

Report On
The Process of the Proposal Evaluation in Public Procurement of
Bangladesh for Selection of Consultancy Services

By

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A report submitted to BRAC Institute of Governance and Development in partial fulfillment
of the requirements for the degree of Masters in Procurement and Supply Management
(MPSM)

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Declaration

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at BRAC University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I have acknowledged all main sources of help.

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Letter of Transmittal

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Subject: Submission of Report

Dear Sir,

It is my pleasure to inform you that this is my report on PSM665 which I have completed under your supervision regarding requirement for the degree of 'Master in Procurement and Supply Management' conducted by BIGD, BRAC University,.

I have put my efforts attentively to complete this report as per your guidance and accomplished propositions from my best understanding in a comprehensive manner as possible.

I believe on higher level trust to meet the desires from the report.

Sincerely yours,

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Date: August 14, 2022

Non-Disclosure Agreement

[This page is for Non-Disclosure Agreement between the Company and The Student]

This agreement is made and entered into by and between Brac Institute of Governance and Development (BIGD) and the undersigned student DOYANANDA DEBNATH, Student ID # 20282023 at BRAC University dated 14 August 2022.

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Executive Summary

In the selection process of consulting services, the employer requires to assess firm's ability to deliver consultancy which is an intangible product. Notably it is identified as service procurement function according to PPR 2008 and PPA 2006 of Bangladesh government. The main problem in purchasing consultancy services appears to relate to judging for selecting the consultant. The complexities in selection process and subjective evaluation criteria are the main issues that arise while selecting consultants due to absence of explicit guideline in procurement of services. In Bangladesh perspective, there are also other several challenges like deficit of short-listing, time consuming efforts and inadequate evaluation that are being observed during consultant selection process under the function of service procurement. An average of fifteen month time span is required to complete an evaluation process in service procurement which is really not justified. During service procurement, there are many tasks that need to perform and, thus a larger time is required to accomplish these tasks. Furthermore, the absence of explicit evaluation criteria leads subjective analysis in the evaluation process which is not judiciary. So it is imperative to introduce an explicit guideline for service procurement selection process and also important to achieve active participation from the persons involved in selection process. The time lag observed in consultancy selection process can also be managed through nondiscriminatory treatment of all stakeholders involved and can be reduced dramatically.

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Acronyms

| | |
|-------|---|
| BEZA | Bangladesh Economic Zones Authority |
| BSMSN | Bangabandhu Sheikh Mujib Shilpa Nagar |
| CCGP | Cabinet Committee for Government Purchase |
| COS | Community Service Organizations Selection |
| CPTU | Central Procurement Technical Unit |
| CQS | Consultant's Qualifications Selection |
| CV | Curriculum Vitae |
| DCS | Design Contest Selection |
| EOI | Expressions of Interest |
| FBS | Fixed Budget Selection |
| GCC | General Conditions of Contract |
| GOB | Government of Bangladesh |
| HOPE | Head of a Procuring Entity |
| ICS | Individual Consultant Selection |
| IT | Information Technology |
| ITC | Instructions to Consultants |
| LCS | Least Cost Selection |
| LGED | Local Government Engineering Department |

| | |
|------|-------------------------------------|
| LOI | Letter of Invitation |
| PCC | Particular Conditions of Contract |
| PE | Procuring Entity |
| PEC | Proposal Evaluation Committee |
| PMU | Procurement Management Unit |
| PPA | Public Procurement Act |
| PPR | Public Procurement Rules |
| QCBS | Quality and Cost Based Selection |
| REOI | Request for Expressions of Interest |
| RFP | Request for Proposal |
| SSS | Single Source Selection |
| TOR | Terms of Reference |
| WB | World Bank |

Chapter 1

Introduction

1.1 Background

The public procurement history in Bangladesh began when you consider its independence. The legal regime of public procurement in Bangladesh changed into adopted from processes and practices utilized in the British generation and it was used for the motive of public procurement processing considering our independence. In 1988, the government initiated a country Procurement evaluation in collaboration with the World Bank (WB) that identified several deficiencies inside the procurement gadget of the government of Bangladesh (GOB) including the absence of a sound felony framework governing public area procurement, complex bureaucratic process inflicting postpone, loss of ok expert competence of personnel to control public procurement, a terrible fine of bidding documents and bid evaluation in widespread, ineffective administration of contracts, absence of an adequate mechanism for making sure transparency and responsibility. Based on the study output, the WB group recommended installing a public procurement technical unit, introducing public procurement procedures and guidelines, streamlining the procurement system and financial delegation, developing procurement management capability, publishing contract awards, and introducing appeal techniques.

The government introduced a procurement reform in September 2003 after a threadbare reviewing process and replaced all public procurement guidelines, procedures and practices that were existed since its independence (CPTU, April 2008). Later on, based on the experiences gained through the reform process, the Public Procurement Act 2006 (PPA 2006) and Public Procurement Rules 2008 (PPR 2008) have been introduced and the government of

Bangladesh made them effective in the procurement function since 2008. These are being used for purchasing of Goods, Works and Services in government purchases. Notably, the public procurement function was very difficult and unsystematic and before introducing PPA 2006 and PPR 2008.

However, the process has been systemized in government purchases, the experience shows that there is time lag and exists of subjective evaluation in service procurement. From the working experience, it is observed that the average time taken for selection of consultant is about seven to nine months in government procurement. As example, Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN) Development Project implemented by Bangladesh Economic Zones Authority (BEZA) has taken around *fourteen months* average time for selecting a consulting firm (BSMSN Development Project 2022). There is also complexity and ambiguity exists in selection of consulting services too. The World Bank additionally reports that the selection of consultant following ‘Quality and Cost Based Selection (QCBS)’ method requires approximately fifteen months for a large assignment (Consulting Services Manual 2006).

It is reported that the service procurement function has increased than before and it represents a significant proportion expenses for many organizations (Stella Heinis *et. al.* 2021; van Weele, 2010). So the question comes around the table regarding effective service procurement function in government purchase activities to ensure its smooth implementation.

1.2 Objective of the Study

The study objective is “How to improve the procurement process of Consulting Services?” The experiences show that the service procurement faces many challenges, particularly in government procurement of Bangladesh. It is thus plagued to identify the effect of challenges that observed in service procurement and the remedy to overcome it.

1.3 Study Methodology

The government purchases including goods, works, and services procurements are conducted following the government's public procurement rules. To achieve the objective of the study, the study has mainly accumulated both primary and secondary data. In this regard, the primary data is mainly used from individual interviews and the secondary data is accumulated from different sources like project documents, reports etc. It is notable that this study is not only limited to formal data sources but also used personal experiences.

1.4 Limitation of the Study

A time frame is provided by the university authority to finish this paper writing and thus the study was carried out within the stipulated time. The study focuses on the procurement of services followed by PPR 2008 and PPA 2006. In the study, the challenges of service procurement and their implications were identified that was really a challenge to address all issues to accomplish this paper in a full manner.

1.5 Outline of the Paper

This paper contains four chapters including background, study objective, methodology, limitation of the study and outline of the study that are described as Introduction in Chapter 1. The following chapters describe the Service Procurement Framework in Chapter 2, Study Analysis and Findings in Chapter 3, and Recommendations and Conclusions in Chapter 4. Each chapter further divided into section and sub-sections as and when required. The list of references used in this paper is listed at the end of the paper.

Chapter 2

Service Procurement Framework

2.1 Service Procurement Review

In public procurement, the procurement activities are generally categorized as three types such as goods, works, and services. In general, the services or consulting services are intangible and mostly recognized as professional nature that barely different from goods and works. As Philip Kotler (2016) says that the service is any activity or benefit that one party can offer to another which is essentially intangible and does not result in the ownership of anything. If we put our eyes at the different studies we found that the world economy exhibits the shifting towards a service economy enhanced the significance of services procurement in purchasing function (Smeltzer & Ogden, 2002). But the sourcing of services is generally acknowledged to be more intricate than the purchasing of goods (Ellram et al., 2007; van der Valk & Rozemeijer, 2009). It is connected to substantial challenges which include a high risk of failure (van der Valk & Wynstra, 2012). In this respect, dealing with the perceived incompetency related to service procurement and evaluating the reasons that generate it, is a challenge not only for practitioners but also for scholars.

The consulting service generally involves in different forces like managerial role, supervision role, supporting role etc. and is very crucial for the receiver. As we know it is a professional nature provided by consultants using their skills that may vary from simple routine tasks to highly specialized and complex assignments. The consulting services should satisfy high standards of quality, be impartial and maintain highest ethical standards. So the consulting service quality should be very high so that a more effective, efficient and economic use of resources should be ensured. The consultant whether it is individual or firm, should provide the best possible service to the client through their best possible use of resources. Through their

quality activities the consultants take part in the higher and sustainable socioeconomic growth in the country. The consultant also provides their service in the point of view that they should maintain the quality management or quality assurance in their activities such as in the planning, design, and implementation to achieve desired standards of service.

So, as stated by the World Bank (2017), there are three points such as quality, efficiency and economy; fair competition; and transparency that should be always in mind during selection of consultants. The consultants provide clients with the best possible advice by translating creativity and knowledge advances into innovative, efficient and cost-effective services. Thus the quality of consulting services comprising technical quality and impartiality is the main objective of any selection process. Furthermore, a transparent selection process increases the quality of competition by creating an environment of trust between the parties involved, reducing perceived and actual business risks for consultants and minimizing the occurrence of complaints and claims. Transparency dispels the suspicion of unfairness in the selection process.

2.2 Service Procurement Methods in PPR

As per Rule 103 & Rule 104 of PPR 2008 adopted by the Government of Bangladesh in public procurement (CPTU, April 2008), there are *eight methods* of intellectual and professional services procurement. Depending on the nature and complexity of assignments, the different methods specified in PPR 2008 may be used. But the *two methods* namely *Quality & Cost Based Selection (QCBS)* and *Fixed Budget Selection (FBS)* shall be the preferred options for selection of consultants specified in Rule 103 of PPR 2008. The QCBS method is the preferred method that shall be used in most cases and shall take into account both quality and cost of the proposal for a particular assignment. On the other hand, the FBS method is appropriate only when the assignment is relatively simple and can be precisely defined and the budget is fixed.

Other methods for procurement of intellectual and professional services may also be used under the conditions set-out in Rule 104 of PPR 2008 with the prior written approval of the Head of a Procuring Entity (HOPE) or authorized officer. These are *six methods* such as *Least Cost Selection (LCS)*, *Consultant's Qualifications Selection (CQS)*, *Community Service Organizations Selection (COS)*, *Single Source Selection (SSS)*, *Design Contest Selection (DCS)* and *Individual Consultant Selection (ICS)* that can be used for the selection of consultants as specified in Rules 107 to 112.

2.3 Consultant Selection Process under QCBS

Among the different selection processes of consulting services specified in PPR 2008, the most preferred and widely used method is QCBS which uses a competitive process among short-listed firms that takes into account the quality of the proposal and the cost of the services in selection of successful firm. As it is considered as a judiciary, universal and standard process among all selection processes, the selection process of this method, which is more or less similar to other selection processes too, is described briefly in this section for making an understanding about the challenges of service procurement. The selection process of QCBS method shall include several steps as specified in PPR 2008 and these are identified or mentioned as *preparation of TOR*, *preparation of cost estimate*, *preparation of short-listing criteria*, *preparation of REOI and advertising*, *receiving and evaluation of EOIs*, *short-listing of firms*, *preparation and issuance of RFP*, *receipts of proposals both technical and financial*, *evaluation of technical proposals and ranking qualified applicants*, *opening of all qualified financial proposals and evaluation*, *preparing of combined evaluation considering quality and cost*, *negotiation*, and *award of the contract to the selected firm*.

The Procuring Entity (PE) is responsible for preparing the Terms of References (TOR) for the assignment and the scope of the services described in the TOR shall be compatible with the

available budget. For service procurement, the PE is required to prepare and publish a Request for Expressions of Interest (REOI) and receives EOI proposals accordingly. The firms that possess the relevant qualifications are considered for short listing and it comprises four to seven firms as specified in PPR 2008. Later the request for proposal (RFP) including letter of invitation (LOI), instructions to consultants (ITC), data sheet, general conditions of contract (GCC), particular conditions of contract (PCC), terms of references (TOR), and other particulars using standard formats issued by CPTU with minimal changes to address project-specific conditions is issued by PE that indicates the estimated level of experts' time inputs and deliverables. The PE allows enough time for submission of proposals and may arrange pre-proposal meeting to clarify the issues before the firms about provided in RFP document. The consultant should submit both technical and financial proposals at the same time. If nothing mention otherwise in the RFP, the submitted proposals should be opened by the Proposal Evaluation Committee (PEC) and must be read aloud the consultants' names in the presence or absence of consultants without opening the envelopes of financial proposals as specified in the Rules.

The assessment of the proposals will be performed in two stages: first the technical and second the cost. The PEC shall evaluate each technical submission by using specified assessment criteria that shall be accomplished in full conformity with the provisions of the RFP. The technical evaluation shall bear in mind the criteria and sub-standards indicated in RFP. The RFP shall describe each such criterion and sub-criterion at the side of their relative maximum ratings and reveal the overall minimal technical score under which a proposal could be rejected as nonresponsive. The indicative range for the general minimal technical rating is 70 on a scale of one hundred. The maximum or minimum rating for every criterion shall be determined based totally on the nature and complexity of the task. However, the technical evaluation criteria may include as (i) firm's relevant experience for the assignment; (ii) quality of the methodology

proposed; (iii) qualifications of the key experts proposed; and (iv) transfer of knowledge, extent of the participation, attachment to the firms, languages etc. that may be allocated within the indicative range of scores specified in Table-1.

Table 1: The indicative range of scores allocated in different criteria

| Criteria | | Score Allocated (out of 100) |
|---|----------------|---|
| Firm's specific experience | : | ≤ 10 |
| Methodology and approach | : | 10 to 20 |
| Qualifications of key experts | : | 30 to 60 |
| Transfer of knowledge, extent of the participation, attachment to the firms, languages etc. | : | ≤ 10 |
| | Total : | 100 |

The PEC reviews each criterion and sub-criterion which must be accurate and complete. An offer will be rejected if it fails to reach the general minimum technical score certain indicated in RFP. After the entirety of the technical assessment, the PE notifies the applicants for opening financial proposals that have secured the minimal overall technical score. The financial proposals will be opened in the presence of representatives of the experts who choose to attend. The name of the representative, the technical scores, and the offered prices shall be read aloud and recorded while the financial proposals are opened.

It is noted that the financial evaluation is carried out once the technical evaluation is concluded. The PEC evaluates the financial proposals following the procedures stated in RFP. The lowest offered price is marked 100 as financial score and other proposals are scored with the weightage of inversely proportional to their prices as specified in RFP. The full combined rating is generally acquired by using the weighting of 80:20 for the quality and cost rankings and adding them if it is not mentioned otherwise in the RFP. The firms which secured highest combined

score are invited for negotiation before the PEC and negotiated on scope of services, inputs, conditions of contracts etc. without any substantial altering from the TOR.

If the negotiation with the highest ranking consultant fails, the negotiation may take place with the next ranked consultant and so on until the negotiation gets success. After successfully completed negotiations, the selected firm shall be awarded a notification of contract following the procedure of contract specified in RFP.

The selection methods other than QCBS are also similar and all provisions of QCBS shall apply for other methods of selection unless a different provision has been specifically identified in RFP.

2.4 Consultant Selection Complexities

Depending on the selection method adopted the process carried out by the client or procuring entity, we understood that the step follows from preparation of the Terms of Reference (TOR) of the assignment to negotiations and signing of the contract between the client and the consultant. It is generally reveals that the selection of consultants is a time-consuming procedure compare to the selection of contractor or supplier for works or goods. The process of consultant selection in service procurement should be done rightly by following the Rules and Guidelines. There are five main considerations in the government public procurement policy (PPA 2006 & PPR 2008) that guide the selection process. These are- (i) the need for high quality services; (ii) the need for economy and efficiency; (iii) the need to give all eligible consultants an opportunity to complete in providing the services; (iv) the need to encourage the use of national experts; and (v) the need to have transparency and efficiency.

The fair competition, quality, impartiality, and economy must be ensured in the selection process of consultants. The consultant selection process must be completed strictly followed by procedures and guidelines. But it is questionable about criteria and sub-criteria what we

follow in selection process to evaluate a proposal. In many cases those criteria and sub-criteria are mostly subjective and biasness that arises the question of proper judiciary or not. Because the criteria or sub-criteria what we apply in evaluation marking are not exactly quantifiable and there is a probability of partiality that may fail to ensure fair competition, quality, efficiency, economy, and transparency. As example, the evaluation criteria like (i) the quality of methodology and approaches, (ii) the extent of transferring knowledge, (iii) the extent of national participation etc. are very much hard to quantify in judiciary.

However, the success of any development attempt depends on acquiring the most successful, conversant, and reliable professional specialists with to be had cost. The great outcomes or consequences are done while there is real professional courting and consideration among the patron and the consultant. So the choice of a suitable and professional specialist is critical. However, we observe that the selection of appropriate representatives isn't always a smooth manner and it is greater complicated compared to different procurement capabilities.

A comparison between ‘works procurement’ and ‘service procurement’ is stated in Table-2 to make it better understanding. Furthermore, the time required for selection of consultants was found time consuming that may be reduced to a justified manner.

Table 2: The comparison between works and service procurements

| <i>Sl.</i> | <i>Works Procurement</i> | <i>Service Procurement</i> |
|------------|---|--|
| 1 | Requires short time to complete the procurement process. | Requires long time to complete the procurement process. |
| 2 | Evaluation is done by Pass/Fail criteria i.e., pinpoint evaluation can be done. | Some subjective evaluation is done. |
| 3 | The works procurement has tangible outputs and certainty in contract agreement. | The service procurement has intangible outputs and uncertainties in contractual agreement. |

| <i>Sl.</i> | <i>Works Procurement</i> | <i>Service Procurement</i> |
|------------|---|--|
| 4 | The works and outputs have separability i.e. can be separated each other. | Service is not separable i.e. it is consumed while it is produced. |
| 5 | Works can be stored, measured, weighed or otherwise inspected. | Services cannot be stored, measured, weighed or otherwise inspected. |

Chapter 3

Analysis and Findings

3.1 Interview and Analysis

Direct discussions and Interviews were conducted with some procurement officials of Bangladesh Economic Zones Authority (BEZA) and other organizations who have practical experience in service procurements. At first the interview was taken from Md. Abdus Sattar, Project Director, DIMAPPP, LGED Part and Executive Engineer, Procurement Unit, LGED on 20/07/2022. He said that the main challenge of service procurement is “We have to believe the contents of CVs as it is submitted; no verification is done like works procurement.” He also added that the consultants service is due diligence and thus no actions are taken if a consultant does not perform properly after contract agreement. For example, actions must be taken for a default of contractor in work procurement. But here, in service procurement, no scope of such actions is to be taken. A long time is required for the evaluation i.e., for the appointment of consultants. But after that it is observed that they do not serve properly. Then there is a possibility of hampering the project a lot because many things of a project depend on consultants’ performance. He said further that there is also an integrity issue of Consultants or Consulting Firm. Sometimes it is seen that only for passing in the Evaluation Process they submit CVs of Experts but after getting the contract award such experts are not available. So, replacements are required. Finally, the Procuring Entity becomes bound to accept lower quality consultants, because change of consultants again and again is not feasible due to Project Time Limit.

Another interview was conducted with Executive Engineer of LGED Ms. Salma Shahid and Project Director of RERMP-3 on the same day. She described that long-time requirement, lobbying of pressure groups, several steps to follow for evaluation, and insufficient knowledge

of some PECs and PEs are the challenges of service procurements. She told that there is a deficiency of expert personnel for evaluation of service procurement proposals. Further, due to lobbying of pressure groups decisions become late and thus challenges occur in service procurement. She also mentioned that the long-time requirement of service procurement is obvious and sometimes approval needs more time than mentioned in the guidelines or PPR-2008. For Big Package of service procurement i.e., which is to be recommended by CCGP requires more time. As per CCGP requirement, many documents need to prepare which results a lot of additional time. To overcome from these situations, she suggested to strictly following the rules & regulations of service procurement.

The discussion about challenges of selection of consultants under service procurement was conducted with Bangladesh Economic Zones Authority (BEZA) officials too. A discussion was held with Md. Mokhlesur Rahman (Joint Secretary), Project Director, Establishment of India Economic Zone in Mirsarai Project, BEZA about challenges of service procurement on 21/07/2022. He cited that longer time requirement for EOI or Proposal Evaluation in service procurement is a challenging one. He also opined that “Due to loan agreement of Bi-lateral donor Projects, Contractors and Consultants are of the same Country. There may be a possibility of Conflict of Interest.” Further he argued that due to an option of person-month staying at home; problems arise in getting the consulting services. So he suggested to fix home person-month the minimum and field person-month more to get prompt service from consultants.

Further, a data gathering interview about challenges of selection of consultants under service procurement was conducted same day with Joint Secretary Mr. Saleh Ahmed and Project Director, Infrastructure Development of Japanese Economic Zone Project, BEZA and he opined same to Project Director Md. Mokhlesur Rahman regarding longer time requirement of service procurement selection. He also added, the challenge of service procurement is that

Quality Personnel cannot be found. “To overcome these challenges, the Procurement Personnel should strictly follow the time limits and other regulations for various steps of service procurements”, he argued.

Finally, information about challenges of service procurement and its remedial measures were discussed with Mr. Abdullah Al Mahmud Faruk (Joint Secretary), Project Director, Bangabandhu Sheikh Mujib Shilpa Nagar Development Project, BEZA on 24/07/2022. As per his opinion the challenges exist in service procurements are:

1. Most of the Procuring Entity/Employer offices cannot write the Terms of Reference (TOR) properly i.e., can't properly define what the needs are. The TOR is written in such a way that majority of criterions cannot be quantified. As a result, Evaluation cannot be done accurately.
2. In majority cases the evaluation of Service Procurement is done based on Papers only. There is no freedom of selecting the effective person. Selection is done only on paper work.
3. There are many topics of service procurement of which in majority cases subjective analysis is included. The subjective analysis should be quantified as much as possible. Again, if it is fully quantified then the whole evaluation becomes mechanical and, in many cases, judgment is lost. But here judgment is also required.
4. After the contract award and during service delivery it is observed that in many cases quality output/deliverables is not served by the consultants.
5. There are also some ethical problems. In many cases Consulting firms submit the experts CVs without their consent. In most of the cases the Employers/Procuring Entities cannot verify the information. The consulting firms avail themselves of this opportunity.

6. In the preparation of Work Plan, Methodology and Staffing, most of the Consultants do not understand how to write the methodology. These three are linked up. If the TOR is not properly written their response will also be improper.

To overcome the above challenges, he suggested-

- 1) The Person who knows a lot (subject matter expert in the field) about what the PE/Employers are looking for should be in charge of TOR preparation i.e., the PE/Employer should assign him to write what they want. Normally many things are written but the main need does not exist. Actually, it should include what we are looking for, what services will be performed by them, how their deliverables would be and what their perspective of services all should be cleared.
- 2) In another case, in the TOR writing the Employers sometimes think that if there is something vague in TOR it will help them doing extra work by the consultants. But ultimately it is not helpful in acquiring higher quality consultants.
- 3) Ethical Standard should be maintained.

It is also mentionable that I, myself, am also involved in service procurements for hiring consultants since last 15 years more and experienced similar challenges cited above from different practitioners. Particularly, the longer time required in evaluation process than expectation and the subjective criteria and sub-criteria used in evaluation marking process what cannot be quantifiable in a judgment manner seem to me primal challenges in selection process of consultants or service procurement.

3.2 Study Findings

Really the selection of consultants requires the organization to evaluate a firm's capacity to deliver consultancy that is an intangible product. Moreover, the consultancy cannot be realistically examined before sourcing and obviously, the extent of associated complexity will

become larger due to the firm's confined experience with buying this sort of provider. The main problem in buying consultancy offerings seems to relate to the patron's or organization's trouble in judging what is being offered.

In Bangladesh perspective the following challenges arise during service procurements:

Deficit of short-listing: In EOI evaluation for short-listing, the applicants do not submit their information correctly. So, the exact evaluation cannot be done. Furthermore, most of the cases, the evaluation criteria cannot be fixed accurately. The guidelines or procedures stated in the PPR 2008 towards evaluation are not well identified for proper and neutral judgments.

Inadequate evaluation: In case of RFP evaluation based on evaluation criteria, most of the Proposal Evaluation Committee (PEC) members do not have adequate knowledge of evaluating the proposals correctly. Most of the PE officials cannot prepare the Terms of Reference (TOR) correctly as per requirement/purpose. The main problem is that there is lack of knowledge in most of the PE offices for giving feedback on the Terms of Reference (TOR), evaluation criteria, and draft deliverables as well.

Time consuming evaluation process: In selection of consulting firms, lot of time is required. Usually, the service procurement follows two-stage selection process namely EOI stage and RFP stage. In the EOI stage, the shortlisting is finalized based on preliminary documents and, following the shortlisting evaluation, the final evaluation is conducted in RFP stage based on explicit evaluation criteria. The experiences shows that an average of 12-15 month time span is required to complete an evaluation process in service procurement is really a cumbersome effort and time consuming.

Lack of explicit evaluation criteria: The main drawback in service procurement is the lack of explicit evaluation criteria. In both EOI stage and RFP stage, the PE officials and PEC members cannot fix the evaluation criteria accurately in many cases. Defining of correct evaluation

criteria for selecting consulting firm or individual is really tough and, most of the cases, it is missing due to its intangibility nature of procurement.

Besides, the initially proposed experts became unavailable or not onboard during contract signing whose CVs are evaluated and then replacement is required in some cases. Furthermore, during contract execution all the experts have to deliver their inputs. But actually, in lump sum contract some of the experts do not give their inputs.

Chapter 4

Recommendations and Conclusions

4.1 Recommendations

Simply it seems that the large time is required in service procurement process due to its cumbersome items of task. But the selection becomes easier if the procurement guidelines could be designed more explicitly and the officials perform their jobs effectively. It is observed from the experiences that the time required finalizing a service procurement selection some time goes beyond fifteen month which is not expected. This time lag can be managed through introducing straight forward guidelines for consultancy selection process by ensuring nondiscriminatory treatment to all applicants and proper participation from all stakeholders.

The e-procurement solution system should be introduced in consultancy selection process in service procurement like works procurement. The e-procurement infrastructure and procedures can facilitate the overall performance of the concepts of efficiency, transparency, and compliances. Moreover, the e-procurement solution has the potential to enhance efficiency and will reduce the selection time too.

The persons who are involved in evaluation process needs to participate actively. If they perform well, the time delay may be overcome or reduced. Notably it may be addressed by setting up Procurement Management Unit (PMU) with proper and skilled staffing and establishing a strong coordination among stakeholders involved. Beside it is also important to address the case of subjective analysis where in majority cases many topics or evaluation criteria of service procurement cannot be quantified and needs to judge with subjective analysis. The subjective analysis should be quantified as much as possible.

The ways of solving or reducing challenges that are assumed to be involved in consulting selection process of service procurement are:

Initiative to strengthen of PMU: The Procurement Management Unit (PMU) plays a key role to execute the procurement manner in all respects. For timely service procurement, the PMU should take all vital steps. The procurement personnel in the PMU have sufficient expertise regarding service procurement. And additionally, the procurement personnel within the PMU have enough expertise and competency. The procurement employees have to have the authority and also a few strengths in the course of their procurement duties. We recognize if one member of a team does no longer paintings nicely that impacts the complete paintings. The leadership of the PMU could be very a good deal essential- the chief can guide the crew for better performance. Communication inside the PMU is likewise important. If the upward, downward, and horizontal communications are properly inside the PMU the performance may be better. The coordination between the PMU team of workers and other stakeholders is also important for better performance.

Formulation of service procurement guideline by identifying explicit evaluation criteria: In service procurement which is intangible and very much different in nature from Works and Goods, must require elaborate and pinpoint evaluation criteria in the selection process. The current service procurement selection process is very much subjective and biased. The guidelines stated in the Act, Rules or RFPs are not well explanatory for proper evaluation of service procurement. There is no explicit evaluation criteria stated in the rules or procedures for service procurement which is the weakness of the regulations or guidelines. So, the procurement employees take benefit of this weakness and, in some cases, the regulations or guidelines may be reviewed.

Recognition of the evaluation process of service procurement: The main duties of procurement personnel in the service evaluation technique are the assessment of Expression of Interest (EOI) and the evaluation of Request for Proposal (RFP). As well-known, the EOI assessment may take around two and half months and the RFP evaluation may take around three months. So, overall five and half months are required for the assessment process. However, on occasion, we see that it takes around fifteen months which isn't always justified. We understand that the proposal evaluation committee (PEC) cannot conclude the assessment in one sitting. There are several points for a rationalization for all committee members. However, inside the authority's guidelines, there may be a time restriction for completing the assessment. So, all committee members should be aware of the timeframe of the assessment and should focus indeed to minimize the time required in the assessment process.

Focus on automation in service procurement function: The choice of the service procurement function is now manual which may be very lengthy. If we are able to use the e-procurement system or online device then the time required for service procurement may be minimized extensively. Due to the fact that now there is no substitute for the IT-based online system. Within the automation system, the sports or tasks can be finished sequentially and there is a responsibility to the persons involved in the procurement system to complete it timely. With the use of this system, the transparency and responsibility of the procurement personnel can also be ensured.

4.2 Conclusions

The service procurement requires numerous duties to carry out the job and thus, huge time is required indeed. But if the authority can introduce explicit guidelines for the evaluation process that may express the evaluation process easier and less time-consuming. The guiding principle for the service procurement selection system will help the authority to perform the activity

correctly and effectively with fewer difficulties. The personnel who are involved in the evaluation procedure also need to take part actively so that the delay time may be averted explicitly. There is also imperative to fix the evaluation criteria in an explicit way to ensure judiciary in selection of consultants while conducting service procurements. Another challenge in service procurement is the absence of e-Procurement system. So the e-Procurement platform in service procurement should be introduced without any delay. It will help to reduce the selection time and quantify evaluation system will appear in place of subjective evaluation from the view of proper judgment.

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