

Assessment of Implementation of Due Process Policy on Public Building Projects in Ondo State, Nigeria

Olorunfemi Charles, OYE

Department of Project Management Technology, The Federal University of Technology Akure, Ondo State, Nigeria

Date of Submission: 10-10-2024

Date of Acceptance: 20-10-2024

ABSTRACT

The study examined the implementation of due process policy on public building projects, the level of adherence and the involvement of professionals in procurement procedures in Ondo State. Structured questionnaires were administered on respondents and purposive sampling method were used to select the respondents. Descriptive analytical tools such as percentage, frequency distribution table and inferential tool such as Chi-square were used to analyze the data collected from the field. The results showed that the due process policy is not adequately implemented and the objectives of the policy are not achieved to the letter. Hypothesis one presents chi-square, χ^2 results give 1116.4 at $df = 4$, ($\chi^2 > 9.488$); for each level of adherence; this implies that level of adherence to due process has effect in the award of contracts in Ondo State. Hypothesis two reveals the summation of all chi-square, χ^2 results as 628.63 at $df = 4$, ($\chi^2 > 9.488$); for each area of professional involvement, this implied that involvement of professionals in procurement procedure has significant effect on public building projects. Hypothesis three shows that the implementation of due process policy has significant effect on the outcome of public building projects. The research revealed that, most states in Nigeria have strong apathy and unwillingness to subscribe to the policy due to chronic corrupt tendencies within the government who are averse to change and mostly, the knowledge gap on their expectations of public procurement law regimes. Hence, there is a need to insulate the procurement decisions from political interference and setting up of the state council on public procurement so as to allow it discharge its legitimate roles.

I. CHAPTER ONE

Background to the Study

Over the years in Nigeria, the public procurement system has been described to be characterized by non-compliance with the principles of tendering process in the selection of contractors that have the financial, technical and managerial know-how to execute projects to time, cost and quality ends. The increasing reports on the abuse of public procurement system in the three tiers of government in Nigeria have led to huge loss of resources in various public projects which have showed that the country might have lost billions of funds over the years as a result of abuse of procedures. This study, therefore is designed to investigate the implementation of Due Process policy put in place in the award of public contracts in Nigeria and the effects such implementation has on public building projects.

The procurement of built assets within the public sector in Ondo State follows the traditional contracting approach. The traditional contracting approach is axiomatically characterized by the dichotomy between design and construction. The architect prepares a design brief for the client, hands it over to the quantity surveyor to prepare the preliminary estimates. These documents are sent to the Due Process Office for benchmarking and used for the preparation of tender documents (Adeyeye, 2014). The open tendering system is most prevalent whereby adverts are placed in newspapers and interested contractors may show interest which has been the major practice in the State, then the Contractors are selected based on the lowest bidder. Problems with the prevailing open procurement method includes: unrealistic construction periods, contractors bidding at unreasonably low prices just to make sure they get the job, incomplete documentation and lack of

project and site analysis prior to preparation of documents due to the unreasonable time limit given to consultants to prepare contract documents (Aibinu, 2006). Today, it has become more imperative for the various participants in the construction industry to pay attention to the efficient use of all construction resources required in executing public projects (Wahab,2006).The building industry has many features which set it apart from other process industries and which accentuate the need for professional engagement. One of the changes and new trends, which now influence the procurement system in the country is the increasing fragmentation of the stages involved in construction process (Bamisile ,2004).

Statement of Problem

The public sector as the largest client of the construction industry in Nigeria is badly reputed for poor financial probity. The “Due Process Reform” which is one of the cardinal strategies of the economic reform came as an anti-corruption device to entrench the ideals of public procurement systems using the “Due Process Certification” in the award of contracts for public projects in Nigeria which was in line with the World Trade Organization’s (WTO) Government Procurement Agreement (GPA) supported by the World Bank based on the United Nations Committee on International Trade Law (UNCITRAL) model for public procurement. Collusion between parties to public contracts and acceptance of gratuities from bidding contractors in the award of such contracts has greatly affected the decision-making and executive processes of Nigeria resulting in legal, administrative and economic costs to the country. There is considerable evidence that there is a weak policy and regulatory environment or weak control mechanism where the risks of corruption are greater. Thus, an environment is created where any two parties can enter into an agreement to bend the rules especially when the governing board are overwhelmed by politics, which may rightly affect the projects at every stage of execution and these can lead to low quality or abandonment of the projects. In spite of all these laudable and robust procurement reform program of the Budget Monitoring and Price Intelligence Unit (BMPIU), many public projects in various states were still not completed on schedule, within cost estimates or out-rightly abandoned. It therefore becomes necessary to investigate the implementation of due process in the awarding of contracts and projects outcome on public building constructions in Ondo

State, if actually it is effective to the government projects that has been undertaken so far in Ondo State.

Research Questions

- i. What is the level of adherence to due process policy in the award of contracts in Ondo State?
- ii. To what extent are the professionals involved in the procurement procedures of the public building projects?
- iii. What are the effects of implementing of due process policy on the outcome of public building projects in Ondo State?

Objectives of the Study

The general objective of the study is to assess the implementation of due process policy on public building projects in Ondo State. The specific objectives of the study therefore are to:

- i. Investigate the level of adherence to due process policy in the award of contracts in Ondo state;
- ii. Assess the involvement of professionals in procurement procedures of public building projects in Ondo State; and
- iii. Examine the effect of implementation of due process policy on the outcome of public building projects in Ondo State.

Research Hypothesis

Hypothesis one:

H₀₁: Level of adherence to due process has no effect in the award of contracts in Ondo State.

H_{A1}: Level of adherence to due process has effect in the award of contracts in Ondo State.

Hypothesis two:

H₀₂: Involvement of professionals in procurement procedure has no significant effect on public building projects.

H_{A2}: Involvement of professionals in procurement procedure has significant effect on public building projects.

Hypothesis three:

H₀₃: Implementation of due process policy has no significant effect on the outcome of public building projects.

H_{A3}: Implementation of due process policy has significant effect on the outcome of public building projects.

Significance of Study

The study provided vital information on the activities of due process in the award of

contract and how it helps in curbing the procurement sharp practices/fraud in the aspect of tendering method being used. The findings of the study will be useful to procurement officers, contractors/bidders, consultants and other practitioners in the building industry.

Scope of the Study

This study is on the implementation of due process policy and the project outcome on public buildings projects in Ondo State, Nigeria. Opinions of public procurement officers in the ministry of works, Ondo State and contractors were sampled.

Limitation of the Study

The limitation of this study was the poor reception, response of some members of the public and some professional who are yet to be equipped properly with the information about due process policy. The outcome of the study was adversely affected by reluctance of government official’s procurement officers to give information for the fear of “leaking official secrets”.

**II. CHAPTER TWO
 LITERATURE REVIEW**

Conceptual model

Studies have been made on the Nigerian Public Procurement Reform within which due process method, its legality and institutional framework were carefully investigated by several scholars; Ayangede (2009), Transparency International, (2008) etc. However, this study goes further to evaluate the actual implementation of Public Procurement Reform from the perspective of public building projects delivery within Ondo State at large. The conceptual model involves Public Procurement Models/ Theories and its attributes as investigated by various studies; Kashiwagi, (2009), Adeyemi, (2011) etc. Despite the various findings from these scholars, it is important to keep

abreast of the latest developments regarding these models and the potential impact on business practices, clients and sub-contractors.

Empirical Framework

This section takes into consideration, the National Council on Public Procurement [NCPP] and the Bureau of Public Procurement (BPP) both as regulatory authorities responsible for the monitoring and oversight of public procurement in Nigeria, where the Bureau of Public Procurement (BPP) performs regulatory and administrative functions, while the National Council on Public Procurement NCPP exerts control over the administration of Bureau of Public Procurement BPP. Studies regarding the context of this empirical framework were investigated by different authors; Sabbath, (2014) etc.

Conceptual Framework

This involves the concept of due process, types of due process certificate and concept of public procurement (Elizabeth, 2014). The public procurement system in Nigeria like many other developing countries is far from being efficient. This can be discerned from multitudes of reports on project cost and time overruns, abandoned infrastructure projects, change orders, quality tradeoffs, procurement collusions and widespread clients’ dissatisfaction (Odusanmi & Olusanya, 2000).

**III. CHAPTER THREE
 Methodology**

One hundred and fifty-two (152) professionals were considered for this research work which were the number of registered public procurement officers and professionals who had engaged in participating in due process policy within public building construction in the ministry of works, Ondo State.

Profession	Engineers;	Quantity Surveyors	Accountant	Builders	Architects	Project Managers
TOTAL=152	50	19	25	29	15	14

Source: Ministry of Works Akure, Ondo State

Sample size of one hundred and ten (110) people were targeted using Yamane formula in getting the size of the sample and purposive sampling techniques were adopted in selecting

respondents from the population comprising professionals from ministry of works in Ondo State in the built environment both in the consulting and contracting projects. Data were obtained through a

structured questionnaire administered to a sample of registered procurement officers and professionals involved in building construction within the ministry of works in the state. Variables were measured using a developed model ($Y_1 = f \alpha_1$, $Y_2 = f \alpha_2$, $Y_3 = f \alpha_3$, Where: $f \alpha = f (x_1 + x_2 + \dots + x_{ij})$) that was tested within the procuring departments in the state to realize the implementation of due process in procuring their public projects and practicality to measure the project outcome by the use of same mechanism in Ondo State. The data were analyzed using the descriptive and inferential statistic such as chi-Square test. Correlation analysis was adopted in testing the hypothesis through statistical package for social science (SPSS).

IV. CHAPTER FOUR

Results and Discussion

Response Rate of Respondents: The researcher retrieved 100 copies of questionnaires which were valid including 10 copies that were rendered invalid which represents a retrieval rate of 90%.

Level of Adherence to Due Process Policy in the Award of Contract in Ondo State

The respondents agreed that there was low assessment of prequalification of documents before the award of document with a mean score of 2.44, majority of the respondents disagreed that due process is by open and selective competitive bidding in the award of contracts with low assessment of mean score of 2.37. Likewise, advertisement of tenders before award of contract also received low mean score of 2.17,

In respect of timely and transparency of due process, the respondents agreed that it must be the aspect of procurement, which is one of the major objectives that due process is covering in any states to be used with mean score of 3.08, the respondents believed that the compliance with the evidence of past performance were low in executing the procurement procedure with mean score of 2.46. The award of contracts to the lowest responsive bidder is low with mean score of 2.23, as regarded that the interest of the procurement officers is eliminated in the procurement procedure is low with mean score of 2.58, because there is no encouragement and training to the professionals in the field. The elimination of the political officer's interest was low with mean score of 2.10 which make the adherence to the policy more difficult in the state.

The notification of the disqualified bidders was high with mean score of 3.02, the respondents agreed that due process policy is not applicable to

special goods like defense and national security with high mean score of 4.09, the respondents disagree that procuring entities do conform with the threshold approval with low mean score of 2.85. Furthermore, the respondents agreed with high mean score for objectives the due process policy has to adhere to in operating with a mean score ranging from 3.02 to 3.62 such as value for money, economical, efficiency, right cost, process and winner etc. Furthermore, the respondents disagree with the evaluation process with mean score of 2.77 and 2.33 respectively since in most cases, the government only pay lip service to implementation of due process in the state.

Involvement of Professionals in Procurement Procedures in Ondo State

Evidence shows low evaluation of projects before and after the execution of job by the professionals with a mean score of 2.61 which shows a general lack of regularity and discipline in a government procurement system. The payment of money as at when due is high with mean score of 3.12, the respondents reveals a low auditing of projects spending during the execution of projects with mean score of 2.88, while the specifications being built were low generally with a mean score of 2.48 and there were low willingness to comply with the due process policy with 2.58 compared to proper market survey which were high with a mean score of 3.13, there were high adequate projects definition by the procurement entities by the professionals in procuring contracts with mean score of 3.84, in regard of ensuring the projects were well competitive is low with a mean score 2.66, the discipline and regularities with the procurement procedures by the professionals were very low with a mean score of 2.35. Furthermore, the table reveals there were high workforce by the professionals with a mean score of 3.17, but still there were no strict compliance to the policy so most designs were not followed according to the specifications. In respect of the use of bill of quantities in procuring procedure, the respondents reveals that there is high rate of the usage with mean score of 3.52 since all the professionals in that field were registered in their various field as being revealed by the respondents with a mean score of 3.46.

Effect of Implementing Due Process Policy in Ondo State

From the results, the respondents disagreed that the policy has improve liquidity management of public funds with low mean score

of 2.44, likewise the enhancement of transparency and accountability of the government with low mean score of 2.47, since the government of the day determines the effectiveness of the policy and the implementation order within the procuring and award of contracts. Majority of the respondents disagreed that the policy reduces corruption and sharp corners in the state as at now with low mean score of 2.29, there were low rebuild of confidence in conduct and financial activities in the state with mean score of 2.43. There was average level of cost overruns been cautioned by the policy with mean level of 2.99 in the state. Despite the state claims on the use of the policy, the respondents disagreed with timely completion of projects in the state with low mean score of 2.76 and agreed with high mean score of 4.02. There is high abandonment of projects with mean score of 4.47. The respondents revealed that there were low standard and quality of job, low thorough supervision and proper utilization of resources in the public building within the Ondo state with mean score of 2.53 each while there is high wasting of funds to the projects awarded for execution in the sense that the people in charge tends to build their own money with the contract to be awarded with a mean score of 3.85.

Test of Hypothesis

Hypothesis one presents chi-square, χ^2 results give 1116.4 at $df = 4$, ($\chi^2 > 9.488$); for each level of adherence; this implies that level of adherence to due process has effect in the award of contracts in Ondo State. Hypothesis two reveals the summation of all chi-square, χ^2 results as 628.63 at $df = 4$, ($\chi^2 > 9.488$); for each area of professional involvement, this implied that involvement of professionals in procurement procedure has significant effect on public building projects. Hypothesis three shows that the implementation of due process policy has significant effect on the outcome of public building projects.

V. CONCLUSION

Ondo State has not fully implemented the due process policy into procurement of public building projects. The feedback from the implementation process has generated diverse mixed reactions among Nigerians, even in government cycle, it has not really turned the way it professed by its vision and mission in practice. The system is still fraught with a gaping hole of public distrust, if the interest of the political offices is eliminated, then there will be assurance that perfect competition will be ensured within bidding

for contracts, corruption and sharp corners will be reduce drastically as well as quality and standard job will be delivered which will urge the willingness of all parties to comply with due process policy. Hence, it was shown from the results within the research that the appraisal on cost will surely enhance transparency, discipline and regularities.

5.3 Recommendation

The perceived lapses and abuses in the policy today can be averted with time when some of the recommendations below are taken into consideration;

- There is a need for the state government to train and retrain the core procurement staff to acquire necessary procurement skills, competence and professionalism with necessary resources in order to update their knowledge in the contemporary procurement template.
- The issue of both the political offices and procurement officers' interest in any contract should be addressed to prevent the compromise of the policy.
- The Ondo State House of Assembly should sincerely exercise its constitutional power of oversight functions without political compromise and pecuniary benefits to hold the executive arm of government to standards of accountability, transparency and procurement "Best Practices".
- For the Due Process Policy to achieve its lofty goals for the state, the state government should exercise sincere political will and sincerity of purpose to implement the provisions of the Public Procurement Law 2006 to the letter. The present selective implementation of the provision of the Act shows lack of sincerity on the part of the government, as what is worth doing at all is worth doing well.

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