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MANAGEMENT FRAMEWORK.

The private sector wants more training for SMEs’ onhow to participate in public procurement and disposalactivities. Procurement is about the private sector. We supplygoods and services. But we do not understand what it takes togo through these processes? Do we know what it takes to win abid? Not many of us understand these procedures (BadagawaGideon cited by Rwothungeyo Billy 2015). Further, allactivities undertaken by the Government require an efficientpublic procurement system that delivers quality goods, worksand services in a timely manner and at an economical price. Value for money is key (Kiwanuka Maria cited byRwothungeyo Billy 2015).

To balance the provision of the needed training forSMEs and attainment of value for money in governmentprocurement, we address dimensions within a supportivemanagement framework that will achieve this dual objective. These dimensions are largely analytically derived from those inObanda (2012). The dimensions are inextricably linked asarticulated in the systems approach.

ProfessionalismA major scope for improving SMEs participation inpublic tenders is through increasing professionalism inprocurement. Professionalism can be defined as the status, methods, or standards within a career. Public procurementprofessionalism should be emphasized to enable SMEs accessto public procurement contracts. Badagawa Gideon (2014) poses the following question: Why should it take so long to register property, start a business, connect electricity, secure a trade license, a constructionpermit, pay taxes and move goods across borders? He thenposits that the answer lies in the mindset of our civil servants.

Many of them have constituted themselves into another bigbarrier to investment and growth. The civil service must changetheir work culture. Hence with regard to the procurementprocess in procuring and disposal entities in Uganda, publicprocurement professionals need the requisite combination ofskills and competencies to develop into a coordinated, wellequipped and informed profession. This entails keepingselection criteria proportionate, that SMEs who believe that thescope of a framework agreement precludes their involvementand that the bidding procedure is more complex and prolonged, are not deterred. Further, Public Procurement Officers should be able tomake use of the possibility to conclude framework agreementswith several economic operators and to organize minicompetitions for parties to the framework agreement as actualprocurement needs arises.

ImplementationA review of literature from the Procurement InnovationGroup (2009) and Choi Jeong-Wook (2010) reveals thatensuring that payments are made on time is paramount. Aprovision to alleviate the financial burden of SMEs, byproviding for a 30 days’ payment deadline as a default, level ofinterest for late payments etc. would be beneficial in thisregard. Ideally: Simplify the documents necessary for makingpayments for example use electronic tools; do not suspendpayment without a valid reason; enhance the use of electronicpayment; simplify controls; do not postpone payment until theend of the year. The adoption of the measures above would mitigate thetime-consuming paperwork which is among the mostcomplaints voiced by SMEs.

As SMEs’ normally do not havelarge and specialized administrative capacities, keepingadministrative requirements to a minimum is essential. Training of stakeholders. The Procuring and Disposing Entities (PDE) aregovernment ministries and other public bodies engaged inprocurement and disposal activities. Each PDE should in thetraining include: an Accounting Officer, a ContractsCommittee, Procurement and Disposal Unit Officers, UserDepartments and Evaluation Committees. Besides theProcurement Officers, the other stakeholders are not mandatedto be professionals.

They however play crucial roles in theprocurement process. They hence need to be trained into theformal tools and methods friendly to SMEs participation. TheEvaluation Committee and Contracts Committee membersparticularly need to be conversant with the available formalscoring methods appropriate to offer an added advantage toSMEs as the former conducts the actual scoring while the latterapproves the methods to be used.

Given the scenario inUganda, this is a vital prerequisite. User departments can equally be trained to arrange theirwork in lots that are content wise and logically friendly toSMEs capacity. Linthorst and Telgen (2006) in an exampleoffer that, content-wise road maintenance may be divided intothree sets of tasks: major overhaul, regular maintenance andminor repairs. Meanwhile, a logical division may be into majorthroughways, minor roads and residential areas. Training of the relevant stakeholders will hencestimulate an increase in the number of SMEs’ accessing andwinning contracts as more tenders will become SMEcompliant.

An increased involvement of SMEs into publicprocurement will result into higher competition for publiccontracts, leading to better value for money. InformationEnsuring easy access to all relevant information onbusiness opportunities in public procurement is of keyimportance for SMEs. In Uganda, it is apparent that afternewspapers, established relationships are very important interms of accessing contracts.

According to the Commonwealth(2010) findings, 38% of the respondents stated thatopportunities were communicated through either directinvitation from the buyer or through some form of personalcontact. Logically, established relationships represent a barrier for those SMEs who are not currently engaged with the publicsector. Most empirical studies on the impact of ICTs havefound a positive correlation between the use of ICT andcorporate performance (UNCTAD in Okello-Obura andMatovu 2011). The use of Information and CommunicationTechnology (ICT) is vital given that the whole country iscovered by the mobile telecommunication network and hencehas internet potential. Particularly develop websites that may behelpful to SMEs by enabling cheap and quick communication, e. g. downloading the contract documents and anysupplementary documents without incurring copying or mailingcosts. Adopting this would enable publication of publicprocurement notices online; multi-functional search engines; direct downloading of contract notices and accompanyingdocumentation; electronic tendering facility enabling entitiesreceive bids electronically in conformity with the PPDAregulations.

However, Okello-Obura and Matovu (2011) pose thefollowing pertinent questions: Which language to use? Do youhave translation services? What are the changing needs ofSMEs? Do the SMEs have the information search and retrievalskills? Are they competent in ICTs usage? What of theavailability of the computing resources? These are thechallenges that befall this intervention that need to beaddressed. All in all, it boils down to the provision ofinformation in the right form to the right user using the rightmeans as advanced by Okello-Obura and Matovu (2011). The Procurement and Disposal Units (PDUs) should bethe local desks that help SMEs to increase their involvement inpublic procurement contracts. They should help SMEsfamiliarize themselves with their respective websites. Instituting an independent national public procurement trainingand information center would provide personalized assistanceto SMEs which would be very helpful in tendering for publiccontracts.

One of the major barriers of Ugandan SMEs access toprocurement contracts identified was that, no feedback wasmade available about previous unsuccessful tenders. Givingfeedback to SMEs is essential. In order to prepare for futurebids, it is very helpful for a tenderer to see which aspects of thebid were considered strong by the procuring entity. This isprovided for in the PPDA Act being a principle oftransparency.

We envisage that the adoption of this management frameworkmay:? Spur government agencies to consolidate thedevelopment a National Public Procurement Policy thatspecifically addresses challenges to SMEs access topublic procurement contracts.? Strengthen the coordination, harmonization andmonitoring of on-going efforts to professionalizeprocurement officers.? Vitalize national commitment and actions for increasedattention to procurement officers’ professionalization asa means of accelerating social welfare for SMEs, youthsand other vulnerable groups.

? Improve national capacity for procurement managementas well as support institutions, systems and structures torespond to the issues of SMEs, youths and othermarginalized groups. PREREQUISITES TO FACILITATE SMES A2PPCS. A public procurement policy and legislative provisionsare important to enable SMEs A2PPCs. This wouldsignificantly improve the socio-economic empowerment of themarginalized groups and ensure inclusive growth of SMEs e. g.

30% of low cost procurements should be reserved for SMEs. The current legislative framework does not explicitly compel orprovide for public entities to incorporate SMEs in theirprocurement plans. Support from the political leadership atboth national and local level is crucial in this regard. Proactive risk management is vital. It is important toconsider the risk that any short-term interruption in the policymay pose to the beneficiaries. Hence, continuous capacitybuilding and complimentary actions should be taken tofacilitate SMEs to other commercial channels where additionallong-term and profitable relationships can be established. There is a need for an independent national publicprocurement training and information center.

This wouldamong others provide the crucial research into innovativeprocurement practices and the continuous development of procurement professionals e. g. provide procurement officerswith help in drawing up SME compliant tenders.

CONCLUSIONThis paper has shown that the costs of facilitating SMEsA2PPCs and integrating SMEs into the supplier selectionpractice may be enormous. It should however, be undertakengiven the socio-economic context of developing countries andthe benefits for sustainable and inclusive growth of SMEs.