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ASSESSMENT OF CORRUPTION RISKS ASSOCIATED WITH SPECIAL PROCUREMENT METHODS

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Abstract

Special procurement methods are important process to expedite the acquisition of critical needs during emergencies and special circumstances to achieve value for money. However, studies have reported that several corruption risks associated with special procurement methods have been prone to numerous corruption risks which can compromise the integrity of the procurement process. Risks are inevitable at every stage of procurement process but can be managed. Previous studies on corruption risks associated with special procurement methods restricted on identification only, while assessing the corruption risks identified was observed to be left behind. It is however, important to assesses risks identified at early stage of procurement planning. This research sought to assessed the corruption risks identified. Twenty-two (22) corruption risks associated with special procurement methods were identified from various literature as red flags. The study adopted quantitative research approach where structured questionnaire was designed and shared via online google form to 384 procurement professionals as respondents while only 193 responses were received and used for data analysis. The data collected was analysed using descriptive statistics, such as mean, percentage and ranking and was further analysed by assessing the impact and frequency of occurrences. Convenient sampling method was also adopted. The study presents the results of the questionnaire survey, using (5point-scale) to assess the effects of the corruption risks on special procurement methods. The study established top twelve (12) risks with highest risk effects on special procurement methods. The study concluded that corruption risks associated with special procurement methods can be mitigated significantly by establish and implementing a procurement risk management framework with independent oversight and clear authority separation to reduce corruption risks and strengthen transparency and competition by implementing standardized procedures.

Keywords: Corruption risks, Public Procurement, Public Procurement Process, Risk management, Special procurement Methods

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1. Introduction

The UN Procurement Manuals emphasize the following principles: Best Value for Money, Equity, Integrity and Transparency; and Competitive Procurement Process. Procurement refers to an essential action taken to "acquire, purchase or lease property, works and services" (UN, 2020). The main purpose of public procurement process is to ensure competition based on price or quality (Kipo-Sunyehzi *et al.,* 2024). However, this aim is impeded during emergency and other special circumstances where limited competition is allowed (Wittberg & Fazekas 2023). During emergencies and special circumstances, specific rules and regulations for public procurement rely on relaxed procedures to expedite the acquisition of critical needs (Gnaldi & Del Sarto, 2024).

Special procurement methods, such as emergency, single-source and restricted procurement, are often utilized in situations where standard procedures may not be practical or feasible (PPA, 2007). However, these special procurement methods have been reported to be prone to numerous corruption risks (Ferwerda *et al.,* 2016; Fazekas *et al.,* 2017; Palansky, 2021; Goldman *et al.,* 2013; Gnaldi & Del Sarto, 2024). Study by Fazekas *et al.,* (2017); Dahlström *et al.,* (2021); Broms (2019) found that corruption risks associated to restricted competative tendering led to a few favored suppliers.

Risks are described as the combination of the probability of a certain event and its consequences where a positive consequence presents an opportunity, while the negative consequence poses a threat which may increases likelihood of loss and may lead to changes as far as objectives are concerned (NDOT, 2012). On the other hand, corruption dwindles public institutions by compromising their integrity, undermining their effectiveness, and eroding public trust in them (Gnaldi & Del Sarto, 2023).

Risk identification, analysis and response have been regarded as part of risk management process (Ojo & Odediran, 2015). However, special procurement methods are usually employed to acquire goods works and services where specific rules & regulations for procurement rely on relaxed procedures to expedite the acquisition of critical needs (Gnaldi & Del Sarto, 2024). Studies have identified corruption risks in public procurement of goods works and services (Gnaldi & Del Sarto, 2024; Broms *et al.,* 2019; Dahlström *et al.,* 2021).

The researches trend on corruption risks in procurement mostly restricted on identifying the corruption risks. Similarly, many studies have been conducted to address corruption risks in procurement processes. Gnaldi & Del Sarto (2023) identified corruption risks and classified it into 15 various red flags and found that risks related to procurement procedures in terms of economic value of non-open procedure has excess of discretion by allowing contracting authorities to make decisions without clear guidelines and oversight. Fazekas *et al.,* (2016) identified 11 risks and categorized them into Tendering Risk Indicators, Political Connections Indicators, Supplier Risk Indicators, Contracting Body Risk Indicators.

Furthermore, survey conducted by David-barrett and Fazekas (2015) introduce risk indicators to detect corruption characterised by: Transparency of bidding, Prices, Nature of competition, Tendering process-related flags, Tendering outcome-related red flags and bidder or supplier constellation related red flags. Study has also described corruption risks to be

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uncertain occurrences and can be expressed as red flags that are associated to procurement (Gnaldi & Del Sarto, 2024).

Gallego *et al.,* (2021); Schultz and Soreide (2008) state that, identifying and assessing will improve the integrity of procurement process in terms of value for money and failure to assess the risks will create new opportunities for malpractices and intensifies exposure of procurement systems to integrity risks to special procurement methods.

In view of the previous studies conducted, identification of corruption risks associated with special procurement methods have not been assessed.

2.0 Literature Review

2.1 Special Procurement Methods

Special procurement methods are designed to offer flexibility and efficiency when standard procurement procedure, such as open competitive bidding, are not feasible or practicable. These special methods are often employed under a specific circumstance such as emergencies, specific circumstances, or when a limited number of bidders can meet the requirements.

Emergency Procurement: Emergency procurement is usually employed when unforeseen and urgent situation such as public health crises, natural disasters, or other emergencies require immediate acquisition of goods, works and services. In these cases, the open competitive processes are bypassed to expedite the acquisition of the urgent needs. For example, during the COVID-19 pandemic, many governments used emergency procurement to acquire medical supplies and equipment quickly (OECD, 2020). Although when is speed is prioritized, transparency and accountability must still be maintained to minimize risks of corruption.

Request for Quotations (RFQ): The request for quotations (RFQ) method is a simplified procurement process used when the value of the procurement is relatively low, and the goods, works or services are widely available in the market. Procurement professionals solicit price quotations from small group of suppliers that are unrelated, and the contract is usually awarded to the bidder with the lowest evaluated price. RFQs are typically used for routine purchases where price is the primary consideration (Thai, 2001). This method allows for quicker and less formal procurement while still maintaining a small degree of competition.

Single Source Procurement: Single source procurement is used when a contract is awarded to a specific supplier without an open competition. This method is used when only one supplier or bidder can meet the procurement requirements due to factors such as proprietary technology, specialized expertise, or exclusive rights. For instance, a public entity might use single source procurement to purchase proprietary software from the only vendor authorized to provide it (Arrowsmith, 2010). While it can expedite procurement, this method requires strong justification and oversight to ensure fairness and avoid favoritism.

2.2 Corruption Risks

Managing corruption risks, particularly in public procurement during emergencies and special circumstances, requires a comprehensive framework OECD (2016). Corruption in procurement is defined as misuse of public fund that compromise integrity, increase costs, and lower quality. During crises, specific rules & regulations for public procurement rely on relaxed procedures to expedite the acquisition of critical needs (Gnaldi & Del Sarto, 2024).

The framework for understanding and responding to corruption risks involves identifying "red flags" or risk indicators within the special procurement processes. These red flags show potential risk vulnerabilities, allowing policymakers to minimize the risks through strategic measures. Corruption prevention is both proactive and reactive, and efforts to develop risk response strategies should focus on reducing opportunities for corruption before they occur.

Corruption risks in public procurement can be defined as the potential for unethical behavior that leads to the misuse of public resources for private gain. According to the OECD (2016), corruption risks can manifest in various forms, including bribery, fraud, collusion, and favoritism. Red flags are typically used to measure the likelihood of corruption in the public procurement process, through which public authorities acquire goods, works, or services (Gnaldi & Del Sarto, 2024). These risks can be categorized into: Administrative Corruption (Tanzi, 1998), Political Corruption (Klitgaard, 1988), Grand Corruption (Transparency International, 2020).

The literature on corruption risks in public procurement highlighted the critical need for effective risk response strategies to mitigate the potential for corrupt practices. Several key studies have contributed to this understanding, each identified and assessed different aspects of corruption risks.

Klitgaard (1988) emphasizes the fundamental role of transparency and accountability in mitigating corruption. He argues that corruption thrives where there is a lack of oversight and where public officials can operate without scrutiny. By increasing transparency in procurement processes such as making information related to procurement, bidding procedures, and selection process open to public, organization can reduce vulnerability to corruption risk. Fazekas & Kocsis (2020) provide a comprehensive analysis of red flag that can signal corruption risks in procurement processes. They identified specific red flags that are associated with corruption risks, such as the use of non-open competitive bidding, price inflation, and the present of limited number of bids. By establishing a set of red flags, their study offers a practical tool for public authorities to monitor procurement activities and identify potential corruption risks early stage.

Gnaldi and Del Sarto (2021) study focus on the specific challenges posed by emergency procurement, particularly during crises such as pandemics or natural disasters. The study proposed a framework for measuring corruption risks that adapts to existing risk assessment systems. The study highlights the need to recognize that the urgency to bypass standard procedures during crises can create opportunities for corruption risk. This approach emphasizes the importance of flexibility and responsiveness in risk assessment frameworks to address the evolving nature of corruption risks. Study by Fazekas & Kocsis (2017) define corruption as the unjustified limitation of access to public contracts aimed at favoring particular bidder. The study highlighted the importance of developing objective measures to effectively assess corruption risks within procurement processes.

Corruption can manifest in various forms, including bribery, collusion, and fraud. According to Jain (2001), corruption in public procurement often involves bribery, where public officials accept gratification to favor certain bidders. Collusion, as described by Chowdhury (2008), occurs when competing bidders conspire to manipulate the outcome of the bidding process, leading to inflated prices and reduced competition. Additionally, systemic corruption,

characterized by widespread collusion among procurement officials and bidders, poses significant risks to procurement integrity (Aidt, 2003). The study by Campos and Pradhan (2007) identified weak institutional frameworks, lack of transparency, and inadequate enforcement of laws as primary drivers of corruption in procurement. Furthermore, economic factors such as inequality and poverty can increase corruption risks, as individuals may resort to unethical practices to survive (Seldadyo & De Haan, 2006). Political factors, such as lack of transparency, accountability and political patronage, also contribute to the prevalence of corruption (Johnston, 1998). The implications of corruption are profound. Corruption not only leads to inefficient resource allocation but also limit competition and innovation (Begovic, 2005). It creates entry barriers to new bidders, thereby encouraging monopolistic practices (Campos & Pradhan, 2007). Moreover, corruption can have severe social costs, including increased inequality and diminished public trust in institutions (Bryan, 2012).

2.3 Review of Empirical Studies

Special procurement methods, such as emergency, request for quotations, single source, direct, restricted and selective procurement, are often utilized in situations where standard procedures may not be practical or feasible (PPA, 2007). However, these special procurement methods have been reported to be vulnerable to corruption risks (Ferwerda *et al.,* 2017, Fazekas *et al.,* 2017, Palansky, 2021; Goldman *et al.,* 2013, Gnaldi & Del Sarto, 2024).

Study by Schultz & Soreide (2008) emphasize that special procurement methods, often employed during emergencies, are particularly vulnerable to corruption risks. Their study indicates that the urgency and lack of regulatory oversight during crises can lead to increased opportunities for corruption risks and mismanagement. The authors argue that the relaxation of procurement rules can create conducive environment to corrupt practices, as competitive bidding is often limited. Fazekas *et al.,* (2016) explore the role of political connections in public procurement, particularly in special procurement methods. Their findings suggest that bidders with political connections are more likely to receive contracts without undergoing open competitive bidding processes. This relationship raises significant concerns about the integrity of procurement systems, as it can lead to favoritism and the misallocation of public fund.

The concept of "red flags" in procurement has been extensively discussed in the literature. Fazekas & Kocsis (2020) identify several indicators that signal potential corruption risks, such as the number of bids received, the use of non-competitive procurement methods, and the absence of transparency in the process of contract awards. Their study highlights that special procurement methods often exhibit a higher frequency of these red flags, necessitating the development of monitoring mechanism to detect and address corruption. Abdou *et al.,* (2022) conducted a study on the impact of emergency procurement during the COVID-19 pandemic in Romania. Their findings revealed that the rapid procurement processes led to significant vulnerabilities to risk, which including inflated prices and the awarding of contracts to unqualified suppliers. The study highlighted the importance of implementing robust risk assessment frameworks to identify and mitigate corruption risks in emergency procurement.

A comprehensive study by Ware *et al.,* (2012) analyzed corruption in direct awards in several developing countries. The study found that direct awards were often used to favor bidders' political connections, leading to higher cost of the contract, delays, and poor quality of infrastructure. The authors recommended the implementation of stricter controls and improved

oversight to reduce the risks associated with direct awards. Studies have also found that sole-sourcing often leads to higher costs and lower quality and quantity outcomes due to inflated prices and collusion between procurement officials and bidders. For instance, a study of Italian public procurement by Coviello and Mariniello (2014) found that single sourcing led to a significant increase in contract prices, largely due to corrupt practices such as kickbacks and favoritism. Auriol, et al. (2016) discuss the corruption risks inherent in direct contracting. Their research indicates that when contracts are awarded without open competitive bidding, there is a high risk of collusion between public officials and bidders. This lack of open competition can lead to inflated prices and substandard goods, works or services, as accountability diminishes.

A systematic review by the OECD (2016) highlights the various corruption risks associated with public procurement, particularly in emergency situations. The report emphasizes that the lack of open competitive bidding and oversight during special procurement processes can lead to significant financial losses and undermine public trust in government organizations. The study found that the establishment of clear guidelines and accountability mechanisms to mitigate these risks.

The corruption risks in special procurement methods reveals a complex interplay of factors that contribute to vulnerabilities in public procurement systems. Studies consistently highlight the increased potential for corruption during emergencies or special circumstances, the influence of political connections, and the importance of monitoring red flags. To enhance the transparency and integrity of procurement processes, it is crucial to implement robust frameworks for risk assessment and oversight.

3.0 Research Methods

3.1 Methods Adopted for the Study

Data collection is a process of collecting information from all the relevant sources to find answers to the research problem, test hypothesis and evaluate the outcomes (Mc Queen & Knussen, 2002). The research methods selected for data collection of this study comprised both primary and secondary data collection. The study adopted Quantitative research approach where structured Questionnaire survey was designed.

3.2 Population and Sample Size

Determining the sample size of the targeted population is an essential component of any survey since inadequate or inappropriate sample size results in inaccurate findings (Taherdoost, 2016).

Population is the broader group of people to whom the researchers intend to generalize the results of the study. The target population for this study are the procurement professionals working both in public and private sectors in Nigeria. The size of the population under consideration is typically taken into account when determining a sample size. Therefore, the sample size of the population under study are procurement practitioners working for both public and private sectors procurement.

It is not possible for a researcher to approach all the individuals in a population for the purpose of data collection, instead they select and approach a representative group of individuals who falls under the particular population to collect required information regarding the group. The

numbers of procurement practitioners working both in public and private sectors in Nigeria was not obtained. As there was no established database for the total number.

Therefore, since the population was infinite, the sample size was obtained using a (Cochran's Sample Size Formula) to determine sample size.

Therefore, the sample size (n) for the survey is found to be **384**. This implies that 384 questionnaires was administered to Procurement practitioners working both in public and private organizations via the use of google form.

3.3 Sampling and Data Collection Techniques

Convenience sampling technique is a strategy in which participants are selected deliberately because they are often readily and easily available to provide the information required (Taherdoost, 2016). Therefore, this study adopted convenience sampling, because Procurement Professionals were selected deliberately as the targeted respondents, considering their availability in the area where the study will be conducted, and the knowledge possessed in the areas of procurement management, so the relevant data required for this research can be best obtain from them.

The study adopted structured Questionnaire and comprehensive literature review of various journals, research works, text books etc related to the field of study, and the choice of this methods, is to collect Quantitative data and this is planned and designed to collect very specific information from respondents, where list of 22 corruption risks associated to special procurement methods were identified from relevant literature, so as for the respondents to assess the level of effects of risks identified, 5-point likert scale was used, where 1 = very low, 2 = low, 3 = moderate, 4 = high and 5 = very high. The questionnaires were distributed to the respondents via google form.

3.5 Data Analysis Techniques

Descriptive statistics such as mean, percentage and ranking are used to describe the attitude of respondents toward risks associated with special procurement methods. The survey questionnaire was designed to collect a required data, which is assessing the degree of impact and frequency of occurrence, so as to determine the level of corruption risk effects. In order to determine the percentage level of risk effect, (Chitkara, 2011) formula was used:

$$\text{Risk Effect (\%)} = \frac{\text{MoI} \times \text{MoO}}{\text{HPSoI} \times \text{HPSoO}} \text{ X } 100$$

Where:
MoI = Mean of Impact

MoO = Mean of Occurrence

HPSoI = Highest Point Scale of Impact = (5)
HPSoO = Highest Point Scale of Occurrence = (5)
1 – 45% = Low effect, 46 – 60% = High effect and above 60% = Highest effect.

4.0 Data Presentation, Analysis and Discussions

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4.1 Analysis of Administered Questionnaire

A total sample size of the study were 384 Procurement practitioners. Out of the 384 questionnaires administered, 193 were filled and returned. This represents a 50.1%.

Table 4.1 Distribution of Questionnaire Survey

Questionnaire	Frequency	Percentage (%)
Number distributed	384	100
Number properly completed and returned	193	50.1

Source: Field survey, (2024)

Table 4.1 shows the questionnaires distribution of the study. It can be observed that 193 number of questionnaires were properly filled and returned which represent 50.1% of the total number of the 384 of the questionnaires distributed. Based on the assertion of Moser & Kalton (1971), the results of a survey could be considered significant if the response rate not lower than 30-40%. Therefore, the percentage of the returned questionnaire is adequate for analysis.

4.2 Personal Data of the respondents

The Tables below the general information about the targeted respondents. This is to establish the reliability of the data and the information provided by the respondents.

Table 4.2 Discipline, Educational Level and Professional Qualification of the Respondents

Discipline	Frequency	Percentage (%)
Business Administration	39	20.2
Accountancy	14	7.3
Engineering	41	21.2
Quantity Surveying	32	16.6
Architecture	6	3.1
Building	15	7.8
Purchasing and Supply	15	7.8
Others	31	16.0
Total	**193**	**100**
Educational Level		
HND	15	7.8
BSc. / B.Tech.	79	40.9
PGD	20	10.4

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MSc	66	34.2
PhD	13	6.7
Total	**193**	**100**
Professional Qualification of Respondents		
Probationer	5	3.5
Graduate Member	31	20.8
Corporate member	93	62.4
Fellow	15	10.1
Others	5	3.4
Total	**193**	**100**

Source: Field survey, (2024)

Table 4.2 illustrate the discipline of the respondent. It can be observed that, Engineering have (21.2%) with the highest percentage of the responses followed by Business Administration with 20.2% then Quantity Surveyors 16.6% and others with 16% of the respondents. This shows that respondents have required discipline to response to the questionnaire. While the educational level revealed that 40.9% of the respondents had earned BSc./B.Tech; 34.2% had MSc. 10.4% and 7.8% had PGD and HND while 6.7% earned PhD. It can therefore be concluded that the survey respondents were highly educated and have reasonable academic qualification to participate in the study with about 40.9% had minimum of BSc. Holders. The professional qualification shows that, 62.4% of the respondents had minimum of corporate membership of their professional bodies. Therefore, it can be said that averagely 62.4% of the respondents are professionally sound and qualified which depicts the quality of responses from the respondents.

Table 4.3 Certification, Years of Experience, Rank/ Position, and Sector of the respondents

Certification	**Frequency**	**Percentage (%)**
Bureau of Public Procurement Conversion/Induction	102	45.6
Professional Certification	91	40.6
Research/Teaching in Procurement	31	13.8
Years of Experience		
0 – 5 years	61	31.5
6 – 10 years	37	19.2
11 – 15 years	86	44.6

16 – 20 years	4	2.1
Above 20 years	5	2.6
Total	**193**	**100**
Rank/Position		
Top management	45	23.3
Middle management	113	58.5
Lower management	28	14.5
Others	7	3.7
Total	**193**	**100**
Sector		
Public sector	140	72.5
Private Sector	51	26.5
Others	2	1.0
Total	**193**	**100**

Source: Field survey, (2024)

Table 4.3 indicates that, 45.6% of the respondents had Bureau of Public Procurement Conversion/Induction certificate; where 40.6% of them had professional certification; while 13.8% had research/teaching. This indicates that majority of the respondents possessed the required certification to practices as Procurement practitioners. While the years of experiences of the respondents reveals that 44.6% of the respondents were having 11-15 years of relevant experience in the procurement management, followed by 0-5 years while 16-20 years has the least with percentage of response of 2.1%. Generally, the average experience of the respondent is high which suggest the quality of their experience would be good to response to the questionnaire.

Table 4.3 shows the level positions of the respondents at their various organisations, where 58.5% of them are middle management, 23.3% are top management, 14.5% are lower management. This also indicate that majority of the respondents were occupying high position in their respective organizations and the sectors of various respondents and also shows that 72.5% of the respondents are working in public sector, 26.5% of them are working in private sector 1% works in other sectors. This shows that majority of the respondents are working in the public sector procurement.

Table 4.4 Types and categories of special procurement and frequently used

Types of special procurement	**Frequency**	**Percentage (%)**	**Total Percentage (%)**
Emergency procurement	20	13.2	100

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Request for Quotations (RFQ)	98	64.5	100
Single-Source Procurement	31	31	100
Direct Procurement	44	44	100
Restricted/Selective Procurement	72	47.4	100
Both special procurement methods	23	15.1	100
Others	3	2	100
Categories			
Goods	129	84.3	100
Works	114	74	100
Services	68	44	100

Source: Field survey (2024)

Table 4.4 shows the types of special procurement methods handled by various respondents, where 64.5% of the respondents handled request for quotations, 47.4% of them handled restricted/selective procurement, 44% handled direct procurement while 15.1% handle both special procurement methods. This shows that request for quotations is the most commonly handled special procurement followed by restricted/selective procurement. While categories of special procurement methods handled by various respondents, shows that 84.3% of the respondents handled goods, 74% of them handled works while 44% handled services. This shows that Goods is the most commonly handled using special procurement methods followed by works and Services having the least percentage.

In summary, the results shown in the above tables justified that, the data for this research had been obtained from qualified Procurement professionals with reasonable years of experience and adequate academic and professional qualifications with registered membership from relevant government agencies and professional bodies. Therefore, all the information provided, established the basis for the reliability of the data collected from the respondents.

4.3 Assessing the degree of impact of corruption risks associated to special procurement methods

Table 4.5: Mean Score Ranking Index for Impact on Corruption Risks associated with Special Procurement Methods

SN	Corruption Risk	Mean	SD	Ranking Index	Remarks
1	Political influence and undue interference	3.82	0.984	1st	High
2	Same bidders are repeatedly contracted	3.74	0.899	2nd	High
3	Undisclosed conflicts of interests	3.74	1.019	3rd	High

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4	Favouritism and Preferential treatment towards certain bidder(s)	3.73	1.046	4th	High
5	Biased invitation and selection criteria	3.63	1.023	5th	High
6	Lack of transparency and competition in the selection process	3.61	1.089	6th	High
7	Bypassing standard procedures	3.59	1.062	7th	High
8	Pre-determined winners due to favouritism	3.59	1.222	8th	High
9	Exclusion of competitive bids	3.55	1.005	9th	High
10	Excluding competitive bids to favour certain suppliers	3.55	1.103	10th	High
11	Inflated prices due to lack of competition	3.54	1.216	11th	High
12	Insufficient time for due diligence on bidders	3.5	1.026	12th	High
13	Lack of thorough evaluation of bids	3.49	1.109	13th	Moderate
14	Bidders submitting Complementary/artificial bids	3.47	1.164	14th	Moderate
15	Limited number of qualified bidders	3.46	1.065	15th	Moderate
16	Shorter advertisement, tendering timelines and bid submissions period	3.45	1.04	16th	Moderate
17	Subjective bid evaluation process due to limited number of bidders.	3.45	1.113	17th	Moderate
18	Unjustified Direct Awards	3.45	1.15	18th	Moderate
19	Tender Rotation	3.43	1.014	19th	Moderate
20	Deviations and amendment from the contract terms due to lack of competitive pressure	3.42	1.135	20th	Moderate
21	Selection of less qualified or less experienced bidders	3.41	1.196	21st	Moderate
22	Likelihood of receiving only one bid	3.29	1.181	22nd	Moderate

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Source: Field survey (2024). Scale: (where 1 = Very Low, 2 = Low, 3 = Moderate, 4 = High and 5 = Very High)

Table 4.5 shows the results of the impact of the corruption risks associated with special procurement methods. The highest three (3) corruption risks are Political influence and undue interference, Same bidders are repeatedly contracted and Undisclosed conflicts of interests with mean values of 3.82, 3.74 and 3.74 respectively, shows that the top three highest ranked has high impact. While the least three (3) corruption risks are contract terms due to lack of competitive pressure, Selection of less qualified or less experienced bidders and Likelihood of receiving only one bid with the mean values of 3.42, 3.41 and 3.29 respectively, this indicate the lowest risks has moderate impact.

Table 4.6: Mean Score Ranking Index for Frequency of Occurrences of Corruption Risks associated with Special Procurement Methods

SN	Corruption Risk	Mean	SD	Ranking Index	Remarks
1	Undisclosed conflicts of interests	3.69	1.087	1st	High
2	Limited number of bidders	3.67	1.124	2nd	High
3	Favouritism and Preferential treatment towards certain bidder(s)	3.63	1.175	3rd	High
4	Bypassing standard procedures	3.59	1.188	4th	High
5	Shorter advertisement, tendering timelines and bid submissions period	3.59	1.416	5th	High
6	Political influence and undue interference	3.53	1.123	6th	High
7	Insufficient time for due diligence on bidders	3.51	1.132	7th	High
8	Pre-determined winners due to favouritism	3.46	1.254	8th	Moderate
9	Same bidders are repeatedly contracted	3.41	0.954	9th	Moderate
10	Lack of thorough evaluation of bids	3.38	1.145	10th	Moderate
11	Lack of transparency and competition in the selection process	3.37	1.166	11th	Moderate
12	Likelihood of receiving only one bid	3.32	1.334	12th	Moderate
13	Inflated prices due to lack of competition	3.23	1.159	13th	Moderate

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14	Excluding competitive bids to favour certain suppliers	3.16	1.216	14th	Moderate
15	Bidders submitting Complementary/artificial bids	3.16	1.168	14th	Moderate
16	Exclusion of competitive bids	3.12	1.031	16th	Moderate
17	Tender Rotation	3.1	1.09	17th	Moderate
18	Biased invitation and selection criteria	3.01	1.175	18th	Moderate
19	Subjective bid evaluation process due to limited number of bidders.	2.96	1.174	19th	Moderate
20	Selection of less qualified or less experienced bidders	2.91	1.16	20th	Moderate
21	Unjustified Direct Awards	2.88	1.17	21st	Moderate
22	Deviations and amendment from the contract terms due to lack of competitive pressure	2.82	1.242	22nd	Moderate

Source: Field survey (2024). Scale: (where 1 = Very Low, 2 = Low, 3 = Moderate, 4 = High and 5 = Very High)

Table 4.6: shows the results of the frequencies of occurrences of the corruption risks associated with special procurement methods. The highest three (3) corruption risks are Undisclosed conflicts of interests, Limited number of bidders and Favouritism and Preferential treatment towards certain bidder(s) with mean values of 3.69, 3.67 and 3.63 respectively, shows that the top three highest ranked has high impact. While the least three (3) corruption risks are Selection of less qualified or less experienced bidders, Unjustified Direct Awards and Deviations and amendment from the contract terms due to lack of competitive pressure with the mean values of 2.91, 2.88 and 2.82 respectively, this indicate the lowest risks has moderate impact.

Table 4.7: Assessing the degree of impact/frequency of occurrence of Corruption Risks associated with Special Procurement Methods.

SN	Corruption Risk	Impact Mean	Occurrence Mean	Risk Effects %	Rank
1	Undisclosed conflicts of interests	3.74	3.69	55.2	1st
2	Favouritism and Preferential treatment towards certain bidder(s)	3.73	3.63	54.2	2nd
3	Political influence and undue interference	3.82	3.53	53.9	3rd
4	Bypassing standard procedures	3.59	3.59	51.6	4th

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5	Same bidders are repeatedly contracted	3.74	3.41	51.0	5th
6	Limited number of qualified bidders	3.46	3.67	50.8	6th
7	Pre-determined winners due to favouritism	3.59	3.46	49.7	7th
8	Shorter advertisement, tendering timelines and bid submissions period	3.45	3.59	49.5	8th
9	Insufficient time for due diligence on bidders	3.5	3.51	49.1	9th
10	Lack of transparency and competition in the selection process	3.61	3.37	48.7	10th
11	Lack of thorough evaluation of bids	3.49	3.38	47.2	11th
12	Inflated prices due to lack of competition	3.54	3.23	45.7	12th
13	Excluding competitive bids to favour certain suppliers	3.55	3.16	44.9	13th
14	Exclusion of competitive bids	3.55	3.12	44.3	14th
15	Bidders submitting Complementary/artificial bids	3.47	3.16	43.9	15th
16	Biased invitation and selection criteria	3.63	3.01	43.7	16th
17	Likelihood of receiving only one bid	3.29	3.32	43.7	17th
18	Tender Rotation	3.43	3.1	42.5	18th
19	Subjective bid evaluation process due to limited number of bidders.	3.45	2.96	40.8	19th
20	Unjustified Direct Awards	3.45	2.88	39.7	20th
21	Selection of less qualified or less experienced bidders	3.41	2.91	39.7	21st
22	Deviations and amendment from the contract terms due to lack of competitive pressure	3.42	2.82	38.6	22nd

Source: Field survey (2024)

Table 4.7 shows the assessment of the corruption risks based on the risk effects. The results show the overall corruption risks with high effect (above 45) on special procurement methods are “Undisclosed conflicts of interests” was found to be risk with the highest effect on special procurement methods ranked 1st with percentage effect of 55%, follow by “Favoritism and Preferential treatment towards certain bidder(s)” and “Political influence and undue interference” ranked 2nd with risk effect of 54% respectively. Other corruption risk with highly

effect are "Bypassing standard procedures" ranked 4th with risk effect of 52 % while "Same bidders are repeatedly contracted" and "Limited number of qualified bidders" ranked 5th with risk effects of 51% respectively. and "Pre-determined winners due to favouritism" and "Shorter advertisement, tendering timelines and bid submissions period" ranked 7th with risk effects of 50% and "insufficient time for due diligence on bidders" and "Lack of transparency and competition in the selection process" ranked 9th with risk effects of 49%. While "Lack of thorough evaluation of bids" ranked 11th with risk effects of 47% and "Inflated prices due to lack of competition" ranked 12th with risk effects of 45%. The results of the research indicate that the top twelve (12) corruption risks that are most significance threaten the special procurement methods all had percentage of risk effects above 45%.

Conclusion

The study identified and assessed twenty-two (22) corruption risks associated to the special procurement methods as red flags. Twelve (12) most critical corruption risks were obtained after the identification, assessment and ranked based on the data collected.

The results of the study established top twelve (12) corruption risks with high risk effects on special procurement methods. The identification of twelve (12) high risk effects on corruption risks above 45% represents a crucial step forward in understanding the complexities of procurement related corruption.

Finally, the findings of this research will serve as baseline and also offer an insight to procurement professionals and other stakeholders involved, toward tackling the problem of corruption risks associated with special procurement methods, also maximizing the benefits to be achieved through proactive management of corruption risks associated with special procurement methods.

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