

Role of Public Procurement on the Performance of State Corporations in Rwanda: A Case of Rwanda Revenue Authority

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Abstract: This study aimed at investigating the role of public procurement on performance of State Corporation in Rwanda, and in this case, RRA is the State Corporation in this study, problems of Public procurement has for long been overshadowed with inefficiency, corruption and disregard of fundamental “value for money” considerations. Public procurement in Rwanda is marred by losses amounting to billions of Rwandan francs, poor management of public funds still occur at the rate of 50%. Moreover, to prove the general objective, the results of this study was presented in accordance with specific objectives stated by the researcher such as, to assess if contract management affects performance of Rwanda Revenue Authority; to determine whether procurement planning affects performance of Rwanda Revenue Authority; to establish how lead time affects performance of Rwanda Revenue Authority and to ascertain how operational capacity affects performance of Rwanda Revenue Authority. Descriptive research design was adopted for this study using both qualitative and quantitative methods of data collection. The study used a sample of 52 employees of RRA and was selected by using purposive sampling techniques from a targeted population of 520 employees. Findings indicated that contract management has positive high correlation to the performance of RRA equal to .821** and the sig. is .000 which is less than 0.01. Procurement planning has positive high correlation to the performance of RRA equal to .811** and the sig. is .000 which is less than 0.01. Lead time has positive high correlation to the performance of RRA equal to .795** and the sig. is .000 which is less than 0.01. Operational capacity has a high positive correlation to the performance of RRA equal to .882** and the sig. is .000 which is less than 0.01. The main conclusion is that contract management, procurement planning, lead time, and operational capacity are paramount aspects of public procurement. The study found that the performance of RRA was highly appreciated in the last 5 years. The study concluded that public procurement contributes to the performance of State Corporation in Rwanda. As recommendation, management should keep investing in uplifting operational capacity and reduce both internal and external lead times to meet organization needs and further put in place measures of having stable procurement plan and lastly attaining value for money through effective contract management.

Keywords: Procurement, Public Procurement, performance of state corporations

1. Introduction

From the use of 1959 law in public procurement in Rwanda to the use of the Public Procurement Law enacted in April 2007, Rwanda moved towards a national public procurement system which respects international standards. As in many other countries, the use of the Country Procurement System in Rwanda was adapted following the Paris Declaration on Aid effectiveness endorsed on 2 March 2005 and the Accra Agenda for Action drawn up in 2008, embedded in a set of five inter-related principles whose aim was to make aid more effective and accountable to the benefiting communities. The declaration's commitment and targets reflect the lessons donors and partner countries have learnt how to make the aid more effective and reducing poverty. The Paris declaration commit donors and partners to make comprehensive and practical changes in these areas; a set of quantified targets is used to assess progress and hold donors and partners accountable for achieving results. The Accra agenda for Action contains new ambitious undertakings by donors and developing countries to speed up the process of fulfilling the Paris declaration's pledges (Berkowitz, 1987).

It is against this background that the Rwanda procurement system had to undergo radical reforms in order to comply with these principles so as to make profitable use of donor funds in a more effective and transparent manner. As far as reform in public procurement is concerned, the National Tender Board (NTB) was created in 1997 with the aim of managing and modernizing the public procurement system.

Though the NTB contributed a lot in improving the procurement system in Rwanda, it was very crucial to reform the institution to make it more decentralized with ad-hoc organs to challenge the new board; A number of reforms were initiated such as the promulgation of the Organic Budget law in September 2006 and the Public Procurement Law in March 2007 along with the establishment and operation of their respective regulatory bodies are obvious examples of significant achievements (Drabikin, 2003).

2. Statement of the Problem

Expenditure on public procurement presents a significant part of Rwanda's GDP, and a considerable part of country's resources are channeled through the county's procurement system, sound public procurement policies, procedures and practices to ensure good governance and value for money have been established despite of low compliance. Public procurement has for long been overshadowed with inefficiency, corruption and disregard of fundamental “value for money” considerations. This has adversely impacted the rate and quality of progress in realizing the objectives of national development, especially in developing and transition countries. Regardless of the enactment of the Law N° 12/2007 of 29/03/2007 on public procurement and operationalization of various regulations to improve performance of the procurement function, public procurement in Rwanda is marred by losses amounting to billions of Rwandan francs, poor management of public

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funds still occur at the rate of 50% (Report of Auditor General of state finances, June 2015), cases of procurement malpractice include the weaknesses in contract management and poor procurement planning.

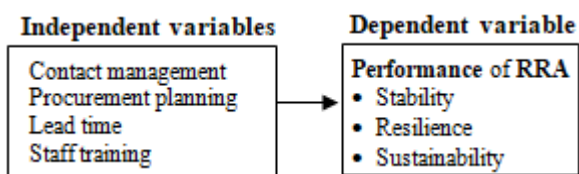
The number of reports with unqualified audit opinion (clean audit) on public financial management increased from (36%) in 2015 to (50%) in 2016 out of the 157 procuring entities audited by April 2016. The increase in number of entities obtaining unqualified audit opinion on financial management is an indicator that Government entities are progressively embracing appropriate financial management practices. However, Government Business Enterprises (GBEs) and Government Boards continue to be risky public enterprises while at the same time are at the forefront of implementing key Government programmes (Report the Auditor General of State Finances for 2014-2015 Financial Years). The researcher therefore sought to establish the role of public procurement on performance of State Corporation in Rwanda with the case study of Rwanda Revenue Authority as one of Government Business Enterprises that generates most significant chunk of Government funds.

3. Objectives of the Study

The main objective of the study is to determine the role of public procurement on the performance of State Corporation case of Rwanda Revenue Authority. The specific objectives of the study were:

- 1) To assess if contract management affects performance of Rwanda Revenue Authority;
- 2) To determine whether procurement planning affects performance of Rwanda Revenue Authority;
- 3) To establish how lead time affects performance of Rwanda Revenue Authority;
- 4) To ascertain how operational capacity affects performance of Rwanda Revenue Authority

4. Conceptual Framework



5. Research Methodology

- **Research Design:** This study used descriptive design. This design was appropriate because it gives an opportunity for one aspect of a problem to be studied in-depth with minimal expenditure of effort, time and money
- **Target Population:** The study population was 1,300 staff of RRA
- **Sample size:** Mugenda and Mugenda (2003) asserts that sampling is that part of the statistical practice concerned with the selection of individual or observations intended to yield some knowledge about a population of concern, for the purpose of statistical inferences. They advise that a researcher must use 10% of the total target population as a sample for it to be accepted as a good representative

sample. However, all members of tender committee were part of sample size due to their key role in procurement. The sample size was 52 respondents.

Table 1: Sample size

Level	Target population	Percentage	Sample
Top management	20	10	2
Middle management	60	10	6
Low level staff	390	10	39
All Tender Committee members	5	100	5
Total	520	10	52

- **Data Collection Instruments:** The primary data were collected from the field survey using questionnaires. A questionnaire was designed and pre-tested before the researcher will submit it to the selected respondents. In designing questionnaires, the researcher was used Likert scale to measures the respondents' views on the critical indicators of performance of RRA due to the public procurement. The same rating scale was also used for the factors of public procurement. Using Likert Scale, the respondent indicated whether he/she strongly agree (SA), agree (A), disagree (D), or strongly disagree (SD). Secondary data source was used to find theoretical information, for example, books, published journals and articles, the internet as revealed in the literature review. The secondary data of this research was extracted from different documents in the same field.
- **Data processing and analysis:** The study adopted a descriptive analysis by use of descriptive statistics such frequency and percentages. Quantitative data analysis was used with aid of SPSS (Statistical Package for Social Sciences) Version 16 to generate those measures. Since percentages are the most widely used in descriptive analysis, SPSS Version 16 got descriptive statistics features that assist in variable response comparison and give a clear indication of response frequencies. The tool of correlation analysis was developed to study and measure the statistical relationship that exists between two variables. Correlation analysis helped the researcher to measure the strength and closeness of the relationship between public procurement and performance of RRA. The researcher used correlation coefficient to assess the relationship between public procurement and performance of RRA. Data were analyzed using the descriptive statistics like mean and standard deviations and statistical package for social science (SPSS) software also was to summarize and present data in tables representing proportions and percentages.

6. Summary of Research Findings

6.1 Appreciation of respondents on public procurement within RRA

This section illustrates the appreciation of respondents on different components of public procurement applied within RRA. In this study, we discuss the most commonly used public procurement for accomplishing these tasks such are contract management, procurement planning, lead time and operational capacity in the following sections.

Table 2: The respondents' view on contract management in RRA

Statements	SA (%)	A (%)	D (%)	SD (%)	Mean	SD
RRA ensures contract management successfully by taking the right course in procurement	84.6	15.4	0	0	3.8462	.36432
RRA ensure that all parties of contract involved must keenly pay attention to all provisions in the given or existing contract	76.9	23.1	0	0	3.7692	.42544
Contract management practices in RRA are those that meet the needs of the organization,	69.2	30.8	0	0	3.6923	.46604
The people in charge of the contracts in RRA need to play an important role in ensuring that the RRA's contractual goals are fully achieved	80.8	19.2	0	0	3.8077	.39796

Source: Primary data, 2018

Table 2 revealed the perception of respondents on contract management within RRA. In assessing these variables 4 statements (Items) were considered and the findings are presented in the Table 2. Table 2. reveals that the employees of RRA agreed that contract management through the 4 statement such are RRA ensures contract management successfully by taking the right course in procurement; RRA ensure that all parties of contract involved must keenly pay attention to all provisions in the given or existing contract; Contract management practices in RRA are those that meet the needs of the organization and the people in charge of the contracts in RRA need to play an important role in ensuring that the RRA's contractual goals are fully achieved. The first item was to know whether RRA ensures contract management successfully by taking the right course in procurement. It was scored at the mean of 3.8462, which mean that respondents agreed that RRA ensures contract management successfully by taking the right course in procurement and the standard deviation of .36432 (homogeneous) which means that all respondents share the same understanding.

In the second element researcher wanted to know whether RRA ensure that all parties of contract involved must keenly pay attention to all provisions in the given or existing contract. With a mean 3.7692, the respondents strongly agreed that RRA ensure that all parties of contract involved must keenly pay attention to all provisions in the given or existing contract and the standard deviation of .42544 (homogeneous) means that all respondents share the same understanding. The third assessment was about to know if contract management practices in RRA are those that meet the needs of the organization and almost all respondents strongly agreed this with mean of 3.6923, and the standard deviation of .46604 (homogeneous). The fourth assessment was about to know if the people in charge of the contracts in RRA need to play an important role in ensuring that the RRA's contractual goals are fully achieved and almost all

respondents strongly agreed this with mean of 3.8077, and the standard deviation of .39796 (homogeneous). Generally, all four items assessing contract management in RRA showed the overall mean of 3.73078 (strong). This is strong evidence that respondents agreed that contract management is among the components of public procurement within RRA.

Table 3: The respondents' view on procurement planning in RRA

Statements	SA (%)	A (%)	D (%)	SD (%)	Mean	Sd
Procurement Planning entails the identification of what needs to be procured in RRA	84.6	15.4	0	0	3.8462	.36432
RRA ensure how the organization needs can best be met, the scope of the goods, works or services required through procurement planning	69.2	30.8	0	0	3.6923	.46604
RRA set the time frames in procurement planning	65.4	34.6	0	0	3.6538	.48038
RRA ensure the accountability for the full procurement process during procurement planning	76.9	23.1	0	0	3.7692	.42544

Source: Primary data, 2018

Table 3 revealed the perception of respondents on procurement planning. In assessing these variables, 4 statements (Items) were considered and the findings are presented in the Table 3. Table 3 reveals that the employees of RRA agreed that procurement planning through the 4 statement such are procurement Planning entails the identification of what needs to be procured in RRA; RRA ensure how the organization needs can best be met, the scope of the goods, works or services required through procurement planning; RRA sets the time frames in procurement planning and material cost are well determined through variance analysis of standard cost accounting with percentage of 100 % of respondents for each statement. The first item was to know whether procurement Planning entails the identification of what needs to be procured in RRA. It scored the mean of 3.8462, which means that respondents agree that procurement Planning entails the identification of what needs to be procured in RRA and the standard deviation of .36432 (homogeneous) which means that large number of respondents have the same understanding. In the second element researcher wanted to know whether RRA ensure how the organization needs can best be met, the scope of the goods, works or services required through procurement planning. With a mean of 3.6923, the respondents strongly agreed that RRA ensure how the organization needs can best be met, the scope of the goods, works or services required through procurement planning and the standard deviation of .46604 (homogeneous) means that all respondents share the same appreciations.

The third assessment was about to know if RRA set the time frames in procurement planning and almost all respondents strongly agreed this with the mean of 3.6538, and the

standard deviation of .48038 (homogeneous).The fourth assessment was about to know if RRA ensure the accountability for the full procurement process during procurement planning and almost all respondents strongly agreed this with mean of 3.7692, and the standard deviation of .42544 (homogeneous).Generally, all four items assessing procurement planning within RRA showed the overall mean of 3.76 (strong). This is strong evidence that respondents agreed that procurement planning is among the main components of procurement within RRA.

Table 4: The respondents' view on lead time in public procurement of RRA

Statements	SA (%)	A (%)	D (%)	SD (%)	Mean	Sd
The ordered materials arrive at the receiver timely in RRA	50.0	50.0	0	0	3.5000	.49488
In RRA, lead time influence customer service in procurement	50.0	50.0	0	0	3.5000	.49488
In RRA lead time impact inventory costs	61.5	38.5	0	0	3.6154	.49125
There is no issue in ARRA to meet the customer's order cycle (the time the customer is willing to wait for the delivery)	73.1	26.9	0	0	3.7308	.44789

Source: Primary data, 2018

Table 4 revealed the perception of respondents on procurement lead time in RRA. In assessing these variables 4 statements (Items) were considered and the findings are presented in the above table. Table 4 reveals that the employees of RRA agreed that the ordered materials arrive at the receiver timely in ;also lead time influences customer service in procurement; lead time impacts inventory costsand there is no issue in ARRA to meet the customer's order cycle (the time the customer is willing to wait for the delivery) with percentage of 100 % of respondents for each statement.

The first item was to know whether the ordered materials arrive at the receiver timely in RRA. This scored the mean of 3.5000, which mean that respondents agree that the ordered materials arrive at the receiver timely in RRA and the standard deviation of .49488 (homogeneous) which means that all respondents share the same understanding. In the second element researcher wanted to know whether lead time influences customer service in procurement. With a mean of 3.5000, the respondents strongly agreed that in RRA, lead time influence customer service in procurement and the standard deviation of .49488 (homogeneous) means that all respondents share the same understand.

The third assessment was about to know if lead time impacts inventory costsand almost all respondents strongly agreed this with mean of 3.6154, and the standard deviation of .49125 (homogeneous).The fourth assessment was about to know if there is no issue in ARRA to meet the customer's order cycle and almost all respondents strongly agreed this with mean of 3.7308, and the standard deviation of .44789 (homogeneous). Generally, all four items assessing lead time

in procurement of RRA showed the overall mean of 3.58655 (strong). This is strong evidence that respondents agreed that lead time asprincipal factor in procurement is well managed.

Table 5: The respondents' view on operational capacity within RRA

Statements	SA (%)	A (%)	D (%)	SD (%)	Mean	Sd
Professionalism in RRA procurement relates not only to the levels of education of the workforce but also to the professional ethics.	57.7	42.3	0	0	3.5769	.49887
In RRA, workforce is adequately educated in procurement matters	84.6	15.4	0	0	3.8462	.36432
There is no lack of a high degree of professionalism in RRA procurement which ultimately impedes compliance	76.9	23.1	0	0	3.7692	.42544

Source: Primary data, 2018

Table 5 revealed the perception of respondents on operational capacity in public procurement of RRA. In assessing these variables, 4 statements (Items) were considered and the findings are presented in the Table 5.

Table 5. reveals that the employees of RRA agreed that operational capacity through the 4 statement such are professionalism in RRA procurement relates not only to the levels of education of the workforce but also to the professional approach; in RRA, workforce is adequately educated in procurement matters and there is no lack of a high degree of professionalism in RRA procurement to corruption, which ultimately impedes compliance with percentage of 100 % of respondents for each statement. The first item was to know whether professionalism in RRA procurement relates not only to the levels of education of the workforce but also to the professional approach. It was scored the mean of 3.5769, which mean that respondents agree that professionalism in RRA procurement relates not only to the levels of education of the workforce but also to the professional approach and the standard deviation of .49887 (homogeneous) which means that all respondents share the same understanding. In the second element researcher would like to know whether in RRA, workforce is adequately educated in procurement matters. With a mean 3.8462, the respondents strongly agreed that in RRA, workforce is adequately educated in procurement matters and the standard deviation of .36432 (homogeneous) means that all respondents share the same understand. The third assessment was about to know if there is no lack of a high degree of professionalism in RRA procurement to corruption, which ultimately impedes compliance and almost all respondents strongly agreed this with mean of 3.7692, and the standard deviation of .42544 (homogeneous).Generally, all three items assessing operational capacity showed the overall mean of 3.730767 (strong). This is strong evidence that respondents agreed that the operational capacity observes professionalism and procurement ethics.

Table 6: The respondents views on performance of RRA (n=52)

Statements	SA (%)	A (%)	D (%)	SD (%)	Mean	Sd
Performance in RRA was highly appreciated in last 5 years	73.1	26.9	0	0	3.7308	.44789
Sustainability of RRA was highly appreciated in last 5 years	76.9	23.1	0	0	3.7692	.42544
Resilience of RRA to short term unanticipated events is shown by how well that RRA recover	61.5	38.5	0	0	3.6154	.49125
Stability of RRA was highly appreciated in last 5 years	61.5	38.5	0	0	3.6154	.49125

Source: Primary data, 2018

Table 6 revealed the perception of respondents on performance of RRA. In assessing this variable 5 statements (Items) were considered and the findings are presented in the Table 6. Table 6 reveals that the employees of RRA agreed that the performance of the state corporation was highly appreciated through the 5 statement such are performance in RRA was highly appreciated in last 5 years; sustainability of RRA was highly appreciated in last 5 years; resilience of RRA to short term anticipated events is shown by how well that RRA recover; and stability of RRA was highly appreciated in last 5 years with percentage of 100 % of respondents for each statement. The first item was to know whether in RRA was highly appreciated in last 5 years. It was scored the mean of 3.7308 (strong), which mean that respondents agree that in RRA was highly appreciated in last 5 years and the standard deviation of .44789 (homogeneous) which means that all respondents share the same understanding. In the second element we would like to know whether sustainability of RRA was highly appreciated in last 5 years. With a mean of 3.7692 (strong), the respondents strongly agreed that sustainability of RRA was highly appreciated in last 5 years and the standard deviation of .42544 (homogeneous) means that all respondents the same understanding. The third item indicates a mean 3.6154 (strong), which shows strong level of agreement on the statement which says that resilience of RRA to short term anticipated events is shown by how well that RRA recover. Majority of respondents have positive views on this statement the standard deviation of .49125 (homogeneous) means that all respondents share the same understanding. The fourth item indicates a mean 3.6154 (strong), which shows strong level of agreement on the statement which says that stability of RRA was highly appreciated in last 5 years. Majority of respondents have positive views on this statement the standard deviation of .49125 (homogeneous) means that all respondents share the same understanding. Generally, all five items assessing the performance of RRA showed the overall mean of 3.6827 (strong). This is to conclude that respondents agreed that performance of RRA was appreciated. This indicates a good performance of organization due to the good practice of public procurement.

Table 7: Correlation between contract management and performance of RRA

			Contract management	Performance of RRA
Spearman's rho	Contract management	Correlation Coefficient	1	.821**
		Sig. (2-tailed)	.	.000
	Performance of RRA	Correlation Coefficient	.821**	1
		Sig. (2-tailed)	.000	.
		N	52	52

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Primary data, 2018

According to the table 7 indicated that contract management has positive high correlation to the performance of RRA equal to .821** and the sig. is .000 which is less than 0.01. When sig. is less than significant level, thereafter researcher concludes that variables are correlated. It is therefore concluded by the researcher that there is a statistically significant correlation between contract management and performance of RRA; this leads to confirm that there is significant relationship between contract management and performance of RRA.

Table 8: Correlation between procurement planning and performance of RRA

			Procurement planning	Performance of RRA
Spearman's rho	Procurement planning	Correlation Coefficient	1	.811**
		Sig. (2-tailed)	.	.000
	Performance of RRA	Correlation Coefficient	.811**	1
		Sig. (2-tailed)	.000	.
		N	52	52

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Primary data, 2018

The evidences form table 8 indicated that procurement planning has positive high correlation to the performance of RRA equal to .811** and the sig. is .000 which is less than 0.01. When sig. is less than significant level, thereafter researcher concludes that variables are correlated. It is therefore concluded by the researcher that there is a statistically significant correlation between procurement planning and performance of RRA; this leads to confirm that there is significant relationship between procurement planning and performance of RRA.

Table 9: Correlation between lead time and performance of RRA

			Lead time	Performance of RRA
Spearman's rho	Lead time	Correlation Coefficient	1	.795**
		Sig. (2-tailed)	.	.000
	Performance of RRA	Correlation Coefficient	.795**	1
		Sig. (2-tailed)	.000	.
		N	52	52

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Primary data, 2018

The evidences form table 9 indicated that lead time has positive high correlation to the performance of RRA equal to .795** and the sig. is .000 which is less than 0.01. When sig. is less than significant level, thereafter researcher concludes that variables are correlated. It is therefore concluded by the researcher that there is a statistically significant correlation between lead time and performance of Rwanda Revenue Authority; this leads to confirm that there is significant relationship between lead time and performance of Rwanda Revenue Authority.

Table 10: Correlation between operational capacity and performance of RRA

			Operational capacity	Performance of RRA
Spearman's rho	Operational capacity	Correlation Coefficient	1	.882**
		Sig. (2-tailed)	.	.000
		N	52	52
	Performance of RRA	Correlation Coefficient	.882**	1
		Sig. (2-tailed)	.000	.
		N	52	52

** Correlation is significant at the 0.01 level (2-tailed).
 Source: Primary data, 2018

The evidences form table 10 indicated that operational capacity has a high positive correlation to the performance of RRA equal to .882** and the sig. is .000 which is less than 0.01. When sig. is less than significant level, thereafter researcher concludes that variables are correlated. It is therefore concluded by the researcher that there is a statistically significant correlation between operational capacity and performance of RRA; this leads to confirm that there is significant relationship between operational capacity and performance of RRA

Table 11: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.891 ^a	.834	.827	.15512

a. Predictors: (Constant), contract management, procurement planning, lead time, operational capacity.

To assess the effect of variation in predictors, multiple regressions were performed. Table above indicates that 82.7% of the variation in profitability is explained by the variation in the cash management. The multiple linear regression with stepwise was applied to determine the best (most important) predictors of the dependent variable. The multiple linear regression model performed is expressed as follows:

$$y = \beta_0 + \beta_1x_1 + \beta_2x_2 + \beta_3x_3 + \beta_4x_4 + \mu$$

Where β_0 is intercept, β_i are regression coefficients, y represents the dependent variables and x_i represents the independent variables. Regression coefficients represent the mean change in the response variable for one unit of change in the predictor variable while holding other predictors in the model constant. Typically, you use the coefficient p-values to determine which terms to keep (p-value ≤ 0.05) in the regression model and which ones to be removed (p-value > 0.05). The p-value < 0.05 means that the predictor variable is statistically significant in the model i.e, changes in the

predictor's value are related to changes in the response variable.

Table 12: Regression analysis

		Coefficients ^a			T	Sig.
Model		Unstandardized Coefficients	Standardized Coefficients	Beta		
		B	Std. Error			
1	(Constant)	-1.1342	-12.732		-0.212	.0012
	Contract management	.132	4.312	.026	.047	.0031
	Procurement planning	-2.137	.713	.614	-4.001	.0037
	Lead time	.067	.5326	.451	.871	.0033
	Operational capacity	.483	.926	.735	.979	.006

a. Dependent Variable: Performance of RRA

$$y = -1.1342 + 0.132x_1 - 2.137x_2 + 0.067x_3 + 0.483x_4$$

The performance is predicted to increase by:

- 0.132** when the contract management goes up by one unit while holding other predictors to a constant.
- 2.137** When the procurement planning variable goes down by one unit while holding other predictors to a constant.
- 0.067** When the lead time variable goes up by one unit while holding other predictors to a constant.
- 0.483** When the operational capacity variable goes up by one unit while holding other predictors to a constant.

Apparently, all predictors are significant in the model as all p-values are less than 0.05 and operational capacity and lead time are the best predictors.

Table 13: Analysis of variance

		ANOVA ^b				
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1.323	12	0.189	2.179	.001 ^a
	Residual	2.088	40	.087		
	Total	3.411	52			

- Predictors: (Constant), contract management, procurement planning, lead time, operational capacity
- Dependent Variable: Performance of RRA

Looking at the p-value equals to 0.01 in the table above, it is less or equal to alpha (5%). This means that the model is suitable for the data (the regression model is a good fit of the data): it has statistically significant predictive Capability i.e, all regression coefficients are different from zero. This lead to conclude that there is significance relationship between public procurement and performance of Rwanda Revenue Authority. Through the opened question, respondents proved that innovation among the employees' of RRA is not appreciable at high level; the collected information that suggest new approaches, create a network of listening systems, among other strategies to understand the organizational environment are not sometime updated.

7. Conclusions and Recommendations

7.1 Conclusions

The main purpose of this study was to find out the relationship between public procurement and performance of State Corporation in Rwanda particularly in RRA as our

case of study. The components of public procurement in RRA are contract management, procurement planning, lead time, and operational capacity. The study found that the performance of RRA was highly appreciated in the last 5 years. The study concluded that public procurement contributes to the performance of State Corporation in Rwanda. There is relationship between public procurement (contract management, procurement planning, lead time, and operational capacity) and performance of State Corporation in Rwanda.

7.2 Recommendations

Based on research findings and conclusions, the researcher felt that the following recommendations were necessary for the organization. Top management of State Corporation should keep investing in uplifting operational capacity and reduce both internal and external lead times to meet organization needs and further put in place measures of having stable procurement plan and lastly attaining value for money through effective contract management.

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