



Public Procurement and Disposal of Public Assets Authority

Procurement Performance Measurement System

User's Guide

August 2008

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Rambøll Management Consulting
Nørregade 7A
DK-1165 København K
Denmark

Phone +45 3397 8200
www.ramboll-management.dk

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List of Acronyms

PDE	Procurement and Disposal Entity
PDU	Procurement and Disposal Unit
PM	Performance Measurement
PMSC	Performance Measurement System Coordinator
PPDA	Public Procurement and Disposal of Public Assets Authority
PPMS	Procurement Performance Measurement System

1. Introduction to the User's Guide

The Public Procurement and Disposal of Public Assets Authority (PPDA) was established in 2003 under the Public Procurement and Disposal of Public Assets Act of 2003.

One of the central functions of PPDA is to monitor the performance of Procurement and Disposal Entities (PDEs) with a view to improve procurement and disposal capacity in weak areas, hereby enhancing the fairness, competitiveness, transparency and value for money of public procurement in Uganda.

Since its creation, PPDA has introduced several tools aimed at providing the institution with a platform to monitor procurement performance at PDE level. These include compliance checks, performance audits, and most recently, a national assessment of the public procurement system in Uganda based on the OECD-DAC Methodology to Assessment of National Procurement Systems. While providing PPDA with highly useful information on the state of public procurement in various areas and entities, these tools have at the same time revealed a need for a performance measurement system capable of identifying weak performance areas *continuously* and *across* individual PDEs.

As a result, in early 2008 PPDA embarked on designing a Procurement Performance Measurement System (PPMS) enabling the institution to regularly monitor and track performance trends across PDEs.¹

The purpose of this User's Guide is to introduce PPDA staff members, officers conducting procurements at PDE level, and other stakeholders to the public procurement system to the overall purpose and structure of the PPMS. In addition, the User's Guide offers a detailed step-by-step guide to PPDA staff members on how to use and sustain the PPMS.

The User's Guide falls in three main parts:

- **Chapter 2** offers a general introduction to the PPMS, its overall objectives and structure, the activities required to run it, and the organisation setup accompanying it. The chapter targets all stakeholders interested in understanding the overall concept and importance of performance measurement in public procurement.
- **Chapters 3, 4, 5 and 6** provide a detailed step-by-step guide to the four main steps in the performance measurement cycle: Data collection, data aggregation, reporting of findings, and using findings. These chapters target all officers re-

¹ The process was supported by DFID Uganda and carried out with the assistance of consultants Ms. Marie Louise Refsgaard (Team Leader), Ms. Karin Attström and Mr. Silas Harrebye, Ramboll Management Consulting.

sponsible for carrying out the operational and strategic activities required to effectively operate the PPMS. At the operational level, this includes the appointed PPDA focal points, auditors and compliance check officers, IT officers and data clerks involved in collecting, aggregating, analysing and/or reporting on findings. At the strategic level, the chapters target the PPDA management who are responsible for making management decisions based on the acquired knowledge on performance trends.

- **Chapter 7**, finally, goes beyond the everyday use of the Performance Management System and presents a set of considerations to be made on a continuous basis in order to ensure that the design of the PPMS remains useful as a strategic tool to steer performance and continues to reflect the priorities of public procurement reform in Uganda. The target group of this chapter is therefore mainly PPDA representatives responsible for the overall management of the PPMS as well as the PPDA management who play a central part in making decisions on what constitutes key performance areas of importance to public procurement in the future of Uganda.

2. Overview of the Procurement Performance Measurement System

2.1 Objectives of the PPMS

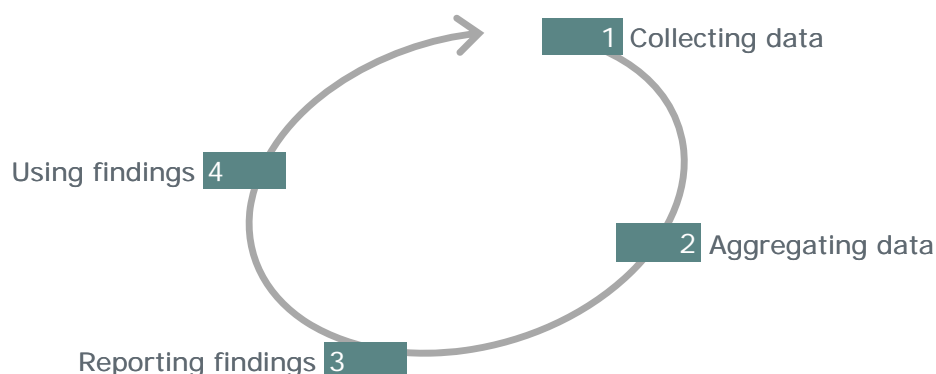
The overall objective of the PPMS is to bring about knowledge about the procurement performance at PDE level as well as at the level of PPDA itself. By doing so, PPMS aims to assist the PPDA in two important respects:

- To guide and adjust the continued public procurement reform efforts led by PPDA.
- To inform external stakeholders (Ministry of Finance, Auditor General, development partners, the public) about the results of the activities carried out by PPDA.

In short the PPMS is designed to make it possible to measure procurement performance, throughout the procurement cycle, allowing for tracking of progress over time. In this way, the system will enable the PPDA to analyse performance related strengths and weaknesses throughout the procurement cycle (for example weaknesses related to procurement planning, bid evaluation, or contract management practices), to support such weaknesses through targeted capacity development interventions, and to report on progress to different stakeholders.

2.2 The PPMS cycle

The PPMS is designed as a permanent monitoring system revolving around four core steps, which together constitute a recurring monitoring cycle as illustrated below.



The four consecutive steps of the PPMS cycle together represent the milestones of the system and constitute the framework for measuring procurement performance.

Each step has its own set of activities, players and associated tools. For example, the data collection is carried out through a number of developed questionnaires (see chapter 3), while the data aggregation and reporting steps (see chapter 4 and 5) utilise electronic databases and reporting tools designed to provide targeted information in selected performance areas. At the same time, the system avoids duplication by complementing and building on existing monitoring tools, for example by drawing upon data already collected via audits, compliance checks, monthly reports, etc.

Furthermore, the PPMS enables focused analysis of the progress and development within particular sectors. As an example the PPDA may choose to analyse the health sector procurements more closely due to concerning data reports and find out that too many bidders are rejected in the preliminary examination. Based on the information, specific strategic and practical steps can be taken to improve performance – and in that way move the procurement reform process forward.

2.3 Activity, output, outcome, and impact indicators

The PPMS is built on indicators, following the “intervention logic” of PPDA and the procurement cycle. Consequently, indicators are gathered relating to *activities* conducted by PPDA, the *outputs* produced by the activities, the intended *outcomes* (improved performance) and *impact* (more value for money).

The table below provides an example of how indicators are systematised²:

Indicator types	Objective	Indicator example	Means of data collection	Frequency of collection
Output and Activity Indicator	Trainings are provided by PPDA	# of training days (total)	Training database	Yearly
Outcome Indicator	The bidding process is efficient and supports competition	% of procurements using correct SBDs	Procurement Case Questionnaire ³	Continuously
Impact Indicator	Fair, transparent, and accountable public procurement system	% of reviewed procurement cases rated as low risk	Quarterly Monitoring Questionnaire ⁴	Quarterly

As illustrated in the table, a number of tools for data collection (questionnaires) have been developed to capture information on indicators at regular intervals. The data collection tools, as well as the mechanisms established to aggregate collected information and generate reports on their findings, are explained in more detail in the next chapters.

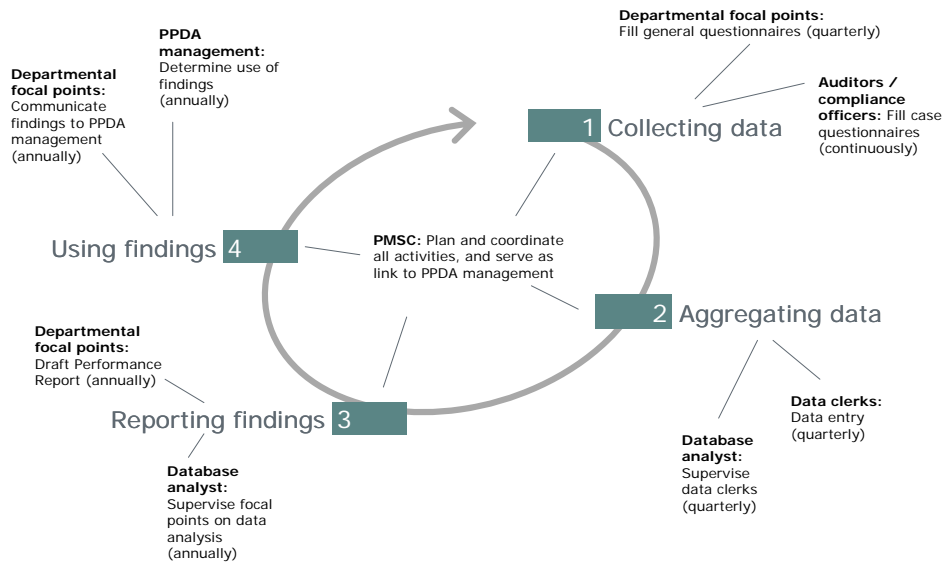
² A full overview of indicators is provided in Annex 1 of this User's Guide.

³ See Annex 4

⁴ See Annex 3

2.4 Organisational setup

To ensure that the PPMS is fully utilised and to support the ongoing implementation of each of the four steps in the PPMS cycle, an organisational setup for the PPMS has been established. The organisational setup is illustrated below:



At the centre of the organisational setup is the *Performance Measurement System Coordinator (PMSC)*, who shall be appointed by the Executive Director of PPDA. The PMSC shall assume responsibility of the overall coordination and running of the PPMS and serve as a central contact point for all other PPDA staff members using the system. Furthermore the PMSC shall serve as the direct link to the PPDA management by facilitating swift management decisions on performance findings.

In addition to the PMSC, a *departmental focal point* shall be appointed by the Directors of the Legal and Compliance Department, the Audit and Investigations Department, and Training & Capacity Building Department respectively. The three departmental focal points shall assume specific responsibility for the practical collection of data⁵ and for analysing, reporting and communicating performance findings of specific value to their departments.

In addition to the above key staff to the PPMS, the organisational setup also includes a number of PPDA staff outside the Corporate Office and the three departments.

⁵ The focal point of the Training and Capacity Building Department is exempted from this activity as the monitoring of this department is based solely on data already collected and aggregated by the department through the training database.

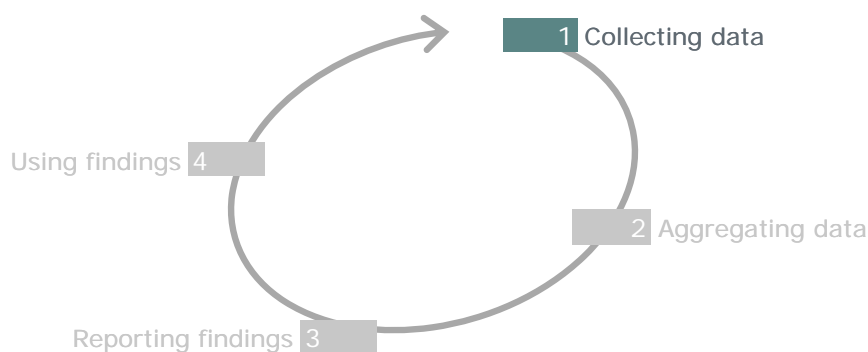
These include the *Database Analyst* who will be supporting the statistical analysis of performance information, and *data clerks* who will carry out the data inputting to the system.

The roles and responsibilities of each of the above staff members are described in more details in the chapters below.

3. Collecting Data

3.1 Overview of data collection tools

As illustrated in the previous chapter, the collection of data constitutes the first step of the Performance Measurement Cycle.



To assist the systematic collection of information for the PPMS, a number of data collection tools have been developed. These tools comprise of three short questionnaires:

- *Quarterly Monitoring Questionnaire for the Legal and Compliance Department:* Contains questions on the activities carried out by the Legal and Compliance Department. To be completed once at the end of each quarter.
- *Quarterly Monitoring Questionnaire for Audit and Investigations Department:* Contains questions on the activities carried out by Audit and Investigations Department. To be completed once at the end of each quarter.
- *Procurement Case Questionnaire:* Contains procurement case specific questions relating to selected stages of the procurement cycle and selected contract types. To be completed once for every one procurement case reviewed during audits and compliance checks at any time.

These three questionnaires together cover all the information needed to establish performance trends on the majority of indicators in the PPMS⁶. Please refer to Annex 2, 3 and 4 for the full questionnaire templates.

⁶ On certain indicators, data is derived directly from existing resources (such as the training database, monthly reports, the Register of Investigations, etc.) and hence does not require the use of separate data collection tools.

As indicated above, the three questionnaires are not to be collected by PDEs, but by the departments concerned as an integrated part of these departments' already established monitoring activities. By building upon these activities, the system avoids generating additional field visits, monitoring systems and work requirements, but rather packages already available data in a way offering PPDA to use this information for performance measurement purposes.

3.2 Roles and responsibilities during data collection

To ensure a smooth data collection, the departmental focal points from the Legal and Compliance Department and the Audit and Investigations Department respectively will be responsible for collecting information for the Quarterly Monitoring Questionnaires. Moreover, the departmental focal points shall be responsible for managing the questionnaire process. This includes dissemination of Procurement Case Questionnaires to auditors / compliance officers prior to each audit and compliance check, ensuring that a questionnaire is completed for each procurement case reviewed during audits / compliance checks, and gathering and conducting quality assurance of completed questionnaires.

The PMSC shall assume overall responsibility of managing the data collection process, continuously ensure that consistency of data collected across departments, and serve as a source of advice for departmental focal points throughout the data collection process. Finally the PMSC serves as the link between the data collection phase and the data aggregation phase in the PPMS cycle by assuring that questionnaires are submitted for data aggregation immediately upon completion and quality assurance (see chapter 4).

The table below summarises the division of roles and responsibilities in the data collection phase:

Auditors / Compliance officers	Departmental focal points	PMSC
<ul style="list-style-type: none"> ✓ Fill Procurement Case Questionnaires 	<ul style="list-style-type: none"> ✓ Provide input to annual PPMS work plan ✓ Support Auditors / Compliance Officers in completing the Procurement Case Questionnaires (Legal and Compliance/Audit and Investigations only) ✓ Fill Quarterly Monitoring Questionnaires (Legal and Compliance/Audit and Investigations only) 	<ul style="list-style-type: none"> ✓ Draft PPMS quarterly work plan based on input from focal points ✓ Distribute questionnaires to focal points according to agreed schedule ✓ Supervise focal points and auditors / compliance officers in how to fill the questionnaire ✓ Ensure timely completion of questionnaires

3.3 **Operational steps in data collection**

In practice, the data collection phase will take place in three operational steps. The four steps are:

1. Prepare PPMS Quarterly Work Plan

Preceding the beginning of each new quarter, the PMSC drafts a PPMS Quarterly Work Plan indicating the timing of all steps in the PPMS cycle. For the data collection step, this includes dates for dissemination of questionnaires; audit and compliance check periods; questionnaire completion dates; and quality assurance periods (see operational steps below). Similarly, for the other steps of the PPMS cycle, the work plan shall indicate the timing and sequencing of activities to be carried out as part of the data aggregation, reporting of findings, and using of findings (see operational steps in chapter 4, 5, and 6 respectively).

The PPMS Quarterly Work Plan is drafted based on information provided by the departmental focal points, and each PPMS Quarterly Work Plan is subject to discussion and confirmation by the departmental focal points.

2. Dissemination of questionnaires

The PMSC disseminates the relevant questionnaires to the departmental focal points according to the work plan. For Quarterly Monitoring Questionnaires, one copy is disseminated each quarter. For Procurement Case Questionnaires, a sufficient number of copies (equivalent to the total number of cases to be reviewed) are made available prior to each audit and compliance check.

Prior to dissemination, the PMSC pre-fills all copies of questionnaires with information on which monitoring period is covered (dd/mm/yyyy-dd/mm/yyyy).

When disseminating Procurement Case Questionnaires, the PMSC together with the relevant focal point will call for a brief mandatory instruction session, during which auditors/compliance officers will be familiarised with the questionnaires and how to fill them.

3. Filling questionnaires

All disseminated Procurement Case Questionnaires shall be filled by auditors or compliance officers, while the Quarterly Monitoring Questionnaires are filled by the departmental focal points.

For the Case Specific Questionnaires, the following special instructions apply:

- When visiting PDEs and reviewing cases, a questionnaire is to be filled in for each case.
- All questions must be answered if relevant for the procurement case.
- If information is not available, mark as "no".
- Completed questionnaires are to be submitted to the relevant PM focal point immediately after the review has taken place.

It is the responsibility of the departmental focal point to ensure that questionnaires are completed as required and on time. Questions regarding the filling of questionnaires shall be directed to the PMSC.

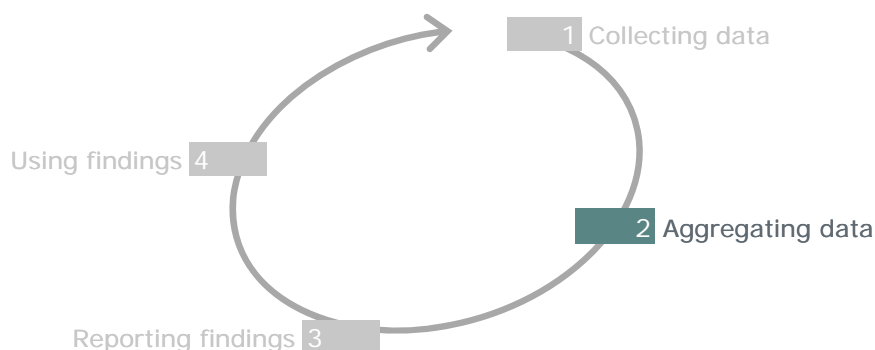
4. Collecting and quality assuring completed questionnaires

On the agreed deadline, departmental focal points submit the completed questionnaires to the PMSC. The PMSC conducts a final quality check to ensure that questionnaires are completed to satisfaction. Following the quality check, the PMSC submits all questionnaires for data entry.

4. Aggregating Data

4.1 Overview of data aggregation tools

Following the completion of questionnaires, the next step is to aggregate all questionnaire information, i.e. to enter each individual piece of information collected into a database in order to later enable PPDA to use the data as a basis for generating statistics.



For the purpose of aggregating questionnaire data, two simple IT databases have been developed by PPDA:⁷

- Procurement Case Database: Capturing all data gathered via the Procurement Case Questionnaires filled during audits and compliance checks.
- Quarterly Monitoring Database: Capturing all data gathered through the Quarterly Monitoring Questionnaires completed by the Legal and Compliance Department and the Audit and Investigations Department.

While these two databases capture all information gathered through the PPMS questionnaires (see chapter 3), several PPMS indicators are monitored through data gathered and aggregated by existing PPDA databases. These include the monthly reporting database, the training database, the register of investigations, the register of procurements above US\$200,000, and the register of providers (under development). The continuous maintenance and prevention of backlogs on data aggregation

⁷ It should be noted that in the long run it is expected that the IT databases described in this User's Guide be replaced by permanent audit and compliance check databases each capturing all data (PPMS data as well as information collected for non-PPMS purposes) gathered by the department during audits and compliance checks.

for these tools is therefore of utmost importance to the functioning of the PPMS and should not be considered in isolation from the PPMS.

4.2 Roles and responsibilities during data aggregation

The aggregation of questionnaire data will be carried out by data clerks employed by PPDA for this purpose.

Data clerks will work under the joint supervision of the PMSC and the Database Analyst, who will provide them with the necessary instructions in the correct use of the database, and who will be responsible for continuously assuring the quality of data entered.

The roles and responsibilities are summarised below:

Data clerks	Database analyst	PMSC
<ul style="list-style-type: none"> ✓ Enter all questionnaire data into the database 	<ul style="list-style-type: none"> ✓ Supervise data clerks throughout the data entry process ✓ Quality assure data entered 	<ul style="list-style-type: none"> ✓ Quality assure data entered ✓ Ensure the timeliness of the data aggregation – prevent back-logs

4.3 Operational steps in data aggregation

In brief, the data aggregation phase consists of two core steps:

1. Data entry

The essence of this activity is the entry of each answer for each questionnaire into the relevant database.

When doing the data entry, the data clerks shall allocate a unique ID number to each questionnaire, hereby indicating that the questionnaire has undergone data entry, and allowing the Database Analyst and PMSC to go back to a given questionnaire to check up on the information provided in case of flawed data entry. For the same reason, all questionnaires shall be kept by PPDA for at least one year following the monitoring period.

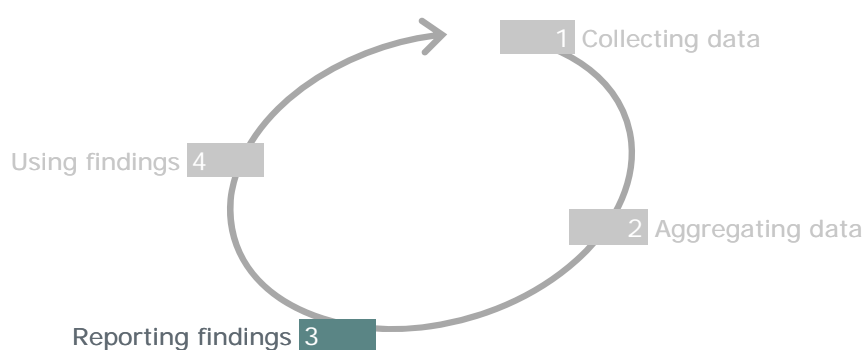
2. Quality assurance of data entered

Following the data entry, the PMSC together with the Database Analyst will carry out verifications on a small sample of entries in order to detect and correct systematic errors in the data entry approach.

5. Reporting Findings

5.1 Introduction to reporting of findings

To be able to use the data collected and aggregated, data must be analysed and findings presented in a clear and understandable form. In other words, the task of reporting findings provides an important bridge between *obtaining* data and actually starting *using* data for its intended purposes.



As described in chapter 2, a main purpose of the PPMS is to bring about the knowledge on procurement performance necessary to guide and adjust the continued public procurement reform efforts led by PPDA. Any report on findings generated by the PPMS thus needs to target PPDA, and specifically two groups within the organisation:

- **PPDA Corporate Office:** The overall findings on each of the established indicators are to be reported to the Corporate Office on an annual basis in order to provide the top management with an overview of the status on procurement reforms, including an indication of the overall areas in which the public procurement system is on track or not on track. In addition, the report shall provide the PPDA Corporate Office with an overview of major positive and negative development trends over time. The purpose of this reporting is to form the basis for strategic decision making on future public procurement reform interventions and to provide the Corporate Office with the documentation necessary to demonstrate the organisations' achievements towards its external stakeholders.
- **PPDA Departments:** The PPMS is also an important tool for PPDA Departments, who may use findings to obtain an overview of the specific activities carried out by their own department and how these activities may have affected reform outcomes. For example, if the Training & Capacity Building Department in one year has increased its training delivery toward PDUs with 50% compared to the previous year, the findings generated by the PPMS will be able to report on

whether this increase has produced a direct effect on the performance of PDUs, e.g. through an increase in the percentage of procurements using the correct SBDs, etc.

The findings targeting the above two target groups will be compiled in one consolidated Performance Report prepared on an annual basis.

5.2 Roles and responsibilities during reporting

The preparation of the Annual Performance Report is the responsibility of the PMSC, while all departmental focal points – guided and supported by the PMSC – are required to contribute with sections on the performance of their specific departments.

As the Annual Performance Report is based solely on the statistical trends generated through the databases, the Database Analyst also plays a key part to play in supervising the PMSC and departmental focal points in using the associated IT based reporting function (see also description below), and for assisting the PMSC and focal points in interpreting data and based on this identify additional relevant queries and cross-tabulations.

The roles and responsibilities are summarised below:

PMSC	Departmental focal points	Database analyst
<ul style="list-style-type: none"> ✓ Review and analyse statistics on all indicators to establish major trends ✓ Draft Annual Performance Report based on identified trends ✓ Coordinate with departmental focal points on how to include trends specific to departments 	<ul style="list-style-type: none"> ✓ Analyse statistics of value to the department ✓ Provide department specific input to the Annual Performance Report ✓ Review and provide feedback to the PPMS Coordinator on the draft Annual Performance Report 	<ul style="list-style-type: none"> ✓ Supervise PMSC and departmental focal points in using IT based reporting mechanism ✓ Running specialised queries and cross-tabulations

5.3 Operational steps in the reporting of findings

The practical task of report findings takes place in three operational steps:

1. Translating aggregated data into statistics

Findings on each of the 32 PPMS indicators can be retrieved from the various PPDA databases through an electronic reporting mechanism. This mechanism constitutes a

user friendly tool which enables the PMSC and departmental focal points to translate aggregated data into statistics for any one indicator, simply by pushing one button.

The reporting system also enables PPDA users to review trends over time (for example, % of procurement cases using correct SBDs in 2008 compared to 2009), and to check for causalities between two variables (for example, possible effects of no. of trainings delivered on % of procurement cases using correct SBDs). When utilising these specialised options, the PMSC and departmental focal points must work in close consultation with the Database Analyst.

2. Analysing statistics

When the PMSC and departmental focal points have reviewed the outputs made available through the reporting mechanism, a meeting between the PMSC, departmental focal points, and the database analyst will be held to discuss interpretation of major trends and need for additional queries or cross-tabulations which can assist the elaboration of the Annual Performance Report.

3. Presenting findings

Based on the overview of major performance trends, the Annual Performance Report will be drafted. The report shall be structured around the following headings:

- Executive summary
- Introduction
- Overview of overall key performance trends and development
- Overview of departmental key performance trends and developments
- Recommendations for steps to be by PPDA Departments and Corporate Office

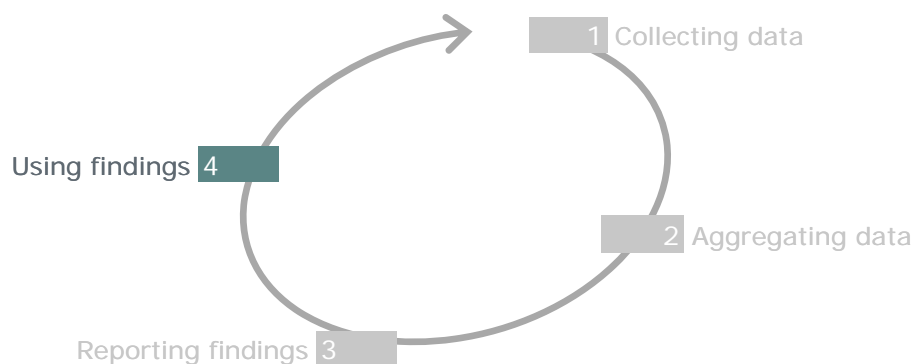
The following rules of thumb should be observed when drafting reports:

- The reports shall use visual presentations (charts, graphs, tables, etc.) as much as possible so as to illustrate relevant trends
- The reports shall be kept brief (no more than 5-10 pages) and only include the most important findings in order to make sure that they are read by all PPDA staff members and in order to avoid key trends "getting lost" as a result of information overload. If it is deemed necessary to include detailed information beyond the 5-10 pages, additional information may be included in annexes to the brief report.

6. Using Findings

6.1 Introduction to using findings

The task of using performance findings is without comparison the most important activity of the PPMS. While a system may be good at collecting, aggregating, analysing and reporting data, these activities will only be of value to the organisation to the extent that they are actually acted upon.



The findings of the PPMS are expected to be used by PPDA in several ways:

- To support strategic planning of the public procurement reform programme by providing information on which reform interventions are delivering results and which are not.
- To make operational decisions regarding the formulation of new or altered procurement reform interventions and allocation of resources based on knowledge of major weaknesses of the procurement system.
- To make decisions on aspects of the procurement system which may need to be monitored or examined more closely in order to detect and correct performance problems.
- To keep external stakeholders (Ministry of Finance, Auditor General, development partners and the public) informed of the results of activities carried out by PPDA, hereby building trust and responding to the demand for accountability.

Below, the main stakeholders expected to be involved in using findings as well as the procedures of doing so are presented.

6.2 Roles and responsibilities during the use of findings

While the role of collecting, aggregating, analysing and reporting on performance

data has largely been the responsibility of the departmental focal points and the PMSC, the task of using findings is, as indicated above, a highly strategic activity in which management ownership is key to success.

The PMSC and departmental focal points will maintain a role in this process by briefing management on the findings, organising sensitisation sessions for relevant staff members on the results, and drafting an Action Plan specifying agreed follow-up activities.

The main users of the findings, however, will be the management level of PPDA (Executive Director and Directors) who will determine how findings are to be used and be responsible for delegating tasks in this regard.

The roles and responsibilities are summarised below:

PMSC	Departmental focal points	PPDA management
<ul style="list-style-type: none"> ✓ Brief Executive Director on findings ✓ Organise sensitisation sessions for Corporate Office ✓ Draft Action Plan on how to use findings based on the decisions taken by PPDA Management 	<ul style="list-style-type: none"> ✓ Brief Directors on findings ✓ Organise sensitisation sessions for departmental staff ✓ Provide input to Action Plan on how to use findings (based on decisions taken by Directors) 	<ul style="list-style-type: none"> ✓ Determine how findings are to be used ✓ Delegate tasks to ensure that findings are used ✓ Closely follow-up on the agreed uses of the findings to ensure that these are implemented according to the Action Plan

6.3 Operational steps in the use of findings

The use of PPMS findings shall take place according to the following overall operational steps:

1. Communication of findings

Each year, when the findings of the PPMS have been translated into an Annual Performance Report, the reported findings need to be communicated clearly within PPDA. As indicated above, the communication of findings should include briefing and management feedback sessions at the departmental level (between each departmental focal point and their Director) and at the corporate level (between the PMSC and the Executive Director). Following the briefing session, a broader sensitisation session should be held with all departmental staff members to ensure that the organisation at large is familiar with the findings.

2. Development of action plan

Following the communication of findings, a clear action plan must be developed with a view to establishing follow-up actions to be taken. While the process of establishing these actions should be led and owned by the PPDA management, the process should also involve all staff members, e.g. through a one-day workshop where new interventions, changes to existing strategies, etc. are agreed, so as to ensure the ownership of all staff members in the subsequent implementation of the action plan. The final action plan should be drafted the PMSC in consultation with departmental focal points and include a clear indication of activities to be completed, timeframes and delegation of tasks.

3. Dissemination of findings

Following the internal discussion and agreement on how to use findings, the findings and action plan should also be disseminated to external stakeholders to the PPDA as well as the general public, thus promoting transparency, building trust in PPDA's activities, and responding to the public's demand for accountability. Suggestions for how this dissemination may take place are given in chapter 7 below.

7. Sustaining the Performance Measurement System

7.1 Introduction to sustaining the PPMS

One of the most important aspects of developing and implementing the PPMS is to secure and sustain continued use and applicability. Without a continuous collection, aggregation and use of data, the main benefits of the systems will not materialise, in terms of analysing weak and strong areas, tracking progress and enable results-based management. Hence the start up and first stages of implementation are crucial in the process, in order to ensure that ultimate benefits of using performance measurement is ultimately achieved. In the following, the manual outlines which measures should be undertaken in order to sustain and continuously develop the PPMS.

7.2 Ensuring a demand driven functioning of the system

The best way to ensure sustainability is to create an actual demand of information from the PPMS, from the different stakeholders to the procurement system. One key stakeholder to motivate is the PPDA itself, as the results of the measurement should be used by PPDA departments to track their own performance, benchmark PDEs and sectors in terms of performance, and to develop action plans to remedy areas of weak performance. Therefore it is important to ensure swift and timely feedback to PPDA departments and management, as well as to focus on the development of action plans.

Other key stakeholders such as the Ministry of Finance, Auditor General, development partners and business community, should also be sensitised. In addition to dissemination of reports, yearly seminars could for example be undertaken to present and discuss results from the PPMS.

7.3 Ensuring resources are available for running the system

As described in chapter 2, staff from PPDA should be appointed as responsible focus points for the PPMS. It will be important to ensure that appointed staff also are given sufficient resources and mandate to carry out the function as focal point, and that emphasis is put on performance measurement as an ongoing and integrated part of their work, and the departments' responsibilities. A potential bottle neck will be the data entry, wherefore it is of outmost importance that sufficient resources are dedicated to this arduous, but essential task.

7.4 Ensuring continued relevance of information gathered

As procurement reform progresses, a need may arise for adapting the PPMS. The staff appointed as focal points from departments, as well as the PPMS Coordinator, should together with the IT Manager, form a group tasked with the responsibility of

tracking the continued relevance of the system and indicators, identification of needs for adjustments as well as conducting revisions.

It is suggested that the group responsible for the system undertakes a feedback and analysis meeting after each monitoring period, in order to sum up and discuss potential needs for adjustments or actions. This group should produce a brief to the management, as an outcome of their deliberations, where after management should discuss and decide on potential actions.

7.5 **Future perspectives to pursue**

The PPMS which has been developed and piloted, is built to consolidate and aggregate existing information. As work processes develop within PPDA, and different tools such as monthly reports, audits and compliance checks are refined, the PPMS should be taken into account. For example, adjustments could be made to the monthly reporting format, adding information requirements which would greatly benefit the PPMS, such as adding proper price information and number of items purchased. It is therefore very important that close communication is maintained within the PPMS group, in order to ensure proper feedback loops, adding value to individual tools as well as the PPMS.

Annex 1: Overview of Indicators for the Performance Measurement System

Activity and Output Indicators			
Objective	Indicator	Means of data collection	Frequency of collection
Trainings provided by PPDA	# training days (total)	Training database	Yearly
	# of user department staff trained	Training database	Yearly
	% of all procurement officers trained	Training database	Yearly
	# of suppliers trained	Training database	Yearly
Audits conducted by PPDA	# of audits conducted	Quarterly Monitoring Questionnaire (Audit & Investigations)	Quarterly
	% of audits followed up	Quarterly Monitoring Questionnaire (Audit & Investigations)	Quarterly
	Average # of critical recommendations per audit	Quarterly Monitoring Questionnaire (Audit & Investigations)	Quarterly
	% of recommendations verified as implemented during follow-up	Quarterly Monitoring Questionnaire (Audit & Investigations)	Quarterly
	# of complaints received for investigations	Register of investigations	Yearly
	% of complaints investigated	Register of investigations	Yearly
Compliance Checks conducted by PPDA	# of compliance checks	Quarterly Monitoring Questionnaire (Legal & Compliance)	Quarterly
	Average # of critical recommendations per compliance check	Quarterly Monitoring Questionnaire (Legal & Compliance)	Quarterly
	# of cases of received for administrative review	Quarterly Monitoring Questionnaire (Legal & Compliance)	Quarterly
	% of cases processed within stipulated time limit (21 working days, cf. Act, 91.d.4)	Quarterly Monitoring Questionnaire (Legal & Compliance)	Quarterly

Outcome Indicators			
Objective	Indicator	Means of data collection	Frequency of collection
Open bidding is the preferred method of procurement	% of procurements (value) by method of procurement	Monthly Reports	Quarterly
	% of procurements (no.) by method of procurement	Monthly Reports	Quarterly
Procurements planning facilitates orderly execution of annual procurement activities	% of PDEs with approved procurement plans	Quarterly Monitoring Questionnaire (both departments)	Quarterly
	% of procurements reviewed which form part of an approved procurement plan	Quarterly Monitoring Questionnaire (both departments)	Quarterly
The bidding process is efficient and supports competition	% procurements using correct SBDs	Procurement Case Questionnaire	Continuously
	Average number of days between letter of invitation and award (open bidding only)	Procurement Case Questionnaire	Continuously
	% of bidders (open bidding only) rejected in preliminary examination	Procurement Case Questionnaire	Continuously
Evaluations of bids are conducted in a fair and transparent manner	% of competitive procurement cases with complete records of evaluation process (open bidding, restricted bidding, quotations and proposals cases only)	Procurement Case Questionnaire	Continuously
	% of competitive procurements where stipulated evaluation criteria are clearly followed	Procurement Case Questionnaire	Continuously
Contract Management is performed effectively	% of contracts reviewed where contract manager was appointed (for contracts above 200,000\$)	Register of Procurements Above US\$200,000 (to be adjusted)	Quarterly
	% of all major works contracts (above \$50,000) complete with all required contract management records, cf. Regulations 91.a.-91.j.	Procurement Case Questionnaire	Continuously
	% of reviewed cases where final payment is processed within the payment period	Procurement Case Questionnaire	Continuously

	specified in the contract		
Organisational standards support efficient and effective public procurement	% of procurement cases reviewed complete with required documentation, cf. Regulations 90.a.-90.m.	Procurement Case Questionnaire	Continuously
Impact Indicators			
Objective	Indicator	Means of data collection	Frequency of data collection
Fair, transparent and accountable public procurement system	% of reviewed procurement cases rated as low risk	Quarterly Monitoring Questionnaire (Audit & Investigations)	Quarterly
	% of procurements (no.) carried out as quotations	Monthly Reports	Quarterly
Establish a good environment to invest and do business	Average # of bidders per procurement (open bidding only)	Procurement Case Questionnaire	Continuously
	# of suppliers/providers registered	Register of Providers (under development)	Yearly
Obtain better value for money in public procurement	% of awards deviating more than + 5% from average price list	Survey on sample of goods, works and services in selected PDEs (to be conducted separately)	Yearly

Annex 2: Quarterly Monitoring Questionnaire (Legal and Compliance)

<p>QUARTERLY MONITORING REPORT LEGAL AND COMPLIANCE DEPARTMENT</p> <p><i>To be completed once every quarter based on aggregated information from the Legal and Compliance Department</i></p>

Purpose of questionnaire: To gather information from Procurement Audits and Compliance Checks on Procurement Cases, to feed into overall Performance Measurement of Procurement Reform.

Name of assessor	
Monitoring period (quarter/year)	

Question	Answer
1. How many Compliance Check Reports have been issued during the monitoring period? <i>(please indicate total no. of Compliance Check Reports, including outsourced Compliance Check Reports)</i>	
2. How many critical Recommendations on General Implementation of the Law have been made in Compliance Check Reports during the monitoring period? <i>(please indicate total no. recommendations across PDEs)</i>	
3. How many of the PDEs reviewed have an approved procurement plan? <i>(to be calculated based on all Compliance Check Reports issued during the monitoring period)</i>	
4. How many complaints has the Complaints Review Committee (CRC) received for administrative review during the monitoring period? <i>(please indicate total no. of complaints received)</i>	
5. How many of the received complaints have been duly decided within the stipulated time limit? (21 working days, cf. Act, 91.d.4) <i>(please indicate total no. of complaints processed)</i>	

Annex 3: Quarterly Monitoring Questionnaire (Audit and Investigations)

**QUARTERLY MONITORING QUESTIONNAIRE
PROCUREMENT AUDIT AND INVESTIGATIONS DEPARTMENT**

To be completed once every quarter based on aggregated information from the Procurement Audit and Investigations Department

Purpose of questionnaire: To gather information from Procurement Audits and Compliance Checks on Procurement Cases, to feed into overall Performance Measurement of Procurement Reform.

Name of assessor	
Monitoring period (quarter/year)	

Question	Answer
1. How many Audit Reports have been issued during the monitoring period? <i>(please indicate total no. of Audit Reports, including outsourced Audit Reports)</i>	
2. How many procurement cases reviewed in Audit Reports during the monitoring period are rated as 'low risk'? <i>(please indicate total no. of low risk cases across Audit Reports)</i>	
3. How many critical PPDA recommendations have been made in Audit Reports during the monitoring period? <i>(please indicate total no. of recommendations across PDEs)</i>	
4. In how many PDEs have follow-ups on audit recommendations been carried out during the monitoring period? <i>(please indicate total no. of PDEs where follow-up has been carried out, including outsourced follow-ups if any)</i>	
5. How many recommendations were reviewed during follow-up? <i>(please indicate total no. of recommendations reviewed during follow-up across PDEs)</i>	

<p>6. How many of the recommendations reviewed during follow-up were verified as implemented? <i>(please indicate total no. of recommendations verified during follow-up across PDEs)</i></p>	
<p>7. How many of the PDEs reviewed during audits have an approved procurement plan? <i>(to be calculated based on all Compliance Check Reports issued during the monitoring period)</i></p>	

Annex 4: Procurement Case Questionnaire

PROCUREMENT CASE QUESTIONNAIRE

One questionnaire to be completed per procurement case reviewed

Purpose of questionnaire: To gather information from Procurement Audits and Compliance Checks on Procurement Cases, to feed into overall Performance Measurement of Procurement Reform.

Name of PDE	
Contract No.	
Method of procurement	
Contract value (UgSh)	
Name of assessor	
Monitoring period (quarter/year)	

To be completed for all Procurement Cases	Yes	No
1. Does the reviewed case form part of the approved PDE procurement plan for the corresponding Financial Year?		
2. Were the correct Standard Bidding Documents used?		
3. Does the reviewed case have complete files with required documentation, cf. Regulations 90.a.-90.m?		
4. Was the final payment processed within the payment schedule specified in the contract?		
For competitive bidding (open bidding, restricted bidding, quotations and proposals cases only)	Yes	No

5. When was the Letter of Invitation issued? <i>(please indicate dd/mm/yyyy of advertisement)</i>		
6. When was the contract award issued? <i>(please indicate dd/mm/yyyy of contract award)</i>		
7. Does the documentation entail complete records of the evaluation process?		
8. Were the stipulated evaluation criteria clearly followed in the evaluation?		
For open bidding (domestic and international) only	Answer	
9. How many bids were received? <i>(please indicate total number of bidders)</i>		
10. How many bidders were rejected in the preliminary examination? <i>(please indicate total number of bidders rejected)</i>		
For major Works and Services Contracts (above US\$ 50,000)	Yes	No
11. Is the documentation complete with all required contract management records, cf. Regulations 91.a.-91.j.		