



A STUDY OF THE CAUSES OF NON-COMPLIANCE WITH PUBLIC PROCUREMENT ACT, 2007 AMONG PUBLIC HIGHER EDUCATION INSTITUTIONS IN SOUTHWEST, NIGERIA

Ebenezer Olutide Bamidele, Timothy Mosaku and Olabosipo Fagbenle

Department of Building Technology, Covenant University

ABSTRACT

The enormous investment through grants for infrastructures development in Higher Education Institutions (HEI) in Nigeria calls for integrity and accountability in the procurement process. However, questions have been raised as to judicious use of the funds, and it was doubtful if the institutions comply with the due process. This study examined the causes of non-compliance with the Public Procurement Act (2007) in the procurement of building projects in all public HEI in Southwest Nigeria. In all, 44 institutions comprising 17 Universities, 17 Polytechnics, and 10 Colleges of Education were used for the study. The opinions of the institutions' Procurement Officers on the causes of non-compliance with the Act in their procurement process were sought using a structured questionnaire. The results revealed that non-compliance with the Act was due to inadequate knowledge of the Act, non-employment of qualified and experienced Procurement Officer, insufficient publicity of the Act, and non-existence of corporate governance leading to poor management of procurement record and non-provision of incentive. Conclusively, engagement of Procurement Officers having: the right educational and professional qualifications, understanding of the Act, sufficient cognate working experience, and occupying management position will enhance compliance. Builders and Engineers managed project procurement records better than other professionals. Consequently, in addition to adopting an organizational culture with corporate governance structure that supports engagement of the right and qualified personnel to handle procurement, encourages them to perform at their best and rewards excellence service by giving incentives, and operates within an administrative environment devoid of corruption.

Keywords: Public Procurement Act, Construction procurement, Higher Education Institution, University, Polytechnic, College of Education.

Cite this Article: Ebenezer Olutide Bamidele, Timothy Mosaku and Olabosipo Fagbenle, A Study of the Causes of Non-Compliance with Public Procurement Act, 2007 among Public Higher Education Institutions in Southwest, Nigeria., International Journal of Civil Engineering and Technology, 10(03), 2019, pp. 1107–1118

<http://www.iaeme.com/IJCIET/issues.asp?JType=IJCIET&VType=10&IType=03>

1. INTRODUCTION

Public Procurement, being an important instrument of economic development, determines to a large extent the success or failure of public investments. It constituted 15-30% of the Gross Domestic Product (GDP) of any nation and was responsible for causing damage estimated at between 10 and 25% and in some cases up to 40 – 50% of contract values (Transparency International 2006). In Nigeria, it was affirmed that during the military era preceding the democratic government of the year 1999, all forms of decency, transparency and pricing of goods and services bore no relationship with the actual value of many items. The collapse of public procurement systems in Nigeria was identified as one of the significant causes of corruption and leakage of public treasury as well as the drain of the economy (Wahab, 2014).

Over almost a decade of enactment of the statute (i.e. Public Procurement Act 2007) prescribing the due process for the procurement of construction, goods, services, and works in the public sector of the Nigerian economy, it is of concern that the level of compliance remains very low (Nigerian Presidency 2014, Wahab, 2014; Hyacinth and Yibis, 2017; Fagbenle et al., 2018). The due process is systematic, and it involves procurement planning, budget allocation, bids invitation and evaluation, award of contract, contract management, performance measurement, monitoring, auditing, and reporting. Indeed, the objectives of the provisions of the Act are in agreement with those of Transparency International (2006) and are capable of achieving the desired impact, if well implemented. Public procurement is governed by the principles of economy, transparency, fairness, competition and accountability among others (Public and Private Development Centre, 2012).

In all, there are 165 Universities, 95 Polytechnics and Colleges of Technology, and 82 Colleges of Education owned by either the State or the Federal Governments in Nigeria. The various owner governments fund the Public Higher Education Institutions through yearly subventions in the forms of government appropriations, grants and interventions from various government agencies and bodies. Notable among fund-granting agencies are Tertiary Education Trust Fund (TETFUND), Petroleum Development Trust Fund (PTDF), World Bank, and United Nations Educational, Scientific and Cultural Organization (UNESCO). Furthermore, their own internally generated revenues contribute substantially to their development funds. Over the years, a colossal amount of TETFUND intervention grant has gone into the institutions for capital infrastructures development. Indeed, the sum of grant allocated to the public Universities, Polytechnics, and Colleges of Education was NGN 508,049,302,700.00, NGN 179, 635,263,502.00, and NGN 163,718,694,900.000, respectively between 2010 and 2019 (Oraka, Okenwa and Raymond, 2017 and Ebuka, 2017). There has been enormous construction of several infrastructural projects on-going in the institutions occasioned by their quest for expansion of access to Higher Education for teeming Nigerian youths who hitherto could not gain admission for the reason of low carrying capacities (Afolabi et al., 2017). The provisions of the Act for the procurement of capital projects bind the institutions being administered under government agencies using public funds.

The procurement or the acquisition of goods, services and works with the public fund is a universal phenomenon and the need for its regulation has been acknowledged (World Bank, 1995). The need to achieve the governing principle and objectives of procurement, countries

of the world has several rules for which reforms are carried out from time to time. The Public Procurement Act, 2007 provides the regulatory framework for all public procurements in Nigeria, for example. Unfortunately, the object of the legislation had hardly been realized because of the challenges of compliance with the regulations, and that has resulted in colossal waste of public funds (DeBoer and Telgen, 1998; Gelderman, Glusen and Brugnam, 2006; Ayangade, Wahab and Alake, 2009; Hui, Othman, Normah, Rahmon and Haron, 2011).

The present study, aimed at investigating the causes of disobedience to the provisions of the Public Procurement Act, 2007 in the procurement of building construction among all government-owned Universities, Polytechnics, and Colleges Of Education in Southwest Nigeria.

2. RESEARCH METHODOLOGY

2.1. Study Area and the Higher Education Institutions

All public Higher Education Institutions in the Southwest, Nigeria comprising six political divisions namely Lagos, Ogun, Oyo, Osun, Ekiti, and Ondo States were used for the investigation. In all, 44 government-owned institutions comprising 17 Universities, 17 Polytechnics, and 10 Colleges of Education were used in the study. All the institutions have the statutory right to receive TETFUND intervention for infrastructures development in addition to capital grants from yearly Government Appropriations (Government budgetary allocations).

2.2. Respondents

The Procurement Officers head the Procurement Units of the respective Higher Education Institutions and thus constituted the respondents for the study. The provisions of the Procurement Act 2007 charge the Procurement Officer with the responsibility of ensuring compliance with the requirements of the Act as well as keeping all documentation concerning procurement in the institution. Consequently, 44 Procurement Officers from the various institutions were the respondents to which the structured questionnaires were administered, and from whom information on the causes of non-compliance with the Act in respect of the procurement of construction was obtained.

2.3. Data Collection and Analysis

The structured questionnaire (i.e. the test instrument) used in the study was initially validated and tested for reliability before using it for the field survey. The range of Cronbach alpha coefficient for the instrument (i.e. 0.703 - 0.910) confirmed its reliability. Following administration of the questionnaires to the respondents, the responses were analysed using SPSS 20. Descriptive and inferential statistics including correlation and analysis of variance (ANOVA) were used to describe and analyse the data.

3. RESULTS AND DISCUSSION

Table 1 shows the characteristics of HE Institutions covered by the survey. Institutions' features included category, ownership, nature of location where sited, years of establishment, and size regarding students enrolment. About 40% of the institutions were fully funded by the Federal Government of Nigeria, while the six different Owner States of the Southwest geopolitical zone of the country funded the remaining 60%. The majority (90.9%) of the institutions were established before 2007 when the Public Procurement Act was enacted. Also, the majority (65.9%) was located in the urban areas of the State, whereas the remaining (34.1%)

A Study of the Causes of Non-Compliance with Public Procurement Act, 2007 among Public Higher Education Institutions in Southwest, Nigeria

was established in the rural regions purportedly to speed up the economic growth of such areas. Furthermore, the majority (70.5%) of the HE Institutions had student enrolment above 10,000.

Table 1. Characteristics of the HE Institutions used in the study		
		Percentage of HE Institutions
All HE Institutions		100.00
Category of HE Institution		
University		38.6
Polytechnic		38.6
College of Education		22.7
Ownership		
Federal Government		43.2
State Government		56.8
Nature of location		
Rural area		34.1
Urban area		65.9
Year of establishment		
Before 2007		90.9
After 2007		9.1
Size of institution defined by students enrolment		
<10,000 students		70.5
>10,000 students		29.5

Table 2. Age, sex, marital status, educational and professional qualifications, work experience, and current position and status of respondents used in the study

		Percentage of respondents in:		
		University	Polytechnic	College of Education
All respondents	100.00	38.64	38.64	22.72
Age group (yr)				
≤32	9.1	2 (4.5)	2 (4.5)	0 (0.0)
>32	90.9	15 (34.1)	15 (34.1)	10 (22.7)
Sex				
Male	84.1	31.8	36.4	15.9
Female	15.9	6.8	2.3	6.8

Marital status				
Married	63.6	11 (25.0)	11 (25.0)	6 (13.6)
Single	36.4	6 (13.6)	6 (13.6)	4 (9.1)
Highest Education Qualification*				
ND	2.3	0 (0.0)	0 (0.0)	1 (2.3)
HND	18.2	3 (6.8)	1 (2.3)	4 (9.1)
PGD	2.3	0 (0.0)	1 (2.3)	0 (0.0)
BSc	18.2	2 (4.5)	5 (11.4)	1 (2.3)
MSc	56.8	11 (25.0)	10 (22.7)	4 (9.1)
PhD	2.3	1 (2.3)	0 (0.0)	0 (0.0)
Professional Qualification**				
NIOB	43.2	6 (13.6)	7 (15.9)	6 (13.6)
NIQS	27.3	7 (15.9)	3 (6.8)	2 (4.5)
NIA	6.8	1 (2.3)	1 (2.3)	1 (2.3)
NSE	18.2	3 (6.8)	4 (9.1)	1 (2.3)
NATE	4.5	0 (0.0)	2 (4.5)	0 (0.0)
NITP	0.0	0 (0.0)	0 (0.0)	0 (0.0)
Professional status				
Licentiate	4.5	1 (2.3)	1 (2.3)	0 (0.0)
Associate	9.1	1 (2.3)	0 (0.0)	3 (6.8)
Graduate	40.9	6 (13.6)	8 (18.1)	4 (9.1)
Corporate	31.8	6 (13.6)	6 (13.6)	2 (4.5)
Fellow	13.6	3 (6.8)	2 (4.5)	1 (2.3)
Years of working experience				
≤20	68.1	11 (25.0)	13 (29.5)	6 (13.6)
>20	31.8	6 (13.6)	4 (9.1)	4 (9.1)
Position in the institution				
Technical Officer	31.8	6 (13.6)	3 (6.8)	5 (11.4)
Professional	56.8	8 (18.2)	12 (27.3)	5 (11.4)
Deputy Director	6.8	1 (2.3)	2 (4.5)	0 (0.0)
Director	4.5	2 (4.5)	0 (0.0)	0 (0.0)
*ND = National Diploma; HND = Higher National Diploma; PGD = Postgraduate Diploma; BSc = Bachelor of Science; MSc = Master of Science; PhD = Doctor of Philosophy.				
**NIOB = Nigerian Institute of Building; NIQS = Nigerian Institute of Quantity Surveyor; NIA = Nigerian Institute of Architects; NSE = Nigerian Society of Engineers; NATE = National Technological Engineers; NITP = Nigerian Institute of Town Planning.				

Table 2 shows the age, sex, marital status, educational and professional qualifications, work experience, and current position and status of respondents interviewed in the study. The majority (90.9%) of the respondents are above 32 years of age. Grouping according to sex showed that 84.1% were male and 15.9% were females. Furthermore, the married and singles were 63.6% and 36.4%, respectively. All the respondents had academic qualifications ranging from National Diploma to Doctor of Philosophy. Also, they are registered with different professional bodies in the environmental and engineering fields and are of the various status of registration or membership ranging from licentiate to fellow. However, most (68.1%) of the respondents have twenty years or less working experience. Furthermore, the majority (88.6%)

are Technical Officers and Professionals, while the remaining (11.3%) who is in the Directorship cadres are in Management positions in their institutions.

The enactment of the Public Procurement Act (2007) makes it mandatory for institutions to comply with the due process for the procurement of goods, services, and works. The law stipulates due process for achieving competitiveness, accountability and transparency in all procurement done with public funds. Furthermore, it directs all Ministries and their Extra-Ministerial Departments, and Agencies to establish Procurement Departments headed by Procurement Officers for the handling of all procurement matters in the organizations.

Essentially, the implementation of the provisions of the Act requires familiarity with the due process for public procurements. Consequently, the study sought to know whether the Procurement Officers of the HE Institutions covered by the survey were of the right educational qualifications, professional status, work experience, position or rank in the organisation, and their familiarity with the provisions of the Act. Results presented in Table 3 indicated that professional qualifications of the Procurement Officers remarkably affected familiarity with the provisions of the Act, procurement records management, and media publicity ($P > 0.05$). Also, professional qualification was negatively correlated with media publicity ($R = -0.35$) and enforcement of the Act ($R = -0.33$). However, the correlations observed were low (Table 4). In other words, their knowledge of the provisions of the Act was influenced by the area of expertise or profession, and that more media publicity was necessary to improve awareness and compliance.

The significant effect of professional qualifications of the Procurement Officers on organisational incentives ($P > 0.05$) tended to suggest that certain incentives must be provided to facilitate compliance and implementation of the Act. Also, the significant effect ($P > 0.05$) of professional qualifications of the officers on the provisions of the Act considered not their duty, and project sponsors. This seemed to suggest that respondents perceived that implementation of some of the provisions of the Act was not the duty of the Procurement Officer and that performance is influenced significantly by the financier of the project who may have prescribed custom-made procurement procedures for the project implementation. Indeed, procurement of World Bank-sponsored project has specified method different from the due process outlined in the Public Procurement Act (World Bank, 2014).

The respondents might be right to claim that some of the duties specified in the Act may not be their responsibility because the latter was specific on the roles other officers of the institution or organisation in the implementation of the Act. For example, the Accounting Officer (i.e. Chief Executive Officer) is charged with the supervision of the conduct of all procurement processes. Furthermore, different roles were prescribed for the Procurement Planning Committee (PPC) and the members representing different units with the procuring entity. The PPC has the Chief Executive Officer as chairman, Procurement Officer as Secretary, and Unit requiring the procurement, the financial Unit of the Procurement entity. Other members of the PPC include the Planning, Research & Statistics Unit of the Procuring entity, one Technical personnel of the procuring entity with expertise in the subject matter for each particular procurement and the Legal Unit of the procuring entity as members (Public Procurement Act, 2007).

The results (Table 3) shows further that Procurement Officers who were Engineers and Builders were more knowledgeable about the Act than Architects, Technological Engineers, and the Quantity Surveyors. Builders managed project procurement records remarkably better than the rest of the professionals. Technological Engineers had the worst record management. The rest of the professionals, i.e. Architects, Quantity Surveyors and Engineers' performance in record management was marginal. Builders and Engineers believed that provision of

incentives within the organisation was a significant factor in the compliance with the Procurement Act, whereas the Technological Engineers perceived it played a significantly lesser role. Architects and Quantity Surveyors believed the provision of moderate incentive was required for compliance with the Act. All the professionals except Architects considered that implementation of the provisions of the Act was not the duty of members. Builders, Engineers and Quantity Surveyors declared that media publicity was vital to compliance with the requirements of the Act in the procurement of projects. All the professionals except Technological Engineers were resolute on the fact that the influence of project sponsors on the compliance with the Act was significantly high. Mugo (2014) noted that the engagement of professional consultants resulted in better project management and that quantity surveyors and engineers performed better. Also, the researcher concluded that proper documentation of projects reduced to the barest minimum disputes in project delivery of government tertiary institutions.

Table 3. F-values from ANOVA table of One-Way ANOVA of the effect of the Factors (Independent Variables) on the Dependent variables

Factors (Independent variables)	Dependent variables ⁺																			
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T
Age	2.04	0.01	0.51	0.78	2.51	0.08	0.77	1.33	0.02	1.46	0.08	2.77	0.38	5.25*	2.54	0.07	0.04	0.61	0.32	1.78
Marital Status	0.05	1.59	0.00	0.62	0.05	0.19	0.00	0.57	0.01	0.12	0.13	0.10	0.30	0.27	0.15	3.73	0.00	1.51	1.88	0.00
Highest Education Qualification	1.04	1.64	0.69	0.86	2.07	1.05	0.85	0.95	1.09	1.41	1.88	0.98	1.15	2.00	1.35	1.22	1.65	1.04	1.29	0.61
Professional Qualification	4.57*	2.24*	1.53	3.33*	0.99	0.26	0.84	1.10	0.41	0.60	0.56	2.61*	1.89	0.35	1.12	3.43*	1.46	0.41	0.08	3.97*
Professional Status	3.67*	0.68	0.79	0.76	1.20	2.90*	0.51	0.89	0.66	2.21	1.32	0.73	2.35	1.81	0.86	1.01	0.52	1.26	1.71	1.10
Working Experience	1.67	0.48	0.39	0.98	0.67	1.56	0.00	4.98*	0.08	1.68	0.64	0.00	0.00	0.71	0.87	1.01	0.93	0.22	4.06*	1.25
Position	0.66	0.43	0.54	1.89	1.69	0.41	0.21	0.47	1.29	1.53	1.52	1.32	2.04	1.60	3.84*	0.60	0.94	0.31	1.66	1.13
Higher Education category	0.93	0.45	0.80	0.07	0.35	1.43	0.55	0.61	0.87	1.10	0.27	0.06	0.52	0.60	0.86	1.09	1.08	0.69	0.80	1.64
Ownership of Institution	2.07	0.55	0.81	0.15	1.15	1.78	1.19	0.57	0.04	0.54	0.89	0.99	0.22	0.01	0.01	0.18	0.00	0.95	1.00	0.65
Location of Institution	1.55	0.18	0.00	1.05	0.02	3.48	0.32	0.02	2.57	0.00	0.16	0.11	2.65	3.17	0.01	0.51	0.48	0.00	0.25	1.35
Year of Establishment	0.17	0.33	1.32	0.12	0.48	0.08	2.46	4.55*	1.41	1.58	0.05	1.19	0.26	1.52	0.19	0.07	1.33	1.94	0.22	1.78
Size of Institution	0.27	1.42	2.24	0.05	0.01	4.10*	0.23	0.24	0.06	2.71	1.23	0.46	2.42	1.32	0.55	1.52	2.76	0.52	0.12	0.44

A Study of the Causes of Non-Compliance with Public Procurement Act, 2007 among Public Higher Education Institutions in Southwest, Nigeria

⁺ A=Familiarity; B=Record management; C=Professionalism; D=Organizational incentives; E= Organizational culture; F= Corporate governance; G= Time factor; H= Non employment; I= Corruption; J= Cost of compliance; K= Risk in complying; L= Provision not duty; M= Difficulty in complying; N= Irrelevant provisions; O= Unavailability of document; P= Media publicity; Q= Enforcement; R= Political interference; S= Delay; T= Project sponsors *Significant at P(0.05)

The professional status of the Procurement Officers significantly ($P>0.05$) influenced the awareness or knowledge of the Act and corporate governance. All Procurement Officers with full membership status in their respective Professional Bodies asserted that level of familiarity with the Act significantly influenced the degree of compliance with the provisions of the Act, whereas those with licentiate status believed otherwise. Procurement Officers with corporate and graduate membership status of the various Professional Bodies felt that corporate governance has little to do with compliance with the provisions of the Act. Those with another membership status of the professional bodies (i.e. Associate, Fellow and Licentiate) are of the opinion that corporate governance has a significant effect on the level of compliance with the Act.

The results in Table 4 shows that the highest education qualification of the Procurement Officer was positively correlated with risk ($R = 0.30$) and difficulty ($R = 0.30$) in complying with the Procurement Act. This seemed to suggest that the more highly educated the respondents the more easily they perceived the risk and difficulty in complying with the provisions of the Procurement Act. Perhaps, they are aware of the consequences of non-compliance with the Act.

Table 4. Correlation coefficients of the relationship among the variables																				
Factors (Independent variables)	Dependent variables ⁺																			
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T
Age	-0.22	-0.01	-0.12	-0.11	0.24	-0.04	0.13	-0.18	-0.02	-0.18	-0.04	-0.25	-0.09	-0.33	-0.24	0.40	0.03	0.12	-0.09	-0.20
Marital status	-0.03	-0.19	-0.12	0.01	-0.03	-0.07	0.01	-0.12	0.02	-0.05	0.06	-0.05	-0.08	-0.08	0.06	-0.29	0.01	0.19	0.21	0.00
Highest Education Qualification	-0.21	-0.18	-0.09	-0.11	0.02	0.23	0.02	-0.01	0.25	0.16	0.30	0.12	0.30	0.19	0.19	-0.08	-0.27	-0.00	0.06	-0.05
Professional Qualification	0.15	-0.24	-0.22	-0.03	-0.21	-0.07	-0.23	-0.07	0.03	0.00	0.01	-0.21	-0.19	-0.07	0.13	-0.35	-0.33	0.13	-0.01	-0.24
Professional Status	0.22	0.09	0.08	0.00	0.29	0.05	0.02	-0.25	0.00	-0.01	-0.14	0.02	0.11	0.05	0.00	0.03	0.03	0.05	0.07	0.01
Work Experience	-0.20	-0.11	-0.15	-0.10	-0.13	-0.19	-0.01	0.33	-0.04	-0.20	-0.12	0.00	0.00	-0.13	-0.14	-0.16	-0.15	-0.07	-0.30	0.17
Position	0.20	0.09	0.17	0.15	0.18	0.14	0.09	-0.04	0.25	0.26	0.27	0.07	0.33	0.26	0.27	0.07	-0.15	0.11	0.05	0.22
Higher Education Category	-0.18	-0.09	-0.06	-0.15	-0.01	-0.19	-0.09	0.14	-0.16	-0.17	0.11	0.03	0.06	-0.08	0.12	-0.00	0.04	0.16	-0.16	-0.27
Ownership of Institution	-0.22	-0.11	0.06	0.14	0.16	0.20	0.17	0.12	0.03	0.11	0.14	0.14	0.07	0.02	-0.01	0.07	0.00	0.15	0.15	0.12
Location of Institution	-0.19	-0.07	-0.16	0.01	0.02	0.28	-0.09	0.02	0.24	0.00	-0.06	-0.05	0.24	0.27	-0.02	-0.11	-0.11	0.00	-0.08	0.18

Year of Establishment of Institution	0.06	0.09	0.05	0.26	0.49	0.78	0.12	0.31	0.18	-0.19	-0.04	0.17	-0.08	0.19	-0.07	-0.04	0.18	0.21	-0.07	0.20
Size of Institution	0.08	0.18	-0.04	0.23	0.01	0.30	0.07	-0.08	-0.04	0.25	0.18	0.10	0.23	0.17	0.11	0.19	-0.25	-0.11	0.05	0.10
<p>*A=Familiarity; B=Record management; C=Professionalism; D=Organizational incentives; E= Organizational culture; F= Corporate governance; G= Time factor; H= Non employment; I= Corruption; J= Cost of compliance; K= Risk in complying; L= Provision not duty; M= Difficulty in complying; N= Irrelevant provisions; O= Unavailability of document; P= Media publicity; Q= Enforcement; R= Political interference; S= Delay; T= Project sponsors</p> <p>*Significant at P(0.05); **Significant at P(0.01)</p>																				

The length of working experience of the Procurement Officer affected significantly ($P > 0.05$) non-employment of Procurement Officer and delayed in the execution of projects as reasons for non-compliance with the provisions of the Act. Results in Table 4 show that the respondent's work experience in construction works was positively correlated with non-employment of Procurement Officer ($R = 0.33$) but negatively correlated with delay in implementation of the Act ($R = -0.30$). Also, the correlations observed were low. The Procurement Officers with working experience below 20 years believed that non-employment of Procurement Officers was adverse to the compliance with the Act. Those with more than 20 years of working experience asserted that the delay in the execution of projects caused by adopting the due process specified in the provisions of the Act significantly affected compliance with the Act.

Position or rank of Procurement Officer in the organisation affected significantly ($P > 0.05$) unavailability of procurement documents required for the implementation and compliance with the provisions of the Procurement Act. The highly placed officers (those in the rank of Deputy Director and Director) believed that unavailability relevant procurement documents significantly affected compliance with the Act. Furthermore, the position of the Procurement Officer was positively correlated ($R = 0.33$) with difficulty in complying (Table 4).

Age of Procurement Officer was negatively correlated ($R = -0.33$) with irrelevant provisions in the Act but was positively correlated ($R = 0.40$) with media publicity (Table 4). The older respondents presumed to be more matured on the job can identify irrelevant provisions of the Act to procurement procedure. Also, they believed that the Public Procurement Act needs more publicity for broader circulation. These findings are in agreement with the earlier result, which indicated that factors such as media publicity, planning, organisational culture, and political interference among others contribute both positively and negatively to public procurement implementation and compliance (Musa et al. 2014).

Non-compliance with the Act due to non-employment of Procurement Officer was influenced significantly by the year of establishment of the institution. Those institutions established after the year 2007 when the Act was enacted strongly asserted that non-employment of Procurement Officer contributed strongly to the non-compliance with the Act. Also, the size of the institution significantly determined the corporate governance of the Higher Education Institutions in Southwest Nigeria. Procurement Officers in the institution with over 10,000 students on enrolment declared that effective corporate governance encourages compliance with the Act.

The nature of culture, corporate governance, and organisation of records of business transactions are determined by the year of establishment and size of the organisation. The results in Table 4 show that year of establishment of the institutions was moderately and positively correlated with organisational culture ($R = 0.49$), highly and positively correlated

with corporate governance ($R = 0.78$), and positively but lowly correlated with non-employment of Procurement Officer in the institution ($R = 0.31$). Also, the size of the institution was positively and lowly correlated with corporate governance. The results tended to suggest that the older establishments, particularly HE Institutions are proud of their culture, and would not want their image tarnished because of non-compliance with the law. As much as possible they would employ the right and qualified personnel to handle tasks, encourage staff to perform at their best and reward excellence service by giving incentives, and operate within an established administrative environment devoid of corruption of any sorts. Such institutions would not risk compliance with established rules and regulations because of the consequences, which may include litigation and stoppage of funding. Kotoka (2012) affirmed that the challenge of creating procurement structures and recruiting appropriate personnel to manage the procurement process limits the scope for efficiency and value for money. Amending the Act to address the problems and effective monitoring and evaluation of procurement activities in the entities as well as applying sanctions to punish unethical behaviour and political interference in procurement processes will improve the level of compliance with the reform.

4. CONCLUSION

The enormous investment through capital grants from yearly Appropriations and TETFUND interventions for infrastructures development in Higher Education Institutions in Southwest Nigeria calls for honesty and accountability in the procurement process in the institutions. Consequently, the causes of non-compliance with the provisions of the Public Procurement Act (2007) among the institutions were examined. It was concluded that Procurement Officers needed to possess the right educational and professional qualifications, understanding of the provisions of the Public Procurement Act, sufficient working experience in the construction profession, and occupy the correct position in the organisation for compliance with the Act. Builders and Engineers were more familiar with the Act and managed project procurement records better than Architects, Technological Engineers, and Quantity Surveyors. The higher the rank and the level of education of the Procurement Officers the more was their awareness of the consequences and the risk of non-compliance with the Act. Immaturity on the job aided delay in project execution and non-compliance with the Act presumably due to their unfamiliarity with the Act as well as the inability to identify irrelevant provisions of the law. Lastly, the older and bigger institutions had established organisational culture and corporate governance structure for their operations including procurement. Consequently, such institutions would employ the right and qualified personnel to handle tasks, encourage staff to perform at their best and reward excellence service by giving incentives, and operate within an established administrative environment devoid of corruption.

From the preceding, it may be recommended that authorities of the Higher Education Institutions should adopt an organisational culture with a corporate governance structure that supports the engagement of Procurement Officers with relevant educational and professional qualifications coupled with sufficient work experience to handle procurements.

ACKNOWLEDGEMENT

The authors acknowledge the article processing charges paid by Covenant University for the Open Access of this publication.

REFERENCES

- [1] Ayangade, J., Wahab, A., and Alake, O. (2009). An Investigation of the Performance of Due Process Mechanism in the Execution of Construction Projects in Nigeria. *Civil Engineering Dimension*, 11(1), 1-7.
- [2] Afolabi, A., Owolabi, D., Ojelabi, R., Oyeyipo, O. and Aina, D. (2017). Development of A Web-Based Tendering Protocol For Procurement Of Construction Works In A Tertiary Institution. *Journal of Theoretical and Applied Information Technology*, 95 (8), 1595 - 1606.
- [3] Afolabi, A., Ojelabi, R., Tunji-Olayeni, P. F., Omuh, I. and Afolabi, A. (2018). Quantitative analysis of socio-economic drivers of housing and urban development projects in megacities. *International Journal of Civil Engineering and Technology*, 9 (6), 1096-1106.
- [4] Bureau of Public Procurement (BPP, 2007). *Public Procurement Act, 2007*. Abuja, Nigeria
- [5] Bureau of Public Procurement BPP, (2011). *Procurement Procedures Manual for Public Procurement in Nigeria*. Second Edition.
- [6] Chemoiywo, P. K. 2014 *Public procurement procedures and supply chain performance in state corporations in Kenya*. MSc. Thesis. University of Nairobi, Kenya.
- [7] De-Boer, L., and Telgen, J. (1998). Purchasing Practice in Dutch Municipalities. *International Journal of Purchasing and Materials Management*, 34(2), 31-36.
- [8] Ebuka, S. (2017, 21 February). Nigeria government approves #1.9 billion intervention funds for each university. <https://www.premiumtimesng.com>.
- [9] Fagbenle, O., Joshua, O., Afolabi, A., Ojelabi, R., Fagbenle, O., Fagbenle, A. and Akomolafe, M. (2018). A Framework for Enhancing Contractor-Subcontractor Relationships in Construction Projects in Nigeria. *Construction Research Congress 2018: Construction Project Management - Selected Papers from the Construction Research Congress 2018*, 305-314
- [10] Gelderman, J. C., Ghijsen, W. P., & Brugman, J. M. (2006). Public Procurement and EU Tendering Directives- Explaining Non-Compliance. *International Journal of Public Sector Management*, 19(7), 702-714.
- [11] Hui, W., Othman, R., Normah, O., Rahman, R., and Haron, N. (2011). Procurement Issues in Malaysia. *International Journal of Public Sector Management*, 24(6), 567-593.
- [12] Hyacinth, D., and Yibis, M. (2017) Factors Influencing Compliance with Nigeria's Public Procurement Act in Kaduna Polytechnic. *International Journal of Entrepreneurial Development*. Education and Science Research. 4(1), 14-30.
- [13] Joint Admission and Matriculation Board, (JAMB, 2017). *Official List of Tertiary Institutions in Nigeria*. www.jamb.org.ng
- [14] Kotoka, A. F. 2012. *Assessing the level of compliance with the public procurement Act 2003 (Act 663) in public entities in the Ashanti Region of Ghana*. MSc Thesis. Kwame Nkrumah University of Science and Technology, Ghana
- [15] Mugo, N. L. (2014) *Factors influencing completion of projects in government tertiary institutions: A case of Nairobi County in Kenya*. MSc Thesis, University of Nairobi, Kenya.
- [16] Musa, S., Success, B., and Nwaorgu, I. (2014). The Public Procurement Reforms in Nigeria: Implementation and Compliance Challenges. *Journal of Asian Business Strategy*. 4(11), 149-162.
- [17] Oraka, A. O., Okenwa, O., and Raymond, A. E. (2007). Effect of Tertiary Education Tax Fund in Management of Nigerian Tertiary Institutions. *International Journal of Trend in Scientific Research and Development (IJTSRD)*. 2(1), 140-150.

A Study of the Causes of Non-Compliance with Public Procurement Act, 2007 among Public
Higher Education Institutions in Southwest, Nigeria

- [18] Public and Private Development Centre (2012). Walking the path of procurement reforms in Nigeria; compliance with the public procurement Act, 2007, PPDC, Abuja, Nigeria. www.procurementmonitor.org.
- [19] SPSS 20 (2016) SPSS (IBM Corp. Modified 2016. IBM SPSS Statistics for Windows, Version 20.0. Armonk, NY: IBM Corp.)
- [20] Transparency International (2006). Handbook on Curbing Corruption on Public Procurement
- [21] www.transparency.org
- [22] Wahab, K. (2014). Construction and Housing in Nigeria: Construction Economy and Management, University Press PLC, Ibadan, Nigeria.
- [23] World Bank (1995). Public Procurement Reforms. Washington, DC: World Bank
- [24] World Bank (2014). Guidelines for Procurement Under IBRD Loans and IDA Credits and Grants; Goods, Works and Non-Consulting Services. www.worldbank.org