"Ethical conduct of procurement officials and implications on service delivery: a case study of Limpopo provincial treasury"

AUTHORS	Zitha Hasani Elia Mathebula Ntwanano Erasmus		
ARTICLE INFO	Zitha Hasani Elia and Mathebula Ntwanano Erasmus (2015). Ethical conduct of procurement officials and implications on service delivery: a case study of Limpopo provincial treasury. <i>Public and Municipal Finance</i> , <i>4</i> (3), 16-24		
RELEASED ON	Friday, 25 December 2015		
JOURNAL	"Public and Municipal Finance"		
FOUNDER	LLC "Consulting Publishing Company "Business Perspectives"		
0 ⁰	G		
NUMBER OF REFERENCES	NUMBER OF FIGURES	NUMBER OF TABLES	
0	0	0	

© The author(s) 2025. This publication is an open access article.



Zitha Hasani Elia (South Africa), Mathebula Ntwanano Erasmus (South Africa)

Ethical conduct of procurement officials and implications on service delivery: a case study of Limpopo provincial treasury

Abstract

In the year 2011, five departments in the Limpopo Provincial Government were placed under administration in terms of section 100 (1) (b) of the Constitution of the Republic of South Africa (1996). Limpopo Provincial Treasury was amongst those placed under administration. Procurement was mentioned as one of the weaknesses that contributed impasse. Limpopo Provincial Treasury has a transversal responsibility to support all Provincial Departments in respect of procurement of goods and services. Scholars perceive ethics as the principles of right and wrong that guide individuals, when making choices regarding their behavior. It is also associated with the collection of moral values, obligations, moral principles, attitudes and norms that serve as a conduct and behavioral rules which must be observed by public representatives and public officials. This article was undertaken in an attempt to investigate the impact of unethical conduct of procurement officials on service delivery. Having adopted mixed-methods, semi-structured interviews and structured questionnaires to collect primary data, this paper revealed that ethics is a relevant concept to procurement environment and that it has an impact on service delivery. The study also showed the extent at which unethical conduct negatively affected service delivery. However different responses gave various opinions with regard to whether codes of conduct we are sufficient to address unethical conduct of procurement officials at the Limpopo Provincial Treasury. The paper concludes that ethical conduct of procurement officials can also be used as a tool to reconstruct government's integrity and to address socio-economic challenges that South Africa is currently facing. This article therefore proposes practical recommendations that can enhance the ethical conduct of procurement officials and consequently improve service delivery.

Keywords: procurement, supply chain management, ethics, unethical conduct, service delivery. **JEL Classification:** G21, 28.

Introduction

Scandals involving public officials regarding unethical conduct have recently earned attention of governments around the world. According to Manyaka and Sebola (2013, p. 76), unethical conduct by public officials has provoked a widespread global discourse on good governance that is underpinned by a call for governments to be more proactive in the fight against corruption. In order to give effect to the promotion of ethical conduct in the public service, the South African government enacted various pieces of legislation. However, despite sound and comprehensive legislative and policy framework for combating corruption and institutionalising professional behavior and conduct; academics and members of the public continue to raise concerns about unethical conduct in the South African public sector in general (Manyaka & Sebola, 2013; Manyaka & Nkuna, 2014). In the realm of good governance and public administration practice, ethics must be understood as the collection of values, obligations, moral principles, attitudes and norms that serve as conduct and behavioral rules to be observed by public representatives and officials in ensuring that their actions are constantly focused on the promotion, achievement, maintenance and enhancement of the general welfare of society at large (Cloete, 1995; Fox & Meyer, 1995; Public Service Commis-

Zitha Hasani Elia, University of Limpopo, South Africa.

sion, 2002). Despite all this being said, the South African public service is characterized by widespread allegations of unethical conduct and this has generated widespread concern for effectively delivering services to the public. According to the National Planning Commission (2012, p. 401), South Africa suffers high levels of corruption and other unethical conduct that undermines the rule of law and the state's capacity to effect development and socio-economic transformation. The primary reason for concern is that unethical conduct reduces public trust and confidence in the integrity and impartiality of elected representatives (Mafunisa, 2002; Mafunisa, 2007).

1. Problem statement

In the year 2011, five Departments in Limpopo Provincial Administration were put under administration in terms of Section 100 (1) (b) of the Constitution of the Republic of South Africa (1996). Amongst the affected Departments was Limpopo Provincial Treasury. Disregarding policy frameworks regulating procurement and ethical conduct were mentioned as major challenges comprising plenty weaknesses that contributed to the Department being put under administration. This happened despite the fact that the Provincial Treasury has a legislative responsibility to ensure the support for all Provincial Departments in respect of procurement of goods and services. This article focused on the effects of unethical conduct of procurement officials on service delivery. The focus is premised

[©] Zitha Hasani Elia, Mathebula Ntwanano Erasmus, 2015.

Mathebula Ntwanano Erasmus, University of Limpopo, South Africa.

on whether the ethical conduct of procurement officials can positively and effectively contribute to the delivery of public services using the Limpopo Provincial Treasury as a case study. A mixed method approach with semi-structured interviews and structured questionnaires were used to collect data. In order to understand whether ethical conduct of procurement officials contribute to enhanced service delivery, a literature review, legislative framework and primary data underpinning ethical conduct in South Africa are discussed. The article also provides the research design in order to relate the ideals on the ground and practice with a theoretical base.

2. Theoretical base for ethical conduct in the South African public service

Ethics are set of principles defined as a system guiding conduct, upholding such conduct in the workplace while in theory is closely related to professionalism in the public service and places more impetus on human behavior (Mathebula, 2014; Matshabaphala, 2014; Theletsane, 2014). In the discourse of good governance and public administration practice, ethics could be regarded as the collection of values, obligations, moral principles, attitudes and norms that serve as a conduct and behavioral rules which must be observed by public representatives and officials to ensure that their actions are constantly focussed on the promotion, achievement, maintenance and enhancement of the general welfare of the society at large (Cloete, 1995; Fox & Mayer, 1995). With the above said, there is no doubt that ethics in the South African public service are imperative as explicitly stated in section 195(1) of the Constitution of the Republic of South Africa (1996); that 'a high standard of professional ethics must be promoted and maintained' in relation to public administration. Raga and Albrecht (2008, p. 781), emphatically state that there is both a need and call for the people within professions to conform their behavior to certain ethical standards and codes of conduct. The importance of articulating ethics and the values that define and underpin the public service cannot be underscored. This is seen as critical to providing both public officials and the public in general with common frame of reference regarding the principles and standards to be applied and in assisting public officials to develop an appreciation of the ethical conduct involved in effective and efficient public service delivery, Supply Chain Management (SCM) and procurement in particular.

Firstly, it is important clear the misconception that exists in the application of the concepts; "procurement and Supply Chain Management". In South Africa and the most developing countries, many

practitioners still consider the term public SCM and public procurement to be used interchangeably (Ambe & Badenhorst-Weiss, 2011). Since the main focus of this article is on procurement, it is important to distinguish the two concepts. SCM involves the management of all inter-linked activities within a value adding chain which includes but not limited to planning, procurement, manufacturing, supplying, transporting, warehousing, retailing, intermediaries and customer services (Croxton, Garcia-Dastugue, Lambert & Rogers, 2001; Naslud & Williamson, 2010; Felea & Albastroiu, 2013). It can therefore be drawn from this that, procurement is just one of the elements within a SCM which primarily focuseson the planning, implementation, controlling, sourcing and purchasing of goods and services (Ambe & Badenhorst-Weiss, 2011).

The goal of procurement is to obtain the optimum supply of goods and services from the market in terms of quality, timeliness and costs whilst at the same time managing the risks, accomplishing socio-economic objectives including promoting competition and managing integrity (Braithwaite, 2003). In order to understand the link between procurement and SCM, it is important to draw a closer attention to public officials. A public official is an individual who is employed in terms of legislation and other regulation in a public institution such as a government department, as opposed to elected political office bearers. Therefore, procurement officials are officials employed in a public institution to execute procurement function.

3. Legislative framework underpinning ethics and procurement in the South African public service

Public sector procurement operate within a highly legislated environment whereby in turn officials are required to abide to a high standard of ethical conduct. The focus of this section is only limited to the legislative framework governing the ethical conduct of procurement officials.

3.1. Public Service Act, 1994 (103 of 1994). Section 30 (a-b) of the *Public Service Act* (1994), states that "other work by officers and employees, unless it is otherwise provided for in his or her conditions of employment:

- Every officer and employee shall place the whole of his or her time at the disposal of the State.
- No officer or employee shall perform or engage himself or herself to perform remunerative work outside his or her employment in the public service, without permission granted by the

relevant executing authority or an officer authorized by the said authority".

According to Manyaka and Sebola (2013, p. 78), the *Public Service Act* (1994) is considered as the crucial piece of legislation that has a direct bearing on the behavior and conduct of public servants because it seeks to promote high standards of ethical behavior and moreover stipulates procedures to be followed when dealing with ineffective and inefficient officials. It can therefore be deduced that the above provisions outline the conditions under which public servants can do remunerative work outside public service. This provision constitutes a critical measure in managing conflicting interest for procurement officials and any other official dealing with procurement of goods and services.

3.2. The Constitution of the Republic of South Africa, 1996. In terms of constitutional supremacy, the *Constitution of the Republic of South Africa* (1996), is the highest norm and can therefore be viewed as the foundation of service delivery in the South African public service. In terms of Section 195 (1) of the *Constitution of the Republic of South Africa* (1996), public administration must be governed by the democratic values and principles which include amongst others;

- a high standard of professional ethics must be promoted and maintained;
- efficient, economic and effective use of resources must be promoted;
- public administration must be developmentoriented;
- services must be provided impartially, fairly, equitably and without bias;
- public administration must be accountable;
- transparency must be fostered by providing the public with timely, accessible and accurate information.

The above values and principles seek to ensure that public officials and in the context of this article, procurement officials at large to conduct themselves in a manner that appeals for public trust and that can stand the test of time even when called to account in public or through the courts of law. The values advocated above awaken the internal person of public servants to conduct themselves in a manner that fosters accountability and responsibility in the execution of their public affairs. Adherence to these values and principles by procurement officials has a potential positive contribution towards effective service delivery in that there will be no biasness, nepotism, corruption etc. in the procurement processes. Disoloane (2010) argues that the basic values and principles governing public administration encourage the actions of public officials to be

in line with acceptable practices that are outlined to be cascaded to all public service employees.

In terms of section 217(1) of the *Constitution of the* Republic of South Africa (1996), "when an organ of state in the national, provincial or local sphere of government, or any other institution identified by national legislation, contracts for goods or services, it must do so in accordance with a system which is equitable, transparent, competitive and costeffective". According to Raga and Albrecht (2008), the above provisions are issued by government not only as a prescription of standards of behavior, ethics and accountability which it requires of its public service but also as the statement of government's commitment to a procurement system which enables the emergence of sustainable small, medium and micro business which will add to the common wealth of our country and the achievement of enhanced economic and social well-being of all South Africans.

3.3. Public Finance Management Act, 1999 (1 of 1999). Section 2 of the *Public Finance Management Act* (1999) (as amended) states that the objective of the Act is to ensure transparency, accountability, and sound management of revenue, expenditure, assets and liabilities. Furthermore, section 38 of the same Act states that Accounting Officers should immediately report unauthorized, irregular or fruitless and wasteful expenditure to Treasury. This Act advocates for accountability and responsibility of public servants in dealing with public resources. Adherence to this Act by procurement officials will see government procuring goods and services at market related prices, thus optimizing the quality of public service delivery.

3.4. National Treasury Regulations, 2005. Procurement operates within a dynamic environment. Therefore, there are specific ethical standards in addition to the legislation and the codes of conduct discussed above. They are ethical standards which SCM officials are required to conform with and are prescribed in the Treasury Regulations for departments, trading entities, constitutional institutions and public entities issued in terms of the Public Finance Management Act (1999). Section 16 (a)(8) stipulates that "all officials and other role players in a SCM system must comply with the highest ethical standards in order to promote mutual trust and respect; and an environment where business can be conducted with integrity and in a fair and reasonable manner". It further provides that "a SCM official or other role player must adhere to the following:

 recognize and disclose any conflict of interest that may arise;

- treat all suppliers and potential suppliers equitably;
- may not use their position for private gain or to improperly benefit another person;
- ensure that they do not compromise the credibility or integrity of the supply chain management system through the acceptance of gifts or hospitality; or any other act; be scrupulous in their use of public property; and assist accounting officers or accounting authorities in combating corruption and fraud in the supply chain management system".

In upholding the same principles of ethical conduct within the procurement milieu, section 16(a)(8)(5) of the Treasury Regulations (2005), prescribe that "an official in the SCM unit who becomes aware of a breach of or failure to comply with any aspect of the system must immediately report the breach or failure to the Accounting Officer or Accounting Authority, in writing". It is on this basis that this article argues that these provisions underpin the basis through which procurement officials including any officials dealing with SCM within the public service have to adhere to, thus eliminating subjectivity during the evaluation and the adjudication of tenders.

3.5. The preferential procurement regulations, 2011. Part 2 (3) (a-b) of the *Preferential Procurement Regulations*, 2011, states that "an organ of state must, prior making an invitation for tenders-

- Properly plan for, and, as far as possible, accurately estimate the costs of the provision of services, works or goods for which an invitation of tenders is to be made.
- Determine and stipulate the appropriate preference point system to be utilized in the evaluation and adjudication of the tenders".

Procurement is one of the vehicle used by government to address socio-economic imbalances of the past apartheid regime. For these imbalances to be addressed, government developed a framework which regulates the procurement process that has to be implemented in a manner that does not unduly favour one and prejudice others. Therefore, adherence to the provisions of this Regulation by procurement officials reduces biasness in procurement processes.

3.6. The impact of unethical conduct on service delivery. Despite the legislative framework outlined above, there is a plethora of literature on the unethical conduct and its devastating impact on service delivery (see Raga, 2005; Lues, 2007; Temmy, 2009; Johannes, 2011; Disoloane, 2012; Mathebula & Makamu, 2014; Singh, 2015). Mathebula and

Makamu (2014), for instance point out that amongst other unethical conducts by public servants, corruption which stems from almost across sectors of the society including education, business and government makes it a daunting task and almost impossible for the 'already impoverished Africa' to escape dire poverty caused by lack of housing, electricity and running water. They argue that unethical conduct in the South African public service plays a major role in depressing the State's capability to provide basic services enshrined in the Constitution (1996). It is with no doubt that an important function such as procurement which seeks to ensure the availability of good and services to the people embroiled in debacles will destroy the aspirations, developmental agendas and prospects of the South African democratic dispensation. The above said can well be articulated by the words of Lues (2007) who holds that "undesirable ethical conduct could become significant elements towards poor service delivery". This is mainly because actions of public servants should not merely be viewed as aspects of leadership but its "probable contribution" to accelerated service delivery due to compliance and conforming to ethical norms (Lues, 2007).

4. Research design and methodology

4.1. Approach. This article adopted both qualitative and quantitative research approaches. A qualitative study refers to research which produces descriptive data, generally people's own written or spoken words (Brynard, Hanekom & Brynard, 2014). This enables the researcher to interpret and describe the actions of people through a variety of methods that are relevant to the design as outlined in the respective paragraph below. The qualitative approach utilized semi-structured interviews to collect primary data in order to comprehensively understand the effects of ethical conduct of procurement officials on service delivery in the Limpopo Provincial Treasury. On the other hand a quantitative study is gentowards documenting erally geared subject attributes expressed in quantity, extent or strength, as well as guaranteeing objectivity, accuracy, validity and reliability (Sarantakos, 2005, p. 50). The reason for this is to measure variables and to produce figures which will allow judgments as to the status of the variables in question, which in turn allows further processing, and comparisons and permits reliability. A structured questionnaire was used as a quantitative data collection tool to solicit primary quantitative data.

4.2. Sampling. According to Bless, High-Smith and Kagee (2006, p. 106), there are various sampling techniques that can be used. In this article, purposive or judgemental sampling was used. Purposive

or judgemental sampling technique is selected on the basis of the researcher's own knowledge of the population, its elements, and the nature of the researcher's aims (Bless, Higson-Smith & Kagee, 2006; Babbie & Mouton, 2012).

4.3. Data collection. For the purpose of this article, data are collected through semi-structured interviews and structured questionnaires. Researchers in Public Administration most probably use interviews as a data collection instrument due to its flexibility to allow the researcher to explain the questions to the respondents if they cannot clearly understand (Brynard et al. 2014, p. 42). A structured questionnaire was employed for the purposes of this article in order to provide standardized instructions on how to complete the questions and explain what is expected of respondents (Brynard et al., 2014, p. 48).

The sample in this study was 25 which included General Managers, Senior managers, Managers, and Deputy managers.

The following are some of the research questions which guided the questionnaire and interview responses in order to understand the effects of unethical conduct of procurement officials on service delivery using the Limpopo Provincial Treasury as a case study:

- To what extent does the unethical conduct of procurement officials' impact on the delivery of services?
- What is the extent of internal controls used in enhancing ethical conduct of procurement officials?

The subsequent section provides and discusses the responses of the above questions. Semistructured interviews were deliberate to ensure that follow-up questions can be made and allow the respondents the opportunity to give opinions.

4.4. Data analysis. Data collection is a process of manipulating and filtering data until it is ensured that only which is critical to the research remains, while the following should always be kept in mind:

- topic of the research;
- research questions and objectives;
- contribution of the data towards the research;
- and relationship of the data to the research topic (Brynard et al., 2014).

This article has ensured that the above is taken into consideration in analyzing data which is presented below.

5. Data presentation and discussion of findings

Designation	Gender profile	Educational levels	Working experience (years)
Deputy managers (44%)	Male (72%)	Post-graduate (40%)	1-3 (4%)
Managers (40%)	Female (28%)	Post matric (32%)	3-5 (8%)
Senior managers (12%)		Matric (16%)	5-10 (52%)
General managers (4%)		Degree (12%)	11-15 (12%)

Table 1. Biographical characteristics in percentages

Reference to Table 1 above indicates the biographical characteristics of respondents in terms of designation, gender, educational levels and working experience. It is therefore important to point out that respondents revealed that educational levels for procurement must be treated as a crisis. This is mainly because such officials will be paid low salaries thus making them prone to bribes. However, government must rethink fair remunerations in a verge to address unethical conduct of procurement officials. The table above also indicate major gender disparities in the procurement section in favor of male officials. This does not give a good reflection in respect of the employment equity targets of the South African democratic government. Finally, it is worth commenting on the level of working officials of the respondents. The table reveals that if the performance of procurement officials was only measured in terms of experience, Limpopo Provincial Treasury has sufficient experience to effectively and ethically execute the procurement function. With this said, the preceding section of the paper discusses the findings of the article as per data collected through interviews and questionnaires.

5.1. The relevance of ethics in a procurement environment. The respondents were asked whether they think ethics is a relevant concept to procurement environment.

The response is in line with Section 195 of the *Constitution of the Republic of South Africa* (1996), which stipulates that public administration must be governed by the democratic values and principles and one of the principle contained therein is that; a high standard of professional ethics that must be promoted and maintained. Furthermore section 16 (a) (8) (1-2) of the *National Treasury Regulations* (2005) which stipulates that "all officials and other role players in a supply chain management system must comply with the highest ethical standards in order to promote mutual trust and respect; and an environment where business can be conducted with

integrity and in a fair and reasonable manner". 25 (100%) of the respondents agreed that ethics is prevalent in procurement and SCM in general. It can therefore be deduced that ethics remains a means through which the provisions of the *Constitution of the Republic of South Africa* (1996) can be realized, and as such it remains a relevant concept within procurement environment.

5.2. The impact of unethical conduct on service delivery. One of the questions for the respondents was intended to understand the impact of unethical conduct of procurement officials on service delivery. 25 (100%) of the respondents indicated that unethical conduct of procurement officials had an impact service delivery. The literature review alludes to the fact that procurement is one of the vehicle used by government to address socioeconomic imbalances of the past. For these imbalances to be addressed government developed a framework which regulates the procurement process, that has to be implemented in a manner that does not unduly favor one and prejudice others. Therefore unethical conduct of procurement officials will see certain service providers given preferential treatment than the others which may result in affecting the manner in which services have to be delivered to the people.

In terms of Section 217 (1) of the Constitution of the Republic of South Africa (1996), "when an organ of state in the national, provincial or local sphere of government, or any other institution identified in national legislation, contracts for goods or services, it must do so in accordance with a system which is equitable, transparent competitive and cost-effective". Respondents illustrated that unethical conduct of procurement officials goes along with corruption, bribery, fraud and nepotism which impacts negatively on poor quality service delivered to the people. This propositions according to Raga and Albrecht (2008, p.792), means that government not only should act in terms of standards of behaviour, ethics and accountability but also as the statement of government's commitment to a procurement system which enables the emergence of sustainable small, medium and micro business. This implies therefore that there is a strong need for government come up with strategies on how to curb unethical conduct of procurement officials as this has a potential of denting government's commitment for sustainable delivery of services.

5.3. The extent to which unethical conduct impacts on service delivery. A follow up question to the respondents was the extent to which unethical conduct of procurement officials' impact on service delivery.

Section 1.1.1 of the White Paper on the Transformation of Public Service Delivery (1997) states that the South African public service will be judged by its effectiveness in delivering services that meet the basic needs of all South African citizens. 20% of the respondents are of the view that because of unethical conduct of procurement officials there will be no fairness, competition, transparency and cost-effectiveness in government procurement processes, while 28% of the respondents generally think unethical conduct of procurement officials results in poor quality service delivery. Furthermore, 23% of the respondents are of the view that unethical conduct of procurement officials' results in officials stealing money meant for service delivery for their personal gains, wasting government resources and corruption, 11% of the respondents indicated that unethical conduct of procurement officials results in contractors failing to finish projects on time, 9% of the respondents thinks that unethical conduct of procurement officials leads to service delivery protests and subsequently loss of life.

On the same question, 6% of the respondents hold that unethical conduct of procurement officials reduces trust by the general public, while 3% of the respondents are of the view that unethical conduct of procurement officials leads to unequal distribution of economic resources. The general feedback from the respondents to this question insinuates that unethical conduct of procurement officials results in public officials stealing money which was meant for service delivery for their personal gains through corruption and fraudulent means. Unethical conduct of procurement officials may also result in service delivery protests and loss of life. To this end it can be concluded that ethical conduct by procurement officials has a gross potential to reduce the number of violent service delivery protest.

5.4. The role of codes of conduct in addressing ethical conduct of procurement officials. The question in this section focused on establishing if the available codes of conduct are sufficient to address the ethical conduct of procurement officials. 19 (76%) of the respondents indicated that codes of conduct are not sufficient as measures to be used for curbing unethical conduct of procurement officials at the Limpopo Provincial Treasury, while 6 (24%) of the respondents believe that codes of conduct can be used to curb unethical conduct. The findings seek to imply that the existing codes of conduct for procurement officials are not sufficient to address unethical conduct of procurement officials. Therefore, there is a need for government to introduce other pragmatic and punitive measures which seek to ensure that public servants adhere to ethics and working standards rather than imposing mere procedures.

Supplementary interviews suggested that training, workshops, punitive measures, clear distinction of duties and responsibilities can work in improving ethical conducts of public servants while fighting fraud and corruption must be set by top management as objectives. These findings are in line with the debate that the Public Administration curricula of Higher Education Institutions should be a tool through which ethical grounded generation is groomed (Theletsane, 2014). Literature (see Disoloane, 2010; Manyaka & Sebola, 2013) reveals that codes of conduct are necessary to promote and maintain the responsible conduct of public servants, providing guidelines to public employees in their relationships with fellow public employees, elected representatives and members of the public.

5.5. Control measures to curb unethical conduct of procurement officials. Respondents were asked to provide inputs on other control measures other than the codes of conduct that can be put in place to curb or reduce unethical conduct of procurement officials. In responding to this question, various responses were given wherein majority of the respondents indicated that besides the code of conduct, government must ensure that there are systems in place to detect and punish offenders on procurement processes. Furthermore, it was indicated that measures such as punishing offenders, security clearance, periodic rotation of procurement officials, oath of secrecy, declaring interests all the times, research, monitoring and evaluation could serve to supplement the existing codes of conduct. Respondents reiterated that there should be training and workshops with regard to the ethical conduct of procurement officials.

6. Recommendations

6.1. The impact of unethical conduct of procurement officials on service delivery. Section 1.1.1 of the White Paper on the Transformation of Public Service Delivery (1997) or the Batho Pele White Paper, states that "the South African public service will be judged by one criterion; its effectiveness in delivering services that meet the basic needs of all South African citizens". Based on the literature reviewed and the findings of this study, unethical conduct of procurement officials has snowballing effect on service delivery and it is against the spirit of the White Paper on the Transformation of Public Service Delivery. Drawing inferences from the findings outlined in this article, government has to introduce measures through which ethical conduct of procurement officials can be enhanced.

6.2. The extent to which unethical conduct of procurement officials affect service delivery. The discussion of findings in this article showed that unethical conduct of procurement officials is an enemy to effective and efficient service delivery. It contradicts the provisions of Section 217 (1) of the *Constitution of the Republic of South Africa* (1996). Therefore this paper is of the view that government has to invest more on building the ethical nerve of its population. Government must incorporate ethics to the school curriculum wherein people can be well grounded on ethics at a tender age. If ethical conduct of procurement officials can be enhanced, there can be massive saving of government resources considering the impact of unethical conduct of procurement officials on service delivery.

6.3. The code of conduct in addressing unethical conduct of procurement officials. Drawing inferences from the findings as discussed above, it can be argued that although the existing codes of conduct plays an important role in shaping the conduct of procurement officials, there is however a lot that needs to be done in this regard. In addition to the training and workshops that must be introduced, the paper revealed that government has to implement punitive measures against officials who conduct themselves unethically as a means to discourage such unscrupulous behavioral patterns.

6.4. Other control measures that can be put in place to curb against unethical conduct of procurement officials. Beside the implementing punitive measures, workshops and training as alluded above, the paper revealed other control measures that can be put in place to curb against unethical conduct of procurement officials. However it is this paper's view that whilst addressing the control measures, there is a strong need for government to also consider the reevaluation of the procurement function through the legislating process and regulation. This exercise will enable government to have a clear picture of the number and quality of workforce that must execute the procurement function.

6.5. What needs to be done to enhance ethical conduct of procurement officials?

- There is a sense of urgency for government to invest more of training and workshops on ethical conduct of public servants and not only procurement officials.
- There is an urgent need for leadership to start exemplifying good model of ethical conduct for junior officials to emulate.
- It is important for government to consider reviewing procurement function in order to establish the quantity, quality and levels of officials appropriate to execute the procurement function.
- There should be a clear strategy which is proactive in identifying risk areas within the procurement function and there must be close monitoring of the effective implementation of the risk management plans.

- All procurement officials must be subjected to security clearance such as vetting.
- Code of conduct must periodically be reviewed to make it a tool that can assist in addressing challenges encountered in the execution of the procurement function.

Conclusion

According to the literature reviewed and the results of the empirical data collected, the article has been able to indicate that ethics is the basis through which the provisions of section 195 (1) (a-i) of the *Constitution of the Republic of South* *Africa* (1996) can be achieved. It stipulates that public administration must be governed by the democratic values and principles which one of those principles contained therein is that; a high standard of professional ethics that must be promoted and maintained. Ethics remains a center piece of procurement and SCM in general and a relevant concept that can be used as a tool to enhance openness, transparency and accountability. It can therefore be concluded that ethical conduct of procurement officials can also be used as a tool to reconstruct government's integrity and to address socio-economic challenges that South Africa is currently facing.

References

- 1. Ambe, I.M. & Badenhorst, J.A. (2011). An exploration of public sector supply chains with specific reference to the South African situation, *Journal of Public Administration*, 46 (3), pp. 1101-1113.
- 2. Babbie, E. & Mouton, J. (2012). The Practice of Social Research. South African edition. Oxford University Press. Southern Africa.
- 3. Bless, C., Higson-Smith, C. & Kagee, A. (2006). Fundamentals of Social Research Methods: An African perspective. Kenwyn: Juta and Co.
- 4. Braithwaite, A. (2003). The supply chain risks of global sourcing. https://www.gsb.stanford.edu/.../ SC_Risks_Global_Sourcing_whtppr.pdf. Accessed (08 September 2015).
- 5. Brynard, D.J., Hanekom, S.X. & Brynard, P.A. (2014). Introduction to Research. 3rd ed. Pretoria: Van Schaik.
- 6. Cloete, J.N.N. (1995). Public Administration Glossary. Pretoria: JL van Schaik.
- 7. Croxton, K.L., Garcia-Dastugue, S.J., Lambert, D.M. & Rogers, D.S. (2001). The Supply Chain Management processes, *The International Journal of Logistics Management*, 12 (2), pp. 13-36.
- 8. Disoloane, V.P.P. (2010). Enhancing ethical conduct in the South African public service, *Journal of Public Administration*, 45 (3), pp. 436-446.
- 9. Felea, M. & Albastroiu, I. (2013). Defining the concept of Supply Chain Management and its relevance to Romanian academics and practitioners, *Amfitea Economic*, 15 (33), pp. 74-88.
- 10. Fox, W. & Mayer, I.H. (1995). Public Administration Dictionary. Eppondust: Juta & Co.
- 11. Lues, L. (2007). Service delivery and ethical conduct in the public service: the missing links, *Koers*, 72 (2), pp. 219-238.
- 12. Mafunisa, M.J. (2002). Ethics and accountability in public administration. In Kuye, J.O., Thornhill, C. & Fourie, D., eds. *Critical Perspectives on Public Administration*. Sandown: Heinemann, pp. 192-214.
- 13. Mafunisa, M.J. (2003). Conflict of interest: ethical dilemma in politics and administration, *South African Journal of Labour Relations*, Winter, pp. 4-22.
- 14. Mafunisa, M.J. (2007). Corruption and service delivery in the public service: the case of Limpopo Province. *Journal of Public Administration*, 42 (3), pp. 260-270.
- 15. Manyaka, R.K. & Nkuna, N.W. (2014). The phenomenon of corruption in the South African public sector: challenges and opportunities, *Mediterranean Journal of Social Sciences*, 5 (27), pp. 1572-1580.
- 16. Manyaka, R.K. & Sebola, M.P. (2013). Ethical training for effective anti-corruption systems in the South African public service, *Journal of Public Administration*, 48 (1), pp. 75-88.
- 17. Mathebula, N. (2014). Public sector financial management, morality, culture and law, *Journal of Public Administration*, 49 (3), pp. 936-945.
- Mathebula, N.E. & Makamu, V.M. (2014). *Reflections on conceptions of corruption in South Africa: implications for service delivery*. Conference Proceeding of the South African Association of Public Administration and Management Limpopo Chapter, The Park Hotel, Mokopane, October 2014.
- 19. Matshabaphala, M.D.J. (2014). Leadership, ethics and the professionalisation of the public service, *Journal of Public Administration*, 49 (1), pp. 199-205.
- 20. Naslud, D. & Williamson, S. (2010). What is management in Supply Chain Management? A critical review of definitions, frameworks and terminology. *Journal of Management Policy and Practice*, 11 (4), pp. 11-28.
- 21. National Planning Commission. (2012). Our future-Make it work: National Development plan 2030. Pretoria: Government Printers.
- 22. Public Service Commission (2002). *Explanatory Manual on the Code of Conduct for the Public Service*. A Practical Guide to Ethical Dilemmas in the Workplace. PSC: Pretoria.
- 23. Raga, K. & Albrecht, W. (2008). Determining the ethical basis for public sector procurement management: The South African local sphere of government. *Journal of Public Administration*, 43 (4.1), pp. 781-797.
- 24. Sarantakos, S. (2005). Social Research. (3rdEds). Palgrave Macmillan: New York.
- 25. South Africa Republic. (1994). Public Service Act, 1994 (103 of 1994). Pretoria: Government Printers.

Public and Municipal Finance, Volume 4, Issue 3, 2015

- 26. South Africa Republic. (1996). Constitution of the Republic of South Africa (1996). Pretoria: Government Printers.
- 27. South Africa Republic. (1999). National Treasury Regulations, (2005). Pretoria: Government Printers.
- 28. South Africa Republic. (1999). Public Finance Management Act, 1999 (1 of 1999). Pretoria: Government Printers.
- 29. South Africa Republic. (2011). The Preferential Procurement Regulations, (2011). Pretoria: Government Printers.
- 30. Theletsane, K.I. (2014). Ethics course in public administration curriculum, *Journal of Public Administration*, 49 (1), pp. 362-374.