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EFFECT OF COMPETITIVE TENDERING ON VALUE FOR MONEY IN PUBLIC PROCUREMENT. A CASE OF MUSANZE DISTRICT, RWANDA

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ABSTRACT

The purpose of this study was to examine the effects of competitive tendering on value for money of public procurement a case of Musanze District. The research objectives were: To determine the effects of accountability and transparency on value for money in Musanze District; To find out the effects of performance and risk management on value for money in Musanze District; To examine the effects of Encouraged competition on value for money in Musanze District; To identify the effects of reduced costs on value for money in Musanze District. This study was guided by the following hypotheses: Ho1: There is no significant effect of accountability and transparency on value for money in Musanze District; Ho2: There is no significant effect of risk management on value for money in Musanze District; Ho3: There is no significant effect encouraged competition on value for money in Musanze District; Ho4: There is no significant effect of reduced costs on value for money in Musanze District. The sample size was 76 respondents. Purposive sampling and Sample random sampling were used to select respondents. The collection of data was done through questionnaires while the analysis and processing were done using SPSS software. The analysis of data showed the following: An increase in Accountability and transparency affect value for money of public procurement in Musanze District. The research findings showed that there is strong correlation between accountability and transparency on value for money in Musanze District (r= 0.946, p=0.000, n=76. Therefore, the results indicate that any unit of increase in accountability and transparency affect value for money at 0.906. The research findings showed that there is strong correlation between performance and risk management on value for money in Musanze District (r=978, p=0.000, n=76). The research findings showed that there is strong correlation between performance and risk management on value for money in Musanze District (r=0.985, p=0.000, n=76). the fourth objective was to identify the effect of reduced costs on value for money in Musanze District. The research findings showed that there is strong correlation between performance and risk management on value for money in Musanze District (r=0.992, p=0.000, n=76). The research recommended that the management of Musanze District should constantly expose its staff to training in order to improve their skills on effects of competitive tendering.

Keywords: *Competitive tendering, Value for money, Public Procurement, Tendering, Procurement*

1. INTRODUCTION

Procurement has evolved from a clerical task to a core organizational function critical for public institutions at both local and central levels, particularly with the rise of decentralization. Open competitive tendering, which awards contracts through open competition, has gained prominence in public procurement in developing countries. This method is essential for acquiring goods and services, aligning with principles of transparency, competition, and efficiency. Governments globally spend approximately USD 9.5 trillion annually on public contracts, reflecting 12-20% of GDP. Despite challenges like budget constraints and public

demands for better services and transparency, many governments, including Rwanda, have adopted competitive tendering to promote efficiency and ensure value for money. In Rwanda, competitive tendering in public procurement has faced obstacles such as lengthy processes and stringent regulations, yet it remains vital for achieving good governance and sustainable economic growth.

The objectives of the study include:

(i) To determine the effect of accountability and transparency on value for money in Musanze District
(ii) To find out the effect of performance and risk management on value for money in Musanze District
(iii) To examine the effect of encouraged competition on value for money in Musanze District
(iv) To identify the effect of reduced costs on value for money in Musanze District

Whereas the following hypotheses were drawn:
Ho1: There is no significant effect of accountability and transparency on value for money in Musanze District
Ho2: There is no significant effect of risk management on value for money in Musanze District
Ho3: There is no significant effect of encouraged competition on value for money in Musanze District
Ho4: There is no significant effect of reduced costs on value for money in Musanze District

2. STATEMENT OF THE PROBLEM

Competitive tendering is crucial for cost minimization and enhancing public procurement efficiency by providing supplies, works, goods, and non-consultant services. Despite existing procurement laws, public procurement often suffers from substandard goods and services, leading to national development stagnation. Effective value for money, as emphasized by Agaba & Shipman (2016), requires optimal use of financial resources, yet flaws in tendering procedures and delayed implementation result in significant public fund losses and hinder national growth. Reform efforts have focused on regulatory aspects, neglecting the strategic importance of procurement. The rigidity of procurement laws frustrates public body accounting officers, highlighting the need for procurement experts to possess multidisciplinary skills, as noted by Wamae (2014). This study investigates the efficiency and sufficiency of competitive tendering in ensuring value for money in Musanze District, revealing its advantages, disadvantages, and encountered challenges.

3. LITERATURE REVIEW

Accountability and Transparency

Accountability and transparency are key to achieving value for money in procurement. Transparent procedures ensure fairness and reduce corruption, promoting competition and optimal performance. DFAT's accountability to taxpayers and beneficiaries fosters honest dialogue about investment impacts and supports overall effectiveness (Bag, 2012; Basheka, 2010; Bauhr et al., 2020; Bamidele, 2020; Sama et al., 2022; Battaglio et al., 2019).

Performance and Risk Management

Continuous review of contracts ensures quality and maximizes impact, encouraging effective investments. Effective risk management is crucial, requiring decision-makers to balance risk and results for maximum efficiency (Azambuja et al., 2014).

Encouraged Competition

Fair competition in bidding is essential for value for money. DFAT must foster a competitive culture, ensuring that open tendering leads to better quality and lower costs. This approach ensures the best deals for the government (Bag, 2012).

Reduced Costs

Open tendering reduces costs by eliminating middlemen and streamlining processes. Cost-conscious decision-making ensures the most cost-effective options are pursued without compromising quality, safeguarding public funds (Azambuja et al., 2014).

Types of Public Procurement

Public procurement includes goods, services, works, and consultant services. Adherence to principles of economy, efficiency, fairness, transparency, and accountability ensures effective procurement processes (Cox & Ireland, 2016; Republic of Rwanda – Public Procurement User Guide, 2010).

Procurement Steps

The procurement cycle involves need identification, specification development, market sourcing, tender notice publication, tender receipt, evaluation, negotiation, contract signing, expediting, management, and monitoring. These steps ensure effective procurement (Agaba et al., 2016).

Problems in Tendering Process

Issues include staff competence, availability of funds, lead time, and supplier pricing. Training ensures effective implementation, and sufficient funds are crucial. Timely procurement and reasonable pricing are essential for successful tendering (Agaba et al., 2016; Azambuja et al., 2014).

Value for Money

Value for money (VfM) is achieved through economical, efficient, effective, and equitable procurement. This includes minimizing costs, timely and practical processes, impactful results, and fairness in procurement activities, ensuring public trust and long-term benefits (Bolthale, 2017; Improvement Network, 2011; Asare & Prempeh, 2016; Adewole, 2014; Kiage, 2015; Laswai, 2020).

4. THEORETICAL REVIEW

Stakeholder Theory Freeman (1984) introduced stakeholder theory, highlighting that corporations have stakeholders beyond just profit maximization. Mitchell et al. (1997) argue this theory expands management's vision to include non-stockholding groups' interests. Donaldson and Preston (1995) emphasize that all legitimate interests in an enterprise should be balanced without pre-set priorities. Stakeholder theory aids managers in understanding and strategically managing stakeholders (Essig & Amann, 2009). This theory has applications in fields like research management, water utilities, and construction project management (Elias et al., 2002; Ogden & Watson, 1999; Bourne & Walker, 2005). Effective stakeholder management starts with identifying key stakeholders and their strategic importance (Newcombe, 2003).

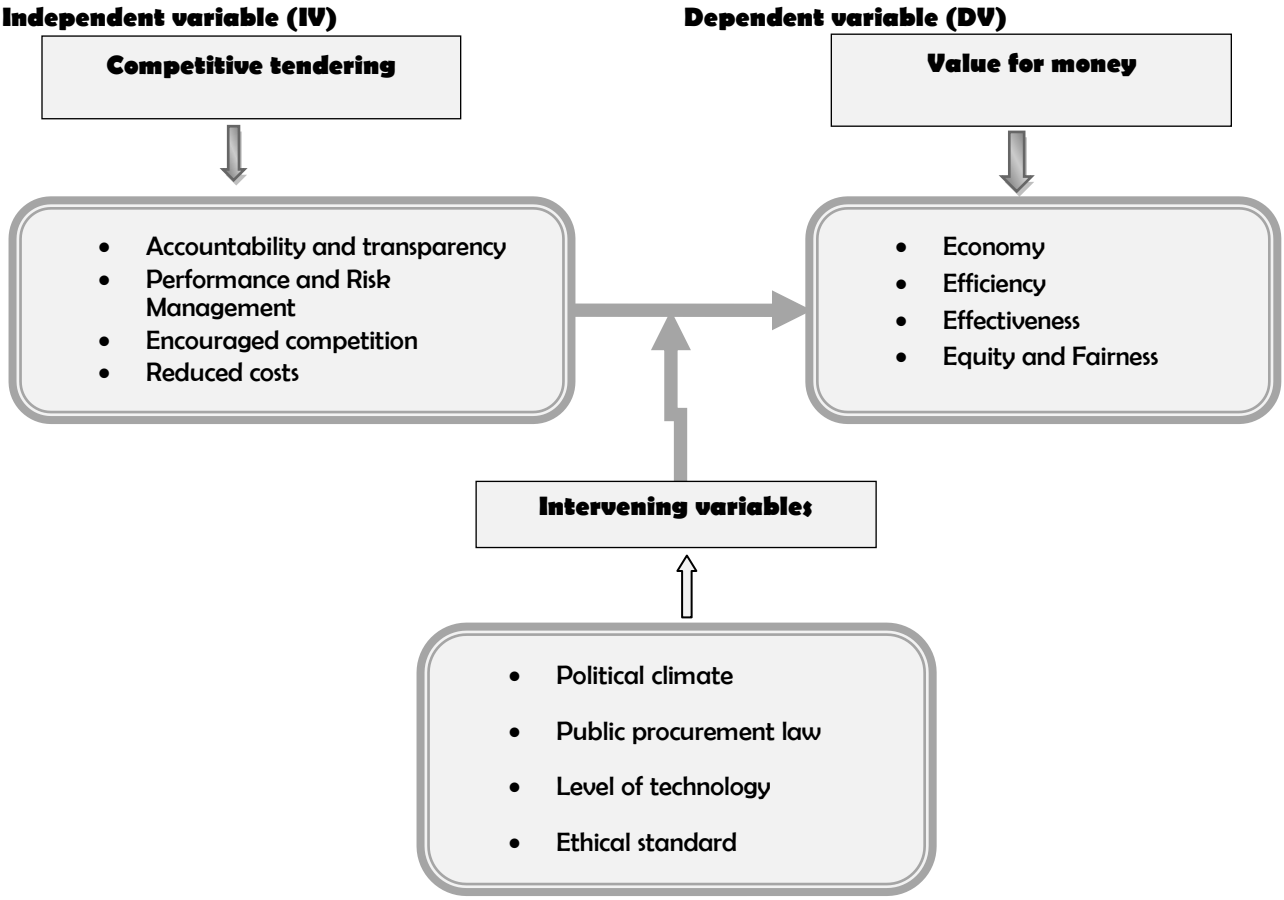
Grey Systems Theory Deng (1989) developed grey systems theory to address strategic decisions under uncertain conditions with limited information. Unlike probability or fuzzy mathematics, this theory handles uncertainties in supplier selection where high-volume data may not be available. Grey systems theory offers a framework for decision-making by considering various factors like quality, delivery, and risk (Karmakar & Mujumdar, 2008). This theory helps in reducing operational costs by selecting optimal suppliers through comprehensive evaluations (Wang et al., 2009; Muhammad et al., 2012).

Agency Theory Agency theory focuses on relationships where one party (agent) acts on behalf of another (principal), often leading to conflicts due to differing goals and risk attitudes (Xingxing, 2012). Issues such as moral hazard and adverse selection arise when it's challenging to verify agents' performance or expertise. Poor principal-agent relationships can result in low top management commitment and increased procurement costs. This theory is used to evaluate procurement policies and their impact on procurement performance in organizations.

Mac Neil's Relational Contracts Theory Macneil (1968) critiqued traditional contract law, emphasizing that contracts are relational and norms-based rather than mere transactions. His theory suggests that contracts vary in relational depth, from highly relational long-term agreements to transactional hand-to-mouth purchases (Macneil, 1980, 2000). He identifies five aspects of contract management: cooperation, monetary exchange, external sanctions, public control, and manipulation. This theory underscores the complexity of exchange relations and the importance of considering relational factors in contractual agreements.

5. CONCEPTUAL FRAMEWORK

After identifying dependent variables and independent variable, the researcher constructed the following conceptual framework:



6. METHODOLOGY

Within this research, the researcher used a correlational research design whereby quantitative approaches were used. The population in this study involved 370 employees from different units namely Procurement, accounting, budgeting and logistics, public and government aided entity in Musanze District because they have enough information about the effects of competitive tendering on value for money. The sample size corresponds to 76 respondents

7. FINDINGS

7.1 Correlational matrix for competitive tendering and value for money of public procurement in Musanze District.

Under this section, the relationship between competitive tendering and value for money of public procurem ent in Musanze District was analyzed and presented using Pearson.

Table 1: Correlational matrix for competitive tendering and value for money of public procurement in Musanze District

		Accountability and transparence	Performance and risk management	Encouraged competition	Reduced cost	Value for money
Accountability and transparence	Pearson Correlation	1	.976**	.966**	.921**	.946**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	76	76	76	76	76
Performance and risk management	Pearson Correlation	.976**	1	.982**	.958**	.978**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	76	76	76	76	76
Encouraged competition	Pearson Correlation	.966**	.982**	1	.974**	.985**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	76	76	76	76	76
Reduced cost	Pearson Correlation	.921**	.958**	.974**	1	.992**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	76	76	76	76	76
Value for money	Pearson Correlation	.946**	.978**	.985**	.992**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	76	76	76	76	76

**. Correlation is significant at the 0.01 level (2-tailed).

The table above 1 showed the findings as follows basing on the objectives of the study: The objective number one was to determine the effect of accountability and transparency on value for money in Musanze District. The findings showed that there is a strong relationship between accountability and transparency on value for money in Musanze District. (t=0.946, p=0.000, n=76. The objective number two was to find out the effect of performance and risk management on value for money in Musanze District. Therefore, there is a strong relationship between performance and risk management on value for money in Musanze District. (t=.0.978, p=0.000, n=76. The objective number two was to find out the effect of performance and risk management on value for money in Musanze District. The third objective was to examine the effect of encouraged competition on value for money in Musanze District. The findings showed that there is a strong relationship between encouraged competitions on value for money in Musanze District. (t=.0.985, p=0.000, n=76. on value for money in Musanze District. The fourth objective was to identify the effect of reduced costs on value for money in Musanze District. The findings showed that that there is also is a strong relationship between reduced costs on value for money in Musanze District. (t= 0.992, p=0.000, n=76. on value for money in Musanze District. Therefore, basing on the research results, there is strong relationship between

competitive tendering and value for money in public procurement case of Musanze District.

7.2 Inferential Statistics

7.2.1 Regression analysis on accountability, transparency and value for money in public procurement in Musanze District

Table 2: Model Summary on accountability, transparency and value for money in public procurement in Musanze District.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.906	.820	.818	4.19305

a. Predictors: (Constant), Accountability and transparency

The model summary shows a significant positive relationship (Pearson correlation coefficient of 0.906) between accountability, transparency, and value for money in public procurement in Musanze District. The R squared value of 0.820 indicates that 82% of changes in value for money are due to competitive tendering, with the remaining 18% attributed to other factors. Competitive tendering is thus a key factor in achieving value for money in public procurement.

Table 3: ANOVA on the accountability, transparency and value for money of public procurement in Musanze District.

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5946.336	1	5946.336	338.212	.000[b]
	Residual	1301.043	74	17.582		
	Total	7247.378	75			

a. Dependent Variable: Value for money

b. Predictors: (Constant), Accountability and transparency

The table 3 indicated the following results related to the ANOVA on on the accountability, transparency and value for money of public procurement in Musanze District as follows: The results show that the F value equivalent to 338.212 is the higher value and this higher F value illustrates the close relationship between accountability, transparency and value for money of public procurement in Musanze District. It was also found that the F value is associated with p = 0.000, which is less than 0.05, indicating that the relationship between accountability, transparency and value for money of public procurement in Musanze District is also significant.

Table 16: Coefficients on the accountability, transparency and value for money of public procurement in Musanze Distrcit.

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.208	3.706		.596	.553
	Accountability and transparency	4.353	.237	.906	18.391	.000

a. Dependent Variable: Value for money

The table 4 indicated the following results: Regression coefficient between accountability, transparency and value for money of public procurement in Musanze Distrcit. The value for money of public procurement (constant) is 2.208 when the accountability, transparency is zero. The results show that the accountability and transparency significantly predicted changes in value for money of public procurement in Musanze District. Therefore, an increase unit of accountability and transparency increase value for money of public procurement in Musanze Distrcit 4.353. The standardized coefficient (β= 0.906, p = 0.000) shows a statistically significant relationship between the accountability and transparency value for money of public procurement in Musanze Distrcit.

7.2.2 Regression analysis on performance, risk management and value for money of public procurement in Musanze District

Table 5 Model Summary on performance, risk management and value for money of public procurement in Musanze District

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.984[a]	.967	.967	1.78523

a. Predictors: (Constant), Performance and Risk Management

The table above 5 indicates the results on model Summary on performance, risk management and value for money of public procurement in Musanze District as follows: The results show that there is a significant positive relationship between performance, risk management and value for money of public procurement in Musanze District as shown by the Pearson correlation coefficient of .0.984. The coefficient of determination is expressed as R squared 0.967. This indicates that 96% of the changes in value for money in public procurement in Musanze District were due to changes in performance, risk management. Therefore, performance, risk management is a statistically significant variable on the of public procurement in Musanze District at R^2 of 0.967, but the remaining percentages are related to other factors not taken into account within the model.

Table 6: ANOVA on performance, risk management and value for money of public procurement in Musanze District

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7011.536	1	7011.536	2200.002	.000[b]
	Residual	235.842	74	3.187		
	Total	7247.378	75			

a. Dependent Variable: Value for money

b. Predictors: (Constant), Performance and Risk Management

The table 6 showed the results as follows: The results show that there is strong relationship between performance, risk management and value for money of public procurement in Musanze District as it is showed by F value which is equivalent to 2200.002 and this one is higher. It is also stated that the F value is related to p = 0.000, which is less than 0.05, which illustrates that the relationship between performance, risk management and value for money of public procurement in Musanze District is significant.

Table 7: Coefficients on performance, risk management and value for money of public procurement in Musanze District

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	20.452	1.072		19.087	.000
	Performance and Risk Management	3.328	.071	.984	46.904	.000

a. Dependent Variable: Value for money

The table 7 presents the regression coefficients on performance, risk management and value for money of public procurement in Musanze District in the following ways: The value for money of public procurement in Musanze District (constant) is 20.452 when performance, risk management is zero. The results indicate that performance; risk management significantly predicts changes in value for money of public procurement in Musanze district. This explains that an additional performance, risk management unit increases the value for money in Musanze district by 3.328. The standardized coefficient (β= 0.520, p = 0.000) shows a statistically significant relationship between performance, risk management and value for money of public procurement in Musanze District.

7.2.3 Regression analysis on encouraged competition and value for money of public procurement in Musanze District

Table 8: Model Summary on encouraged competition and value for money of public procurement in Musanze District

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.981[a]	.963	.963	1.90126

a. Predictors: (Constant), Encouraged competition

The table 8 above presents Model Summary on encouraged competition and value for money of public procurement in Musanze District as follows: The results indicate the Pearson correlation coefficient of 0.958. The coefficient of determination is expressed as R squared 0.981 and indicates that there is a significant positive relationship between encouraged competition and value for money of public procurement in Musanze District. Therefore, any changes of 96,3% in value for money of public procurement in Musanze were due to changes in encouraged competition. Therefore, encouraged competition is a statistically significant variable on value for money of public procurement in Musanze District within an R^2 of 0.963, but the remaining percentages are due to other factors have not been taken into account in the model.

Table 9: ANOVA on encouraged competition and value for money of public procurement in Musanze District.

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	6979.883	1	6979.883	1930.917	.000[b]
	Residual	267.495	74	3.615		
	Total	7247.378	75			

a. Dependent Variable: Value for money

b. Predictors: (Constant), Encouraged competition

The table above 9 shows the results from ANOVA on encouraged competition and value for money of public procurement in Musanze District in the following ways: The discoveries appeared F-Value proportionate to 1930.917 which may be a higher esteem and such higher esteem of F appears a solid relationship between encouraged competition and value for money of public procurement extend in Musanze District. It was too shown that F-Value was related with p = 0.000 which is less than 0.05 and this outlines that the relationship between encouraged competition and value for money of public procurement is measurably significantly.

Table 10: Coefficients on encouraged competition and value for money of public procurement in Musanze District

		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	T	Sig.
1	(Constant)	-1.108	1.628		-.680	.498
	Encouraged competition	4.649	.106	.981	43.942	.000

a. Dependent Variable: Value for money

The above table 10 presents the regression coefficients on encouraged competition and value for money of public procurement in Musanze District in the following ways: If encouraged competition is zero, the value (constant) of value for money of public procurement is -1.108. The results suggest that encouraged competition significantly predict value for money. Therefore, any increase of unit in encouraged competition affects value for money of public procurement in Musanze District by 4.649. The standardized coefficient (β= 0..981, p = 0.000) indicates that there is a strong significant relationship between encouraged competition and value for money of public procurement in Musanze District.

7.2.4 Regression analysis on results reduced cost and value for money of public procurement in Musanze District.

Table 11: Model Summary on reduced cost and value for money of public procurement in Musanze District.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.992[a]	.984	.983	1.27036

a. Predictors: (Constant), Reduced costs

The table 11 presents the results on Model Summary on reduced cost and value for money of public procurement in Musanze District as follows: The Pearson correlation coefficient is

0.992. The coefficient of determination is given by R squared 0.917 and the coefficient of determination is given by R squared is 0.984. Therefore, there is a significant positive relationship between reduced cost and value for money of public procurement in Musanze District. Any change of 91.7% of the value for money of public procurement in Musanze District is result from a change in reduced cost. Hence, reduced cost is a statistically significant variable for value for money of public procurement in Musanze District with an R^2 of 0.984, while the remaining percentage is due to other factors that are not considered in the model.

Table 12: ANOVA on reduced cost and value for money of public procurement in Musanze District

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7127.957	1	7127.957	4416.872	.000[b]
	Residual	119.421	74	1.614		
	Total	7247.378	75			

a. Dependent Variable: Value for money

b. Predictors: (Constant), Reduced costs

The table 12 presents the findings from ANOVA on reduced cost and value for money of public procurement in Musanze District and the findings are as follows: The F-value is equal to 4416.872, which is higher and this implies that there is a strong relationship between reduced cost and value for money of public procurement in Musanze District. It is also stated that the F value is associated with p = 0.000 which is less than 0.05 which indicates that the relationship between reduced cost and value for money of public procurement in Musanze District is significant.

Table 13: Coefficients reduced cost and value for money of public procurement in Musanze District

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	19.425	.772		25.175	.000
	Reduced costs	3.403	.051	.992	66.460	.000

a. Dependent Variable: Value for money

The table 13 shows the regression reduced cost and value for money of public procurement in Musanze District in the following ways: The value for money of public procurement in Musanze District (constant) is 19.425 when reduced cost is zero. The results indicate that reduced cost significantly predicts changes in value for money of public procurement in Musanze district. This explains that an additional reduced cost unit increases the value for money in Musanze district by 3.403. The standardized coefficient (β= .992, p = 0.000) shows a statistically significant relationship between reduced cost and value for money of public procurement in Musanze District.

Table 14: Model Summary for competitive tendering and value for money of public procurement in Musanze District

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
4	.995[d]	.990	.990	.98669

d. Predictors: (Constant), Accountability and transparency, Performance and Risk Management , Encouraged competition, Reduced costs

The table 14 showed that results on Model Summary for competitive tendering and value for money of public procurement in Musanze District as follows: The results showed that there is a significant positive relationship between competitive tendering and value for money of public procurement in Musanze District. The Pearson correlation coefficient of 0.995. The coefficient of determination given by R squared 0.990. This indicates that 99% of the variation in the value for money of public procurement in Musanze District. Therefore, although competitive tendering advantages is significant factor in value for money with an R^2 of 0.990, the remaining percentage is related to other factors that are not considered in this model.

Table 15: ANOVA for competitive tendering and value for money of public procurement in Musanze District.

Model		Sum of Squares	Df	Mean Square	F	Sig.
4	Regression	7178.255	4	1794.564	1843.289	.000[e]
	Residual	69.123	71	.974		
	Total	7247.378	75			

a. Dependent Variable: Value for money

b. Predictors: (Constant), Accountability and transparency, Performance and Risk Management , Encouraged competition, Reduced costs

The table above 15 showed the related to ANOVA for competitive tendering and value for money of public procurement in Musanze District as follows: The results show that the F-score is higher at 1843.289 and this implies that F-score presents that there is a strong relationship between competitive tendering and value for money of public procurement in Musanze District as well as p=0.000 which is less than 0.05 indicating that there is a strong relationship between competitive tendering and value for money a case of Musanze District.

Table 16: Coefficients for competitive tendering and value for money of public procurement in Musanze District.

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	6.251	.894		6.238	.000
	Accountability and transparency	-.935	.207	-.194	-4.505	.000
	Performance and Risk Management	1.626	.266	.480	6.115	.000
	Encouraged competition	.880	.413	.186	2.131	.000
	Reduced costs	1.771	.261	.516	6.782	.000

a. Dependent Variable: Value for money

The table 16 presents the shows the regression coefficients between competitive tendering and value for money of public procurement in Musanze District. The results showed that the value for money in public procurement in Musanze District (constant) is 6.251 while competitive tendering is zero. The results also indicate that Accountability and transparency significantly affect value for money, at -.0.935; Any increase in performance and Risk Management significantly affects value for money at 1.626, affects value; Any increase in encouraged competition significantly affects value for money at 0.880 while unit of change in reduced costs significantly affects value for money of public procurement in Musanze District at 1.771. Therefore, any increase or any change in competitive tendering increases value for money and vice versa. The regression equation used is as follows:

Y= 6.251+-.935X1+1.626 X2+.0.880 X3+1.771 X 4

Where:

Y=Value for money

β= Constant

X1= Accountability and transparency

X2= Performance and Risk

X3= Encouraged competition

X4= Reduced costs

Table. 17: Summary of tested hypotheses:

N°	Hypothesis	P value	Verdict
1	Ho1: There is no significant effect of accountability and transparency on value for money in Musanze District	.000	Rejected
2	Ho2: There is no significant effect of risk management on value for money in Musanze	.000	Rejected

	District		
3	Ho3: There is no significant effect encouraged competition on value for money in Musanze District	.000	Rejected
4	Ho4: There is no significant effect of reduced costs on value for money in Musanze District.	.000	Rejected

The table 17 above showed that there are four null hypotheses which are as follows: Ho1: There is no significant effect of accountability and transparency on value for money in Musanze District; Ho2: There is no significant effect of risk management on value for money in Musanze District; Ho3: There is no significant effect encouraged competition on value for money in Musanze District; Ho4: There is no significant effect of reduced costs on value for money in Musanze District.

8. CONCLUSION AND RECOMMENDATIONS

The aim of the study was to examine the effects of competitive tendering on value for money of public procurement a case of Musanze District. Therefore, the research findings showed that there is a significant positive relationship between competitive tendering and value for money of public procurement in Musanze District. The Pearson correlation coefficient of 0.995 was found. The coefficient of determination given by R squared 0.990. This indicates that 99% of the variation in the value for money of public procurement in Musanze.

In light of the study's conclusions, the following recommendations are put forward:

- The management of Musanze District should constantly expose its staff to training in order to improve their skills on effects of competitive tendering
- Rwanda Public Procurement Authority (RPPA) can continue monitoring and evaluate competitive tendering carried out by District on regular basis.
- Government of Rwanda through MINECOFIN should make more effort in mobilizing the citizens the advantage of competitive tendering in socio-economic development of the county.
- All stakeholders involved in public procurement should continue to support any public entity in any way to make better improvement within tendering process.
- To enhance competitive tendering, the decision makers as well as regulators should revise policy regarding public procurement in timely manner along with other factors are changing.

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