A study on Bangladesh Power Development Board on the basis of key performance indicator regarding compliance of PPR 2008 in the procurement activities in terms of Procurement processing time.

Dissertation submitted in partial fulfillment of the requirements for the Degree of

Masters in Procurement and Supply Management

Prepared by

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BRAC Institute of Governance and Development

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Letter of Transmittal

December 04, 2016

Md. Mosta Gausul Hoque

Director (Planning and Development)

Parliament Secretariat

Bangladesh.

Subject: Letter of Transmittal

Dear Sir,

It is my immense pleasure to submit the dissertation report on "**A study on Bangladesh Power Development Board on the basis of key performance indicator regarding compliance of PPR 2008 in the procurement activities in terms of Procurement processing time**" which has been prepared by me as a partial fulfillment of the Masters in Procurement and Supply Management. The report has been prepared in accordance with proper guidelines and best practices adopted by Bangladesh Power Development Board. Suitable methods were followed to gather data and analyze those data. Within the short time limit, best effort has been given so far to make the report comprehensive and errorless as far as possible.

Finally, I would like to pay gratitude to you for your kind and effective guidance which will enhance my knowledge, experience and skills in procurement performance issues which will be valuable for future activities.

Sincerely yours,

……………………

Md. Moktar Hossain

ID: 16382025

Batch: Summer 2016

Program: MPSM

Certificate

This is to certify that Md. Moktar Hossain, MPSM, Batch : Summer 2016, ID: 16382025 has prepared the dissertation entitled "**A study on Bangladesh Power Development Board on the basis of key performance indicator regarding compliance of PPR 2008 in the procurement activities in terms of Procurement processing time**" under my supervision. I do hereby approve the style and content of this thesis.

I also certify that I have gone through the draft and final version of the dissertation and found it satisfactory for submission to the BRAC Institute of Governance and Development, BRAC University for the partial fulfillment of the requirement for the degree of Masters in Procurement and Supply Management (MPSM).

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Declaration

I hereby declare that I am the sole author of this dissertation entitled **“A study on Bangladesh Power Development Board on the basis of key performance indicator regarding compliance of PPR 2008 in the procurement activities in terms of Procurement processing time.”** .

I also declare and confirm that this dissertation report has not been submitted or accepted for any type of degree and is not currently submitted in candidature of any degree.

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December, 2016

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Executive Summary

In public sector of Bangladesh , where the organizations are providing services to the people and are involving in development of various social and economic indicators, Power sector particularly Bangladesh Power Development Board is one of the most important organization. But the power sector in Bangladesh faces numerous problems due to lack of good governance along with poor procurement management which is considered as a root cause of these problems.

According to Bangladesh Country Procurement Assessment (World Bank[1],2002) The constitution had no direct provision bearing on public procurement. Neither was there any procurement law or decree. For introducing good governance in public procurement with the establishment of a unified national procurement framework and institutionalizing the procurement management capacity to ensure economy, efficiency, transparency, fairness and better value for money, The CPTU was established in April 2002 as a unit within the Implementation Monitoring and Evaluation Division of the Ministry of Planning.

As the Bangladesh Power Development Board is one of the large Budget headed organization and the majority of the activities of the power sector are conducted by this organization efficient and effective procurement management is of paramount necessity for BPDB as power sector organizations in order to produce and provide quality electricity and related services to the consumers.

The main objectives of this dissertation were to identify the weaknesses and obstacles of present procurement process in Bangladesh Power Development Board in terms of efficiency and to propose ways to make the procurement system in Bangladesh Power Development Board more efficient and effective.

[1] Bangladesh Country Procurement Assessment Report, World bank,2002

In this research both the primary and secondary data were used for analysis. The primary data were collected through interview, questionnaires and focus group discussion are used. For getting secondary data about 40 contracts for two financial years (2014-15 and 15-16) were selected for data collection and then translated into specific KPI.

The interview were conducted depending on 5- point Likert scale to categorize the answers for easy analysis. For statistical analysis of the data frequency distribution table and central tendency test had been done to see the findings of the sample then the findings were represented as the graphical representations in the form of 'pie chart' .

Acronyms and Abbreviations

PWD	Public Works Department
REB	Rural Electrification Board
LGED	Local Government and Engineering Department
RHD	Roads & Highway Department
CPTU	Central Procurement & Technical Unit
ILO	International Labor Organization
ITC-ILO	International Training Center of ILO
PPR-2008	Public Procurement Rule -2008
DAC	Development Assistant Committee
OECD	Organization for Economic Co-operation and Development
KPI	Key Performance Indicators
KW	Kilowatt
MW	Mega watt
DPDC	Dhaka Power Distribution Company Limited
BERC	Bangladesh Energy Regulatory Commission
IPP	Independent Power Producers
PGCB	Power Grid Company of Bangladesh Ltd
EGCB	Electricity Generation Company of Bangladesh
NWPGCL	North West Power Generation Company Ltd
APSCL	Ashuganj Power Station Company Ltd
DESCO	Dhaka Electric Supply Company Ltd
WZPDC	West Zone Power Distribution Company
HOPE	Head of procuring Entity
CIPS	Chartered institute of procurement and supply
CSF	Critical Success Factor
PROMIS	Public Record Online Management Information System
CAA	Contract Approving Authority

NOA	Notification of Award
TOC	Tender Opening Committee
TEC	Tender Evaluation Committee
IFT	Invitation for Tender
PD	Project Director
PM	Project Manager
AO	Approving Authority
CCGP	Cabinet Committee on Government Purchase
DoFP	Delegation of Financial Powers
GCC	General Condition of Contract
BEC	Bid Evaluation Committee
TER	Tender Evaluation Report
e-GP	Electronic Government Procurement
PPA	Public Procurement Act

CHAPTER 1

INTRODUCTION

1.1 Background

Procurement is imperative to every organization whether it is in public or private sector. In public sector, where the organizations are providing services to the people and are involving in development of various social and economic indicators, transparency in procurement is more important in addition to efficiency and effectiveness. But According to Bangladesh Country Procurement Assessment report (World Bank[1],2002) The constitution had no direct provision bearing on public procurement. Neither was there is any procurement law or decree. The public procurement procedures and practices had evolved over the years from the days of British and subsequent Pakistani rule. As a result the process is far from satisfactory, and substantial delays occur in most of the procurements. Some of the unsatisfactory features included the following: poor advertisement, a short bidding period, poor specifications, non-disclosure of selection criteria, award of contract by lottery, one-sided contract documents, negotiation with all bidders, rebidding without adequate grounds, other miscellaneous irregularities, corruption and outside influence. So the primary goal of the public procurement was not achieved. Each organization used their own procedure of procurement as a result there was no any uniformity. For this reason the Public procurement Act -2006 was conducted by constitution and following this public procurement rule 2008 was established for ensuring uniformity in procurement system, transparency and value for money.

[1] Bangladesh Country Procurement Assessment Report, World bank,2002

At first considering the procurement size and spread 4 organizations such as PWD, REB, LGED and RHD were adopted for applying the PPR-2008 and later all the public organization adopted the PPR-2008.

For Introducing good governance in public procurement with the establishment of a unified national procurement framework and institutionalizing the procurement management capacity to ensure economy, efficiency, transparency, fairness and better value for money, The CPTU was established in April 2002 as a unit within the Implementation Monitoring and Evaluation Division of the Ministry of Planning.

1.2 Purpose of public procurement

Public procurement refers to the process of acquisition by government and public entities of goods, works and services that are necessary to fulfill their mandate in provision of services and facilities to the general public (ITC-ILO[2], 2007). Overall development of a country relates with spending on procurement. "Purchasing is an important lever for public sector performance improvement, because, the spending base is quite large' (Husted and Reinecke, 2009).

In general, public procurement is driven not by profit motive but by service to the society at large and is influence by socio-political indicators. A number of principles should guide how public procurement should be carried out: (i) value for money; (ii) open and fair competition; (iii) risk management; (iii) transparency; (iv) probity; (v) accountability; and (vi) ethical behavior. Public procurement always focuses on the tangible and intangible benefit of the wider community. Therefore, public procurement should not only be efficient as the same time it should be effective. The impact of the public procurement sector is not merely economic. Increasingly in recent years, public procurement has played a broader social and political role, notably through the emergence of sustainable procurement. Governments can use their purchasing power to promote social, industrial, and environmental policies and to catalyze more inclusive growth. For example, public procurement policy makers can influence business practices by requiring that goods or services procured meet specific environmental standards (e.g., the use of renewable energy or recycled materials) or respond to social concerns (such as

[2] ITC-ILO , 2007

gender, equality or non-discrimination against minority groups in the workplace) (World Bank Group[3], 2015).

1.3 Problem with Public Procurement

A survey by Transparency International Bangladesh[4] *(2007)* reveals, "the procurement process in power sector has been distorted due to unwanted intervention in the procurement process, complexities of the tendering process, wrong evaluations, absence of uniform Technical Evaluation Committee (TEC), delay in hiring consultants and resolving disputes due to bureaucratic dilemma, corruption such as putting specific condition, nepotism, extortion by vested interest groups, collusion between the bid officials and tenderers, false experience certificate submitted by tenderers, appointment of contractors for maintenance and rehabilitations without any tender, abuse of funds by policy-level staff and supply of low quality machinery violating the contract".

An assessment on the procurement performance of the four largest government organizations (considering procurement size and spread) including a power sector organization, i.e. Rural Electrification Board (REB) was conducted by the World Bank in the year 2009[5] which states that Bangladesh has made good progress in establishing the foundations for an effective public procurement system by introducing necessary legislations and regulatory institutions. However, the results of this assessment show that overall performance of the system has been poor to average.

The performance is poor as regards to efficiency of procurement process and contract management, and it is average in terms of competitiveness and transparency. Procurement delays are a major challenge, affecting project implementation. The higher the level of contract approving authority, the lesser is the efficiency of the procurement system. For large value contracts approved at the ministry or higher level, such delays are significant. *(The World Bank[5], 2009)*.

[3] World bank development report,2015

[4] Transparency International Bangladesh[4] *(2007)*

[5] The country procurement assessment report, *The World Bank[5], 2009*.

Bangladesh Power Development Board is one of the largest Budget headed organization and the majority of the activities of the power sector are conducted by this organization. Most of the generation and urban distribution outside Dhaka city is controlled by BPDB. The BPDB act as single Buyer and Single seller of Power in our country. So the spending of budget of BPDB is of the most important concern for effective use of PPR-2008.

Efficient and effective procurement management is paramount necessity for BPDB as power sector organizations in order to produce and provide quality electricity and related services to the consumers. By making the procurement system more transparent and less time consuming organizations can attract large number of suppliers, and thereby facilitate higher competition among the suppliers which will result in procurement of good quality products with competitive price. Thus organizations will be able to provide better quality electricity and related services to the consumers. So the author think there are a lot of scope to propose for improvement of procurement system of BPDB.

1.4 Objective of The Research

The specific objectives of this study are:

a) Identify the weaknesses and obstacles of present procurement process in Bangladesh Power Development Board in terms of efficiency.

b) Propose ways to make the procurement system in Bangladesh Power Development Board more efficient and effective.

1.5 Research Questions

a) In what extent the current procurement performance of BPDB is satisfactory/unsatisfactory.

b) What are the problems/weaknesses in present procurement process in terms of processing time of Bangladesh Power Development Board?

c) How can the required efficiency level be achieved?

1.6 Research Procedure

In this research the procurement performance of the organizations will be assessed using a set of performance indicators which was developed by Central Procurement Technical Unit (CPTU) following to OECD-DAC/World Bank benchmarking exercise *(OECD[6], 2006)* .

1.7 Importance and Significance of the research

The performance of procurement activities of any organization can be analyzed in terms of transparency, efficiency, competitiveness and compliance of government procurement rules and procedures. Among the four different categories, efficiency (in terms of procurement processing time) in procurement is considered as the vital one. It is generally considered that if required efficiency level is achieved, then the government purpose for ensuring value for money in the public procurement will be possible. As Bangladesh Power Development Board conducts the majority of the activities of the power sector and acts as single Buyer and Single seller of Power in our country, the efficient procurement practice is great concern for this organization.

This organization's core business is electricity generation and distribution of electricity to the vast number of consumer. For conducting the core business, this organization procure goods, plants, works and all kind of services. As goods procurement has the largest share in the overall portfolio, this study was concentrated on the goods procurement only.

BPDB procures goods following a number of methods, i.e. Open Tendering Method (OTM), Request for Quotations (RFQ), Direct Procurement (DP), and Framework Agreement etc. As OTM is the most preferred method as per PPR-2008, this study was concentrated on procurement followed by OTM only.

1.8 Limitations of this study

Though this research was conducted through a large number of key performance indicator developed by CPTU following the KPI of OECD/World bank there are a several categories of

[6] OECD Development Assistance Committee (DAC),2006

limitation of this research which are not covered within this research such as-

a) Evaluation and comparison of procurement performance year to year only in terms of heading of PPR-2008 such as efficiency(in terms on procurement processing time) . There are a lot of other important dimensions of public procurement such as transparency, competitiveness, effectiveness, value for money, accountability, which were not considered for this research.
b) For simplicity, this research was limited to the procurement contracts following open tendering method only. Considering all procurement methods used in the organizations were deemed to provide the overall picture. Only goods procurement was considered for this study.
c) Only 30 contracts were studied against thousands of contracts. Increasing the sample size would provide more representative results.
d) The research time duration was too short.

CHAPTER 2

ORGANIZATIONAL CONTEXT

2.1 Power sector Background

When the British colonial rulers left, in 1947, total power generation and distribution of this part of the country were in the hands of some private companies. The power was supplied to then 17 provincial districts within the township in a limited way. Power used to be supplied to most of the districts during nighttime only. The generation voltage was 400 volts. Only exception was Dhaka City where power used to be supplied by two 1500 kW generators and the generation voltage was 6600 volts and this was the highest supply voltage. There was no long distance transmission lines. Besides power used to be generated by some industries (tea, sugar and textiles) and railway workshops. Dhakeswari Cotton Mills, Pahartali Railway workshop, Saidpur Railway workshop and Sugar Mills were amongst them. In aggregate the generation capacity of the country was 21 MW. The generation capacity of the power utility companies together was only 7 (seven) MW and there was no transmission system.

In 1948, Electricity Directorate was created in order to plan and improve power supply situation. In 1959, Water and Power Development Authority (WAPDA) was created and the power sector really started working satisfactorily. In 1960, Electricity Directorate was merged with WAPDA. The basic philosophy was to give more autonomy to an organization for development of this basic infrastructure. Then a lot of higher capacity plant such Siddhirganj, Chittagong and Khulna was built. Construction of Kaptai dam and commissioning of Dhaka-Chittagong 132 KV transmission line in the year 1962 may be taken as milestone of power development of this country. In 1972, after the emergence of Bangladesh through a bloody War of Liberation as an independent state, Bangladesh Power Development Board (BPDB) was created as a public sector organization to boost the power sector. For supplying the electricity to the rural area more effectively the Government created Rural Electrification Board (REB) in October 1977. Later in 1991 Dhaka Electric Supply Authority (DESA) now DPDC was created basically to operate and develop distribution system in and around Dhaka (including the metropolitan city) and bring about improvement of customer service, collection of revenue and lessen the administrative burden of BPDB. Later for improving the customer service to the Dhaka city Dhaka Electric Supply Company Ltd. (DESCO) was created in November 1996 under the Companies Act 1994 as a Public Limited Company, taking over some jurisdiction area of DESA. However the operational activities of DESCO at the field level commenced on September 24, 1998.

2.2 Present Structure of Power Sector

Generally power system can be divided into three components, viz. generation, transmission and distribution. For different function of electricity from generation to consume a lot of different organizations are involved in different way which is given below

Generation:

a) Bangladesh Power Development Board (BPDB)
b) Ashuganj Power Station Company Ltd. (APSCL)
c) Electricity Generation Company of Bangladesh (EGCB)
d) North West Power Generation Company Ltd. (NWPGCL)
e) Independent Power Producers (IPPs)

Transmission:

Only one organization named Power Grid Company of Bangladesh Ltd (PGCB)

Distribution:

a) Bangladesh Power Development Board (BPDB)
b) Dhaka Power Distribution Company (DPDC)
c) Dhaka Electric Supply Company Ltd (DESCO)

d) West Zone Power Distribution Company (WZPDC)
e) Rural Electrification Board (REB) through Rural Co-operatives

The present structure of Power sector can be shown as follows

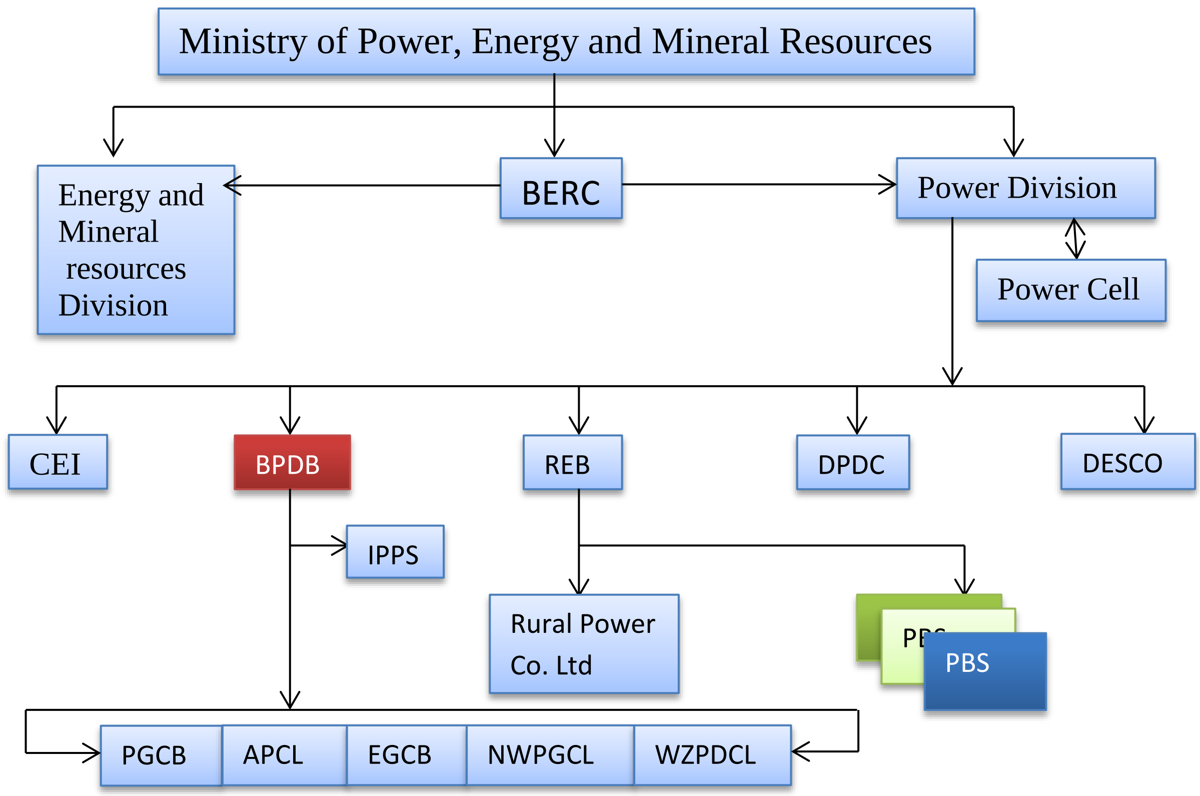


Figure 2.1 The present structure of Power sector

2.3 Function Of BPDB

The BPDB conducts the following function in Power sector

1. Power generation through several power plant.
2. Act as a single buyer and seller of power all over the Bangladesh, That means all the generated power (public or private) is purchased by BPDB and then sell to all the distribution organization (BPDB, DESCO, DPDC, REB, WZPDCL).
3. Distribute the power in urban area out of Dhaka city through six distribution zone such as

Central zone (Mymensing), Southern zone(Ctg), North zone(Rajshahi), Comilla zone, Sylhet zone and Rangpur zone.

2.4 Board Management

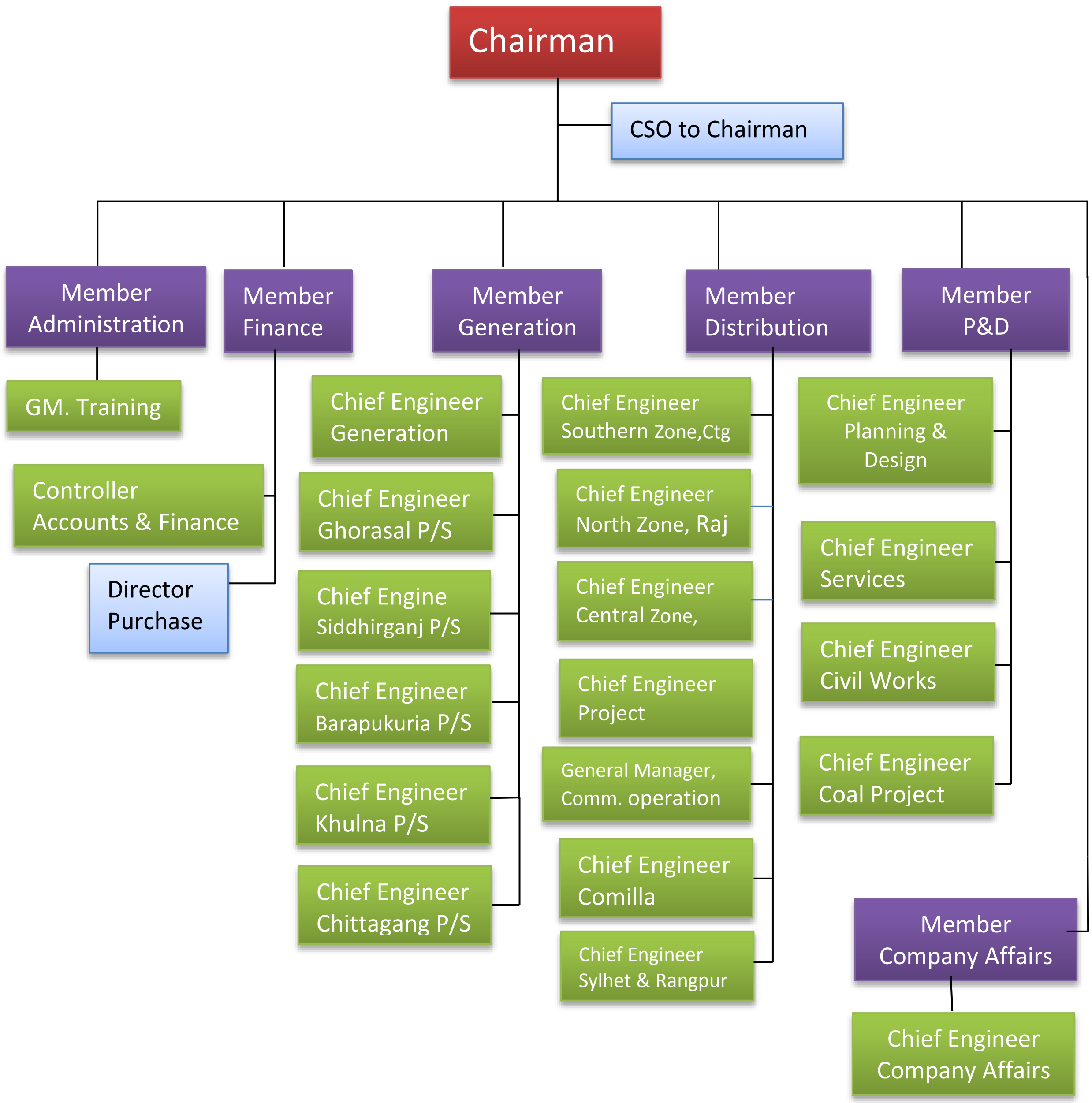


Figure 2.2 Board Management of BPDB

2.5 Procurement Process in BPDB

2.5.1 Procurement Authority

For BPDB activities all the procurement can be divided as goods, works and services. The procurement activities are conducted through centrally or de-centrally depending on the financial threshold and type of procurement. According to Delegation of Financial power,2011[7] Chairman of the Board is acting as a Head of procuring Entity (HOPE) and the other procuring entity exercise their power as the following table.

Table 2.1 Financial power Hierarchy

s/n	Step of Financial power	Approving Authority	Equivalent Approving Authority	Remarks
1	First	Chairman	Chairman	
2	Second	Board Member	Board Member	
3	Third	Chief engineer /Adl. Chief Engineer	Controller (accounts & Finance) General Manager Board Secretary CMO	All the authority of this Third to Eighth category can exercise their financial power if they are designated as Head of the Office
4	Fourth	Superintendent Engineer	Manager (S.E) Director (S.S. Analyst) Sub-General Manager Add director	
5	Fifth	Executive Engineer	Manger (Xen), assistant Chief Engineer, System analyst Deputy director/Secretary	
6	Sixth	Sub-divisional Engineer	Senior assistant director Programmer	
7	Seventh	Assistant Engineer	Assistant Director/Medical officer/Chemist	
8	Eighth	Sub-assistant engineer	Sub-assistant engineer	

[7] BPDB delegation of financial power, 2011

2.5.2 Procurement guideline

As BPDB is a government organization all the procurement activities budgeted by government revenue are exercised following the Public procurement Act-2006 and Public Procurement Rule-2008. In case of donor funded procurement the activities are conducted by the specific donor terms and condition.

2.5.3 Procurement method

All the central procurement activities are conducted by Directorate of purchase and others procurements are by different procurement Entities. The Procurement of BPDB can be divided as national and foreign procurement.

According to PPR-2008 in case of national procurement the following methods are used

a) Open tendering method
b) Limited Tendering method
c) Two Stage Tendering Method
d) Quotation method
e) Direct Purchase method.

In case of Foreign Purchase the procurement methods are

a) Open tendering Method
b) Two stage tendering method
c) Quotation
d) Direct procurement method

CHAPTER 3

KEY PERFORMANCE INDICATORS & PPR-2008

3.1 Introduction

3.1.1 An overview of PPR-2008

According to Bangladesh Country Procurement Assessment (World Bank[8],2002) there had been no direct provision bearing on public procurement. Neither was there is any procurement law or decree. The public procurement procedures and practices had evolved over the years from the days of British and subsequent Pakistani rule. As a result the process is far from satisfactory, and substantial delays occur in most of the procurements. For this reason Public Procurement Rules (PPR) 2008 was framed by the Government of People's Bangladesh under the Public Procurement Act (PPA) 2006 which came into effective on January 31, 2008. The main objective of enacting PPA 2006 & introducing PPR 2008 were, generally, of achieving value for money, ensuring transparency, accountability, fair treatment in all public procurement throughout the public sector organizations of our country. There are 130 Rules in PPR 2008 under nine chapters. Most of the Rules have several Sub-Rules. Preliminary issues like definition of key terms, scope and application of the Rules are given in Chapter One. In chapter two Guideline for preparation of Tender or Proposal document, constitution of different committees for disposal of Tender or Proposal are given. In chapter three, most of the principles of public procurement is given here.

Under this chapter procedure for preparation of technical specification, preparation of terms of reference, procedure for rejection of Tender, approval procedure of Tender, contract

[8] Country procurement assessment report,2002

administration and management are described etc are also included. In chapter four methods of procurement for goods and related services, works, physical services and their use are given. Processing of procurement including advertisement, pre-qualifications, processing of Tenders etc. are given in chapter five. Professional misconduct is described in chapter seven and E-government procurement is described in chapter eight and in chapter nine, miscellaneous issues are described. In this research the KPI for analysis of the procurement performance in terms of efficiency are adopted aligned with the PPR-2008.

3.1.2 Performance management and Analysis

Performance management is the process by which shortfalls and weakness in organizational performance in procurement activities are identified and addressed through types of improvement or development intervention on an ongoing basis.

Performance measurement is one of the process of Performance management. For measuring the performance of procurement activities there are a lot of procedure such as

a) Benchmarking
b) Key performance Indicator(KPI)
c) Gathering performance feedback

According to Chartered institute of procurement and supply (CIPS)[9], Key point indicator is the most appropriate way to measure procurement performance of an organization

3.2 Key performance Indicators(KPI)

Key performance indicators (KPI) are clear qualitative and quantitative statements which define adequate or desired performance in key areas (critical success factors), and against which progress and performance can be measured. The important point about KPIs is that they state performance goals in a way that is capable of direct, detailed , consistent measurement using available data collection system.

[9] CIPS, measuring purchasing performance text book, 2011.

3.2.1 Characteristics of KPIs

The characteristics of KPIs are effectively formulated by acronym “SMART”

a) **Specific:** Clear and well defined statement of precisely what the desired deliverables are.
b) **Measurable:** Susceptible to monitoring, review and measurement so that people can meaningfully assess progress and achievement.
c) **Attainable:** The KPIs must be achievable and realistic.
d) **Relevant:** Performance measure should be relevant to, and aligned with the strategic objectives of the organization; the policies and objectives of the procurement function.
e) **Time bounded:** Must be given defined time scales and deadlines for completion of performance measurement.

3.2.2 Developing Key Performance Indicator

KPI development steps

- Describe the intended result(s)
- Understand alternative measures
- Select the right measurement(s) for each goal/objective
- Define composite indicators as needed
- Set targets and thresholds
- Define and document selected performance measure.

A simple process for developing KPIs is summarized below

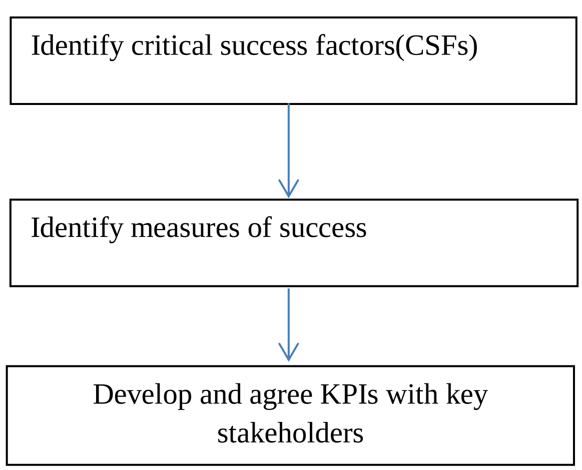


Figure: 3.1 : Development process of KPI

3.2.3 KPI Development For Bangladesh Public Procurement assessment

For procurement performance assessment in Bangladeshi Public organization The KPIs are used which were developed by organization for Economic Co-operation and Development (OECD) and World Bank (OECD[10],2006).

Subsequently, inspired by the OECD indicators, the World Bank used following 35 indicators while assessing the implementation of Public Procurement Regulations in Bangladesh *(The World Bank[11][13], 2009)*. Appendix-A.

On the Basis of the above set of KPI which were developed by OECD and world bank the Central Procurement Technical Unit (CPTU), Govt. of Bangladesh Developed 45 indicators which are used to measure the procurement performance of key government organization through Online Procurement Management Information System (PROMIS). Which are given in Appendix-B

The Broad Indicator Categories are given below:

Table 3.1 Key performance Indicator, PROMIS

S/n	Indicator Category	Area coverage
1	Invitation for Tender	Tender Publication, Gob Rules and Development partner Rules
2	Tender Submission	Tender submission location, Sufficient time frame , tenderer participation.
3	Tender Opening(TOC) and Evaluation committee (TEC)	Formation of TOC and TEC according to PPR
4	Tender Evaluation	Tender evaluation time , tender acceptance , Tender cancellation and Retender.
5	Tender Evaluation Report(TER) Approval	Tender evaluation approval time, Compliance to financial delegation, TER approval compliance.
6	Contract award	Total tender processing time, Issuance of NOA within time frame, publication of award information

[10] Organization for Economic Co-operation and Development (OECD), 2006

[11] The World Bank, Assessment of Implementation of Public Procurement Regulations, 2009

S/n	Indicator Category	Area coverage
7	Delivery/ Completion	Delivery time, Liquidated damage, completion rate
8	Payment	Payment release compliance, timely payment, late payment.
9	Complaints	Complaints procedure, resolution, review pannel
10	Contract amendments	Contract amendments/variation
11	Contract dispute resolution	Unresolved Disputes
12	Fraud and corruptions	Fraud and corruptions
13	Procurement Management capacity	Procurement training

3.3 The KPI for Efficiency (in terms of procurement processing time)[12] Evaluation

There are a lot of Key Performance Indicators for analyzing the procurement performance in terms of efficiency from the reference of CPTU (Appendix-3) followed by world bank /OECD aligned with PPR-2008. For some limitation and avoiding the complexity the following indicators are used in this research.

Table 3.2 : KPI for Efficiency (In terms of procurement processing time) Evaluation

S/N	Area of Evaluation	KPI no	Key performance Indicator
1	Tender Submission	6	Average number of days between publishing of advertisement and tender submission deadline
2	Tender Evaluation	14	Average number of days between tender opening and completion of evaluation
3		15	Percent of cases tender evaluation has been completed within timeline

[12] Model/Survey Note: Assessment of Implementation of Public Procurement Regulations, World Bank,2009

S/N	Area of Evaluation	KPI no	Key performance Indicator
4	Tender Evaluation Report Approval	19	Average number of days taken between submission of Tender Evaluation report and approval of contract
5	Contract Award	25	Average number of days between final approval and Notification of Award (NOA)
6		26	Average number of days between tender opening and Notification of award (NOA)
7		27	Average number of days between Invitation for Tender (IFT) and Notification of Award
8		28	Percentage of contracts awarded within initial tender validity period
9	Delivery/Completion	30	Percentage of Contracts completed/ delivered within the original schedule as mentioned in Contract
10		32	Percentage of Contracts fully completed and accepted

For the convenience of the study all KPIs were measured in Likert/ Psychometric[13] (Strongly Disagree, Disagree, Neutral, Agree, Strongly Disagree) scale.

According the PPR-2008 the above KPIs are described in Appendix C.

3.3.1 KPI 6: Average number of days between publication of advertisement and tender submission deadline

The first indication of procurement efficiency is measured depending on the average number of days between publishing of advertisement and Tender submission deadline (KPI 6) which has been emerged from Rule 61(4) and 64 (5) of PPR 2008. This has been clearly explained in Schedule II of PPR 2008. According to the provisions of PPR 2008, the allowable maximum time between publishing of an Invitation for Tender (IFT) and tender submission deadline depends upon the estimated value of the IFT. In general, it is minimum 14 days and

[13] Invented by psychologist Rensis Likert in the thesis of Columbia University

maximum 28 days. However, for an emergency, time can be reduced to 10 days (in case of OTM) to 7 days (in case of LTM).

3.3.2 KPI 14: Average number of days between tender opening and completion of evaluation

In PPR-2008, Rule 8(14) describe the time duration for technical subcommittee and Rule 36(6) explains the procurement approval procedure and the time line for tender opening, evaluation, approval and contract signing which has been explained in more details in Schedule 3 of PPR 2008. KPI 14, Depending on the contract approving authority (CAA), it varies from 2 to 3 weeks.

3.3.3 KPI 15 : Percent of cases tender evaluation has been completed within timeline

The KPI 15 *Percent of cases tender evaluation has been completed within timeline* is associated with Rule 8(14) and 36(6) which explains the procurement approval procedure and the time line for tender evaluation and has been explained in more details in Schedule 3 of PPR 2008. KPI 15, Depending on the contract approving authority (CAA), it varies from 2 to 3 weeks.

3.3.4 KPI 19 : Average number of days taken between submission of Tender Evaluation report and approval of contract

This KPI (KPI 19), *Average number of days taken between submission of Tender Evaluation report and approval of contract* is concerned with Rule 8(14) and 36(6) of PPR 2008. This duration Depends on Contract Approving Authority(CAA) , it varies from one (1) week (for PD, PM or AO) to two (2) weeks (HOPE, Ministry, CCGP).The higher the authority the duration be higher.

3.3.5 KPI 25 : Average number of days between final approval and Notification of Award (NOA)

The (KPI 25), *Average number of days between final approval and Notification of Award (NOA)* has emerged from Rule 36 (6) which has been described in Schedule III of PPR 2008. It is generally within seven (7) working days of receipt of the approval but before expiry of the tender or proposal validity date. This has been clearly noticed in PPR 2008.

3.3.6 KPI 26 : Average number of days between tender opening and Notification of award (NOA)

According to PPR-2008, Rule 8(14) describe the time duration for technical subcommittee and Rule 36(6) explains the procurement approval procedure and the time line for tender opening, evaluation, approval and Notification of Award(NOA) which has been explained in more details in Schedule II & III of PPR 2008. KPI 26, Depending on the contract approving authority (CAA), it varies from 2 to 6 weeks.

3.3.7 KPI 27 : Average number of days between Invitation for Tender (IFT) and Notification of Award

The KPI 27 "*Average number of days between Invitation for Tender (IFT) and Notification of Award"* is described at PPR-2008 through Rule 61(4) which indicates the Tender submission time, Rule 36(6) indicates the time duration from tender opening, evaluation, approval to Notification of Award (NOA). It may submission time 2 to 4 weeks and after that to NOA it will be 2 to 6 weeks.

3.3.8 KPI 29 : Percentage of contracts awarded within initial tender validity period

According to PPR-2008 The KPI 29 "Percentage of contracts awarded within initial tender validity period" is described in Rule 19(1) and Schedule II and Rule 117(10) and Schedule II. The tender validity period be 60 120 days.

3.3.9 KPI 30 : Percentage of Contracts completed/ delivered within the original schedule as mentioned in Contract

This KPI is described in General condition of contract(GCC) and Standard Tender Documents.

3.3.10 KPI 32 : Percentage of Contracts fully completed and accepted

This KPI is described in General condition of contract(GCC) and Standard Tender Documents.

3.4 Delegation of Financial Powers

The financial power differ from person to person depending on the designation in the organization. This power is described in Delegation of Financial Powers (DoFP)[14], 2011 which is important document closely linked to the PPR 2008. This document has been issued by the BOARD of Bangladesh Power Development Board. As a part of literature review of the present research, Delegation of Financial Powers, 2011 has been carefully studied and found out the contract approval capacity of different officers such as Project Director (PD), Head of Procuring Entity (HOPE), Ministry, CCGP etc.

[14] Delegation of financial power, BPDB, 2011

CHAPTER 4

LITERATURE REVIEW

4.1 Introduction

The study is limited to the procurement performance evaluation of Bangladesh Power Development Board only. As the specific studies on procurement performance analysis of BPDB are not found, this chapter attempts to have a discussion on the number of studies conducted before on different developing country such as Kenya, Tanzania as well as various sector of Bangladesh Government offices. As Bangladesh is one of the developing country the study of others developing country is very similar to our country. In Bangladesh the study were conducted by the World Bank as well as transparency International Bangladesh. There are some academic study in procurement performance of different organization such as REB, LGED and Roads and Highway also.

This chapter will discuss in brief the main points of some previous studies to get the idea on what areas should be considered to evaluate the performance of procurement of Bangladesh Power Development Board.

4.2 Previous Research

In the article "Analysis of Procurement Procedures in Local Government Authorities: Experience after Procurement Reforms and Case Analysis from Selected Councils in Kilimanjaro Tanzania" by Happiness Anton Huka*, Alban Dismas Mchopa and Johnson James Kimambo[15] has initiated a number of procurement reforms in its public procurement system with the aim of making it more efficient and transparent in line with requisite and basic procurement guidelines and best

[15] Analysis of Procurement Procedures in Local Government Authorities: Experience after Procurement Reforms and Case Analysis from Selected Councils in Kilimanjaro Tanzania" by Happiness Anton Huka*, Alban Dismas Mchopa and Johnson James Kimambo

practices (Public Procurement Policy,2012). Notwithstanding the efforts undertaken, the implementation of procurement procedures has been shrouded with allegations of corruption and secrecy instead of transparency.

According to study The CAG [16](2013) revealed that Six (6) Councils procured goods worth Tanzania Shillings 125,681,000/= (equivalent to $ 77,105) were ordered and paid for while not delivered by suppliers. This was contrary to the legal requirements of regulation 122 (1) of the Public Procurement Act Regulations of 2005 whereby Procuring Entities are required to authorize payments to the supplier only after obtaining receipt reports of the goods delivered. According to the study the causes of failure to perform the procurement effectively were the failure of such government procurement procedures is due to failure of interdepartmental coordination of purchasing activities, by lack of control function within government purchasing and the development of purchasing policies. On the other side, public procurement practitioners have always faced challenges in the implementation of purchasing procedures and policy imposed upon by a variety of environment factors (external factors) including market, legal, political, organizational and socio-economic (Osei-tutu, 2011) condition. Regardless of the efforts undertaken by the central government and its related agencies and the acknowledgement that the procurement department is capable of adding value to the organization, still at large number of the internal experts act on their own and more frequently bypass the procuring department (Schiele and McCue, 2006). All these problems (internal and external) require establishment of clear procurement procedures implementation and performance standards which will provide the decision makers with unbiased and objective information regarding the procedures implementation status and performance of the procurement function. The reforms instituted aimed at encouraging competition, transparency, efficiency, ensuring accountability (Hunja, 2003) and achievement of value for money.

The study ensured the examination of the effectiveness of procurement procedures implementation in Government Authorities and determination of the challenges facing Government Authorities in the implementation of identified procurement procedures.

[16] Controller and Auditor General

According to the study of Journals named "ASSESSMENT OF DETERMINANTS OF PROCUREMENT PERFORMANCE AT KENYA PIPELINE COMPANY, KENYA" By ANTONY KOOME KIRAI & JOSPHAT KWASIRA ,[17] public procurement in Kenya was marred by shoddy works, poor quality goods and services. Failure to implement or delayed implementation of recommended performance standards has resulted in unnecessarily high operation costs, uncoordinated business activities, and failure to attract and retain experienced and skilled personnel in the procurement positions, thus affecting procurement performance.

Due to the colossal amount of money involved in government procurement, there is need for accountability and transparency. Procurement is the nerve center of performance in every institution, whether public or private and thus needs a tight system to be followed and adopted. According to Study in Kenya Many procurement activities still suffer from neglect, lack of proper direction, poor co-ordination, slow with a lot of bureaucracy, lack of open competition and transparency, differing levels of corruption and not having a cadre of trained and qualified procurement specialists who are competent to conduct and manage the procurement process in a professional, timely and cost effective manner.

The main objective of the current study were

- To determine the influence of resource allocation on procurement performance
- To evaluate the influence of staff competence on procurement performance
- To examine the influence of stakeholder influence on procurement performance
- To establish the influence of procurement planning on procurement performance

Then the study concluded that budgetary allocations were implemented strictly and without external interference and that tenders were awarded based on resource availability. Further, it was concluded that resources were not allocated on time thereby did not enhance procurement performance. Secondly, the study concluded that the organization valued employee skills and experiences and that the organization deployed staff based on relevant skills. Further, it was concluded that since competence was one of the key factors influencing procurement performance the organization must work towards enhancing staff competence through staff training schemes, consistent motivation and merit based performance measures.

[17] Assessment of procurement performance at Kenya pipeline company, Antony Koome Kiray,

"Bangladesh Country Procurement Assessment Report" conducted by the World Bank at 2002 in order to develop and reform the public procurement procedure in Bangladesh. The study identified some problems in procurement practices such as the constitution has no direct provision bearing on public procurement. Neither is there any procurement law or decree through which government contracts to follow, leaving it to the departments to frame detailed rules and procedures for their respective procurements. The manual of Office Procedure (Purchase) compiled by the department of Supply and inspection as the guide for the purchase of goods and the Public Works Department (PWD) code as the guide for works. Some departments, autonomous boards, and public undertakings have drafted their own set of procedures or a manual, and the rest follow the PWD code.

As there were no uniform or standard procurement procedure the World Bank study got the following problem with conventional procurement practice

- poor advertisement,
- a short bidding period,
- poor specifications,
- nondisclosure of selection criteria,
- award of contract by lottery,
- one-sided contract documents,
- negotiation with all bidders,
- rebidding without adequate grounds,
- other miscellaneous irregularities, and
- corruption and outside influence.

After finding the above problems in procurement procedure the World Bank recommended for creating a Central Procurement Policy Unit (CPTU) in an appropriate ministry that will be responsible for Public Procurement Policy, Public Procurement Rules and Procedures, and Standard Bidding and Contract Documents, as well as oversight of public procurement.

After implementation of public procurement rules for assessment of rules in public procurement another study/survey was conducted by the World Bank at 2009 named as "Assessment of

Implementation of Public Procurement Regulations". The targeted organizations for this survey were RHD, LGED, REB, and BWDB as these are the most spending organization of Bangladesh. In this survey the procurement performance were assessed depending on some key performance indicator which were developed by the World Bank following OECD-DAC[18] indicators.
The main findings that were found from this survey were as follows

1. The higher the level of contract approving authority, the lesser the efficiency of the procurement system especially in terms of implementation delays.
2. Overall implementation of PPR across the agencies can be termed average to poor, especially with respect to the most critical 7 indicators.
3. In contract administration, overall performance is poor
4. Relatively better performance was observed against the following indicators across these four agencies such as % of cases bid evaluation committee (BEC) included two external members outside the procuring entity, % of open bidding (NCB) publicly advertised etc.

In another study named as "Compliance of PPR 2008: A Study on LGED Based on KPIs" by Md. Mahfuzar Rahman is explained about the compliance of PPR 2008 according to the specific key performance indicators.

The main objectives of this study were as follows:

i) To find out the extent of compliance of PPR 2008 by LEGD.
ii) To find out the gap of compliance and scope of improvement for implementation of PPR 2008 in LGED.

According to these study the recommendations were

1. Instead of traditional procedure, submission of TER directly to the Contract Approving Authority where Approving Authority is HOPE or below, should be practiced properly to ensure the compliance of Rule 36(3) of PPR 2008.

[18] Organization for Economic Co-operation and Development (OECD), 2006

2. Tender should be floated only after having availability of sufficient fund. This would ensure the timely payment to the contractor [Rule 39 (22)]
3. Liquidated damage clause to be properly applied as per Rule 39 (27) of PPR 2008.
4. Provision for payment of interest in case of delayed payment should be kept in the contract and implemented accordingly so that the rights of the contractor can be protected.

4.3 Summary

For the purposes of our paper, we focus only on the evaluation of procurement performance of Bangladesh Power development Board. The basic requirement of this research is to identify the factors affecting the procurement performance in terms of KPI and the area that requires improvement.

The specific objectives of this study are:

a) Identify the weaknesses and obstacles of present procurement process in Bangladesh Power Development Board in terms of procurement processing time.

b) Propose ways to make the procurement system in Bangladesh Power Development Board more efficient and effective.

So the previous study helps us to conduct the study effectively and efficiently which will help us to improve the procurement performance of Bangladesh Power Development Board.

CHAPTER 5

METHODOLOGY

5.1 Introduction

The methodology of the Research determines the information that needs to be collected for the purpose of the Research. Source of information and the procedure of information collection are also identified. BPDB is responsible for a wide range of execution tasks that collectively determine the success of the organization as a whole. This research involves the performance analysis of procurement function conducted at the BPDB.

5.2 Data Collection & Translation

5.2.1 Research area selection

Bangladesh Power Development Board is one of the largest organization in Bangladesh. There are a large number of Procuring entity all over the country and a very large number of stakeholders with the procurement activities of BPDB. Due to time constraints and convenience of the research directorate of purchase was selected for central procurement contract and Baghabari 50 MW Peaking Power Plant as a decentralized procurement entity.

On the other hand there are a lot of important dimensions of public procurement such as transparency, competitiveness, effectiveness, value for money, accountability, but in this research only efficiency was adopted for performance analysis.

For simplicity of this research the study was limited to the procurement contracts following open tendering method and only goods procurement was considered for this study.

5.2.2 Sampling

For accuracy and effectiveness of any research, sampling is most important factor. The success of research depend on the sampling procedure. So in this research for taking the primary data interview, questionnaires and focus group discussion are used. For this purpose about 30 persons are randomly selected from BPDBs different office from different level as well as other stakeholder such as member of TOC/TEC, Tenderer, End user etc. For getting secondary data about 30 contracts for two financial years (2014-15 and 15-16) were selected to collect the data through a standard format as Appendix-F and then translated into specific KPI.

The secondary data also has taken from the annual report of BPDB.

5.2.3 Data Collection

In this research both primary and secondary data were collected. For getting the secondary data a standard data collection format was used for different type of contract with respect to the selected KPIs.

For collecting primary data two types of questionnaires were used for this study which is given in the **Appendix E**. The questionnaire survey was adopted for collecting primary data from different stakeholders related to procurement activities of BPDB and having an acquaintance with PPA 2006 and PPR 2008. Before asking for filling the questionnaire, the general idea of the research objectives were exchanged with them. After the exchange of general idea of the research objectives, the questionnaire was given to them. They were requested to fill the questionnaire based on the practical experience they had regarding compliance issues of PPR 2008 in BPDB based on KPIs in Questionnaire 1. A 5-point Likert scale was set to measure the responses against all KPIs. Both open end and close end questions were set in the questionnaire to reveal the real perception of the respondents.

5.2.4 Questionnaire procedure to Key Informant Interview

Key informant interview has been conducted with few officials of different level of personnel from different office of BPDB. All the key informants were asked about the level of efficiency of procurement in terms of selected KPIs and expressed that their in depth opinion was expected for a clear view of the issue, understanding the same and concluding thereof. Also, the key informants were asked about the problems of achieving the required level of efficiency as per PPR 2008 in their respective procurement activities and what they think about best solution of them. The opinion of the key informants were noted down and used for analyzing the findings of the questionnaire survey.

5.2.5 Data processing

Collection of data was conducted through survey questionnaire and interview where 5- point Likert scale was used in the questionnaire to categorize the answers for easy analysis. As a means of processing, collected data have been cleaned, edited, arranged and coded before statistical analysis. Frequency distribution table and central tendency test have been done to see the findings of the sample. The graphical representations of the answers in the form of 'pie chart' have been given for easy understanding of the responses.

Microsoft Excel has been used for preparing the frequency table & other tables and for constructing pie charts. Microsoft Word has been used for preparing the report.

CHAPTER 6

ANALYSIS AND RESULT

6.1 Introduction

In this dissertation both primary and secondary data were collected. For getting the secondary data a standard data collection format was used for different type of contract with respect to the selected KPIs. For collecting primary data two types of questionnaires were used for this study which is given in the **Appendix F**. The questionnaire survey was adopted for collecting primary data from different stakeholders related to procurement activities of BPDB and having an acquaintance with PPA 2006 and PPR 2008.

6.2 Primary Data Analysis

6.2.1 Information of the respondents

To collect the data, questionnaire survey has been conducted on the officers mainly from Bangladesh power development board but also from other stakeholder group who are relevant and well known about the BPDB's procurement. The respondents were selected randomly from different designation from different level of office.

A summary about the demographic condition of the respondents are given below:

Table 6.1 : Summary of demographic information of the respondents

Respondent's attribute	Frequency	% of Total Frequency
Organization		
BPDB	26	86.7%
Others	4	13.33%

Respondent's attribute	Frequency	% of Total Frequency
Total	30	100%
Designation		
Assistant Engineer	5	16.67%
Sub Divisional Engineer	9	30.0 %
Executive Engineer	9	30.0%
Superintendent Engineer/Director	3	10.0%
Others	4	13.33%
Total	30	100%
Training on PPA/PPR		
Yes	25	83.33%
No	5	16.67%
Total	30	100%

6.2.2 Summary of findings from Questionnaire survey

In this dissertation the 5-point Likert scale were used where scoring were 1 for " Strongly disagree ", 2 for "Disagree", 3 for "Neutral", 4 for "Agree" and 5 for "Strongly Agree". All the respondents were asked Ten (10) questions regarding efficiency level of procurement performance with respect to PPR 2008 in BPDB's procurement activities in terms of KPI depending on the above Likert scale and another 4 question for the opinion about overall procurement performance in BPDB.

For statistical analysis of the data Frequency distributions for these questions are presented in Table 5.2 and Table 5.3 respectively below:

Table 6.2: Statistical analysis of the data as Frequency distributions

Question number	KPI	Frequency Distribution (Weightages)					Total frequency
		Strongly disagree(1)	Disagree (2)	Neutral (3)	agree (4)	Strongly agree (5)	
Q-1	KPI-6	0	0	0	10	20	30
Q-2	KPI-14	0	0	1	12	17	30
Q-3	KPI-15	0	2	5	10	13	30
Q-4	KPI-19	0	2	8	12	8	30

Q-5	KPI-25	0	0	4	14	12	30
Q-6	KPI-26	0	0	1	20	9	30
Q-7	KPI-27	0	0	2	18	10	30
Q-8	KPI-29	0	0	0	14	16	30
Q-9	KPI-30	0	2	4	16	8	30
Q-10	KPI-32	0	0	1	19	10	30

The frequency distribution of the respondents response in percentages are given in the following table

Table 6.3: frequency distribution of the respondents response in percentages

Question number	KPI number	Frequency Distribution (Weightages)					Total frequency (%)
		Strongly disagree(%)	Disagree (%)	Neutral (%)	Agree (%)	Strongly Agree (%)	
Q-1	KPI-6	0	0	0	33.33	66.67	100
Q-2	KPI-14	0	0	3.33	40.00	56.67	100
Q-3	KPI-15	0	6.66	16.67	33.33	43.33	100
Q-4	KPI-19	0	6.66	26.67	40.00	26.67	100
Q-5	KPI-25	0	0	13.33	46.67	40.00	100
Q-6	KPI-26	0	0	3.33	66.67	30.00	100
Q-7	KPI-27	0	0	6.67	60.00	33.33	100
Q-8	KPI-29	0	0	0	46.67	53.33	100
Q-9	KPI-30	0	6.66	13.33	53.33	26.67	100
Q-10	KPI-32	0	0	3.33	63.33	33,34	100

Now as the statistical analysis of the data given in the above table 5.2 &5.3, central tendencies, *i.e.,* mean, median, mode and standard deviation of responses are conducted and the results are given in the following table

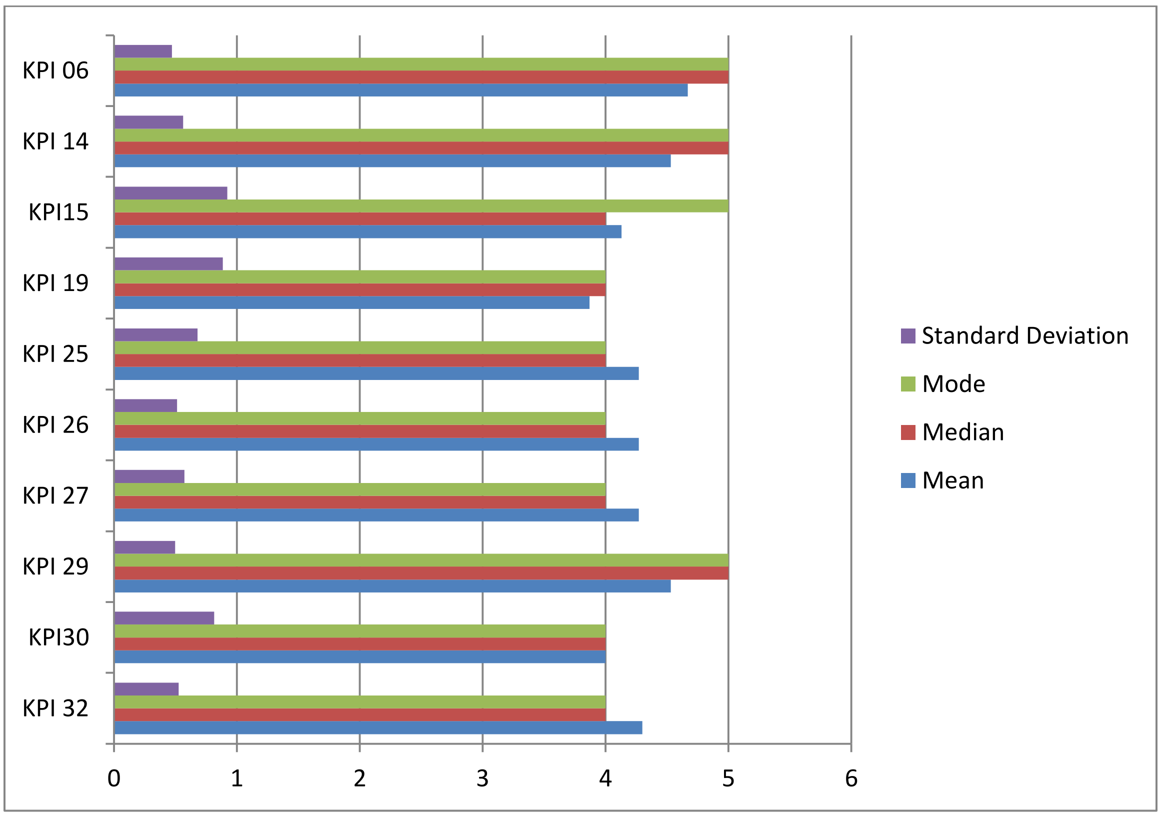
Table 6.4: The central tendencies of frequency distribution

Question Number	KPI Number	Central Tendency			Standard Deviation
		Mean	Median	Mode	
Q-1	KPI-6	4.67	5.00	5	0.471
Q-2	KPI-14	4.53	5.00	5	0.562
Q-3	KPI-15	4.13	4.00	5	0.921
Q-4	KPI-19	3.87	4.00	4	0.884
Q-5	KPI-25	4.27	4.00	4	0.679
Q-6	KPI-26	4.27	4.00	4	0.512

Q-7	KPI-27	4.27	4.00	4	0.573
Q-8	KPI-29	4.53	5.00	5	0.498
Q-9	KPI-30	4.00	4.00	4	0.816
Q-10	KPI-32	4.30	4.00	4	0.525

For a clear overview of the responses, graphical representation of the same are demonstrated in the following Bar charts

Chart -01 Central Tendencies and Standard Deviation of responses



6.2.3 Details discussion and analysis about the questionnaire survey

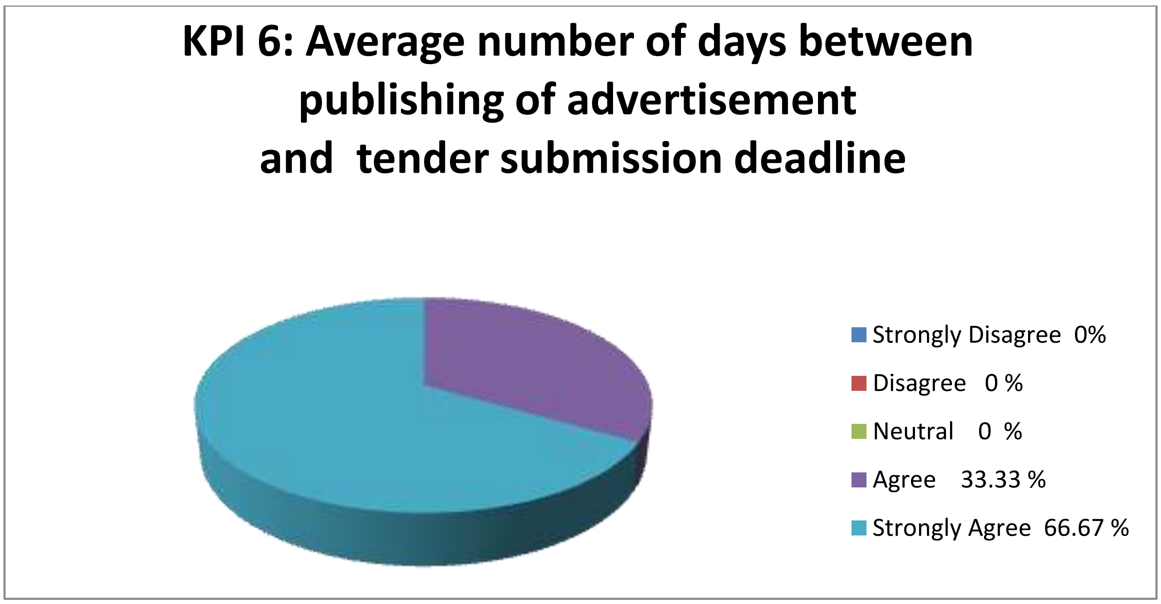
From the above data of the survey are discussed broadly on individual questions basis as below:

6.2.3.1 Q-1: **KPI 6:** ***BPDB is maintaining time for 'publishing Advertisement and Tender submission deadline as per PPR-2008.***

According to Rule 61(4) of PPR 2008, the allowable maximum time between publishing of advertisement of an IFT and tender submission deadline depends upon the estimated value of the IFT. The minimum time allowed in this regard is 14 days for Procurement up to 2 (Two) crore taka, 21 days for Procurement of above 2 (Two) crore to 5 (five) crore taka, 28 days for Procurement of above 5 (five) crore taka, 10 days for re-tendering up to 2 (Two) crore take and in other cases 14 days, 42 days for International Tendering and 28 days for re-tendering.

From the questionnaire , The perception of the respondents is very much consistent because 66.67% respondent encircled 'Strongly satisfied' option and rest are "satisfied" of the questionnaire, *That means* BPDB is strongly maintaining the time frame for publishing advertisement and tender submission deadline. No one answered it as 'neutral', 'disagree' or 'strongly disagree'. This has been shown in Table 6.3 and graphically expressed in Chart 2.

Chart-2 Responsiveness to KPI 06



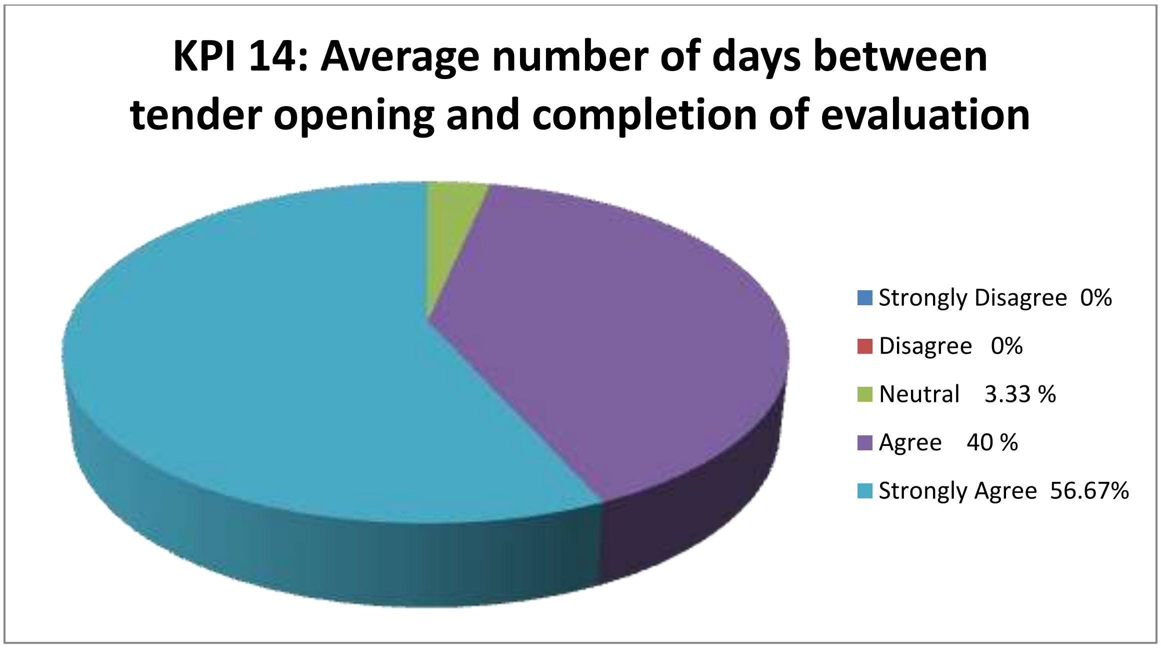
It is cleared also from statistical evaluation as there is low standard deviation among the findings. The mean, median, and mode of the responses are 4.67, 5.00 and 5 respectively.

6.2.3.2 Q-2: **KPI 14: BPDB is maintaining Average number of days between tender opening and completion of evaluation as PPR**

In PPR-2008, Rule 8(14) describe the time duration for technical subcommittee and Rule 36(6) explains the procurement approval procedure and the time line for evaluation. Depending on the contract approving authority (CAA),it varies from 2 to 3 weeks and if TSC is required it will need more maximum 2 weeks.

According to the questionnaire summary , The perception of the respondents is more consistent and 56 % of respondent encircled ‘Strongly agree’ option and 40% encircled ‘agree’ of the questionnaire, *That means* BPDB is strongly maintaining the time frame between tender opening and tender evaluation deadline. A very small answered it as ‘neutral’ and no one is encircled as “disagree” or “strongly disagree”. This has been shown in Table 6.3 and graphically expressed in **Chart 3**.

Chart-3 Responsiveness to KPI 14



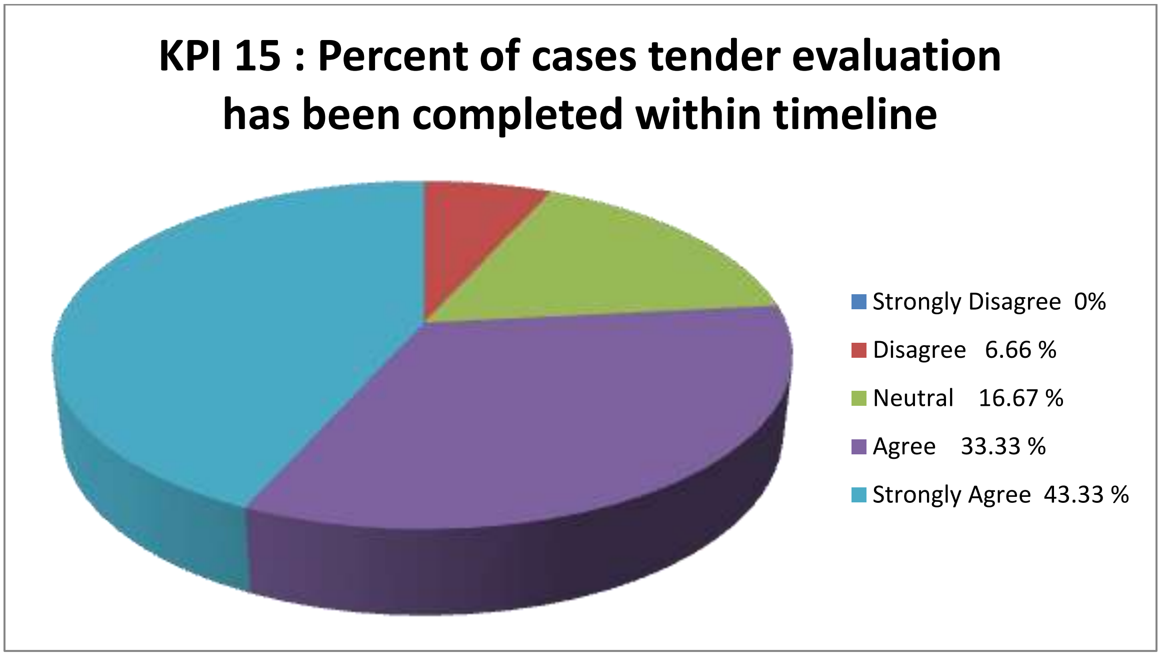
The statistical evaluation also indicated the result as there is less standard deviation among the findings such as 0.562. The mean, median, and mode of the responses are 4.53, 5.00 and 5 respectively which indicate the consistency of performance of the procurement activities.

6.2.3.3 Q-3: KPI 15 : Percent of cases tender evaluation has been completed within timeline.

The KPI 15 *Percent of cases tender evaluation has been completed within timeline* is associated with Rule 8(14) and 36(6) which explains the procurement approval procedure and the time line for tender evaluation and has been explained in more details in Schedule 3 of PPR 2008. KPI 15, Depending on the contract approving authority (CAA), it varies from 2 to 3 weeks.

According to the questionnaire summary , for this KPI The most of the respondents as 43.33, have given their opinion as ‘Strongly agree’ option and 33.33% encircled ‘agree’ of the questionnaire, *That means* BPDB completed tender evaluation within timeline as PPR-2008. A small number of respondents such as 16.67% answered it as ‘neutral’ and very small number such as 6.67 encircled as “disagree” and no one encircled as “strongly disagree”. This has been shown in Table 6.3 and graphically expressed in **Chart 4**.

Chart-4 :Responsiveness to KPI 15



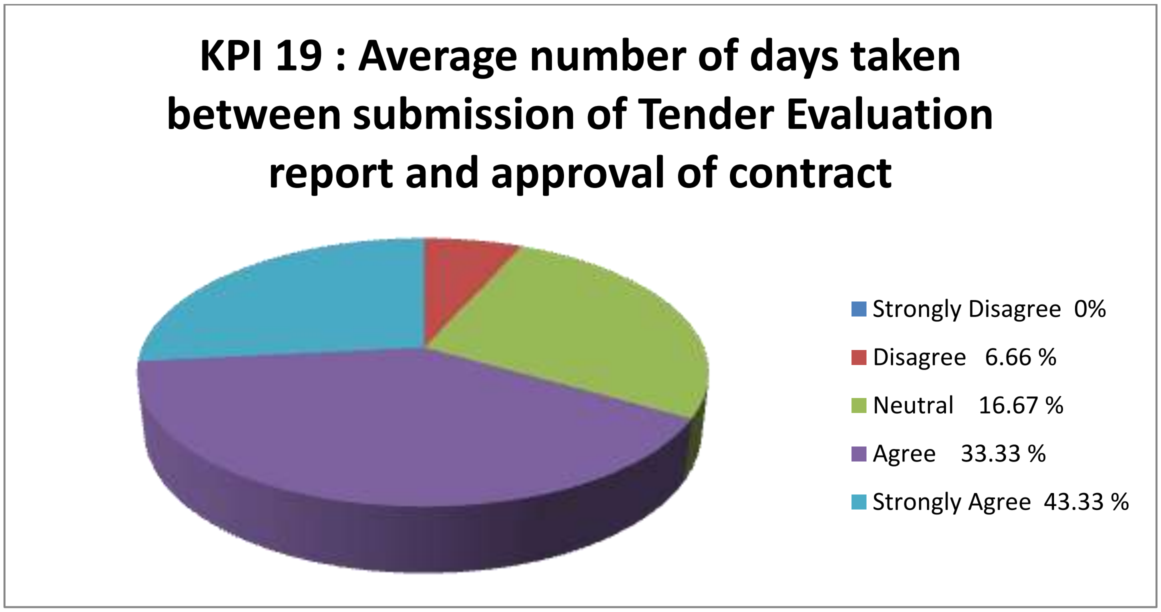
The statistical evaluation also indicated the result as there is less standard deviation among the findings such as 0.921. The mean, median, and mode of the responses are 4.13, 4.00 and 5 respectively which indicate the consistency of performance of the procurement activities with respect to the KPI 15

6.2.3.4 Q-4: **KPI 19 : Average number of days taken between submission of Tender Evaluation report and approval of contract**

This KPI (KPI 19), *Average number of days taken between submission of Tender Evaluation report and approval of contract* is concerned with Rule 8(14) and 36(6) of PPR 2008. This duration Depends on Contract Approving Authority(CAA) , it varies from one (1) week (for PD, PM or AO) to two (2) weeks (HOPE, Ministry, CCGP).The higher the authority the duration be higher.

From the questionnaire summary , for this KPI we had that the comparatively small number of the respondents such as 26.67, have given their opinion as 'Strongly agree' option and 40.00% encircled 'agree' of the questionnaire, *That means* BPDB in most of the case took less time between submission of tender evaluation report and approval of contract as PPR-2008. A large number of respondents such as 26.67% answered it as 'neutral' and very small number such as 6.66% encircled as "disagree" and no one encircled as "strongly disagree". This has been shown in Table 6.3 and graphically expressed in **Chart 5**.

Chart-5 Responsiveness to KPI 19



The statistical evaluation also indicated the result as there was less standard deviation among the findings such as 0.884. The mean, median, and mode of the responses are 3.87, 4.00 and 4 respectively which indicated the less consistency of performance of the procurement activities in most of the cases with respect to the KPI 19.

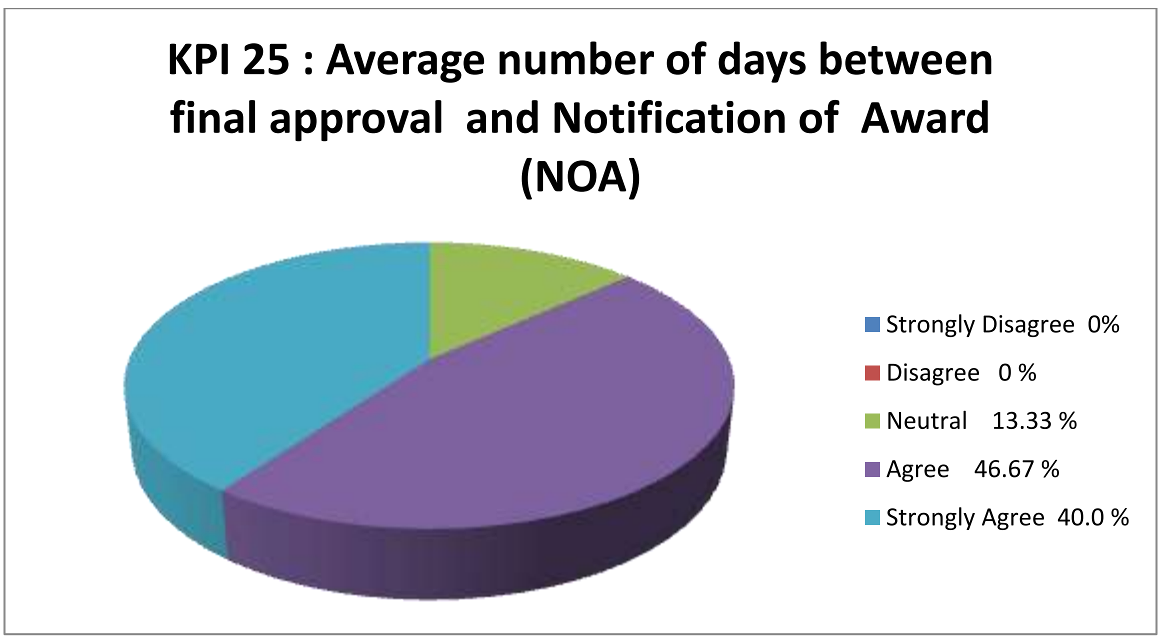
6.2.3.5 Q-5: KPI 25 : Average number of days between final approval and Notification of Award (NOA)

The (KPI 25), *Average number of days between final approval and Notification of Award (NOA)* has emerged from Rule 36 (6) which has been described in Schedule III of PPR 2008. It is generally within seven (7) working days of receipt of the approval but before expiry of the tender or proposal validity date. This has been clearly noticed in PPR 2008.

From the questionnaire summary , for this KPI we had that the comparatively large number of the respondents such as 40.0%, have given their opinion as 'Strongly agree' option and 46.67% encircled 'agree' of the questionnaire, *That means* BPDB in most of the case maintain required time frame between submission of tender evaluation report and Notification of Award (NOA) as PPR-2008. A very small number of respondents such as 13.33% answered it as 'neutral' and no one encircled as "disagree" and "strongly disagree". This has been shown in Table 6.3 and graphically expressed in **Chart 6**.

The statistical evaluation also indicated the result as there was less standard deviation among the findings such as 0.679. The mean, median, and mode of the responses are 4.27, 4.00 and 4 respectively which indicated the more consistency of performance of the procurement activities in most of the cases with respect to the KPI 25.

Chart-6: Responsiveness to KPI 25

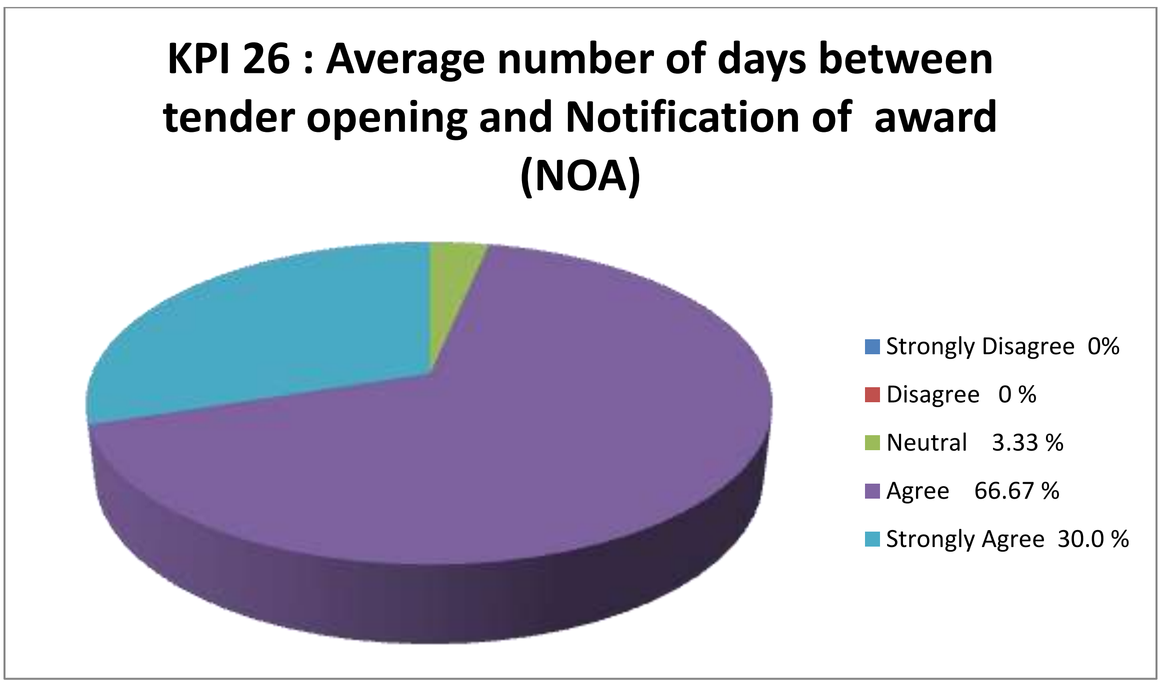


6.2.3.6 Q-6: KPI 26 : Average number of days between tender opening and Notification of award (NOA)

According to PPR-2008, Rule 8(14) describe the time duration for technical subcommittee and Rule 36(6) explains the procurement approval procedure and the time line for tender opening, evaluation, approval and Notification of Award(NOA) which has been explained in more details in Schedule II & III of PPR 2008. KPI 26, Depending on the contract approving authority (CAA), it varies from 2 to 6 weeks.

According to the questionnaire summary , for this KPI we found that the comparatively small number of the respondents such as 30.0%, have given their opinion as ‘Strongly agree’ option and 66.67% encircled ‘agree’ of the questionnaire, *That means* BPDB in most of the case maintain minimum time frame between tender opening and Notification of Award (NOA) as PPR-2008. A very small number of respondents such as 3.33% answered it as ‘neutral’ and no one encircled as “disagree” and “strongly disagree”. This has been shown in Table 6.3 and graphically expressed in **Chart 7.**

Chart-7: Responsiveness to KPI 26



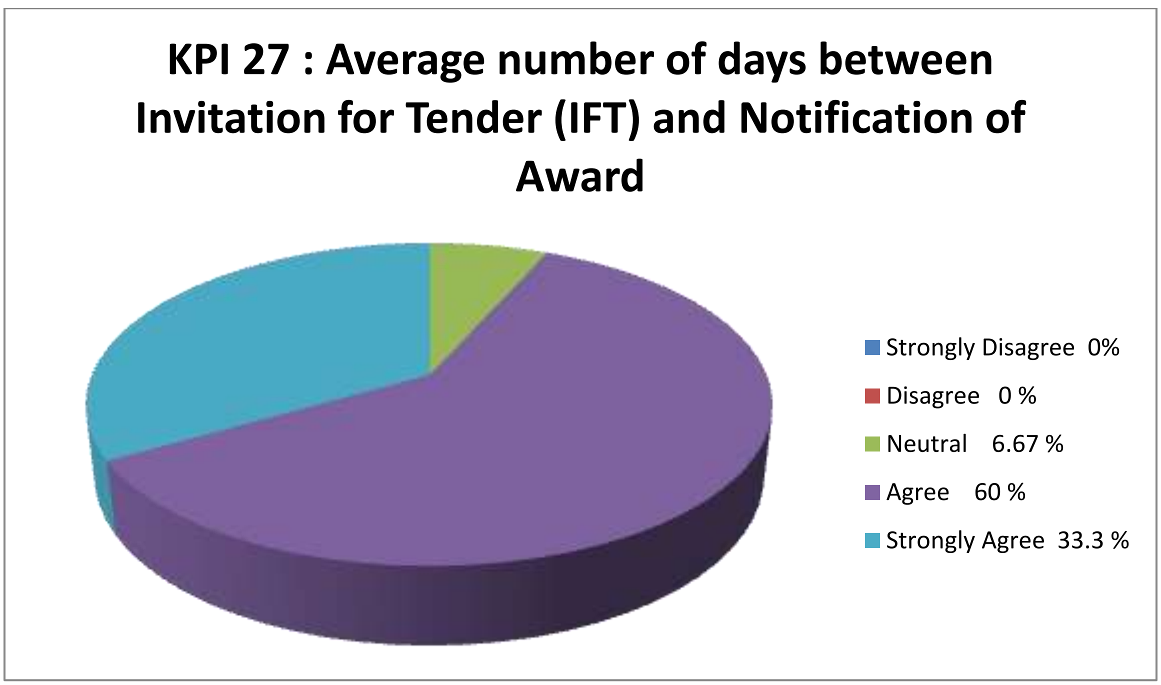
The statistical evaluation also indicated the result as there was less standard deviation among the findings such as 0.512. The mean, median, and mode of the responses are 4.27, 4.00 and 4 respectively which indicated the more consistency of performance of the procurement activities in most of the cases with respect to the KPI 26.

6.2.3.7 Q-7: **KPI 27** : **Average number of days between Invitation for Tender (IFT) and Notification of Award**

The KPI 27 "*Average number of days between Invitation for Tender (IFT) and Notification of Award"* is described at PPR-2008 through Rule 61(4) which indicates the Tender submission time, Rule 36(6) indicates the time duration from tender opening, evaluation, approval to Notification of Award (NOA). It may submission time 2 to 4 weeks and after that to NOA it will be 2 to 6 weeks.

According to the questionnaire summary , for this KPI we found that the comparatively small number of the respondents such as 33.30%, have given their opinion as 'Strongly agree' option and 66.00 % encircled 'agree' of the questionnaire, A very small number of respondents such as 6.67 % answered it as 'neutral' and no one encircled as "disagree" and "strongly disagree". This has been shown in Table 6.3 and graphically expressed in **Chart 8**.

Chart-8: Responsiveness to KPI 27



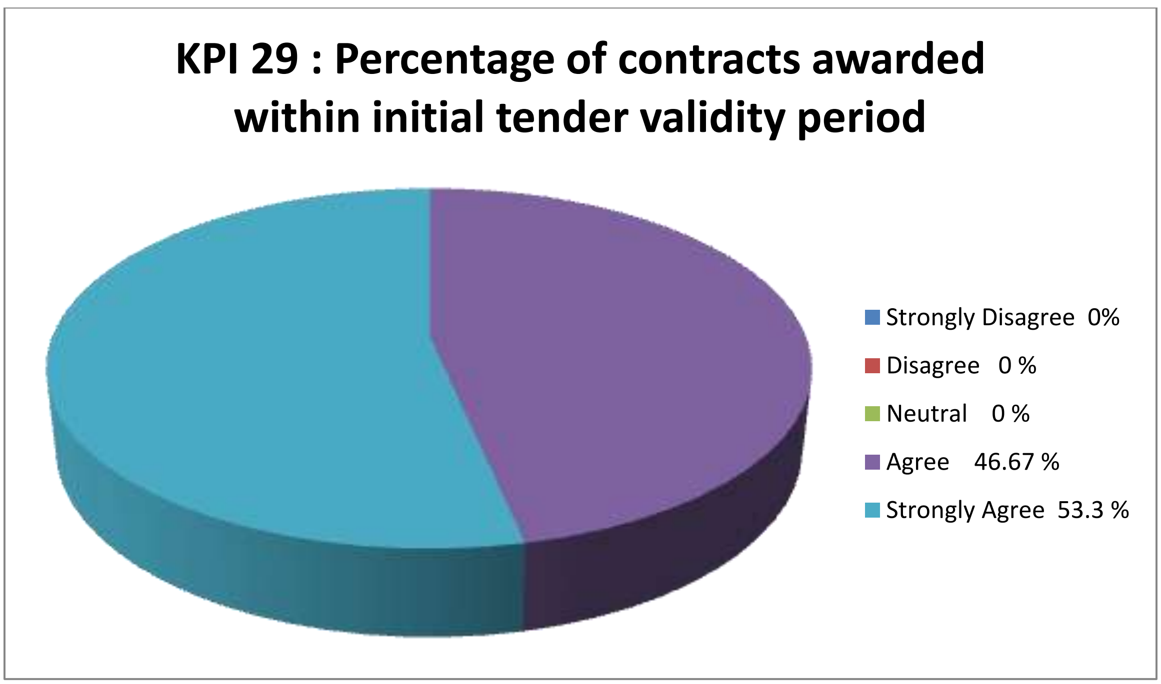
The statistical evaluation also indicated the result as there was less standard deviation among the findings such as 0.573. The mean, median, and mode of the responses are 4.27, 4.00 and 4 respectively which indicated the more consistency of performance of the procurement activities in most of the cases with respect to the KPI 27.

6.2.3.8 Q-8: KPI 29 : Percentage of contracts awarded within initial tender validity period

According to PPR-2008 The KPI 29 “Percentage of contracts awarded within initial tender validity period” is described in Rule 19(1) and Schedule II and Rule 117(10) and Schedule II. The tender validity period be 60 to 120 days.

From the questionnaire summary , for this KPI we found that the comparatively small number of the respondents such as 53.33%, have given their opinion as ‘Strongly agree’ option and 46.67 % encircled ‘agree’ of the questionnaire, No one respondents answered as ‘neutral’, “disagree” and “strongly disagree”. This has been shown in Table 6.3 and graphically expressed in **Chart 9**.

Chart-9: Responsiveness to KPI 29



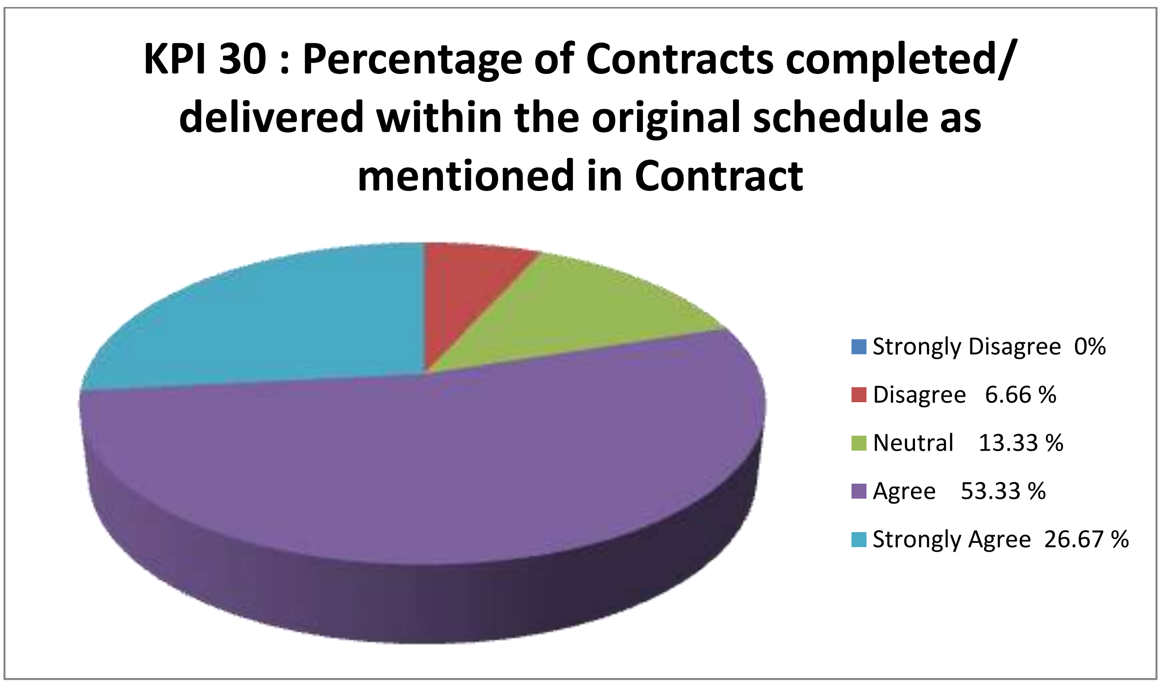
The statistical evaluation also indicated the result as there was less standard deviation among the findings such as 0.498. The mean, median, and mode of the responses are 4.53, 5.00 and 5 respectively which indicated the more consistency of performance of the procurement activities in most of the cases with respect to the KPI 29.

6.2.3.9 Q-9: KPI 30 : Percentage of Contracts completed/ delivered within the original schedule as mentioned in Contract

This KPI is described in General condition of contract(GCC) and Standard Tender Documents.

As questionnaire summary , for this KPI we found that the comparatively small number of the respondents such as 26.67%, have given their opinion as 'Strongly agree' option and 53.33 % encircled 'agree' of the questionnaire, Only 13.33 respondents answered as 'neutral' and 6.66% encircled as "disagree" and no one encircled as "strongly disagree". This has been shown in Table 6.3 and graphically expressed in **Chart 10**.

Chart-10: Responsiveness to KPI 30



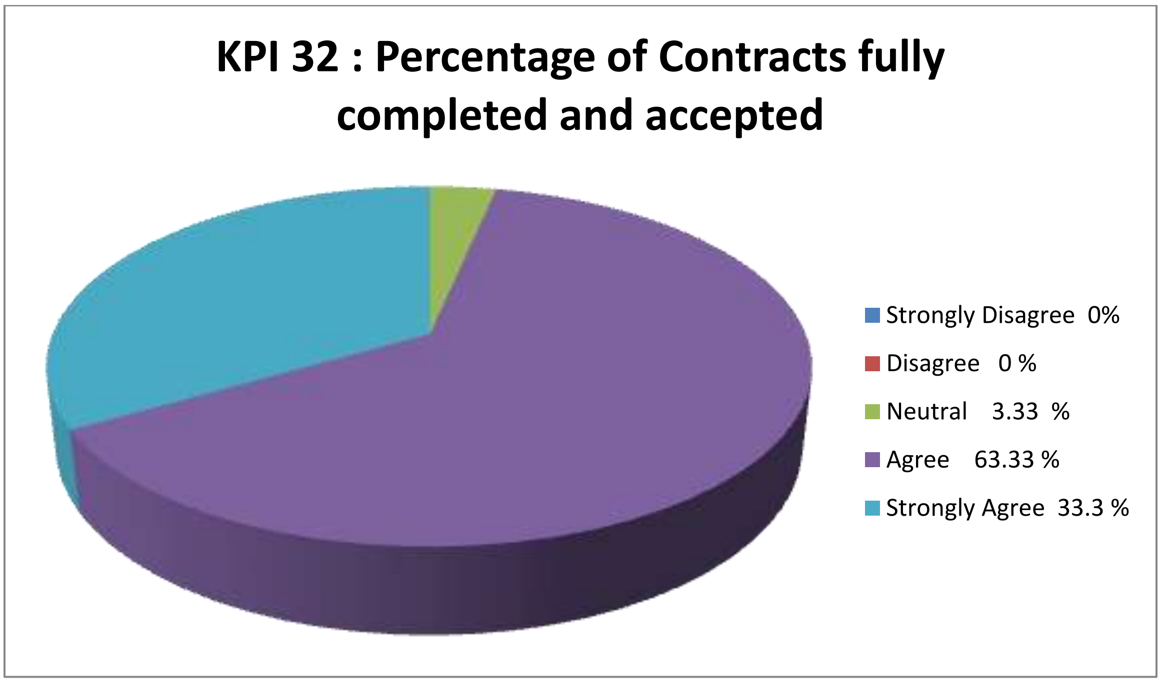
The statistical evaluation also indicated the result as there was less standard deviation among the findings such as 0.816. The mean, median, and mode of the responses are 4.0, 4.00 and 5 respectively which indicated the less consistency of performance of the procurement activities in most of the cases with respect to the KPI 30.

6.2.3.10 Q-10: KPI 32 : Percentage of Contracts fully completed and accepted

This KPI is described in General condition of contract(GCC) and Standard Tender Documents.

According to the questionnaire summary , for this KPI we found that the comparatively small number of the respondents such as 33.34%, have given their opinion as 'Strongly agree' option and 63.33 % encircled 'agree' of the questionnaire, Only 3.33 respondents answered as 'neutral' and no one encircled as "disagree" or "strongly disagree". This has been shown in Table 6.3 and graphically expressed in **Chart 11**.

Chart-11 Responsiveness to KPI 32



The statistical evaluation also indicated the result as there was less standard deviation among the findings such as 0.525. The mean, median, and mode of the responses are 4.30, 4.00 and 4 respectively which indicated the less consistency of performance of the procurement activities in most of the cases with respect to the KPI 32.

6.3 Secondary Data Analysis

Thirty procurement contracts for two financial years (FY2014-15 and FY 2015-16) were selected to gather data that eventually translated into key performance Indicators (KPI). All these contracts were executed from the Directorate of purchase and Baghabari 50 MW Peaking Power Plant, BPDB, Baghabari, Sirajganj. The findings from the 30 contracts in terms of KPI are shown in the following table:

Table:6.5 Secondary data summary from procurement contract

Key performance Indicator		Financial Year	
		2014-15	2015-16
KPI-06	Average number of days between publishing of advertisement and tender submission deadline	29.9	22.73
KPI-14	Average number of days between tender opening and completion of evaluation	24.9	19.27
KPI-15	Percent of cases tender evaluation has been completed within timeline	57.89%	72.73%
KPI-19	Average number of days taken between submission of Tender Evaluation report and approval	34.7	15.36
KPI-25	Average number of days between final approval and Notification of Award (NOA)	1.95	0.45
KPI-26	Average number of days between tender opening and Notification of award (NOA)	61.58	35.1
KPI-27	Average number of days between Invitation for Tender (IFT) and Notification of Award	91.47	57.8
KPI-29	Percentage of contracts awarded within initial tender validity period	47.37%	72.72%
KPI-30	Percentage of Contracts completed/ delivered within the original schedule as mentioned in Contract	78.95 %	81.81 %
KPI-32	Percentage of Contracts fully completed and accepted	100%	100%

From the above table we have that in terms of KPI 06 "*Average number of days between publishing of advertisement and tender submission deadline*", KPI 14 *"Average number of days between tender opening and completion of evaluation"*, KPI 19 *"Average number of days taken* *between submission of Tender Evaluation report and approval"* KPI 25 *"Average number of days between tender opening and Notification of award (NOA)",* KPI 26 *"Average number of days between tender opening and Notification of award (NOA)" and* KPI 27 *"Average number of days between Invitation for Tender (IFT) and Notification of Award"* the time duration is became less from FY 2014-15 to FY 2015-16 which indicates that the efficiency of procurement process is increase . In terms of KPI 15 "*Percent of cases tender evaluation has been completed within timeline"* we have that in FY 2014-15 only 47.37% and FY 2015-16 72.73% tender evaluation completed within timeframe, which indicates that the procurement performance in terms of this KPI is inefficient in BPDB but the improvements is observed from year to year.

In case of KPI 29 "*Percentage of contracts awarded within initial tender validity period" "* we have that in FY 2014-15 only 57.89% and FY 2015-16 72.72% of contract were awarded within the initial tender validity period. The both are low and indicates that the procurement officials as well as tenderers are incapable to complete the award process within the initial tender validity period, But the improvements also observed from FY 2014-15 to FY 2015-16. From the table in terms of KPI 30 "*Percentage of Contracts completed/ delivered within the original schedule as mentioned in Contract"* we have that For FY 2014-15 78.95% and FY 2015-16 81.81% contracts were completed on the time but this is not the indication of efficient procurement practice. But by applying liquidated damage the efficiency was increased from FY 2014-15 to FY 2015-16.
Though there were some limitation, all the contacts were fully completed.

CHAPTER 7

CONCLUSIONS AND RECOMMENDATIONS

7.1 Conclusion

The research question were

a) If the current procurement performance of BPDB is satisfactory.

b) The problems/weaknesses in present procurement process in terms of efficiency of Bangladesh Power Development Board.

c) How the required efficiency level can be achieved.

To get the answer of the above questions the study were conducted by collecting primary data through key informant interview and secondary data through analysis of previous contacts.

From the key interview and contact analysis I have that there are some inefficiency in procurement performance of BPDB in terms of specific KPIs. The officials of BPDB most of the cases took more time in tender processing such as Tender submission, evaluation, TER approval and contract award.

On the other hand the officials were failed to complete tendering process within initial tender validity period which is a clear indication of inefficiency. In some cases the they also failed to ensure the delivery of goods/completion of tender within the timeline. But all the contract were completed and accepted.

From the open ending questionnaire to the informant officials We have some reasons behind the inefficiencies in the procurement practices in BPDB which can be summarized as follows:

i) Complexity in procurement process.

ii) Collusive practice.

iii) Undue political pressure .

iv) Corruption among the officials.

v) The contractors'/suppliers' tendency to bid well below the estimated value to become the lowest bidder in order to grab the contract.

vi) The tendency of BPDB procurement practitioners to award the contract only to the lowest bidders.

vii) Lack of knowledge and training about PPR-2008 among Officials, Bidding Community.

viii) Lack of commitment of the officials to the procurement process.

ix) Long Channel of approval make unnecessary complexity and lengthy in approval.

x) Unnecessary hazard from the audit agency.

xi) Lengthy Bureaucratic process.

xii) All the procurement process is conducted by a lot of laws which reduce the necessity of intellectual/qualitative decision. As a result the procurement process be complex.

xiii) Lack of support to Junior officials from the seniors.

xiv) Shortage of adequate number of practicing officials.

To overcome the above reasons of inefficiency the key informant introduced some suggestion which are summarized below:

i) A law is always minimum standard. So for getting better result commitment is necessary.

ii) The language of law must be more easier for everyone.

iii) Delegation of financial powers should be decentralized and time of approval should be minimized.

iv) The cooperation of procuring entity and tenderer should be enhanced.

v) Ensuring no political influence.

vi) Increase practice of e-Government procurement.

vii) Motivate of BPDB officials through proper incentives which helps to reduce collusive practice.

viii) For ensuring value for money Avoid the tendency to award the contract to the lowest bidder and to make some technical criteria fixed to get rid of the bulk bidders .

ix) Arranging in house training in BPDB regarding procurement and ensuring graduate /well trained (in Procurement) engineers at field level.

x) There should be zone-wise scrutiny of Class A, B, C, D type contactor license and online database of the contractor and their BPDB work experience. Contractor may be prequalified according to database.

xi) If the bids are competitive, less/above should not be considered.

xii) More specific ITT or Tender Data Sheet should be documented for quick evaluation which will reduce the tender processing time.

xiii) For getting the delivery on time the relationship with the tenderer must be maintained. The Procurement personnel must be conscious about the contract management. The supplier development program may be very helpful such as prepayment, stage payment, supplier training, collaborative relationship etc. The impose of high Liquidated damage for delaying to deliver the goods on time.

7.2 Recommendation

Depending on the findings from the study we can recommend about the improving the efficiency of procurement practice of Bangladesh Power Development Board as follows

1. For completion the procurement process on time the tender processing time table should be Strictly followed. The estimate of time for completion of procurement process of to be calculated realistically.

2. There are a large number of documents which will be submitted by tenderer for every tender irrespective of value or category of procurement, which naturally create extra

burden to the tenderer as well as procurement officials to evaluate . So this is to be changed. A national web portal can be developed where such documents of eligible contractors will be available in electronic form.

3. Most of the cases the tenderer fails to supply/complete the contract for different reason which always extend the total procurement processing time. For avoiding this situation Liquidated damage clause to be properly applied. The amount of liquidated damage per day or per week to be calculated on the basis of approximate real monetary loss for delay, not just on the basis of blind guessing.

4. Reward/punishment system also be incorporated in procurement. For fulfilling the contract on time the tenderer be rewarded such as enlisting into the preferred list, further contract, financial benefit, supplier development, stage payment etc. On the other hand the tenderer who make unnecessary delay may be punished such as Liquidated damage, excluding from preferred list, black listing, barring etc.

5. The procurement process be inefficient due to proper knowledge about procurement process. So Extended training on procurement to be ensured for all procurement personnel of different position . Training on PPR 2008 should be provided to the concerned tenderer also.

6. Implementation of e-GP system will enhance the efficiency to the whole procurement process.

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APPENDICES

Appendix A: KPIs Developed by World Bank

Indicator	Process Indicator	Performance Data
1.	Annual Procurement Plan	% of procuring entities prepared annual procurement plan
2.	Contract packaging	% of contracts in a procurement plan appropriately packaged.
3.	Advertisement of bid opportunities in newspaper	% of open bidding publicly advertised
4.	Advertisement of bid opportunities in CPTU's website	% of open bidding (above threshold) advertised in CPTU's website
5.	Multiple submission of bid	% of cases allowed submission of bids in multiple locations.
6.	Bid preparation time in open bidding method	Average number of days between IFB publication and bid submission deadline.
7.	Bidding time compliance	% of cases allowed adequate time for bidding.
8.	Sale of bidding documents	Average number of bidding documents sold
9.	Bidder participation	Average number of bidders submitting bid.
10.	Bid Opening Committee formation	% of cases BOC included at least one member from BEC.
11.	Bid Evaluation Committee formation	% of cases BEC formed by contract approving authority.
12.	Outside member in BEC	% of cases BEC included two external members outside the procuring entity.
13.	Bid evaluation time	Average number of days between bid opening and completion of evaluation.
14.	Compliance of bid evaluation time	% of cases bid evaluation has been completed within timeline.
15.	Bid Acceptance	Average no. of responsive bids
16.	Re-bidding	% of cases BEC recommended for re-bidding
17.	Bid Evaluation Approval Time	Average number of days taken by the approving authority.
18.	Submission of evaluation report to appropriate authority	% of cases BEC submitted report directly to the approving authority.
19.	BER approval compliance	% of cases contract award decision made within timeline by contract approving authority.
20.	Additional review of BER	% of cases BER reviewed by person / committee other than the contract

		approving authority.
21.	Bid processing lead time	Average number of days between bid opening and Notification of Award (NOA).
22.	Publication of award information	% of contract awards published in CPTU's website.
23.	Efficiency in contract award	% of contracts awarded within initial bid validity period
24.	Opening of L/C	Average number of days taken between signing of contract and issue of L/C
25.	Delivery time	% of contracts completed within original deadline.
26.	Liquidated damage	% of cases liquidated damaged imposed for delayed delivery / completion.
27.	Completion rate	% of contracts fully completed and accepted
28.	Late Payment	% of contracts where payment made late.
29.	Complaints	% of bid procedures with complaints
30.	Resolution of Complaints	% cases complaints have been resolved
31.	Independent Review Panel	% cases review panel's decision was upheld
32.	Fraud & Corruption (F&C)	% of cases identified with F&C
33.	Trained procurement staff*	% of procuring entities with trained procurement staff.
34.	Procurement post review	% of procuring entities conducted annual procurement post review.
35	Sub-delegation	% contract approved as per rule

Appendix-B: KPIs Developed by CPTU PROMIS

Sn	Indicator Category	Process	KPI No	Performance Indicator
1	Invitation for Tender	Advertisement of tender opportunities in newspaper	1	Percentage of Invitation for Tender (IFT) published in newspaper
		Advertisement of tender opportunities in CPTU"s website	2	Percentage of Invitation for Tender (above threshold) advertised in CPTU"s website
		Tenders following GoB procurement Rules	3	Percentage of Tenders following GoB procurement Rules
		Tender following Development Partner Rules	4	Percentage of Tenders following Development Partner Rules
2	Tender Submission	Multiple locations submission tenders	5	Percentage of tenders allowed to submit in multiple locations
		Tender preparation time in open tendering method	6	Average number of days between publishing of advertisement and tender submission deadline
		Tender time compliance	7	Percentage of tenders having Sufficient tender submission time.
		Sale of tender Documents	8	Average number of tenderers purchased tender documents
		Tender Participation	9	Average number of tenderers submitted tenders
		Tender Participation index	10	Ratio of number of tender submission and number of tender document sold
3	Tender Opening(TOC) and Evaluation committee (TEC)	Tender Opening Committee formation	11	Percentage of cases TOC included at least ONE member from TEC
		Tender Evaluation Committee formation	12	Percentage of cases TEC formed by Contract Approving Authority
		External member in TEC	13	Percentage of cases TEC included two external members outside the procuring entity
4	Tender Evaluation	Tender evaluation time	14	Average number of days between tender opening and completion of evaluation
		Compliance of Tender evaluation time	15	Percent of cases tender evaluation has been completed within timeline
		Tender Acceptance	16	Average number of responsive tenders
		Re-Tendering	17	Percentage of cases TEC

				recommended re tendering
		Tender Cancellation	18	Percentage of cases where tender process cancelled
5	Tender Evaluation Report(TER) Approval	Tender Evaluation approval time	19	Average number of days taken between submission of Tender Evaluation and approval of contract
		Compliance of financial delegation	20	Average number of tenders approved by the proper financial delegated authority
		Submission of evaluation report to appropriate authority	21	Percentage of cases TEC submitted report directly to the contract approving authority
		TER approval Compliance	22	Percentage of cases contract award decision made within timeline by Contract Approving Authority
		Additional review of TER	23	Percentage of cases TER reviewed by person/committee other than the Contract Approving Authority
		Higher Tier approval	24	Percentage of tenders approved by higher tier than the Contract Approving Authority
6	Contract award	Time for issuance of NOA to Tenderer	25	Average number of days between final approval and Notification of Award (NOA)
		Tender processing Lead time	26	Average number of days between tender opening and Notification of award (NOA)
		Total tender processing time	27	Average number of days between Invitation for Tender (IFT) and Notification of Award
		Publication of award information	28	Percentage of Contract awards published in CPTU’s website
		Efficiency in contract award	29	Percentage of contracts awarded within initial tender validity period
7	Delivery/ Completion	Delivery time	30	Percentage of Contracts completed/ delivered within the original schedule as mentioned in Contract
		Liquidated damage	31	Percentage of Contracts having liquidated damage imposed for delayed delivery/completion
		Completion rate	32	Percentage of Contracts fully completed and accepted
8	Payment	Payment release compliance	33	Average number of days taken to release payment

		Late Payment	34	Percentage of cases (considering each installment as a case) with delayed payment
		Interest Paid for delay Payment	35	Percentage of Contracts where interest for delayed payments was made
9	Complaints	Tender procedure complaints	36	Percentage of tender procedures with complaints
		Resolution of complaints with award modification	37	Percentage of complaints resulting in modification of award
		Resolution of complaints	38	Percentage of cases complaints have been resolved
		Independent review panel	39	Percentage of cases review panel decision upheld
10	Contract amendments	Contract Amendment/variation	40	Percentage of contract amendments/variations
11	Contract dispute resolution	Unresolved Disputes	41	Percentage of Contracts with unresolved disputes
12	Fraud and corruptions	Fraud and Corruption	42	Percentage of cases F & C Detected
13	Procurement Management capacity	Procurement training	43	Average number of trained procurement staff in each procuring entity
			44	Percentage of procuring entity which has at least one trained/ certified procurement staff
			45	Total number of procurement persons in the organization with procurement training

Appendix-C :KPIs related To PPR-2008

S/N	KPI no	Key performance Indicator	Related Rules of PPR
1	6	Average number of days between publishing of advertisement and tender submission deadline	Rule 61(4), 64(5) Schedule II
2	14	Average number of days between tender opening and completion of evaluation	Rule 8(14), 36(6) Schedule III
3	15	Percent of cases tender evaluation has been completed within timeline	Rule 8(14), 36(6) Schedule III
4	19	Average number of days taken between submission of Tender Evaluation report and approval of contract	Rule 8(14), 36(6) Schedule III
5	25	Average number of days between final approval and Notification of Award (NOA)	Rule 36(6) Schedule III
6	26	Average number of days between tender opening and Notification of award (NOA)	Rule 8(14), 36(6) Schedule II & III
7	27	Average number of days between Invitation for Tender (IFT) and Notification of Award	Rule 61(4), 36(6) Schedule II & III
8	29	Percentage of contracts awarded within initial tender validity period	Rule 19(1), 117(10) Schedule II
9	30	Percentage of Contracts completed/ delivered within the original schedule as mentioned in Contract	GCC and STD
10	32	Percentage of Contracts fully completed and accepted	GCC and STD

Appendix D: Summary from The previous Contract

Key performance Indicator		Financial Year	
		2014-15	2015-16
KPI-06	Average number of days between publishing of advertisement and tender submission deadline	29.9	22.73
KPI-14	Average number of days between tender opening and completion of evaluation	24.9	19.27
KPI-15	Percent of cases tender evaluation has been completed within timeline	57.89%	72.73%
KPI-19	Average number of days taken between submission of Tender Evaluation report and approval	34.7	15.36
KPI-25	Average number of days between final approval and Notification of Award (NOA)	1.95	0.45
KPI-26	Average number of days between tender opening and Notification of award (NOA)	61.58	35.1
KPI-27	Average number of days between Invitation for Tender (IFT) and Notification of Award	91.47	57.8
KPI-29	Percentage of contracts awarded within initial tender validity period	47.37%	72.72%
KPI-30	Percentage of Contracts completed/ delivered within the original schedule as mentioned in Contract	78.95 %	81.81 %
KPI-32	Percentage of Contracts fully completed and accepted	100%	100%

Appendix E :Survey questionnaire

Institute of Governance Studies (IGS)

BRAC University

Survey Questionnaire

Research Topic: A study on Bangladesh Power Development Board on the basis of key performance indicator regarding compliance PPR 2008 in the procurement activities in terms of Procurement processing time.

The aim of this research and questionnaire is to find out the extent of level of procurement efficiency based on KPIs followed by PPR 2008 in BPDB and if there any shortfall to follow PPR 2008. It is a part of academic necessity for the ***Masters in Procurement and Supply Management*** *in the Institute of Governance Studies (IGS), BRAC University. Your honest response is valuable for the researcher. The researcher assures you that the information given by you will be kept confidential & will be used only for the academic purpose.*

Part A: Profile of Respondents (Please encircle where appropriate)

1	Name of the respondent				
2	Designation				
3	Name of the Organization				
4	Relevancy with BPDB (please tick one)	Employee	TEC/TOC member	Contractors	others
5	Educational qualification				
6	Do you have training on PPR-2008				

Part B: The following statements ask you about **BPDB's procurement efficiency based on KPIs followed by PPR 2008**. Please circle (O) only one number that best reflects your opinion on the following 5 points scales ***(1= strongly disagree, 2= disagree, 3= Neutral, 4= agree, 5= Strongly agree)*.**

Question No	**KPI No**	**KPIs indicating the Procurement efficiency**	**Scale 1 to 5**				
Q-1	KPI-6	BPDB is maintaining time for "publishing of advertisement and tender submission deadline"	1	2	3	4	5
Q-2	KPI-14	BPDB is maintaining timeframe between tender opening and completion of evaluation	1	2	3	4	5
Q-3	KPI-15	BPDB is maintaining tender evaluation within timeline	1	2	3	4	5

Q-4	KPI-19	Maintaining timeframe between submission of Tender Evaluation report and approval of contract	1	2	3	4	5
Q-5	KPI-25	Time frame between final approval and Notification of Award (NOA) maintain properly	1	2	3	4	5
Q-6	KPI-26	Maintaining proper time duration between tender opening and Notification of award (NOA)	1	2	3	4	5
Q-7	KPI-27	Average number of days between Invitation for Tender (IFT) and Notification of Award	1	2	3	4	5
Q-8	KPI-29	Percentage of contracts awarded within initial tender validity period	1	2	3	4	5
Q-9	KPI-30	Percentage of Contracts completed/ delivered within the original schedule as mentioned in Contract	1	2	3	4	5
Q-10	KPI-32	Percentage of Contracts fully completed and accepted	1	2	3	4	5

Part C: Respondents opinion about efficiency of procurement performance in terms of KPI based on PPR 2008.

Please provide your candid opinion regarding the following questions:

1. What do you think are the reasons behind the inefficiencies in the procurement practices in BPDB?
   Ans:

2. What could be your suggestions to reduce the inefficiencies in the procurement practices in BPDB?
   Ans:

3. From your opinion which part of the procurement process is more responsible for being late to the whole process?
   Ans:

4. How can that part of procurement process be managed to speedy the whole process?

   Ans:

5. Do you think that PPR-2008 is sufficient for preventing inefficiency in conducting procurement performance effectively in BPDB?
   Ans: a) Yes
   b) No

6. Do you think there should be supplier/contractor reward system in BPDB for avoiding inefficiency?
   Ans: a) Yes
   b) No

Appendix F : secondary data collection format

Secondary Data collection format For This Research

1	Tender No/name		:	
2	Name of the office		:	
3	Budget		:	Revenue/Donar fund
4	Date of publication of IFT		:	
5	Last date of Submission		:	
6	Date of Tender opening	According to IFT	:	
		Actual Date		
7	Date of submission of TER		:	
8	Date of Approval of TER		:	
9	Date of giving NOA/Date of Contract signing		:	
10	Tender validity period		:	
11	Date of Delivery /completion According to STD		:	
12	Actual Contract Delivery/ Completion		:	
13	Is the tender fully completed and accepted		:	