

**COMPLIANCE WITH PUBLIC PROCUREMENT ACT 2007 IN
PROJECT DELIVERY BETWEEN URBAN AND RURAL TERTIARY
INSTITUTIONS IN SOUTHWEST, NIGERIA**

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Abstract

Non-compliance with procurement regulations remains a major concern but studies neglect the effect of rural and urban locations with public procurement regulations. This study investigates Levels of Compliance (LOC) with Public Procurement Act, (PPA) 2007 by Public Tertiary Institutions (PTIs) in Southwest, Nigeria. The objectives are to evaluate and compare the LOC with PPA in projects procured by PTIs located in rural and urban areas. A questionnaire survey involving 44 PTIs in Southwest, Nigeria was adopted. Data were collected on LOC with PPA 2007 in projects by PTIs in urban and rural locations. Data collected were analysed using mean and t-test. Result revealed that LOC differs significantly in 12 provisions with PTIs having higher LOC in urban locations but LOC remains significantly the same in other provisions of the Act. Study concludes that PTIs comply better in urban locations and recommends increased compliance in the 12 provisions in rural locations.

Keywords: Compliance, public tertiary institutions, public procurement act, rural areas, urban areas

1. 0. Introduction

In the public sector, goods, works and services are acquired purposely for supporting government operations as well as providing public services for the benefit of the people. Public procurement refers to all the processes required in acquiring, purchasing or obtaining, goods, works and services, needed to run a government (Laryea, 2012). In Nigeria, public procurement is governed by Public Procurement Act, (PPA) 2007 just as individual countries of the world regulate their procurement works with different laws in line with international standards on procurement. These procurement laws are intended to ensure that the processes of awarding contracts for the required goods, works and services are done in manners that are considered timely, cost effective, fair and transparent to qualified contractors, suppliers and service providers (Lynch, 2013). Governments all over the world invest huge sums of money on project procurement of various types in the different sectors of their economies. Such procurement may be in form of construction projects, goods, and services (PPDC, 2012). Construction projects refer to high stake endeavours aiming at time bound predetermined performance objectives, they contain numerous inter-dependent and inter-related activities (Nagaraju, Reddy and Chaudhuri, 2012). This construction projects procurement involves a lot of money and is very important to the development of these nations and determines the success or failure of their public investments (Odhiambo and Theuri, 2015; Organisation for Economic Cooperation and Development OECD, 2007).

In Nigeria, Public tertiary institutions or higher educational institutions comprise of universities, polytechnics and colleges of education. They are regarded as anchor institutions and they contribute to city-region development through community enhancement, including community service and service learning projects, continuing education courses, and public lectures. These city development efforts are closely related to the service mission of higher education (Watson, Hollister, Stroud, & Babcock, 2011). Hence, in Nigeria, some of these institutions are located either in rural or urban areas to enhance the development of such places. A rural area refers to places with few homes usually of low population density with size less than twenty five thousand people and large amount of undeveloped land. In rural areas, some essential infrastructures and facilities such as good roads, local government headquarters, banks etc., are not available. However the location of higher institutions in those places encourage the citing of these facilities in the areas. Whereas, urban area refers to the opposite of rural area. An urban area has high population density with provision of many infrastructures and facilities.

LITERATURE REVIEW

Idoro (2012) observed that public procurement has become very important for several reasons; one of which is that procurement of construction projects consists of processes that are considered sequential and interrelated in nature. The success and/or failure of construction projects are highly influenced by the efficiency and effectiveness of their procurement processes. Mukura, Shalle, Kanda and Ngatia (2016) maintained that public procurement is considered as a very important factor in economic and business circles globally. As a result of its economic and social implications, it becomes very crucial to ensure that the processes leading to it are handled with all manners of urgent importance in order to ensure successful delivery in all activities that are involved in it.

Nigeria's Public Procurement Act (2007) applies to all the processes required in acquiring, purchasing goods, works and services, needed in running Government Ministries, Departments and Agencies. The Act, in line with the international standards, specifies regulations and administrative procedure for procurement of goods, works and services at the operational level. All over, procurement laws emphasize timely awards of contracts to competent contractors, suppliers and service providers following procurement regulations (Lynch, 2013). Also,

they ensure value for money because huge sums of tax-payers' money are committed into procurement activities. Besides, it is necessary to ascertain that the funds are expended through a process that ensures accountability and transparency (Hui, Othman, Normah, Rahman, & Haron, 2011).

In Nigeria, past government before the year 1999 were considered to be involved in frauds, corruption and many unwholesome procurement practices. This was attributed to prolonged military rule and absence of statutory laws at all the three stages of government namely; local, state and federal levels where public procurement are being done (Musa, Success & Nwaogu, 2014; Kareem, Asa & Lawal, 2014). It then become necessary to introduce sanity to the process in order to ensure a high level transparency and accountability in the use of tax payer money. This can only be so by carrying out a reform of the nation' procurement system. Nigeria, like other countries of the world began the race of public reforms which dated back to 1999 (Musa, Success & Nwaorgu, 2014). Past government in Nigeria before the year 1999 experience periods of frauds, corruption and many unwholesome procurement practices. At the return to civil rule in 1999, government determined to adopt transparency, equity, justice and accountability as its guiding principles and policy imperatives in public service and procurement. In realizing this, government initially submitted an Executive Bill to the National Assembly which led to enactment of the Independent Corrupt Practices and Other Related Offences Commission Act in 2000.

In 2001, the Nigerian Government in attempt to ensure credibility, integrity and accountability in public procurement issued New Policy Guidelines for procurement and award of contracts in Government Ministries Departments, Agencies and Parastatals. (Kareem,Asa & Lawal 2014). The Budget Monitoring and Price Intelligence Unit (BMPIU) now Bureau of Public Procurement (BPP) was created in 2001 to implement public procurement Reforms as one of the transparency pillars in the overall Federal government economic reform programmes (Wahab, 2014). Public procurement Act 2007 was enacted by An Act of parliament in year 2007 as a regulatory framework for all public procurement in Nigeria. It stipulates clear cut procedures for achieving competitiveness, credibility, accountability and transparency in all procurement financed with public funds. However, several years after the enactment, compliance with the Act is still a major challenge (Ayangade, Wahab and Alake, 2009; Wahab, 2014; Hyacinth & Yibis, 2017).

Public Tertiary Institutions were also classified into two categories namely: Federal and State owned institutions. Section 15, sub-section 1 (a) and (b) of PPA, 2007 describes the scope of application of the Act as acquisition of goods and services done by; (a) The Nigerian government and all procurement entities; (b) All other entities apart from those earlier described above which obtained not less than 35% of funds budgeted or proposed to be spent for any type of procurement described in the PPA 2007 from government share of Consolidated Revenue Fund. Items (a) and (b) above concern both the Federal Government and State Government. Therefore, the scope of this study covered the Tertiary Institutions owned and funded by the Federal and State Governments. Therefore, all Public Tertiary Institutions (PTIs) are expected to comply with the provisions of the Act 2007 in their procurements. In addition to internally generated revenue, the PTIs received huge funding through Government yearly appropriations (i.e. budgetary allocations) and grants and donations from agencies such as United Nations Educational, Scientific and Cultural Organization (UNESCO), Tertiary Education Trust Funds (TETFUND), World Bank, etc. Occasionally, the Government granted special intervention funds to the institutions for specific infrastructure development or to mitigate infrastructure deficit. Indeed, the institutions received and expend colossal sums on capital project construction. Unfortunately, Ewa (2013) and Uromi (2014) noted that the majority of construction projects procured in some of the country's PTEIs were abandoned due to compromise in the procurement procedure, among other factors. The breach of procedure had usually resulted in costly disputes, needless claims and abandonment of projects (Abdalla & Hussein, 2002; Kareem et al., 2014). Also, Hyacinth and Yibis (2017) observed an inherent urge to compromise the principles of transparency, efficiency and value for money as some of the reasons for non-adherence to procurement rules in PTEIs. If transparency and value-for-money are desired in the country's PTIs, investigation of the level of compliance with the procurement regulations is imperative, and consequently, checkmate the managers of the institutions. More so that the institutions will be receiving a boost in funding of infrastructures to match the expected increase in their carrying capacities

Higher educational institutions are entities that are responsible for knowledge dissemination and impartation. Higher educational Institutions funded by government are referred to as Public Tertiary Institutions (PTIs). They

require adequate learning infrastructure such as classrooms, lecture theatres, offices for the various personnel, workshops, laboratories, and roads. The provision of all these facilities is usually done by a process known as procurement and such process must be seen to be justifiable in terms of money, time and quality. Achieving these requirements demanded for a careful selection of a very good construction team. Waihenya (2011) stated that contractors that execute government-funded higher educational institutions' projects should be selected from among the experienced, competent and excellent ones so as to ensure project success.

Bender, (1988) observed that higher educational institutions are generally associated with cities that control and play significant role in the long- term economic, social, and political life of nations. A densely populated city-region makes creating infrastructure for logistics and physical plants easier due to the availability of resources (Porter 2000). Higher education institutions can play a significant role in the long-term social and economic success of their surrounding locales. The multifaceted needs of cities and the intricate web of relationships between cities and institutions increase the pressure on higher educational institutions to participate as active members of their communities (Taylor & Luter, 2013). Particularly in the context of the knowledge economy, universities hold tremendous potential for improving the economic and social status of cities. Modern competitive cities are those that support economic innovation, collaboration with the private sector, a healthy transportation infrastructure, and strong links between academia and business (McKinsey Global Institute, 2012). Urban economies exhibit highly complex interactions as a result of their size, scope, scale, and variety of stakeholders within the local environment. Cities encompass sizeable geographical, economic, and social areas that feature a wide array of populations and activity. Colleges and universities as anchor institutions may contribute to city-region development through community enhancement, including community service and service learning projects, continuing education courses, and public lectures. These city development efforts are closely related to the service mission of higher education (Watson, Hollister, Stroud, & Babcock, 2011).

This study investigates public procurement and compliance with existing regulations by PTIs. Several literatures reviewed acknowledged the importance of public procurement in project delivery but also discovered inadequate compliance with the provisions of the existing regulations, especially the public procurement Act, 2007. Studies however failed to establish the extent of compliance with these regulations and the contribution of PTIs in urban and rural areas to the levels of compliance with PPA 2007. Against this backdrop, this study was undertaken to fill the existing gap in literature on levels of compliance with PPA 2007 in project delivery by PTIs in Urban and Rural areas in Southwest, Nigeria

2. 0. Research Methods

Nigeria as a federation is divided into six geo-political zones, southwest being one of these six zones constitutes the coverage of this study. The zone is further divided into six states namely; Ekiti, Lagos, Ogun, Ondo, Osun and Oyo.

Public Tertiary Institutions (PTIs) in Southwest, Nigeria and construction projects executed by the institutions covered by the survey constitute the study population. The PTIs consist of Universities, Polytechnics and Colleges of Education. The website of Joint Admission and Matriculation Board (JAMB 2018), the body responsible for the conduct of examinations and admission into all Tertiary Institutions in Nigeria revealed that the zone had 44 Public Tertiary Institutions. In view of the population frame, the entire 44 PTIs were selected as the sampling frame and sample size for the study. For this reason, census sampling technique was adopted in selecting the study sample

The procurement officers of each institution who were construction professionals possessing adequate knowledge and competency about construction procurement and the guiding regulations, constitute the respondents for the study. They were either Builders, Architects, Civil Engineers or Quantity Surveyors. The study employed structured questionnaire as the instrument. The instruments were administered to the respondents by the use of two research assistants.

The study selected 39 provisions of PPA 2007 relevant to construction project procurement. Respondents were requested to indicate 'Yes' for the provisions of the PPA, 2007 which they complied with when procuring construction projects in their Institutions and 'No' for provisions they did not comply with.

In the attempt to compare the levels of compliance with PPA, 2007 by PTIs located in urban and rural areas of the southwest, Nigeria and establish whether or not there is any of the Institution category that comply with the Act more than the other, a research hypothesis was formulated. The hypothesis states that there is no significant difference in the levels of compliance with Public Procurement Act 2007 between PTIs sited in urban and PTEIs sited in rural areas of the geopolitical region. The results of the hypothesis are expected to reveal the significant

similarities and differences in compliance with the Procurement Act between the PTIs in the two different locations of the geopolitical region.

Data collected were processed using Statistical Package for Social Sciences Version 20 software. The levels of compliance with the provisions of the PPA 2007 by each PTIs was analysed as the number of PTIs that complied with the provision divided by total PTIs. The hypothesis of the study was tested using t- test at $p\text{-value} \leq 0.05$, the rule for the rejection of the hypothesis is that when the calculated $p\text{-value} \leq 0.05$, the test rejects the hypothesis but when the calculated $p\text{-value} > 0.05$, the test fails to reject the hypothesis. The results of the hypothesis were expected to reveal the significant similarities and differences in compliance with the Procurement Act between PTIs in the different locations.

3. 0. RESULTS

The results of the analysis of data collected from the field survey are presented as follows:

Level of compliance with PPA, 2007 by the PTIs

One of the objectives the study is to evaluate and compare the LOC with the Act by PTIs in urban and rural areas of Southwest, Nigeria. In order to achieve the objective of the study, 39 provisions of the PPA 2007 relevant to procurement of construction projects were selected. Respondents were requested to indicate ‘Yes’ for the provisions which they complied with and ‘No’ for the provisions which they did not comply with during procurement of construction projects their Institutions. Data collected were analyzed to determine the level of compliance with PPA, 2007 using percentage. The results are presented in Table 1.

The research hypothesis was tested to determine the difference in the levels of compliance with PPA, 2007 based on the nature of institutions’ locations. The institutions locations used in the study are in two categories namely; urban and rural areas. The result of test of difference in the levels of compliance with the PPA, 2007 the two institutions location categories are presented in Table 1 below:

Table 1: Levels of compliance with PPA, 2007 between PTIs located in urban and rural centres

Institution Location	N	Mean	t-value	Df	p-value	Diff
Compliance with:						
Funding of capital projects						
Urban	27	0.48	1.224	42	0.029	S
Rural	17	0.29	1.247			
Values of project for which certificate of “No Objection” is obtained from BPP						
Urban	27	0.15	-2.012	42	0.001	S
Rural	17	0.41	-1.864			
Basis of award of contract for construction projects						
Urban	27	0.92	2.438	42	0.001	S
Rural	17	0.65	2.144			
The period when certificate of “No Objection to contract award” is obtained from BPP for capital project						
Urban	27	0.63	1.026	42	0.319	Ns
Rural	17	0.47	1.015			
Procedure for procurement of capital projects						
Urban	27	0.81	-0.585	42	0.232	Ns
Rural	17	0.88	-0.609			
Time allowed for bidding before award of contract						
Urban	27	0.15	-0.717	42	0.166	Ns
Rural	17	0.24	-0.687			
Minimum number of bids to be received before award						
Urban	27	0.63	-1.371	42	0.004	S
Rural	17	0.82	-1.443			
Procedure for payment of contractors/suppliers that handled capital projects						
Urban	27	0.96	1.575	42	0.002	S
Rural	17	0.82	1.364			

Criteria used to select contractors for capital project						
Urban	27	0.58	1.098	42	0.475	Ns
Rural	17	0.50	1.052			
Process applicable to bid excluded from evaluation						
Urban	27	0.30	2.614	42	0.001	S
Rural	17	0.00	3.309			
Language of documentation of contract agreement						
Urban	27	0.96	1.022	42	0.042	S
Rural	17	0.88	0.909			
Time to prepare and transmit records of procurement proceedings and contract awarded each financial year to BPP						
Urban	27	0.22	-0.526	42	0.314	Ns
Rural	17	0.29	-0.513			
Treatment of unclassified procurement documents						
Urban	27	0.00				
Rural	17	0.00				
Award of capital projects						
Urban	27	0.44	-0.917	42	0.670	Ns
Rural	17	0.59	0.916			
Person responsible for final selection of winning tender						
Urban	27	0.93	1.031	42	0.043	S
Rural	17	0.82	0.946			
Powers of the tenders' board						
Urban	26	0.46	1.828	42	0.001	S
Rural	16	0.18	1.933			
Engagement of sub-contractor/supplier						
Urban	27	0.81	-0.71	42	0.887	Ns
Rural	17	0.82	-0.71			
Provision on primary form of dispute resolution						
Urban	27	0.30	0.015	42	0.976	Ns
Rural	17	0.29	0.015			
Currency for expressing the values in the procurement						
Urban	27	0.96	-0.790	42	0.108	Ns
Rural	17	1.00	-1.000			
Content of procurement contract						
Urban	27	0.46	-1.070	42	0.075	Ns
Rural	17	0.53	-0.992			
Approving authority in the conduct of procurement						
Urban	27	0.59	0.403	42	0.512	Ns
Rural	17	0.53	0.401			
Processes regarding procurement planning						
Urban	27	0.49	0.202	42	0.495	Ns
Rural	17	0.48	0.191			
Processes on implementation of procurement plans						
Urban	27	0.63	0.404	42	0.633	Ns
Rural	17	0.60	0.396			
Organs/committee in place and in the procurement						
Urban	27	0.74	1.860	42	0.604	Ns
Rural	17	0.58	1.869			
Composition of procurement planning committee						
Urban	27	0.54	-0.735	42	0.317	Ns
Rural	17	0.61	-0.741			
Processes involved in the procurement						
Urban	27	0.80	1.637	42	0.402	Ns
Rural	17	0.67	1.584			
Mode of bidding/tendering for construction projects						
Urban	27	0.49	-0.239	42	0.975	Ns

Rural	17	0.50	-0.237			
Activities performed during bid openings						
Urban	27	0.63	-0.033	42	0.091	Ns
Rural	17	0.63	-0.031			
Processes carried out during bid solicitation						
Urban	27	0.39	0.436	42	0.712	Ns
Rural	17	0.37	0.426			
Margins of mobilization granted to a contractor						
Urban	27	0.22	-0.526	42	0.314	Ns
Rural	17	0.29	-0.513			
Basis for granting mobilization to contractors						
Urban	27	0.61	-0.717	42	0.034	S
Rural	17	0.68	-0.666			
Procedure of payment for procurement						
Urban	27	0.32	-0.861	42	0.090	Ns
Rural	17	0.33	-1.090			
Contents and treatments of procurement proceedings						
Urban	27	0.57	-0.479	42	0.484	Ns
Rural	17	0.61	-0.472			
Bidding methods for procuring construction projects						
Urban	27	0.96	2.069	42	0.001	S
Rural	17	0.76	1.765			
Processes applicable to restricted bidding						
Urban	27	0.59	0.028	42	0.956	Ns
Rural	17	0.59	0.028			
Values of consultancy services for which open bidding is solicited						
Urban	27	0.81	1.657	42	0.006	S
Rural	17	0.59	1.566			
Procedure for procuring consultancy services						
Urban	27	0.34	-1.134	42	0.506	Ns
Rural	17	0.44	-1.110			
Procedure for evaluating bids						
Urban	27	0.60	0.930	42	0.675	Ns
Rural	17	0.51	0.924			
Procedure for selecting bids						
Urban	27	0.41	1.124	42	0.976	Ns
Rural	17	0.35	1.097			
Overall level of compliance with PPA 2007						
Urban	27	0.56	0.865	42	0.312	Ns
Rural	17	0.53	0.821			

N = No. of Respondents, Df = Degree of Freedom, Diff. = Differences, S = Significant, NS = Non-Significant

$$* \text{ Compliance level (\%)} = \frac{\text{Number of Institutions complying with the Provision of the Act}}{\text{Total number of Institutions}} \times 100\%$$

4. 0. Discussion of Findings

Levels of Compliance with Public Procurement Act, 2007 by PTIs in Urban and Rural Areas of Southwest, Nigeria.

Result in Table 1 shows that the mean compliance among the two categories of the Educational institutions with provision of the PPA 2007 on treatment of unclassified procurement records is (0.00). The implication of this result is that none of the three categories of PTIs comply with this provision of the Act. The requirements of Section 16 subsection 14 of the Act concerning this provision is that; all unclassified procurement records shall be opened to inspection by the public at the cost of copying and certifying the documents plus an administrative charge as may be prescribed from time to time by the Bureau. Non-compliance with this provision of the Act as revealed in this result is suggestive of the institutions keeping information about their procurement records from scrutiny by the Public. This negates the principle of the Act on transparency, openness and elimination of corruption in Public Procurement in procurement process.

Table 1 further reveals that the overall levels of compliance with the provisions of the PPA 2007 by all the PTIs in urban areas is 56% while that of PTIs located in rural areas is 53%. This result shows that the compliance levels by both institution is very low. that they all recorded a very low compliance in fifteen (15) provisions of the Act namely; funding of capital projects (urban 48%, rural 29 %), value of projects for which certificate of no objection is obtained from Bureau of Public Procurement BPP (urban 15%, rural 41%), time allowed for bidding before award of contract (urban 15%, rural 24%), process applicable to bids excluded from evaluation (urban 30%, rural 0%), time taken to prepare and transmit records of procurement proceedings and contract awarded for each financial year to BPP (urban 22%, rural 29%), powers of tenders board (urban 46%, rural 18%), primary form of dispute resolution (urban 30%, rural 29%) content of procurement contract (urban 46%, rural 53%). Others are; approving authority for conduct of procurement (urban 59%, rural 53%), processes regarding procurement planning (urban 49%, rural 48%), mode of bidding (urban 49%, rural 50%), processes during bid solicitation (urban 39%, rural 37%), margin of mobilization granted to contractors (urban 22%, rural 29%), procedure of payment for procurement (urban 32%, rural 33%), procedure for procuring consultancy services (urban 34%, rural 44%) and procedure for selecting bids (urban 41%, rural 35%). The low compliance in thirteen out of the thirty-nine provisions by the three categories of institutions is an indication of poor performance by the two categories of PHEIs generally.

Difference in the Levels of Compliance with Public Procurement Act 2007 Between PTIs in Urban and Rural locations.

Results in Table 1, reveals that the p-value for the test of difference in the levels of compliance with twelve provisions of PPA 2007 by PTIs located in both urban and rural areas of Southwest, Nigeria is less than critical p- value (0.05). The twelve provisions and their p-values are namely; funding of capital projects (0.029), values of project for which certificate of No Objection is obtained from BPP (0.001), basis for award of contract (0.001), minimum number of bids to be received before award of contract (0.004), procedure for payment of contractors/ suppliers (0.002), process applicable to bids excluded from evaluation (0.001). Others are; language of documentation of bids (0.042), person responsible for final selection of winning tender (0.043), powers of tender's board (0.001), basis granting of mobilization to contractors (0.034), bidding methods used for procurement (0.001) and values of consultancy services for which open bidding is solicited (0.005),

Consequently, the test rejects the hypothesis that there is no significant difference in the levels of compliance with the twelve provisions of PPA, 2007 based on the two categories of PTIs. The implication of the result is that there is a significant difference in the level of compliance with the twelve provisions of PPA 2007 the two categories of PTIs. Hence the location of PTIs in rural and urban areas have effect on the levels of compliance with these provisions of the Act.

Table 1 further reveals that of the twelve provisions that that have a significant difference in levels of compliance, institutions located in urban areas comply more than the institutions in rural areas in nine provisions of the Act. The nine provisions are namely; funding of capital projects (urban 0.48, rural 0.29), basis for award of contract (urban 0.92, rural 0.65), procedure for payment of contractors/ suppliers (urban 0.96, rural 0.82), process applicable to bids excluded from evaluation (urban 0.31, rural 0.00), language of documentation of bids (urban 0.96, rural 0.88),), person responsible for final selection of winning tender (urban 0.93, rural 0.82),), powers of tender's board (urban 0.46, rural 0.18), bidding methods used for procurement (urban 0.96, rural 0.72) and values of consultancy services for which open bidding is solicited (urban 0.81, rural 0.59). whereas, institutions located in rural areas comply more than institutions in urban areas in only three provisions of the Act namely; values of project for which certificate of 'No Objection' is obtained from BPP (rural 0.41, urban 0.15), minimum number of bids to be received before award of contract (rural 0.82, urban 0.63) and basis granting of mobilization to contractors (rural 0.68, urban 0.61)

Table 1 further shows that the p-values for the test of difference in the levels of compliance with 27 provisions between the two categories of institutions are greater than the critical p-value (0.05), therefore, the test fails to reject the hypothesis which states that there is no significant difference in the level of compliance with PPA, 2007 based on the two categories of PTIs. This indicates that the level of compliance with the 27 provisions of the PPA, 2007 is the same between the institutions. Hence, categories of PTIs have no effect on the levels of compliance with the remaining 27 provisions of PPA, 200 based on the location of the institutions in urban or rural areas.

5. 0. Conclusions

In comparing the levels of compliance with Public Procurement Act 2007 between PTIs located in urban and rural areas of Southwest, Nigeria the study was able to discover compliance and noncompliance to some extent. Results from the study have established noncompliance by the two categories of institutions with one provision of the act namely; the statement applicable to procurement record. Overall compliance with all the provisions of the Act by each of the stands at 56% and 53% for PTIs in urban and rural areas respectively. Even though the results establish a higher compliance by PTIs in urban location than the PTIs in rural locations the two categories of institutions recorded very low compliance in several provisions of the act. The result of the test of the research hypothesis reveals that the difference in the levels of compliance among the two categories of PTIs differs significantly only in twelve provisions of the Act.

The study therefore concludes that compliance with the provisions of the Public Procurement Act between the two categories of PTIs is very low to justify the objective of the Act in ensuring transparency, waste and corrupt free procurement. The study recommended increased training to the Management and staff of the procurement department of the three categories of PTIs on those provisions of the Act where they have very low compliance in order to ensure transparency and corrupt free procurement process.

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