even by the donor community when public official swindle public funds. This study attempted to investigate the major causes of procurement corruption in public service and suggested possible measures to reduce procurement corruption in the public service.

So far, the fairly effective way and solution is trial at the anti-Corruption Court of Uganda. This Court tries and prosecutes all case of corruption in the Country. All those found guilty are taken to prison for respective sentences depending on the nature and severity of the matter. However, because of weaknesses in the Judicial systems in the country or because of selective application of the laws, prosecuted individuals are either given bail or pardoned and therefore, leaving the same individuals to come out of prison to commit corruption again.

The Limitation with the Anti-Corruption Court is that it does not give punitive sentences or make prosecuted individual to pay back. What could be effective, however, could be to ask the guilty individuals to pay back the items in questions and a combination of either imprison them for not less than 20 years and no more than 50 years. The achievements, however, on the other hand with the Anti-Corruption Court is that it has managed to prosecute a number of cases and those found guilty were sent to prison though they were not asked to pay back and did not also take long in prison.

Methods

Design and sample characteristics

The study used a cross-sectional descriptive study design. Of the study respondents, 253 (67.6%) were males, while 121 (32.4%) were females. In terms of the highest qualifications of the study respondents, 230 (61.5%) had Master's degree, 22 (5.9%) had postgraduate, 89 (23.8%) had Bachelor's degrees and 33 (8.8%) had other qualifications. This suggests that the respondents had educational qualifications that could enable them answer the study tools. In terms of the study respondents' employment status, 55 (14.7%) were employed in the central government, 198 (52.9%) were employed in the NGO sector, 11 (2.9%) were in the private sector, 88 (23.5%) were employed in the UN and only 22 (5.9%) were unemployed. This implies that all the respondents could have

experienced corruption in delivering or seeking public services. The service delivery mechanisms involve the interplay of government (central and local levels), the UN, the private sector and, increasingly, the role of the NGOs cannot be over emphasized.

Uganda has four regions namely the central region, the western region, the northern region and the eastern region. The results of the study may vary in each region because of so many factors including rates of economic development and how public service is being delivered to each region of the country. The study revealed that 220 (58.8%) of the respondents were from the central region, 77 (20.6%) were from the northern region, 55 (14.7%) were from the western region and 22 (5.9%) were from the eastern region, meaning that the Eastern region which has a lot of political differences with the current regime had the least number of respondents. In terms of the marital status, 66 (17.6%) were single, 297 (79.4%) were married while 11 (2.9%) were separated. A bigger proportion of the study respondents have had responsibilities shown by the age distribution. 44 (11.8%) were between 21–30 years of age, 231 (61.8%) were in between 31–40 years of age, while only 99 (26.5%) were aged above 40 years. Religious affiliations was also a key issue in explaining the differences in the perceptions on procurement corruption. 209 (55.9%) were Protestants, 121 (32.4%) were Catholics, Moslems made up 33 (8.8%), while 11 (2.9%) belonged to other religious affiliations.

Validity and reliability

Validity and reliability are two very important instruments in ensuring quality of the data and information. Mugenda and Mugenda (1999, p.96) asserted that the reliability coefficient can be calculated to show the reliability of data. They affirm that a coefficient of at least 0.80 means that there is a high degree of reliability of data. Sometimes, if the sample size is so large, or when the variables being studied differ significantly among the subjects, the researcher may get away with using more reliable data and the reverse is true. Quality control and validity were ensured through the following.

- Face validity. This was done by allowing the instruments to be subjected to subject experts to verify and confirm if the tools measure what it was intended to;
- Content validity. This ensured that each of the questions were appropriately designed for a variable through the calculation of the Content Validity Index.

According to George and Mallery (2003), any alpha which is less than 0.5 is unacceptable, while those which are between 0.5 and 0.59 are poor. This therefore, means that alpha ranging from 0.6 to 0.9 are acceptable but with different degrees of reliability. The overall reliability analysis was found to be reliable with alpha (Cronbach' coefficient) of 0.852. Given this overall picture, the reliability coefficient for the measures of public procurement corruption and effects on service delivery were analyzed. It was found that the causes of procurement corruption were reliable (alpha = 0.747), while that of the impacts on service delivery were found to be (alpha 0.620) and that of the measures to reduce procurement corruption was (alpha 0.834).

Data analysis

The data presented in this paper were analyzed using three sets of techniques. The first technique is descriptive statistics, from which the percentages and frequencies including the means and standard deviations were computed and analyzed for each item that measured public procurement corruption, consequences of procurement corruption on service delivery and the measures taken to reduce procurement corruption. The second analysis was correlation. This measures and establishes the relationship between public procurement corruption and impacts on service delivery. This was followed by simple linear regression analysis to examine the extent to which procurement corruption (independent variables) explained the variation in service delivery (dependent variable).

Results

Causes of procurement corruption in uganda

The study generated opinions from the study respondents on the causes of procurement corruption in the public sector in Uganda. The causes could highly have implications for the effective and

efficient delivery of public services in Uganda. Using a closed-ended questionnaire, the opinions of 374 respondents from the public, private, UN and NGO sectors were collected and also analyzed, with a list of 15 causes of procurement corruption in public sector of Uganda. The details of the causes are as summarized in Table 1 below.

Table 1. causes of procurement corruption in public sector in Uganda (N = 374)

Causes of procurement corruption in Uganda	5 (%)	4 (%)	3 (%)	2 (%)	1 (%)
Violation of procurement procedures	41.4	46.8	8.8	2.9	0.0
Bribery of Procurement Officers	44.1	35.3	11.8	2.9	5.9
Use of high-ranking officials to influence decisions	55.9	23.8	8.8	11.5	0.0
Releasing confidential information	14.4	35.6	20.6	20.6	8.8
Influence Peddling during bid evaluation	44.1	38.2	11.8	2.9	2.9
Use of gifts to get contracts	29.4	50.0	11.8	5.9	2.9
Limiting the number of competitors	14.4	32.4	20.9	26.5	5.9
Use of restrictive tenders	5.6	29.7	38.2	17.6	8.8
Using electronic procurement	2.9	5.9	29.4	41.2	20.6
Intimidation by senior officers	15.0	29.4	17.6	26.2	11.8
Tribal and ethnic considerations	44.4	29.4	11.8	5.9	8.6
Selective application of the laws	44.4	29.4	11.8	5.9	8.6
Political interference/affiliations	44.4	29.4	11.8	5.9	8.6
Weakness/ambiguity in the laws	32.1	14.7	14.7	8.8	29.7
Inexperience of procurement Officers	26.2	35.3	17.6	11.8	9.1

Notes: Scale: 5 = strongly agree, 4 = agree, 3 = undecided, 2 = disagree and 1 = strongly disagree

In this study, 15 items were used to measure the causes of public procurement corruption in Uganda. Table 1 above indicates the opinions of the study respondents from the four major regions of Uganda on each of the causes of procurement corruption. It was found out that of the 374 study respondents who provided feedback on the questionnaire, a total of 155 (41.4%) respondents strongly agreed that the most common cause of procurement corruption was the violation of procurement procedures, which was further confirmed from more 175 (46.8%) respondents who agreed in the affirmative. This therefore, suggests that 88.2 % of the respondents believed that violations of procurement procedures with all the Standard Operating principles are a common occurrence in Uganda. To have a deeper insight on this cause of corruption, the data were disaggregated for the gender, region, marital status, level of education and age of study respondents.

It was earlier reported that a total of 253 males and 121 females participated in the study and out of each respective category, a cross-tabulation of the gender with the violation of procurement procedures being a common occurrence in Uganda revealed that 56 (22.1%) of the males and 99 (81.8%) of the females strongly agreed that violations of procurement procedures were a common practice in Uganda, while 153 (60.4%) males and 22 (18.1%) females strongly agreed in support of the existence of this cause of procurement corruption. The participants held this same perception from all regions of the country that participated in the study. Of the 220 respondents from the central region, 77 (35.0%) strongly agreed and 121 (55.0%) agreed, while of the 77 respondents from the northern region, 45 (58.4%) strongly agreed and 32 (41.5%) agreed. The other regions followed the same trend, with the majority of respondents generally agreeing that violations of procurement rules are a common occurrence. In Table 2, the means and standard deviation for the various causes of procurement corruption are presented.

The violations of procurement procedures could relate to the minimum requirements in terms of the period that the advertisement is run, mess in the evaluation of tenders, none compliance with submission of very important documents which are required for fair competition. Table 2 presents some descriptive results for the various causes of procurement corruption in Uganda.

Table 2. The Means, Standard Deviation and Population for the causes of procurement corruption

	Mean	Std. Deviation	N
Violation of Procurement Procedures	4.27	.742	374
Bribery of Procurement Officers	4.09	1.096	374
Use of High Ranking Officers to influence decisions	4.24	1.026	374
Releasing confidential information	3.26	1.195	374
Influence Peddling during bid evaluation	4.18	.955	374
Use of gifts to get contracts	3.97	.956	374
Limiting the number of competitors	3.23	1.163	374
Use of restrictive tenders	3.06	1.025	374
Using electronic procurement	2.29	.957	374
Intimidation by senior Officers	3.10	1.273	374
Tribal and ethnic considerations	3.95	1.252	374
Selective application of the laws	3.95	1.252	374
Political interference/affiliations	3.95	1.252	374
Weakness/ambiguity in the laws	3.11	1.644	374
Inexperience of procurement Officers	3.58	1.246	374

Table 2 above indicates the possible causes of public procurement corruption in Uganda. A comparative review of the 15 items which were used to measure the causes of public procurement corruption show that the most and least prevalent causes of public procurement corruption and equally gives possible insights into areas that need additional attention in all efforts to fight public procurement corruption in Uganda. The top five (5) most ranked causes of public procurement corruption according to results in Table 2 are as follows:

- Violation of Procurement Procedures (Mean 4.27, Standard deviation 0.742)
- Use of High Ranking Officers to influence decisions (Mean 4.24, Standard deviation 1.026)
- Influence Peddling during bid evaluation (Mean 4.18, Standard deviation 0.955)
- Bribery of Procurement Officers (Mean 4.09, Standard deviation 1.096)
- Use of gifts to get contracts (Mean 3.97, Standard deviation 0.956)

The results also show that the least three causes of public procurement corruption in Uganda are as follows:

- Using electronic procurement Mean 2.29, Standard deviation .957
- Use of restrictive tenders Mean 3.06, Standard deviation 1.025
- Intimidation by senior Officers Mean, Standard deviation 1.273

These findings imply that Governments Ministries, Departments and Agencies wishing to see an end to public procurement corruption must find ways of addressing the top five (5) causes of public procurement corruption and less efforts on the least forms of public procurement corruption in Uganda.

Consequences of procurement corruption on service delivery in uganda

Given the importance and central role that procurement plays in the acquisition of goods, services and works for the delivery of services to the citizens, the study made an attempt and obtained opinions of the respondents on the possible impacts of public procurement corruption on service delivery. The responses are contained in Table 3 below.

Table 3 The consequences of procurement corruption on service delivery in Uganda

Impacts of procurement corruption in Uganda	5 (%)	4 (%)	3 (%)	2 (%)	1 (%)
Corruption affects the quality of services offered	85.3	14.7	0.0	0.0	0.0
Corruption increases the cost of the services offered	70.9	14.4	8.8	0.0	5.9
Corruption discourages people from public services	38.2	26.2	17.6	17.9	0.0
Corruption increases the cost of doing business	64.7	26.5	2.9	2.9	2.9
Bribery is a way to get things done easily	29.4	17.6	11.8	9.1	32.1
Bribery introduces inefficiencies in service delivery	52.9	35.3	2.9	5.9	2.9
Public expenditures will increase due to corruption	65.0	23.3	8.8	0.0	2.9
Corruption leads to loss of confidence in public officials	70.6	23.5	5.9	0.0	0.0
Corruption affects the economic growth of the country	76.5	11.8	11.8	0.0	0.0
Corruption diverts government revenues	76.5	17.6	2.9	2.9	0.0
Corruption breeds impunity and dilutes public integrity	70.6	23.5	2.9	2.9	0.0

Notes: Scale: 5 = strongly agree, 4 = agree, 3 = undecided, 2 = disagree and 1 = strongly disagree

In this study, 11 items were used to measure the consequences of public procurement corruption on service delivery in Uganda. Table 3above indicates the opinions of the study respondents from the four major regions of Uganda on each of the consequences of public procurement corruption on service delivery. It was found out that of the 374 study respondents who provided feedback on the questionnaire, a total of 319 (85.3%) respondents strongly agreed that the most serious consequence of public procurement corruption on service delivery was corruption affects the quality of services offered, which was further confirmed from more 55 (14.7%) respondents who agreed in the affirmative. The data were disaggregated for the gender, region, marital status, level of education and age of study respondents as below to gain a deeper understanding.

It was earlier reported that a total of 253 (67.6%) males and 121(32.4%) females participated in the study and out of each respective category, a cross-tabulation of the gender with the consequences of procurement corruption on service delivery in Uganda revealed that 209 (82.6%) of the males and 110 (90.9%) of the females strongly agreed that corruption affects the quality of services offered and this was the most serious consequence of procurement corruption in Uganda. While 44 (17.3%) males and 11 (9.1%) females agreed in support of corruption affecting quality of services offered to the citizens. The participants held this same perception from all regions of the country that participated in the study. Of the 220 (58.8%) respondents from the central region, 187 (85.0%) strongly agreed and 33 (15.0%) agreed, while of the 77 (20.5%) respondents from the northern region, all the 77 (100%) strongly agreed. The other regions followed the same trend, with the majority of respondents generally agreeing that corruption affects the quality of services offered. In Table 2, the means and standard deviation for the various forms of procurement corruption are presented.

The violations of procurement procedures could relate to the minimum requirements in terms of the period that the advertisement is run, mess in the evaluation of tenders, none compliance with

submission of very important documents which are required for fair competition. Table 4 presents some descriptive results for the impact of public procurement corruption on service delivery in Uganda.

Table 4. The Means, Standard Deviations and N for the consequences of corruption on service delivery

	Mean	Std. Deviation	N
Corruption affects the quality of services offered	4.85	.355	374
Corruption increases the cos of services offered	4.44	1.064	374
Corruption discourages people from public service	3.85	1.121	374
Corruption increases the cost of doing business	4.47	.916	374
Bribery is a way to get things done easily	3.03	1.653	374
Bribery introduces inefficiencies in service delivery	4.29	.987	374
Public expenditures will increase due to corruption	4.47	.884	374
Corruption leads to loss of confidence in public officials	4.65	.589	374
Corruption affects the economic growth of the Country	4.65	.682	374
Corruption diverts Government revenues	4.68	.675	374
Corruption breeds impunity and dilutes public integrity	4.56	.882	374

The results presented in Table 4 also indicate areas where procurement corruption is likely to have a lot of consequences as well as areas which least consequences are expected. For example, as much as procurement corruption will affect all service delivery items indicated in Table 4, the results do indicate that five major areas will have the major impacts and they are:
- Corruption affects the quality of services offered (Mean 4.85, Standard deviation .355)
- Corruption diverts Government revenues (Mean 4.68, Standard Deviation 0.675
- Corruption affects the economic growth of the Country (Mean 4.65, Standard Deviation 0.682)
- Corruption leads to loss of confidence in public officials (Mean 4.65, Standard deviation 0.589)
- Corruption breeds impunity and dilutes public integrity (Mean 4.56, Standard Deviation 0.882)

However, the following areas will have the least impacts as per the results analyzed and the government does not need to put a lot of efforts on them.
- Bribery is a way to get things done easily (Mean 3.03, Standard Deviation 1.653)
- Corruption discourages people from public service (Mean 3.85, Standard Deviation 1.121)

Measures to reduce procurement corruption in uganda

In terms of the measures to reduce procurement corruption in the public service, the following results summarized in Table 5 can be reported.

Table 5 The Measures to reduce procurement corruption in public service

Measures	5 (%)	4 (%)	3 (%)	2 (%)	1 (%)
Imprisonment of guilty officers for life	32.6	20.6	23.5	8.6	14.7
Guilty officers to refund	67.6	29.4	2.9	0.0	0.0
Life Imprisonment and refund of funds	38.2	20.6	23.5	8.8	8.8
Segregation of duties at each stage	52.7	35.6	8.8	0.0	2.9
Rotation of roles in procurement	38.0	32.4	14.7	12.0	2.9
Donor representative be in procurement role	11.8	26.5	35.6	11.8	14.4
Improved accountability and Transparency	76.5	14.7	5.9	2.9	0.0
Monitoring and evaluation	52.7	35.6	8.8	2.9	0.0
Strong and independent Judiciary	73.8	14.7	5.9	2.7	2.9
Protection of whistle blowing	61.8	23.5	5.9	5.9	2.9
Active involvement of the private sector	29.1	41.1	17.6	5.9	5.9
Free and active press to report corrupt practices	47.3	35.3	5.9	11.5	0.0

Intervention of donors on Public sector management	38.2	20.9	17.6	17.4	5.9
Revision of laws and acts on procurement	73.8	14.7	5.9	2.7	2.9
Full implementation of current laws on corruption	61.8	23.5	5.9	5.9	2.9
Inception of E-procurement systems	73.8	14.7	5.9	2.7	2.9
Awareness building on impacts of procurement corruption	61.8	23.5	5.9	5.9	2.9

Notes: Scale: 5 = strongly agree, 4 = agree, 3 = undecided, 2 = disagree and 1 = strongly disagree

In this study, 17 items were used to find out what measures needs to be taken in order to reduce or completely stamp out corruption in public service so that public services, goods and works can be provided more effectively, efficiently and at the least cost. Table 5above indicates the opinions of the study respondents from the four major regions of Uganda on each of the measures to be taken to reduce or stamp out procurement corruption in the public sector. It was found out that of the 374 study respondents who provided feedback on the questionnaire, a total of 253 (67.6%) respondents strongly agreed that the effective means to reduce procurement corruption on service delivery was guilty officers to refund, which was further confirmed from more 110 (29.4%) respondents who agreed in the affirmative. The data were disaggregated for the gender, region, marital status, level of education and age of study respondents as below to gain a deeper understanding.

It was earlier reported that a total of 253 males and 121 females participated in the study and out of each respective category, a cross-tabulation of the gender with the guilty officers to refund as the most effective measure to reduce procurement corruption revealed that (60.8%) of the males and 99 (81.8%) of the females agreed that the most effective measure to reduce procurement corruption is for the guilty officers to refund, while 88 (34.7%) males and 22 (18.1%) females agreed in support of the guilty officers refunding. The participants held this same perception from all regions of the country that participated in the study. Of the 220 respondents from the central region, 143 (65.0%) strongly agreed and 77 (35.0%) agreed, while of the 77 respondents from the northern region, 44 (57.1%) strongly agreed and 33 (42.8%) agreed. The other regions followed the same trend, with the majority of respondents generally agreeing that guilty officers should refund. In Table 2, the means and standard deviation for the various forms of procurement corruption are presented.

The measures to reduce procurement corruption could include. Table 6 presents some descriptive results for the measures to help reduce procurement corruption in Uganda.

Table 6. The Means, Standard Deviations and N for the measures to reduce procurement corruption

	Mean	Std. Deviation	N
Imprisonment of guilty officers for life	3.48	1.400	374
Guilty officers to refund	4.65	.537	374
Life imprisonment and refund of funds	3.71	1.297	374
Segregation of duties at each stage	4.35	.871	374
Rotation of roles in procurement	3.90	1.126	374
Donor Representative be in procurement role	3.09	1.194	374
Improved accountability and Transparency	4.62	.842	374
Monitoring and Evaluation	4.38	.768	374
Strong and Independent Judiciary	4.54	.939	374
Protection of Whistle Blowers	4.35	1.027	374
Active involvement of the private sector	3.82	1.097	374
Free and active press to report corrupt practices	4.18	.980	374
Intervention of donors on procurement sector management	3.68	1.299	374
Revision of laws and acts on procurement	4.54	.939	374
Full implementation of current laws on corruption	4.35	1.027	374

Inception of E-procurement systems	4.54	.939	374
Awareness building on impacts of procurement corruption	4.35	1.027	374

The results presented in Table 6 show the means, standard deviations for each item which could be used to reduce procurement corruption in Uganda. As seen in Table 6, the results do indicate that five effective measures which could be used to reduce procurement corruption in the public sector are:

- Guilty officers to refund (Mean 6.65, Standard deviation 0.537)
- Improved accountability and Transparency (Mean 4.62, Standard Deviation 0.842)
- Strong and Independent Judiciary (Mean 4.54, Standard Deviation 0.939)
- Revision of laws and acts on procurement (Mean 4.54, Standard deviation 0.939)
- Inception of E-procurement systems (Mean 4.54, Standard Deviation 0.939)

Some measures, however, will not yield much reduction in the level of procurement corruption because the data has shown that. The following may therefore, not yield much efforts and so are ineffective in reducing procurement corruption.

- Donor Representative be in procurement role (Mean 3.09, Standard Deviation 1.194)
- Imprisonment of guilty officers for life (Mean 3.48, Standard Deviation 1.400)
- Life imprisonment and refund of funds (Mean 3.71, Standard Deviation 1.297)
- Rotation of roles in procurement (Mean 3.90, Standard Deviation 1.126)

Discussion

Causes of procurement corruption in uganda

Corruption in procurement function has been said to be rife right from the planning stage through to the award of the contracts including monitoring and management stages of the procurement cycle. Estimates by the Organisation for Economic Cooperation and Development (OECD) on corruption suggest that bribes at each stage of the procurement cycle can represent up to about 10%–25% of the total contract value. (Kaufman, 2007) points that this percentage is more likely to be the case in the defence or infrastructure activities including projects. The OECD report of (2004) reported that public procurement accounts for a substantial share of GDP and worldwide. They go ahead to affirm that public procurement represented over 80% of the world merchandise and commercial services (OECD, 2002).

The results from this study has confirmed that the most serious causes of procurement corruption in Uganda include the following in order of magnitude:

- Violation of Procurement Procedures
- Use of high ranking Officers to influence decisions
- Influence Peddling during bid evaluation
- Bribery of Procurement Officers
- Use of gifts to get contracts

Public procurement in Uganda is done and conducted under the principles and rules stipulated in the Public Procurement and Disposal of Public Assets Authority (PPDA) Act of 2003 under which all government Ministries, Departments and Agencies must acquire all goods, all services and all works in compliance with the Act. The Act among others clearly gives the framework under which accountability at each stage of procurement, segregation of roles for each player and a clearly defined cycle of procurement. Procurement corruption in Uganda takes the form of violation of procurement procedures that should aim to promote these fundamental principles, which in turn significantly affects the quality and level of service delivery.

Shah (2006) argued that one of the major types of corruption is patronage. This involves using official positions to give and/or offer assistance to clients having the same geographic, ethnic and cultural origin so that they receive preferential treatment in any dealing with any public institution. The study has got a confirmation to this in Uganda. The results presented has also confirmed that the second major form of procurement corruption is the use of high ranking officials in public service to influence procurement decisions in favour of some individuals in total disregard to the principles enshrined in the PPDA Act.

The third cause of procurement corruption in Uganda as per the results has been found to be influence peddling during bid evaluation. Bribery of procurement officers and use of gifts to get contracts were the fourth and fifth causes of procurement corruption respectively. Available literature suggest that corruption develop to many factors including bad policies, governance, inefficient institutions and weak judiciary. This was also reaffirmed by (Djankov*et al*., 2003).

Consequences of procurement corruption on service delivery in uganda

There is overwhelming evidence showing that procurement corruption has significant consequences on not only the quality of services being delivered to the populace but also the manner in which the services are being delivered in Uganda. The results have revealed some key and critical ways how corruption could affect service delivery in Uganda. The results, therefore, can provide useful data and insights to not only policy makers but to the general public, academia and any institution which has interest on the study. The key consequences of procurement corruption are as follows:

- Corruption affects the quality of services offered
- Corruption diverts Government revenues
- Corruption affects the economic growth of the Country
- Corruption leads to loss of confidence in public officials
- Corruption breeds impunity and dilutes public integrity

Uganda is a country in East Africa, African continent and a member of the globe community. Uganda is a country which is a signatory to many international conventions including membership to the United Nations. Corruption brings in poor governance and political stability. As revealed by the results, procurement corruption affects quality of services offered by the government to the public and at the same time diverts government revenues. This therefore, means that provision of social public services such as education and health which are regarded as key to human transformation will not be offered in good quality and this retards the country's Human development index. Economic growth and development, loss of confidence in public officials and above all integrity is lost in public office and officials as they look onto corruption as a way to sustain themselves.

Measures to reduce procurement corruption in public service

There are several measures that can be used in several efforts to reduce procurement corruption in the public service of Uganda. From the many measures suggested in the study, the following have emerged as yielding good results if used and applied well:

- Guilty officers to refund
- Improved accountability and Transparency
- Strong and Independent Judiciary
- Revision of laws and acts on procurement
- Inception of E-procurement systems

As seen above, the most effective measure to reduce procurement corruption in Uganda public service is guilty officers to refund whatever they have taken in contravention of any rules, regulations or law. By the guilty officers refunding, it will set a good example and precedent to others and if this is applied consistently, procurement corruption may be reduced or stamped out. Improvement in accountability and transparency is the second most effective way to reduce procurement corruption. Accountability in public service of Uganda is very poor and there have been several reports of accounting officers not providing accountability for the resources entrusted to them. Therefore, transparency is impaired because there is no accountability. If both accountability and transparency are improved, then procurement corruption can be reduced. A strong and independent judiciary is the third most effective measure to reduce procurement corruption. Whereas most governments have three branches of Executive, legislature and Judiciary which should all operate independently of the other, in Uganda, this seem not the case with the Judiciary. The results suggest that if the Judiciary is strong and Independent in interpreting and making sentences for those who have committed offences related to procurement corruption and are sentenced appropriately, procurement corruption can be

reduced. Other measures which were ranked to be effective in reducing procurement corruption were: Revision of laws and acts on procurement, Inception of E-procurement systems, Awareness building on impacts of procurement corruption, Full implementation of current laws on corruption, Protection of Whistle Blowers and Segregation of duties at each stage in the procurement cycle.

Conclusions

As the preceding analysis and discussion of results have indicated, there is an emerging consensus among the stakeholders from the public, private and NGO sectors that Uganda does experience procurement corruption manifested in different ways as seen in table 1. It has also emerged that procurement corruption is detrimental to service delivery. Several possible measures to reduce procurement corruption has been suggested. 11 major causes of procurement corruption were examined and found to have consequences on 17 dimensions of service delivery. While the study found that there were many causesof procurement corruption, five top causes of procurement corruption were found to be:

- Violation of Procurement Procedures
- Use of high ranking Officers to influence decisions
- Influence Peddling during bid evaluation
- Bribery of Procurement Officers
- Use of gifts to get contracts

On the other hand, the study has identified significant consequences of corruption on service delivery as follows:

- Corruption affects the quality of services offered
- Corruption diverts Government revenues
- Corruption affects the economic growth of the Country
- Corruption leads to loss of confidence in public officials
- Corruption breeds impunity and dilutes public integrity

The measures identified to reduce procurement corruption in Uganda were as follows:

- Guilty officers to refund
- Improved accountability and Transparency
- Strong and Independent Judiciary
- Revision of laws and acts on procurement
- Inception of E-procurement systems

The bi-variate correlation and regression results indicated that the combined causes of public procurement corruption have a positive significant effect on service delivery. It was found that public procurement corruption in Uganda accounts for 71.0% of the variance in service delivery. This study therefore concludes that there are five major causes of public procurement corruption in Uganda that need to be seriously addressed and the consequences of procurement corruption on service delivery are severe on five critical areas, as perceived from the study results. The measures that could help reduce procurement corruption are many and the top five could be taken note of.

While the results presented in this paper may have some limitations given that all perception studies are bound to have such limitations and given other studies related to methodological issues like the choice of sampling techniques, the reliance on only quantitative approaches and the general limitations on the selection of appropriate indicators for the measures of procurement corruption, the reliability values obtained.

Tables

Table 1: Causes of procurement corruption in public sector in Uganda

Table 2: The Means, Standard Deviation and Population for the causes of procurement corruption

Table 3: Consequences of procurement corruption on service delivery in Uganda

Table 4: The Means, Standard Deviations and N for the consequences of corruption on service delivery

Table 5: Measures to reduce procurement corruption in public service

Table 6: The Means, Standard Deviations and N for the measures to reduce procurement corruption

Acknowledgements

References

[1]. Alt, J.E. and Lassen, D.D. (2003) 'The political economy of institutions and corruption in American states', *Journal of Theoretical Politics*, Vol. 15, No. 3, pp.341–365, *American Political Science Review*, p.417.

[2]. Amundsen, I. (1999) 'Political corruption: an introduction to the issues', Working Paper 7, Chr. Michelsen Institute Development Studies and Human Rights.

[3]. Azfar, O., Lee, Y. and Swamy, A. (2001) 'The causes and consequences of corruption', *Annals of the American Academy of Political and Social Science*, p.573.

[4]. Babbie, E. (2004) *The Practice of Social Research*, 10th ed., Belmont, CA: Thomson/Wadsworth.

[5]. Bailey, J. (2006) 'Corruption and democratic governability in Latin America: issues of types, arenas, perceptions, and linkages', Prepared for delivery at the *2006 Meeting of the Latin American Studies Association*, San Juan, Puerto Rico, 15–18 March, http://pdba.georgetown.edu/Security/referencematerials_bailey.pdf (accessed 29 December 2008). *Public procurement corruption and its implications* 433

[6]. Basheka, C.B. and Bisangabasaija, E. (2008) 'Institutional and management systems as determinants of unethical public procurement in local government systems of Uganda: a case study of Kibaale District', Paper for the South African Association of Public Administration and Management (SAAPAM), September.

[7]. Bertelsmann Stiftung's Transformation Index (2014). Gütersloh: Bertelsmann Stiftung, 2014. https://www.bti-project.org/fileadmin/files/BTI/Downloads/Reports/2014/pdf/BTI_2014_Angola.pdf

[8]. Camerer, L. (1999) *Tackling the Multi-Headed Dragon: Evaluating Prospects for a Single Anti-Corruption Agency, in Fighting Corruption*, Pretoria: Public Service Commission.

[9]. Denhardt, R.B. and Denhardt, J. (2000) 'The new public management: serving rather than steering', *Public Administration Review*, Vol. 60, No. 6, pp.549–559.

[10]. Desta, Y. (2006) *Designing Anti-corruption Strategies for Developing Countries: A Country Study of Eritrea*, Sage Publications, Vol. 22, No. 4, pp.421–449, www.sagepublications.com (accessed 29 December 2008).

[11]. Development Assistance Committee (2005) 'Harmonizing donor practices for effective aid delivery, *Strengthening Procurement Capacities in Developing Countries*, Paris, France: OECD, Vol. 3.

[12]. Djankov, S., McLiesh, C., Nenova, T. and Shleifer, A. (2003) 'Who owns the media?', *Journal of Law and Economics*, Vol. 46, No. 2, pp.341–381.

[13]. Doug, A. and Riley, S. (2002) 'Corruption and anti-corruption strategies', *Corruption and Integrity Improvement Initiative in Developing Countries*, New York: UNDP, p.2.

[14]. Drury, C., Krechaus, J. and Lusztig, M. (2006) 'Corruption, democracy and economic growth', *International Political Science Review*, Vol. 27, No. 2, pp.121–136, www.sagepublications.com (accessed 29 December 2009).

[15]. Errigde, A. and Mcllrory, J. (2002) 'Public procurement management and supply management strategies', *Public Policy and Administration*, Vol. 17, No, 1.

[16]. Gan Integrity Inc (2016) Uganda corruption Report. http://www.business-anti-corruption.com/country-profiles/uganda

[17]. George, D., &Mallery, P. (2003). SPSS for Windows step by step: A simple guide and reference. 11.0 update (4th ed.). Boston: Allyn & Bacon.

[18]. Global Integrity report (2011). Global Integrity, http://www.globalintegrity.org/research/uganda/2011/

[19]. Glynn, P., Stephen, J.K. and Naim, M. (1997) 'The globalisation of corruption', in K. Elliot (Ed.) *Corruption and the Global Economy*, pp.7–27.

[20]. Gould, D.J. (1991) 'Administrative corruption: incidence, causes and remedial strategies', in A. Farazmand (Ed.) *Handbook of Comparative and Development Public Administration*, New York: Marcel Dekker Inc.

[21]. Government of Uganda (2006) *Final Report of the National Public Procurement Integrity Baseline Survey*, Kampala, Uganda: Government of Uganda.

[22]. Gupta, S., Mello, L.D. and Sharan, R. (2000) 'Corruption and military spending', IMF Working Paper (WP/00/23), International Monetary Fund.

[23]. Hefetz, A. and Warner, M. (2004) 'Privatization and its reverse: explaining the dynamics of the government contracting experience', *Journal of Public Administration Research and Theory*, Vol. 14, No. 2, pp.171–190.

[24]. Hellman, J. and Kaufman, D. (2000) 'Seize the state, seize the day: state capture, corruption and influence in transition', http://www.worldbank.org/wbi/governance/pubs/seizestate.html.

[25]. Inspectorate of Government, 2008. The Third National Integrity Survey. ttp://www.igg.go.ug/static/files/publications/thirdnational-integrity-survey-report.pdf

[26]. Inspectorate of Government, 2011. Second Annual Report on Corruption Trends in Uganda: Using the data tracking mechanism. http://www.eprc.or.ug/pdf_files/corruptiontrends2011.pdf

[27]. Johnston, M. (1998) 'Fighting systematic corruption: social foundations for institutional reform', in M. Robinson (Ed.) *Corruption and Development*, London: Frank Cass, pp.85–104.

[28]. Kabaj, O. (2003) *The Challenge of African Development*, Oxford University Press.

[29]. Karim, M.R.A. (2003) 'Technology and improved service delivery: learning points from the Malaysian experience', *International Review of Administrative Sciences*, Vol. 69, No. 2, pp.199–204.

[30]. Kaufman, D. (2007) *Firms and Public Contracting: Who Bribes and Why*, World Bank Institute.

[31]. Kaufman, D. and Wei, S.J. (1999) 'Does "grease money" speed up the wheels of commerce?', NBER Working Paper 7093, Harvard University, Boston, Massachusetts.

[32]. Kaufman, D., Montoriol-Garriga, J. and Recanatini, F. (2008) 'How does bribery affect public service delivery? Micro-evidence from service users and public officials in Peru', Policy Research Working Paper 4492, World Bank.

[33]. Kingshott, J.P.R. and Dincer, C.O. (2008) 'Determinants of public service employee corruption: a conceptual model from the psychological contract perspective', *Journal of Industrial Relations*, Vol. 50, No. 1, pp.69–85. 434

[34]. The East African Bribery Index (2013). Transparency International- Kenya, tiuganda.org/wp-content/uploads/east-africa-bribery-index-2013.pdf

[35]. The Global Competitiveness Report (2014-2015). The world Economic Forum, Geneva, Switzerland. http://www3.weforum.org/docs/WEF_GlobalCompetitivenessReport_2014-15.pdf

[36]. Transparency International (2014). Corruption Perceptions Index. Transparency International. http://www.transparency.org/cpi2014/results/

[37]. Transparency International (2014). Corruption Perceptions Index. Transparency International. http://www.transparency.org/cpi2013/results/

[38]. Transparency International (2015). Corruption Perceptions Index. Transparency International. http://www.transparency.org/cpi2015/results/

[39]. United States Department of states (2014). Investment Climate Statement, Department of States. http://www.state.gov/documents/organization/229298.pdf