




Public sector procurement: A private sector procurement perspective for improved service delivery



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Background: Service delivery is the core business of any government around the world, especially in developing economies. The government uses various public procurement legislation that govern how public services are procured. The current procurement legislation to acquire goods, works and services for the public at large are said to be ineffective and inefficient, hindering the accelerated provision of public services.

Aim: This article aimed to ascertain the degree to which public sector procurement processes can be modelled to that of the private sector to improve service delivery.

Setting: Several studies have revealed a stagnating nature of service delivery in government entities when it comes to the methods used to procure public services in South Africa. The private sector also does procurement successfully; however, it is slightly different as it is not governed by rigid public procurement legislation causing unnecessary red tapes. The red tapes that are sometimes impeding the accelerated service delivery are a major cause for concern if the government was to improve service delivery at a faster and unhindered pace.

Methods: The research was qualitative in nature and used unobtrusive research methods focusing on a literature review technique. The research entailed a robust examination of the existing literature and trends analysis in the field of public procurement and private sector procurement.

Results: The article revealed that there are several shortcomings in the form of red tapes that the public sector procurement is currently experiencing, which can be mitigated by adopting some of the private sector operational processes. Of course, this might require a total overhaul of the current public procurement processes including some legislation in an attempt to boost service delivery. Such red tapes include inflexibility of government procurement processes to allow for innovations, long-term supplier relationships and effective communication on future government plans. As such, some of these red tapes have a huge impact on improving service delivery, especially if fraud and corruption are involved; some processes are counterproductive and they end up allowing inexperienced suppliers to be chosen who fail to deliver.

Conclusion: Public procurement process in South Africa urgently needs an overhaul to adopt some of the best practices used in private sector procurement operations to improve service delivery. This is because most public resources do not yield value for money because of rigid and stifling public procurement processes.

Keywords: public procurement; private sector procurement; modelling; service delivery; improvement.

Introduction

This study makes an attempt to give clarity to the question that relates to what degree can the public sector procurement benchmark its operational processes to that of the private sector to improve service delivery. The study is conducted with the hope to identify some benefits in adopting the private sector processes by government entities to boost service delivery. As such, this article adopted unobtrusive research methods (discussed in detail below) because they will help the researcher to get an in-depth understanding of the differences and similarities between the private and public sector procurement processes and also to derive some lessons and best practices to be adopted by public procurement operations to ease the red tapes and ensure speedy service delivery.

Public procurement is governed by various pieces of legislation, which must be complied with in terms of the current procurement regulations to purchase goods, works and services for the

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public at large. There are many red tapes said to impede innovation and value for money in public procurement; such red tapes include inflexibility of government procurement processes to allow for innovations, no long-term supplier relationships and ineffective communication for future government plans. As such, some of these red tapes have a huge impact on improving service delivery as some processes are counterproductive and they end up allowing unsuitable suppliers to be chosen. For example, fraud and corruption can lead to a wrong supplier given a tender which will be hard or impossible to deliver as the supplier has no experience in the field. Various red tapes are said to cause unnecessary bureaucracy such as 'middlemen', adding to the cost of a commodity yet it adds no value to the commodity itself.

The main aim of this article was to explore possible means of adopting some of the effective private sector procurement processes into a public procurement regime. As a result, this article provides a synopsis of the problem and purpose statements and the main research question. It also reviews the literature relating to the relationship between theory and research and unobtrusive research methods to be used in this study. It will also discuss service delivery as a core government mandate, service delivery hindrances, the concept of public sector procurement and the concept of private sector procurement. There will also be a discussion of some hindrances caused by public procurement operations as it relates to governance and legislative practices, pre-tendering stage, tendering stage and post-tendering stage challenges. Furthermore, there will be a discussion of modelling the private sector processes by the public sector for service delivery improvement as it relates to procurement planning, efficient and effective communication, staff competency, procurement procedures, resource allocation, procurement performance, risk allocation, greater visibility, greater opportunities for innovation and better flexibility in public procurement. The article will then conclude with some key recommendations to be adopted by the public sector whilst procuring public services.

Problem statement

Service delivery is one of the core mandates of any government around the world, including South Africa. To render these services, the government uses public procurement processes as they relate to a South African context. Public procurement processes are said to have many red tapes and highly rigid. Public sector procurement cannot have long-term relationships with its suppliers as the South African constitution requires equitability of the state procurement proceeds to be shared amongst all potential suppliers. Furthermore, there is no effective communication about plans of government procurement except seeing a tender advert that normally closes in 21 days, giving no time for innovative suppliers to put together and submit a viable bid. Procurement is carried not only in the public sector but also in the private sector; this sector uses the most innovative means to conduct their procurement, which is said to be

more effective and efficient. Having said that, this article attempts to explore some possibilities of the public sector adopting or modelling some of the private sector procurement processes that can help improve service delivery and save the highly limited government resources. By deeply analysing the different procedures and processes conducted by the public and private sectors, good practices and lessons to be learnt are highly possible. There is not much empirical evidence that previously tried to model or link some of the best practices in the private sector to those done in the public sector with the main aim of improving service delivery. This study's findings will help the government to explore opportunities to speed up service delivery by relaxing some of the rigid public procurement legislation and model its processes to that of the private sector, thereby realising value for money in government entities.

Purpose statement

The main purpose statement of this study can be stated as, 'to determine the degree to which public sector procurement can model private sector procurement processes to improve service delivery' and the sub-elements are therefore to determine:

- the extent of the private sector procurement effectiveness
- the models public sector procurement can adopt to improve service delivery.

Research question

The main research question is 'to what degree can public sector procurement model private sector procurement processes to improve service delivery?' and the sub-questions are as follows:

- How does private sector procurement differ from public sector procurement operations?
- What models can be adopted by public sector procurement to improve service delivery?

Research methodology

This section will detail the research methodology as it relates to the processes of how the theory and research used in the study relate to each other. The use of an unobtrusive research methods will be described and justified as it relates to this study.

Theory and research

A theory in social sciences is based on an observation of a social phenomenon and study processes that were followed to conduct research. On the other hand, the research attempts to validate what was claimed by the researcher through an observation (which is a theory). According to Benetti (2009), researchers research to test the theory's validity and truthfulness. Therefore, both these social research concepts are part of the same process to discover and mine the truth; however, they differ slightly by an in-depth analysis of each. If research results support the theory, it is legitimised and

accepted; however, if research results do not support the theory, then more research might be needed. Hypotheses may prove to be true or false and that is also acceptable as it leads to an in-depth understanding of the theory. So, both the theory and the research go hand-in-hand and help the researchers to advance the body of knowledge in social sciences.

For this article, a comparative analysis of policy change theory will be used as it focuses mainly on dismantling the existing or current public policy process regime and engages or adopts new ways of doing things in terms of policy processes (Nzimakwe & Mpehle 2012). In this article, the researcher adopted this theory of change by looking at the current processes or policy directive on public procurement as it relates to service delivery versus the private sector processes with the hope of shedding some light on the benefits or lessons from the private sector that can be adopted and used to improve service delivery.

Relationship between theory and research

From the discussion in the previous section, it is evident that a theory needs research and research needs a theory; therefore, the relationship between the two is a two-way process. However, research should always be guided by the theory. Sim and Wright (2000) mentioned that research has, as one of its main purposes, the enrichment of theoretical knowledge either by building upon the current knowledge of an existing topic or by extending the understanding into an unexplored area. As such, research problems should fit within a bigger, logical and consistent conceptual framework that incorporates research conducted to date. The research findings should also be situated within a theoretical framework to identify further research that can continue the process of theory validation or refutation, and hence the two-way relationship. Social theory informs our understanding of issues around us, which in turn assists us in making research decisions and making sense of the world around us. According to Fawcett and Downs (1987), one of the main aims of research is to enrich and enlighten theoretical knowledge; therefore, research can strengthen the existing hypotheses (theories) or can help develop a new one. As such, the definition of a theory states that theories are developed when phenomena are observed. These observations become theory if all research evidence supports its hypothesis; the more studies are conducted, the stronger the view that a theory is true. This process never ends and it keeps on evolving; thus, research relies on theory and vice versa.

Furthermore, as Sim and Wright (2000) observed that in the absence of a theory or in an attempt to enrich a theory, research studies are used to provide some building blocks for theory formulation or enrichment. The inductive and deductive strategies are the two most common and very useful ways for understanding the relationship between theory and research where research either sets out to test an

existing theory or seeks to build a new theory. Lastly, the relationship between theory and research is a two-way process because one needs another to thrive.

Unobtrusive research methods

Based on the above discussion of theory and research relationship, this article will use unobtrusive research that is part of the qualitative methods, with the main focus on one of its prominent techniques, which is a literature review. Literature review is a 'comprehensive background of the literature within the interesting topic area' as described by O'Gorman and MacIntosh (2015:31). Unobtrusive research methods are data collection and research methods that usually do not interact with any subjects of the study; in this case, it will be a literature review and trend analysis in the field of public and private sector procurement to achieve meaningful recommendations or conclusions. According to Kellehear (2020), unobtrusive research methods focus on the changes of multiple cases or scenarios over time whilst looking closely at the trends in the field to come up with conclusive recommendations.

Unobtrusive research methods are usually suitable for studies such as this one as this will focus on procurement processes that are performed in the public sector in relation to those in the private sector.

This is done with the hope to identify some benefits in adopting the private sector processes by government entities to boost service delivery. As such, this article adopted unobtrusive research methods because they will help the researcher to get an in-depth understanding of differences and similarities between the private and public sector procurement processes and also some lessons to be learnt by public procurement operations to ease the red tapes and ensure speedy service delivery.

Discussion

This part of the study will broadly discuss service delivery in relation to the government mandate.

This section will also discuss hindrances relating to service provision by government using public procurement as a vehicle. Challenges in public procurement will be contrasted with those in private sector procurement; such challenges relate to pre-tendering, tendering and post-tendering stages of public procurement. Furthermore, there will be some measures discussed to model and benchmark some good practices from private sector procurement to public sector procurement.

The service delivery as a core government mandate

As described by Maseko (2018:27), service delivery is a government process concerned with providing commodities or services usually for free public use; however, sometimes it

is on a user-pay principle depending on what type of public service is reviewed. Service delivery is a constitutional contract between the citizens and the government of the day and it is expected to be offered with transparency and accountability in an egalitarian society (Julius 2011). Public services are provided by or through the local, provincial or national government where a need or service cannot be offered or bought by an individual yet they benefit from it, which is the main reason why taxes must be paid by all citizens. Public services can be provided by the state itself or the state can hire a private company to render those public services on behalf of the government (Gwiriri & Bennett 2020).

Public services can be in the form of cleaning streets, sewerage, street lights, public health and public education; therefore, service delivery is an implementation or provision of such services to the public.

In most cases, public services are in the form of a public good, which is non-rival and non-exclusive in nature and mostly it does not involve any products manufacturing such as in the private companies (Mfene 2009).

Furthermore, public services are merit goods on their very own nature because the market cannot provide them profitability; for example, a public road cannot be offered by free markets of supply and demand. Public services are usually subjected to some regulation and they are procured through a public procurement regulation process: the process that is said to be ineffective and inefficient (Maseko 2018). That is why in most developing countries there are huge concerns about the inefficiency and ineffectiveness of public services because of the processes followed in providing public services, such as a public tendering system in South Africa.

Service delivery hindrances

Amidst the above-mentioned procurement and tendering system, often corruption finds a gap to squander public resources, thereby hindering service delivery; corruption always attracts more controls that make the public procurement process more onerous and time-consuming. The main challenge emerges as the focus turns on self-enrichment, then compromises service delivery and sometimes favouritism of awarding contracts to bidders lacking work expertise.

Furthermore, often there are many administrative red tapes in the provision of public services, for example, separation of powers given to the local sphere of government for specific services and others offered by law through the provincial and national sphere of government (Mfene 2009).

Another red tape in the process of provision of public services is tendering processes that demand significant legislative requirements to be met. Normally, the bidding process takes up to 6 months from specifications or terms of reference

drafting to awarding the tender to a prospective supplier (Ambe 2016). Also, if suppliers are awarded contracts based on other criteria than experience and price, the chances of getting substandard quality are high; it becomes worse if a premium was paid, putting more pressure on limited government funds and therefore making it impossible to meet service delivery demands.

The concept of public sector procurement

Mainly the public sector views procurement as a tool aimed at helping users in government organisations to achieve their mandates by buying what those organisations need (Bolton 2016). Public sector organisations are mainly driven by service delivery motives, which are mostly guided by the community needs as they keep increasing and changing over time. Service delivery should be performed with a high level of accountability and transparency to avoid corruption and fraud (Ambe 2016). The public sector's view of procurement further illustrates that procurement is a stand-alone concept mainly governed by legislation, laws and regulations as far as the country's constitution is concerned. For example, in South Africa, public procurement emanates from section 217 of the South African Constitution. To procure goods, services and works to satisfy public needs, the government generates income from tax revenues. According to Bolton (2016), because of strict legislation, laws and regulations governing public procurement, very few (if any) strategic partnerships are formed in the value chain of procuring goods, services and works. As such, if this would exist, it will be seen as favouritism and not complying with procurement processes that must be fair, equitable, transparent, competitive and cost-effective. The said procurement system discourages any form of negotiation to benefit from the economies of scale as it is performed in the private sector (Baily et al. 2005).

Against the above backdrop, public procurement is viewed as having the following shortcomings that could improve service delivery if solved (Ambe 2016). Some of these shortcomings include the perceived lack of interest expenses and other inventory carrying costs, lack of logistics and transportation expertise. It further lacks confidentiality about the dealings with suppliers (as required by law to be transparent in terms of section 217 of the Constitution). In public procurement, there is a greater emphasis on competitive bidding as opposed to negotiation in the entire procurement process. Also, there is a huge focus on the purchasing price rather than the total cost of ownership (TCO), whilst collaboration and long-term relationships with suppliers are not permitted in compliance with the country's legislation (Arrowsmith 2010).

Therefore, some of the above processes have implications for the public procurement system to deliver effective and efficient public services. As it is in most cases, efficiency and effectiveness are not achieved. For example, buying a simple pen or stationery might end up costing the government entity even three times the actual cost of that stationery considering the time it takes to start and conclude the

procurement process, that is, the lengthy lead-time in government entities.

Furthermore, in most cases, the involvement of 'inactive' middlemen also unnecessarily increases the price of a commodity as they also have to add their own profit margin, which is not adding value to the actual commodity that is being procured. Whereby, value-added is the difference between the price of product or service and the actual cost of producing it, of which the middlemen add no value yet their involvement increases the commodity price.

The concept of private sector procurement

Contrary to the public sector perspectives on procurement, the private sector views procurement as a key element of supply chain management. As it stands, the private sector runs its operations revenue from selling goods, services and works as compared with tax revenues for public sector operations (Estampe et al. 2013). Furthermore, the private sector is governed by business plans approved by the board of directors of private corporations and they are also being guided by market forces of demand and supply to stay afloat (Mangan & Lalwani 2016). Private sector corporations are mainly driven by profit motives to occupy a bigger market share. Because there are no strict 'operational' legislation, laws and regulations as compared with public sector organisations, the private sector embraces and survives by forging collaboration and long-term relationships with its suppliers. In so doing, the private sector succeeds in capitalising on its strength of bulk buying and negotiations.

According to Mangan and Lalwani (2016), private sector procurement is mainly focused on a process of identifying and obtaining goods, works and services as it relates to source, purchase and it covers all activities from potential suppliers' identification to delivery to the final consumer. The private sector is said to succeed in matters relating to effective and efficient operations when it comes to communicating and negotiating with its service providers (Ambe & Badenhorst-Weiss 2011). Because the private sector views procurement in the context of the whole supply chain management, it promotes and embraces customer and supplier relationship management for its benefit in increasing the market share. The private sector is receptive to innovation and entrepreneurship development through its products and operations (Appiah 2010). Furthermore, the private sector enjoys benefits from technological advancements, confidentiality and strong strategic partnerships with all its key stakeholders, resulting in more collaborations that benefit the company operations. Considering skills set in the private sector, Appiah (2010) further indicated that education levels and work experiences are relatively higher in private sector procurement operations as compared to government entity procurement operations.

Furthermore, the staff turnover rate is far less in the private sector compared with the public sector, meaning that employees stay longer with their current private sector

employers (Aketch & Karanja 2013). Through this, private sector procurement officials get more in-depth experience, which makes the private sector organisation stronger in terms of skills set and operational efficiency, leading to large market share and profits. Competency is the key factor in the private sector for its optimum operations, where competency refers to an application of knowledge and skills, performance delivery and the behaviour required to get things done properly (Aketch & Karanja 2013).

According to Russell (2004), the absence of adequate knowledge in procurement matters may end up with serious consequences, including breach of codes of conduct and loss in revenue from sales for the private sector. Banda (2009) added that many public sector organisations do not have employees with the right competency that is critical for good procurement processes. As a result, a considerable and continuous investment is needed in training, development and professionalisation of procurement officials, especially in the public sector (Sultana 2012), so that procurement functions are carried out professionally to boost the core of delivery of public services, thereby realising value for money (Berger & Humphrey 2007). Thus, ultimately boosting a high level of staff competence that can ensure new products and services is brought to the attention of the right personnel in the organisation.

Hindrances because of public procurement operations

Various challenges are related to public procurement as they affect speedy service delivery in South Africa. Mostly, these relate to governance and legislative challenges, pre-tendering, tendering and post-tendering challenges, which are discussed next.

Governance and legislative practice challenges

As described by Ambe and Badenhorst-Weiss (2011), the poor links between the needs analysis, planning, demand and budget management in government entities are some of the challenges related to governance and legislative practices. The above procurement processes are critical as they affect the strategic plan or direction of a government entity, which leads to performance plans being drafted and then translated to procurement plans. The plans must be submitted to the relevant treasury before the beginning of each financial year for local, provincial and national government entities (Ambe & Badenhorst-Weiss 2011). Furthermore, there is a challenge relating to capacity, adequate knowledge and skill set needed to execute proper procurement operations. In this case, education, training and development are needed in the public procurement operations and this includes all the value-chain officials in the entire procurement process: managers, practitioners, end-users and even to go as far as service providers (Hunja 2003). Non-training of the above key stakeholders often leads to non-adherence of public procurement laws and regulations, which might lead to disqualification of bidders for irregular reasons or awarding of bids to non-compliant suppliers, thereby triggering protracted and costly litigation (Van Zyl 2006).

One of the most prevalent challenges in public procurement is fraud and corruption; it spreads like cancer to infect and affect almost everyone in the country, including civilians, politicians and officials (Gumede 2017). One of the reasons why corruption spreads like wild fire is because there are no consequences if one is caught committing fraud or corruption; in most cases, they get re-deployed to another government entity or foreign country diplomatic missions (Mahlaba 2004).

The importance of a professional or regulated body in the field of public procurement is important to try and curb such incidences. To protect government resources from being misappropriated by fraudulent and corrupt individuals or syndicates, measures such as transparency and accountability should be strengthened in all respects (Jeppesen 2010). There are institutions established by the state to curb misappropriation of government resources, such as Special Commercial Crimes Unit and Assets Forfeiture Unit; however, their effectiveness is yet to be realised after more than two decades they were established (De Lange 2011). Furthermore, the establishment of strong monitoring and evaluation systems specifically designed for public procurement is urgently needed to curb fraud and corruption in South Africa.

Pre-tendering stage challenges

Public organisations are often having challenges relating to poor demand management and poor procurement plans in its procurement operations (Ambe 2016). This results in needs analysis not being conducted properly, which might lead to poor specifications or terms of references leading to wrong products being procured and being unfit for purpose in terms of quality and quantities. In some instances, unbudgeted procurements are conducted, leading to unauthorised and irregular expenditures. According to Ambe (2016), non-competitive bidding procedures are often abused, such as in the quotation system, where procurement practitioners often call for quotations from various service providers and tell their respective preferred bidders to submit their offers in the last to monitor the lowest bidder and then outbidding the lowest bidder to win a tender. This is mainly because of lack of confidentiality from the officials as the leaking of information to other bidders 'connected' to the officials and that on its own could lead to the abuse and the compromise of the public sector procurement processes.

Tendering stage challenges

During the tendering stage, a couple of challenges are observed in the form of an inadequate publication of bids without any formal approvals as per the requirements of public procurement regulations (Ambe 2016). As it stands, the accounting officer should approve with reasons if bids are not published for a duration of 21 days as a standard procedure in terms of Public Finance Management Act Treasury Regulations and Municipal Supply Chain Management Regulations. Otherwise, such procurement becomes irregular during the auditing cycle if no necessary approvals were obtained in due course. Sometimes public

procurement practitioners get tempted to change the evaluation criteria after the bids closing date, which is prohibited in terms of the current regulations and its associated instruction notes and circulars. During the evaluation process, government officials appointed in bid committees often do not declare their interest as they closely know or have a relationship with one of the bidders as dictated by the procurement regulations (Corruption Watch 2018). Similarly, bidders also often do not declare their interest in one of the standard bidding documents as required by procurement regulations.

Also, there are 'silent' reports of political interference in the bidding and awarding of tenders, which sometimes allows service providers who are not suitable to perform the advertised assignment to be accepted and later win the bid (Corruption Watch 2018). In such instances, more often the product that comes out of that process is invalid or not suitable for the needs of an organisation or products never get delivered at all, which mostly result in fruitless and wasteful expenditure. Sometimes during the tendering stage, there is also a challenge relating to collusion between the suppliers themselves in a bid-rigging process. According to the Corruption Watch (2018), it is reported that sometimes the officials and service providers also collude through bypassing some public procurement regulatory processes, which amount to criminal conduct as it relates more to corruption, bribery and embezzlement of state resources.

Post-tendering stage challenges

Some challenges also relate to the post-tendering stage where service level agreements are often poorly drafted or deliberately drafted to suit certain favoured service provider(s) (De Lange 2011).

If service-level agreements are poorly drafted, it often results in a wrong or poor-quality or quantity product being procured, leading to fruitless, wasteful and sometimes irregular expenditures. Sometimes there is poor management of the contracts that are signed between the government entity and the service provider, resulting in none or poor delivery by a contracted service provider. As a result of poor contract management, often there is fictitious payment advice or late payments that are claimed, whilst stages of the project or delivery are not done at all or are done poorly (Ambe 2016). If contracts are poorly managed, the effect is mostly the poor-quality products being delivered, leading to no value for money derived from such procurement processes. One major concern with regard to poor contract management is always the contract extensions or variations or expansions, which if not properly managed results in irregular expenditure (Rose-Ackerman & Palifka 2016).

Modelling the private sector operations in public sector for service delivery

As it is well known, the private sector continuously improves its procurement processes for new techniques and systems which the public sector struggles to adopt because the public

sector does not embrace modernisation and innovation. This is not to omit the fact that the public sector operates under unique conditions of legislation and tight political environment, which does not apply to the private sector; however, there is always room for improvement and hence this article is written.

Procurement planning

Usually in private sector corporates, procurement planning plays an important role in the entire value-chain process. This is because procurement plans clearly set the tone in terms of specific details of products that are needed by a specific unit of a private corporate or firm. Basheka and Mugabira (2008) indicated that procurement planning always attempts to answer critical questions relating to what must be procured and why, how soon are those commodities needed (when), are there available sources to buy domestically or only abroad (where), will it be a competitive bidding or pure negotiation (how) and what operational impact will be experienced by the user should the procurement be delayed or fail (risk assessment). Procurement planning also tries to strike a balance between the user requirements and the lead-time if it is realistic or not; and if it is not really what are other alternatives to the best service the user needs to avoid disrupting the firm's operations (Basheka & Mugabira 2008).

All of the above critical questions are often answered honestly with integrity to ensure a smooth and successful private sector procurement process. On the contrary, although some of the questions are also applicable to the public sector, they are only a tick-box exercise without realising their importance by all those involved in answering these important questions. Hence, this article would suggest that all government entities should have all of these questions in their procurement planning pack and answer all of them honestly with integrity and not just a tick-box exercise for compliance. In this regard, the National Treasury can ensure meaningful compliance through its structures such as the governance, monitoring and compliance unit currently housed in the Office of the Chief Procurement Officer.

Efficient and effective communication

According to Ambe (2016), communication is always rare between the public procurement operations and its prospective suppliers. The first official and allowed communication is when the government entity advertises a tender for bidders to submit their proposals. Ambe (2016) stated that the second communication is during the tender briefing, which is not always applicable as some tenders do not need a tender briefing. If it is applicable it is often too late for suppliers to plan properly for an effective delivery, which mostly affects service delivery. As a result of poor and ineffective communication from public procurement operations, some suppliers get frustrated, which then affects their planning for proper delivery, thereby stifling innovation (Lichere & Martor 2007). Unlike in the private sector, future procurement needs are clearly communicated to the role-players, such as suppliers, well in advance to allow suppliers

to prepare for proposals that get evaluated on merit and not according to cronies and friendships. Therefore, public procurement operations should adopt this style of communication which will benefit mostly the suppliers, who in turn will deliver on time, good quality and quantity, thereby boosting service delivery (Lichere & Martor 2007).

Staff competency

Competency is basically defined as doing things properly and correctly by applying the learned knowledge, behaviour and skills over some time (Mante et al. 2020).

There is also a notion that the public sector needs to multi-skill its employees for any future opportunities. In a survey conducted by Manyathi (2019), a question was posed as to whether there is a relationship between non-compliance and training of officials on public procurement prescripts. Of the 338 public procurement officials surveyed, a combined 91% of respondents agreed with the above statement, meaning that the need for training public procurement officials is high for them to comply with legislation. It is believed that training of officials will yield better results in improving procurement competencies in government entities. The most important thing to differentiate is whether the training must be formal qualifications or skills programmes, that is, a 'know-how' process. Around 97% of respondents suggested the need for suitable training on procurement legislation to improve service delivery (Manyathi 2019). This is an indication that not only training is needed to uplift the skills of procurement officials but also suitable continuous education, training and development are needed to improve service delivery.

According to McGuinness and Bauld (2004:28), there is a huge need for training and qualification to ensure the value-based performance of the team members. The purpose is to contribute towards the team performance and the government entity as a whole not just supervising procurement but broadly for service delivery improvement. Based on the given discussion, public procurement can learn a thing or two to ensure team performance and improve service delivery in its operations through training and upskilling of public procurement officials. Berger and Humphrey (2007) emphasised the need for carrying out a procurement function in a professional manner to improve on service delivery objectives.

Procurement procedures

For private corporations to achieve their strategic goals, there are often well-stipulated procurement procedures outlined upfront and they are amended from time to time to suit the current operating environment for the firm to increase its market share and also to increase profits.

Akaninyene and Mark (2015) suggested that there should be standard operating procedures well developed in advance to ensure that needs analysis, supplier selection, contract terms and payment of suppliers are all carried out correctly to ensure optimal performance of the firm.

However, in public sector procurement, there is more non-value-adding bureaucracy featuring poor communication, with a strict focus on the unit cost or price of a commodity rather than building long-term supplier relationships (Baily et al. 2005). Therefore, this often leads to poor or non-achievement of government policy objectives, resulting in poor service delivery. Hence, it is important for government entities to also have a well-developed set of procurement operating standards to model upon each time there is procurement to be made.

Separation of duties is important to avoid temptations to manipulate public procurement processes and to ensure effectiveness and efficiency that will ensure compliance and improved service delivery. However, separation of duties requires almost zero vacancies and often government entities do not prioritise filling of procurement vacancies, leading to a single person performing multiple tasks and thus widening the gap for fraud and corruption. On the other hand, public procurement practitioners always find a way to circumvent the system and still commit fraud and corruption and it feeds back to the issue of morals and ethics (Fourie 2009).

Resource allocation

Proper resource allocation in private firms is prioritised for optimum procurement operations to meet all the needs of a private corporation. According to Mante et al. (2020), resource allocation is defined as a process by which resources and assets of a private firm are used to the best possible way to execute a specific project or operation.

Resource allocation begins with the formulation of a company's strategic plan to achieve its vision and mission by optimally utilising the available resources to the best benefit of the company. At the core of their operations, private firms use strategic plans, operational guidelines and procedures to minimise operating costs and maximise profits and also to grow the business and occupy an even bigger market share (Bhattacharya, Hasija & Van Wassenhove 2012).

On the contrary, according to Gumede (2017), resources and assets in government entities are meant to benefit the public in terms of service delivery; however, because of embezzlement and maladministration state resources vanish into thin air without a trace. Furthermore, resources as important as they are in government entities' operation, they are often not recognised as strategic enough to be protected and used optimally as it often gets abused and misappropriated by those regarded as stewards of public resources. Hence, the recommendation would be to have strong risk management mechanisms; otherwise, the floodgates of looting and embezzlement will be wide open on public resources as we witness revelations in the Judicial Commission of Inquiry into Allegations of State Capture. Therefore, a close monitoring process must be carried out on all key stakeholders including suppliers and government officials to ensure value for money on state resources.

Furthermore, a process of genuine and quality public auditing will ensure that government resources are used for the intended purpose of improving service delivery.

Procurement performance

In the private sector, there is always a link between proper procurement processes, effectiveness and high organisational performance in meeting its strategic goals (Van Zyl 2006). As such, high performance in procurement drives a company's competitive advantage, improves the quality of offered commodities and also assists corporates to reduce operational costs and increase profitability.

According to Smith (2004), private companies usually adopt the following seven factors that influence their procurement for better operations performance: crystal clear procurement strategy, proper information management, proper control systems, expertise development, proper corporate management strategy, proactive entrepreneurial approach, and focused and coordinated efforts. Smith (2004) further stated that private companies evaluate suppliers before awarding or selecting them, which improves their procurement operations performance. As such, there are five phases of selecting and evaluating suppliers that are generally used in private companies. These are realising a need for a supplier, formulating and determining the decision criteria, pre-qualification criteria, selection and monitoring of the final supplier.

In the case of public procurement, rigid processes delay service delivery mainly because of poor procurement planning and poor procurement execution (Ambe & Badenhorst-Weiss 2011). The current procurement processes legislated through the National Treasury Supply Chain Management (SCM) policy frameworks are very basic and cater mostly to general goods and services, with a focus on final price not viewed holistically as supply chain management. Furthermore, the requirement has always been that when interpreting public procurement processes as a government strategic function, there should be an integration of different procurement commodity sectors for a better procurement performance. A standardised dispute mechanism is also needed to ensure high performance of procurement processes in South Africa that would reduce the time spent in courts and litigation costs for both suppliers and the government, leading to an improved service delivery (Manyathi 2019).

Risk allocation

In private procurement, the risk is always allocated to the party or stakeholder that can better manage it at a minimal cost possible (Estampe et al. 2013). Therefore, public procurement should also adopt an approach similar to risk management strategies. Basically, risk management in procurement relates to a proactive action to observe, assess, identify, avoid and justify to certain acceptable levels the negative effects that are thought to hinder government objectives in service delivery (Arrowsmith 2010). Furthermore, public procurement officials should be able to

identify, mitigate and allocate different risk categories as early as possible to ensure value for money in public procurement, thereby improving service delivery. As such, poor strategies on risk management often lead to corruption and fraud, which often result in poor service delivery or embezzlement of public resources. Therefore, the National Treasury should urgently develop and implement an effective risk management framework specifically for public procurement operations.

Greater visibility

Private companies ensure that they make their future procurement plans or needs visible in advance to allow suppliers to plan accordingly (Estampe et al. 2013). Therefore, public procurement should also adopt this style of visibility to communicate in advance because in some specialised economic sectors suppliers need to invest in product research and development for a minimum period of 1 year before a specialised product is available in the market. As a result of the unpredictability of public procurement operations, the majority of suppliers are reluctant to invest in products needed by the government as there is no guarantee or certainty about the next government needs.

Therefore, public procurement operations should adopt the approach used by private companies to be predictable about the future government needs to stimulate and encourage new research, development, diversity and innovation on new product offerings. Government entities need to enforce the visibility of its future tenders to allow suppliers to be ready, as private sector procurement is always running innovations to better serve its market for better competitive advantage. This helps private companies to increase competition and allow suppliers to become involved in the firm's plans; the public sector can also adopt a similar approach for service delivery improvement.

Greater opportunities for innovation

The private sector constantly improves their processes that create new systems, innovations and techniques; however, this is not the case in public sector procurement (Knutsson & Thomasson 2014). Supplier development is important in the private sector, which promotes supplier innovation for better quality, faster delivery (shorter lead-time) and reduced non-value-adding costs in the entire supply chain management process. Effective supply chain management has a huge potential for innovative suppliers and alternative product offerings. Therefore, public sector procurement should adopt this approach used in private sector procurement to promote innovation and allowing suppliers to manoeuvre their offering to realise value for money by government entities. In the private sector, if a supplier offers a better option to the one that was requested by the firm, private corporates allow an alternative offering. A similar process should be followed by government entities to save a huge amount of money that can be used elsewhere to improve service delivery.

Better flexibility

In the private sector, most suppliers offer better solutions through various opportunities because of the private sector's flexibility, which can be identified easily in the supply value chain to improve quality, shorten lead-times, reduce operational costs and increase profits. However, public procurement operations are not so good when it comes to flexibility (Jordaan & Fourie 2013). This is because its tender terms and conditions including specifications and terms of reference do not allow innovations, negotiations and better options. Innovative and emerging suppliers find it difficult to service the state because of the above restrictions, and this is the opposite in the private sector. One of the key inflexibility challenges is the fact that negotiations are not allowed in public procurement; for a little that is allowed, it is restricted to the very last shortlisted and preferred supplier because negotiations are generally regarded as breeding corruption and fraud (Lundvall, Tops & Olesen 2008). Although some of the restrictions are meant to curb corruption and fraud, however, it would be counterproductive to impose red tapes that deliver no public services. All that done in the name of curbing fraud and corruption can be curbed by all other means that will not affect service delivery negatively. Therefore, it is suggested that public procurement operations should be flexible enough to capitalise on the best value for money, possible good quality and best service delivery.

Conclusion

Recommendations and conclusion

As far as this study is concerned, there are various key recommendations to be put forward in trying to make public procurement operations efficient and effective for the betterment of service delivery. Such key recommendations include better risk categorisation, in that public procurement operations should adopt methods used by the private sector in risk identification, mitigation and allocation as early as possible to ensure value for money. Furthermore, there should be greater flexibility to allow for supplier's innovation more especially as the public sector lacks skills when it comes to drafting correct specifications and terms of references. Flexibility is highly needed as it will ease the challenge of negotiations and long-term relationships that are not allowed in public procurement; for a little that is allowed, it is restricted to the very last shortlisted and preferred supplier because negotiations are generally regarded as breeding corruption and fraud.

Effective communication is recommended in public procurement operations because communication is always rare between the public procurement operations and its prospective suppliers. Communication is mainly performed during the advertisement of bids and maybe during the tender briefing sessions, if applicable. Effective communication will help service providers to be better prepared for the upcoming government needs to start the research and development for new innovative products. Therefore, public

procurement operations should adopt this style of communication, which will benefit mostly the suppliers who in turn will deliver on time, good quality and quantity, thereby boosting service delivery.

Furthermore, there are recommendations relating to better procurement planning and staff competencies as they relate to public procurement. Properly drafted procurement plans by competent officials help answer some critical questions of what must be procured and why, how soon are those commodities needed (when), are there available sources to buy domestically or only abroad (where), will it be a competitive bidding or pure negotiation (how) and what operational impact will be experienced by the user should the procurement be delayed or fail (risk assessment).

Procurement planning also helps to balance the user requirements and the lead-time if it is realistic or not, and to devise other alternatives to the best service the user needs to avoid disrupting the government operations.

In conclusion, the main aim of this article was to explore possible means of adopting some of the effective private sector procurement processes discussed here into public procurement processes.

As a result, the article provided a synopsis of the problem and purpose statements and the main research question. It also reviewed the literature relating to the relationship between theory and research and unobtrusive research methods that were used in this study. It also discussed service delivery as a core government mandate, various service delivery hindrances, the concept of public sector procurement and the concept of private sector procurement. There was also a discussion of some hindrances caused by public procurement processes as it relates to governance and legislative practices, pre-tendering stage, tendering stage and post-tendering stage challenges. Furthermore, there was a discussion on how to model the private sector processes for service delivery improvement.

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Competing interests

The authors have declared that no competing interests exist.

Authors' contributions

S.M., A.P.J.B. and N.L.M. contributed equally to this work.

Ethical considerations

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