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THE EXTENT OF DECISION-MAKING CRITERIA INCLUDED IN PROCUREMENT LEGISLATION AT TRANSNET PORT TERMIANLS (TPT).

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Abstract:

State Owned Entities (SOE's), like Transnet Port Terminals, have been plagued with maladministration and poor governance within Procurement. In the last 20 years, SA government have procured goods and services from the private industry to an estimated value of between R400 to R500 billion per annum. Procurement is subject to Legislative requirements, that aim to reduce political influences, fraud and corruption and safeguard the decisions made to award contracts that result in government spending. The main aim of this exploratory study was to assess the extent of decision-making criteria included in Procurement Legislation at TPT, using the Bounded Rationality decision-making model. The thematic analysis research methodology was used to analyse the results of the research and indicated that there was no and (or) limited Legislation that govern and regulate decision-making within Procurement at TPT. There is an urgent need to update existing and develop new Legislation and Policies to assist SOE's, like TPT, adhere to sound governance principles that will improve decision-making for Procurement transactions and related expenditure.

Declaration:

I declare that this report is my own, unaided work. It is being submitted in partial fulfilment for the requirements of the degree of Masters in Management (in the field of Governance and Management) in the University of the Witwatersrand, Johannesburg.

It has not been submitted before for any degree or examination in any other university.

Katherine Bhogal

29 June 2022

Dedication:

My Masters in Management and Governance is dedicated to my late husband Geevesh Bhogal, who always used to tell me how “sharp” I am, and was so happy when I embarked on the journey to complete my Masters and even happier when I got accepted to study at the Wits School of Governance. I wish he was here with me during the two years of undertaking my Masters, but knowing how happy he would be to see me complete, kept me motivated to keep going. I am grateful to have had such a supporting husband and without his influence and presence in my life, completing my Masters would have just been a dream. Thank you Geevesh for allowing this Masters to become a reality for me.

I also dedicate this Masters research to my biggest supporters, my three kind-spirited children, Jiya, Vedh and Jeel for their continued patience, love and encouragement during online lectures, assignment deadlines, exams and the final hurdle of sacrificing our weekend outings and holidays to stay at home so I could work on my research thesis. I hope I have encouraged you to find strength in times of adversity and taught you that with the right focus and dedication, you can achieve great things, even when times get tough. Thank you for being there for me and supporting me through my Masters degree.

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Abbreviations

B-BBEE	Broad Based-Black Economic Empowerment Act 53 of 2003
CAPEX	Capital expenditure (infrastructure expenditure)
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIDB	Construction Industry Development Board Act
Co Act	Companies Act, Act 71 of 2008
Competition Act	Competition Act, Act 89 of 1998
CPO	Chief Procurement Officer
FIDPM	Framework for Infrastructure Delivery and Procurement Management
GDP	Gross domestic product
GM	General Manager
IT	Information Technology
JSE Debt listing	The JSE Debt Listing Requirements
King code	King IV Report on Corporate Governance
KPI	Key performance indicators
National Small Business	National Small Business Act 102 of 1996
NT regulations	National Treasury Regulations: South African Government programme instructions relating to Procurement in which Transnet participates
OHS	Occupational Health and Safety Act 85 of 1993
OPEN(X)	Operational expenditure
PACCA	Prevention and Combating of Corrupt Activities Act 12 of 2004
PAIA	Promotion of Access to Information Act 2 of 2000
PAJA	Promotion of Administrative Justice Act 3 of 2000
PEPUD	Promotion of Equality and Prevention of Unfair Discrimination Act 4 of 2000
PFMA	Public Finance Management Act, Act 1 of 1999
PG	Procurement Gate
PPPFA	Preferential Procurement Policy Framework Act 5 of 2000
POCDATARA	Protection of Constitutional Democracy against Terrorist and Related Activities Act
POPIA	Protection of Personal Information Act 4 of 2013
PRC	Presidential Review Committee

Protected Disclosures Act	The Protected Disclosures Act 26 of 2000
SA	South Africa
SOE	State Owned Entity
SOP’s	Standard operating procedures
TA	Thematic analysis
The Constitution	The Constitution of the Republic of South Africa, 1996
TPT	Transnet Port Terminals

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1. Introduction and background

1.1 Introduction and background

The Presidential Review Committee (PRC) of State Owned Entities (SOE) (2010) report mentioned the importance of SOE's role in the economy for the country. The report was addressed to the President of South Africa. SOE's in SA are integral to the economic development of the country whilst providing basic services to the public and citizens. SOE's need to be governed and actively managed to deliver on its mandate and contribute to the growth of the country and achieve objectives of the State. A SOE is used to provide goods to the public, control private and foreign parties access to the country's economy, generate funds for the public, improve delivery of services to the public and focus on economic growth.

The PRC report explained Governance as a process whereby systems, procedures, controls are implemented to allow management to review and monitor the organisation to ensure that the organisation is able to achieve its objectives in an efficient and ethical manner, within the accepted risk climate. Historically SOE's have been plagued with governance challenges due to lack of regard for governance rules and practices by the Board and with government being a dominant shareholder, political influences effect the management of the SOE (Thabane & Snyman van Deventer, 2018).

SOE's had common challenges of governance breaches, unqualified audited financial statements and ineffective boards and CEO's. For a number of years, SOE's have been faced with "wicked problems" (Head & Alford, 2015, p. 1) as there are multiple legislative requirements, hierarchy with oversight committee reporting, conflicting priorities that challenge SOE's from meeting its objectives. In addition, Government as a dominant shareholder created an environment whereby political influences effect the running of the SOE (Thabane & Snyman van Deventer, 2018). This organisational anarchy effects decision-making (Cohen, March, & Olsen, 1972).

President of the Chartered Institute of Government, Finance, Audit and Risk Officers, Kumar, called for officials in Public Sector to be more accountable and have proper leadership in the roles that they play in SOE's. They have to be accountable for every cent of public money that the public institution deals with. Public Sector officials have to “lead by example” and have values of public accountability on top of their priorities when delivering on the state objectives (Chartered Institute of Government Finance, Audit and Risk Officers, 2018).

Legislation and best practices govern SOE’s and are in some instances confusing and duplicated. The PFMA holds the Board accountable for the decision-making and stewardship of the organisation (PFMA, 1999). The Companies Act defines fiduciary duty to “act in good faith and make decisions for the best interest of the organisation” (Companies Act, 2008). Recommended best practices from The King code calls for accountability amongst company officials. (King IV: Report on Corporate Governance…, 2016). These regulatory and best practice compliance requirements calls for SOE’s to be governed adequately to ensure that decision-making puts the public’s interest first. SOE’s have developed over the years, policies and procedures to safe guard the organisation from fraud and corruption.

Despite the requirements of the Co Act and PFMA to have “efficient, effective and transparent financial and risk management systems and internal controls and an appropriate Procurement and provisioning system that is fair, equitable, transparent, competitive and cost effective” (PFMA, 1999), SOE’s like Transnet, Eskom, South African Airways are under more scrutiny to ensure that public funds are utilised for the best interest of the public entity and the public. Some directors in SOE’s have been accused of interfering in awarding large tenders therefore compliance to PFMA is questionable.

The Board gives executive management delegation of authority to run with operational matters of the SOE. Board members found to be meddling in day-to-day business of the SOE violates the principle of delegation of authority (Thabane & Snyman van Deventer, 2018).

Multiple pieces of Legislation and recommended best practices in the Co Act, PFMA and King code that relate to Governance however these requirements are fragmented and have conflicting compliance requirements. SOE’s are challenged with conflicting priorities of meeting the State’s objectives and at the same time remaining profitable and delivering low cost goods and services to South Africans. Kanyane and Sausi call for a holistic framework to govern SOE’s (Kanyane & Sausi, 2015). The Institute of Directors Report highlights challenges in Public Sector Boards due to lack of accountability within the Board and different levels of governance amongst role players (Institute of Directors South Africa, 2018).

Public sector employees must maintain governance within the organisations, to enable decision-making that will be in the best interest of the organisation amidst the strong political forces. Ethical behaviour of employees in SOE's in China reveals that ethical behaviour of employees depends on the ethical climate within the organisation, ethical behaviour of peers and managers, code of ethics as well as policies and procedures that govern the entity (Fu & Deshpande, 2012).

Public sector employees are under more scrutiny due to the trust placed on them to safeguard public funds and interests. To safe guard employees, SOE's have policies and procedures in place that support and aid decision-making. The objectives of these decision-making policies and delegation of authority frameworks is to ensure that resources under the control of the organisation are utilised effectively and efficiently for the purpose and objective of the organisation, which is in line with PFMA, Companies Act and King code objectives.

Due to the public organisation handling public funds, these organisations have to conduct purchasing in accordance with Legislation and policy. Government Procurement in 2002 was 21,77% of GDP (Anthony, 2018). Large amounts of money is spent due to the size and reach of the public organisation therefore best practice and compliance to Procurement Legislation is vital to ensure correct spending of public funds (Dlamini & Ambe, 2013).

It is important for an organisation to understand each stage of its Procurement to mitigate risks timeously and aid with future planning, optimisation and implementation of best practices. Procurement aids by facilitating collaboration within different functional departments and supports better, more informed decision-making (Sithole,Guedes Silva, & Kavelj, 2016). The various processes of planning, sourcing and delivery within Procurement needs to be understood to enable efficiencies and minimise risks which will aid with decision-making.

There needs to be flexible decision-making that helps the SOE comply with Legislation and at the same time, be agile on making decisions to meet business objectives. Decision-making is unique in each organisation. The Bounded Rationality theory developed in 1979 by HA Simon aims to provide a model to aid in decision-making.

The model aims to build a process that allows the officials to make decisions for the best interest for the organisation and not for personal gain. It takes into consideration the complexities within an organisation and aims to search for alternatives and solutions to aid in the decision (Turpin & Marais, 2004).

To summarise, in the day to day running of SOE's, decisions need to be made on Procurement activities to enable the SOE to deliver on its mandate to the public. There are legislative requirements to govern how this Procurement should be carried out. Decision-making is key in the running of a SOE or any organisation. Decision-making processes are an important part to allow managers to act in the best interest of the organisation and allow the organisation to meet its strategic goals and objectives (Marshall & De la Harpe, 2009).

This research will investigate the Legislation that governs Procurement in a SOE and determine if decision-making criteria from Bounded Rationality is included as a requirement for compliance to Legislation which will safeguard the decision-making processes within a SOE, thereby safeguarding the spend. The research will further analyse TPT as a SOE and assess if selected Procurement transactions followed any criteria from the Bounded Rationality decision-making framework to aid with the identification of any areas of improvement and formulate recommendations accordingly.

1.2 Research problem statement

Transnet is a State Owned Entity (SOE) that is responsible for the cargo logistics network within South Africa. Transnet's Revenue on 31 March 2020 was R75.1billion (Transnet, 2020). Transnet is a key contributor to South Africa's economy as it controls the imports, exports and movement of goods within the country. Transnet is made up of 7 Operating Divisions. One of the Operating Divisions is Transnet Port Terminals (TPT) that manages the import and export value chain within the container, manufacturing and automotive (car) sectors.

The external audit management report for Transnet for the year end 31 March 2020 showed in excess of forty-five findings relating to Procurement non compliances identified. One transaction relates to the purchase of cranes for one of the Terminals at Transnet Port Terminals (TPT), whereby approval was requested from the Group Procurement Committee to deviate from the Procurement process to procure the equipment for business reasons. Management went on to submit the order to the supplier, as this was required for business reasons. This purchase resulted in irregular expenditure in terms of the PFMA to the value of R136 million. Another transaction related to the Procurement of a service provider to conduct training at TPT to the amount of R19 million. Approval was sought from the Group Procurement Committee to appoint a supplier to conduct the training. This transaction was identified by external audit to be in contravention of the PFMA and resulted in irregular expenditure. The problem is that both transactions followed a decision-making process whereby TPT highlighted the need to procure the goods and services for operational and business reasons, however was identified as Irregular expenditure in terms of PFMA due to the procurement process not being followed. This was a problem for TPT as TPT required these goods and services however these transactions were raised by the auditors as non-compliant to Procurement legislation. This resulted in the Procurement transactions being reported as non-compliant to the Audit Committee and Board Stakeholders of Transnet and relevant disciplinary action had to be taken against management for these transactions, even though these transactions were entered into to meet operational business needs.

The decision made to meet TPT's operational business needs was not considered by the auditors as the auditors evaluated the transactions against Procurement Legislation. The gap identified was that decision-making criteria is not considered when assessing compliance of a Procurement transaction to the relevant legislation. This research investigated if Procurement Legislation included any decision-making criteria that supports the decision-making processes. There is scholarly literature that talks about challenges with decision-making in public sector organisations. A further knowledge gap identified in this study was that there is limited literature highlighting the decision-making criteria included in Procurement Legislation.

1.3 Purpose of the research

The purpose of the research was to establish the extent of decision-making criteria, using the analytical lens of Bounded Rationality (Ethiraj & Levinthal, 2019; Simon, 1979) included in Procurement Legislation at TPT.

This research aimed to address the following secondary objectives:
1: Analysis of Procurement Legislation at TPT against decision-making criteria included in the Bounded Rationality model.
2: Assessing the decision-making process followed for two Procurement transactions at TPT against the Bounded Rationality theoretical decision-making criteria.

1.4 Research question and objectives

The main research question in this study was:
The extent of decision-making criteria included in Procurement Legislation at Transnet Port Terminals (TPT).
The sub questions in this study were:
1: To what extent does Procurement Legislation at TPT include decision-making theoretical criteria from Bounded Rationality?
2: Did the decision-making process for the two Procurement transactions follow any decision-making criteria included in Bounded Rationality theoretical frameworks?

1.5 Chapter outline:

The research report consists of six chapters. Chapter One introduces the topic of the research study, the background, problem statement, research rationale and research objectives. The aim of this research and research questions are highlighted as this sets the expectations for this research report.

Chapter Two undertakes a literature review on Procurement within a State-owned entity and relevant Legislation that governs the process. This chapter also understands challenges with decision-making within organisations and pursues the decision-making theories from Bounded Rationality that will be used as the conceptual framework for this study.

Chapter Three presents the research design and methodology that will be used to conduct the research for this study, the seven steps in this research approach process is documented.

Chapter Four is the presentation of the finding conducted by the qualitative research methods for this study as well as a discussion and interpretation of the findings.

Chapter Five concludes the report with summary of findings and recommendations.

2 Literature review

2.1 Introduction

This chapter reviewed and understood literature relating to Procurement and decision-making to support the research paper. Procurement Legislation and processes within a State Owned Entity was reviewed and was the focus of this study. Thereafter Bounded Rationality decision-making processes and models were reviewed as this formed the conceptual framework for the study.

2.2 Procurement in State Owned entity's

Procurement is an important function within a SOE. Procurement is defined by Mofokeng & Luke as "a series of activities necessary for the timely acquisition of goods and services to satisfy user requirements and fulfil organisational goals" (Mofokeng & Luke, 2014). SOE's are governed by Legislation in the execution of Procurement processes. Managers and officials make decisions on behalf of the SOE to achieve its goal and mandate and take accountability over the decisions made (Watson & Foxcroft, 2015).

Public Procurement is defined by a number of scholars and can be summarised as the process that government uses to purchase goods and services that they need (Dlamini & Ambe, 2013) or a set of activities to timeously acquire goods and services to meet user and organisational needs (Mofokeng & Luke, 2014) or the procurement of goods and services at the correct time and in the right quantity and quality using a contract (Munzhedzi, 2016) and lastly procurement of goods and services from different channels and activities from source to the customer (Rukuni, Mazirir & Mulaudzi, 2020). The South African Government spent R26,4 billion in 2010 via methods that was non-compliant to Procurement laws and regulations (Munzhedzi, 2016).
Procurement activities should be linked to organisational goals, management plans and stakeholder expectations (Mofokeng & Luke, 2014). The delivery of goods and services require proper strategic leadership and management processes. Accountability represents an obligation to answer for actions. Government need to find more transparent Procurement processes as they serve the public and are accountable for public funds spent. The appropriate measures need to be implemented to manage the risk and perceptions of fraud. Municipal Procurement is subject to fraud and corruption or maladministration due to political office bearers (Nduduzo & Methembe, 2021).

Procurement should be governed by Legislation and regulatory frameworks (Munzhedzi, 2016).

SOE's have been subjected to maladministration, inefficiency and abuse of power. In most cases, the Procurement departments were found to be the department with the highest number of corrupt activities (Rukuni et al., 2020). "Corruption is one of the biggest challenges facing SA Procurement" (Munzhedzi, 2016).

The main reason for corruption in Procurement is due to non-compliance to Legislation and policy. Challenges that result in non-compliance is lack of accountability by officials, political interference, appointment of inexperience officials and contractors, lack of technical expertise in the bid committees, the lack of understanding of policy and legislative requirements, lack of capacity to deliver services, lack of financial controls, lack of political stability, corruption, maladministration and political influences. Corruption leads to inflated prices, contracts awarded to family or friends, tenders not advertised, bid committee not properly constituted or bid committee members not disclosing interests. National Treasury aims to address these challenges within Government Procurement (Munzhedzi, 2016), however best practice areas are not fully embedded in public entities Procurement processes. There is poor service delivery due to lack of transparency, communication and accountability, corruption, maladministration and financial mismanagement (Mofokeng & Luke, 2014).

2.3 Procurement processes

The objective of the Procurement function is to design, plan, execute, control and monitor supply chain activities in the delivery of goods and services, oversight and co-ordinate information and finances. This links to the requirements of PFMA which requires that a SOE have a financial management system, internal audit system and risk management systems in place. Procurement processes include demand management, sourcing, purchasing, receipt and storage and issue of goods. Risks need to be managed across the process. The Procurement function focus must be on outcomes, value for money, effective and efficient Procurement and delivery management system that complies to Legislation (Watermeyer, Nevin & Langenhoven, 2012). Procurement processes must include a value system that is honest, fair, has integrity, responsible managers accountable for spend, compliance to policy and Legislation, organisational structure, ethics applicable to suppliers and processes that enable declaration of interest and confidentiality to be maintained (Dlamini & Ambe, 2013). Seven key success factors for effective Procurement are a clear Procurement strategy, effective management and control system, development of expertise, role of corporate management, an entrepreneurial and proactive approach, co-ordination, focused efforts, communication of the key success factors to all levels within the organisation. Challenges exist in complying with onerous Procurement Legislation requirements when making small purchases. Procurement has costly and excessive regulations and, in some instances, too many layers of approval required for requisitions. Cost rather than quality is a determining factor in the selection of the service provider for the delivery of goods and services. There is a need for SA Procurement to align to international guidelines to ensure better Procurement, transparency and optimized service delivery (Louw, 2010).

Efficient Procurement practices play an important role in public and private sector. Good Procurement practices reduces wasteful activities, can streamline operations and creates the right value chain for sustainable competitive advantage. Organisations are still challenged with the implementation and continuous sustainability of good Procurement practices. Procurement is the largest expense in an organisation and aids with the quality of output, if Procurement is done correctly, it will aid to save costs, reduce waste and streamline operations (Dlamini & Ambe, 2013).

Critical success factors for a Procurement function cover strategy, leasership, the information technology systems as well as people resources and key performance indicators to manage performance.

Procurement Legislation and National Treasury guidelines highlights Procurement processes as advertising bids, opening of bids, announcement of bids, communicating adjudication outcomes. The three committees required across the Procurement process include the bid specification, bid adjudication and bid award committee. Bid specification is the committee that approves the specification and details of the goods or services to be procured, bid adjudication committee reviews the bid submission and the bid award committee reviews recommendations from the bid committee and approves the decision of final award (Munzhedzi, 2016). These committees can be seen as the decision-making committees within the Procurement process. PFMA SCM sub-processes include acquisition, demand, logistics, risk management (PFMA, 1999).

CIDB provides for a number of gates or control points within the Procurement processes, where decisions are required before proceeding to the next process. The Procurement processes identified include the process to establish what is to be procured, decide on a Procurement strategy, obtain tender offers, evaluate the tender offers, award the contract and administer and manage the contract (Watermeyer et al., 2012). The PFMA Procurement processes include acquisition, demand, logistics and risk management (PFMA, 1999).

The Procurement activities can therefore be summarised into the following key processes as demand process which will be the determining what to procure and the Procurement strategy, next process will be the acquisition process which will be to advertise the Procurement documentation to the market (Watermeyer et al., 2012), or tender advertisement (Anthony, 2018) and the development and finalization of pre-determined evaluation criteria, sourcing process which will include receiving tender documentation from potential bidders (Watermeyer et al., 2012) or receipt of expression of interest (Anthony, 2018), the evaluation process will be the process to evaluate tenders (Anthony, 2018; Watermeyer et al., 2012) received based on pre-determined evaluation criteria to select a successful bidder that meets all the pre-determined evaluation criteria, thereafter the award process to make the final appointment and award to the successful bidder (Anthony, 2018; Watermeyer et al., 2012). The contract management process which will entail managing the Procurement activity to the terms and conditions of the agreed contract (Watermeyer et al., 2012). The three committees that is required across the Procurement process can be mapped against the relevant process to determine the decision-making committees. The following flow chart depicts a typical Procurement process based on the information sourced above.

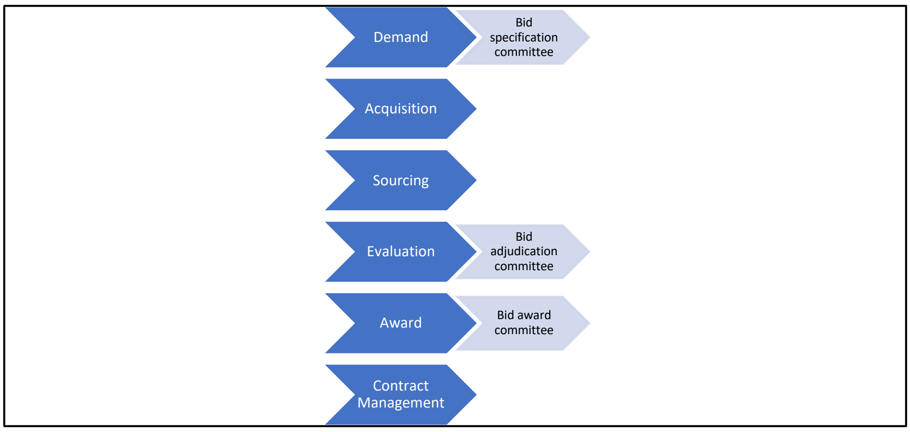

Diagram 2.1 Procurement processes

Sources: Anthony, 2018; Munzhedzi, 2016; Watermeyer et al., 2012.

2.4 Procurement Legislation

In SA, Procurement processes are defined by law (Dlamini & Ambe, 2013).

Public Procurement decisions require application and use of a set of criteria. The Constitution of SA – section 217 provides for this. Section 217 stipulates that Procurement should be executed by public sector employees in a manner that is "fair, equitable, transparent, competitive and cost effective" (Constitution, 1996), for the whole Procurement system and individual Procurement decisions. Procurement activities must consider the relevant regulations, applicable acts and Legislation and the decision of end users, tender committees and Procurement officials (Pauw & Wolvaardt, 2009). Government uses a competitive bidding process to ensure cost effective objective is met and value for money is achieved. Risks must be managed across the Procurement process. The focus should be on outcomes, value for money, effective and efficient Procurement and delivery management system that complies to Legislation (Watermeyer et al., 2012).

Constitution of SA says that Procurement system must be fair, equitable, transparent, competitive and cost-effective (Mofokeng & Luke, 2014; Nduduzo & Methembe, 2021). Most of the acts and Legislation of public Procurement in SA are embedded in the Constitution of 1996, section 217. National Treasury administers Procurement Legislation and provides support to public entities.

SOEs have to comply with Legislative requirements of the Co Act and PFMA for accountability, delegation of authority, budgetary control, declaration of interest and fiduciary responsibilities of officials. As a schedule 2 entity, Transnet can adopt the principles of the King code.

The King code defines Corporate Governance as " the exercise of ethical and effective leadership by the governing body towards the achievement of governance outcomes. Ethical and effective leadership should complement and reinforce each other" (King IV: Report on Corporate Governance …, 2016). The Code speaks of accountability, ethics, integrity which are values that underpin good governance. Good performance and decision-making is dependent on sound corporate governance principles. In delivering on the SOE's mandate, there needs to be accountability for decision-making and delegation of such power of authority to either individuals in key positions or to governance structures within the organisation. King code principles assist to define this accountability structure that is appropriate to the SOE.

The PFMA purpose is “to regulate financial management in the national government and provincial governments” (PFMA, 1999), thereby aiming to manage revenue, expenditure, assets and liabilities effectively and efficiently. In addition “to provide for the responsibilities of persons entrusted with financial management in those governments; and to provide for matters connected therewith” (PFMA, 1999). Section 10 of the Act speaks of Delegations by National Treasury and allows for the process on how the powers entrusted by National Treasury may be delegated to the relevant head of department to be able to conduct his assigned duties. The section on delegation of authority is very vague and does not go into details of the responsibilities entrusted by the delegated official to use the powers delegated to him to make ethical decisions that will benefit the organisation.

A drive to business decision-making in SOE’s are budget allocations. The PFMA section 27 provides guidance to entity’s on how to allocate annual budget to drive spend within the entity. Budget availability is one of the key drivers in the decision-making process to determine affordability. Section 50 of the Act speaks of fiduciary duties of accounting authorities which allows for the “duty of utmost care” to ensure assets and records of the entity are maintained, act with “fidelity, honesty, integrity and in the best interests of the public entity in managing the financial affairs”, disclose any interests. Section 50 covers accounting authorities acting ethically and making decisions based on what is best for the public organisation. (PFMA, 1999).

The Co Act is relevant to SOE’s. Section75 speaks of directors personal interests and prescribes that any interest must be disclosed and the relevant authority must excuse himself/herself from the meeting and decision-making. This criteria of declaring interests is key to ensure decision made are in the best interest of the public entity and not for private gain (Companies Act, 2008).
Further Legislation for Procurement in a SOE include PPPFA, PFMA, PAJA, PAIA, B-BBEE, and PACCA (Anthony, 2018).

PFMA mandates the department of National Treasury to develop regulations to create a framework for appropriate Procurement which is “fair, equitable, transparent, competitive and cost-effective” (PFMA, 1999). It is PFMA that regulates National Treasury directives that need to be followed to ensure compliance. PFMA requires the public entity to have “effective, efficient and transparent systems of financial and risk management and internal control and

systems of internal audit under the control and direction of the audit committee and an appropriate Procurement and provisioning system" (PFMA, 1999). PACCA requires corrupt tender activities be reported accordingly (PACCA, 2004). The PPPFA provides Legislation to implement the preferential Procurement policy that gives preference to previously disadvantaged groups (PPPFA, 2000). The Public Service Act regulates the inefficiency and misconduct of public officials and related disciplinary procedures. Public Service regulations is the code of conduct for public service officials, whereby officials are not allowed to obtain gifts or any benefits in conducting their duties and that officials should avoid decision-making that will result in personal gain and to declare any interests (Munzhedzi, 2016).
The above Legislations have different criteria that the SOE has to comply with to ensure there is good governance and accountability over the Procurement function.

The list of Procurement Legislation obtained from TPT's Procurement governance office, that is responsible for the monitoring of Procurement practices at TPT to ensure compliance with the Legislation that is applicable to the Procurement function. The list of Procurement Legislation obtained from the Procurement governance office includes the Constitution, PFMA, PPPFA, B-BBEE, Competition Act, National Small Business Act, OHS, PAJA, PACCA, PAIA, POPIA, The Protected Disclosures Act, PEPUD, CIDB, FIDPM, POCDATARA, King code, NT Regulations and JSE Debt Listing.
The Procurement regulatory universe applicable to TPT is summarised in the Procurement legislative register below.

No	Legislation abbreviation used in the research report
1	The Constitution
2	PFMA
3	Co Act
4	PPPFA
5	B-BBEE
6	Competition Act
7	National Small Business Act
8	OHS
9	PAJA
10	PACCA

No	Legislation abbreviation used in the research report
11	PAIA
12	POPIA
13	Protected Disclosures Act
14	PEPUD
15	CIDB
16	FIDPM
17	POCDATARA
18	King code
19	NT regulations
20	JSE Debt Listing

Table 2.1 TPT Procurement regulatory universe

Sources: Munzhedzi, 2016

TPT Procurement governance office.

It is important for an organisation to understand each stage of its Procurement to mitigate risks timeously and aid with future planning, optimisation and implementation of best practices. Procurement aids by facilitating collaboration within different functional departments and supports better, more informed decision-making (Sithole, 2016). The various processes of planning, sourcing and delivery within Procurement needs to be understood to enable efficiencies and minimise risks which will aid with decision-making. Leadership and governance has been an ongoing debate for a long time across public and private sectors (Siswana, 2007b). “An effective governance process could be measured through efficient and effective systems, institutions, structures, rules and procedures.” (Siswana, 2007a). Organisational design, decision-making, leadership are regarded as key areas to drive governance in public organisations (Siswana, 2007a).

2.5 Decision-making challenges within Procurement

Business needs to adopt a flexible Procurement system and use an innovative multi-decision-making approach. Proactive planning and understanding the interrelationships of elements is important and necessary and needed for decision-making. Procurement elements include supplier integration, supplier responsiveness, skills of flexible Procurement workforce, strategic sourcing, flexible transport, eco-friendly packaging, ISO14001 accreditation,

operational costs, environment costs, customer satisfaction. Collaborative planning and sharing of information to help proactively plan and schedule to meet demand (Bag, 2016).
Procurement processes provide a flow of information and decision points within the organisation. Also includes roles and responsibilities of employees and focusses on customer needs. IT systems to assist SOE to make decisions to support organisational goals (Mofokeng & Luke, 2014).

Decision-making challenges exist in the purchasing and bid part of Procurement where multiple bids are received and evaluated and the winning bidder must be selected.
The choice for deciding the winning bidder must be fair, equitable, transparent, competitive, cost effective, as required by section 217 of the Constitution. In theory, selecting the bidder should be in terms of policy. The challenge exists in that the Constitution did not include a decision-making procedure when selecting the five principles. It is therefore difficult to design and follow a Procurement procedure that allows these five principles to be adhered to when making a decision to choose a winning bidder. These five principles cut across multiple Procurement processes and, in some instances, may be in conflict with each other.
Definitions of these five principles in the document is also a challenge as these are not provided for (Pauw & Wolvaardt, 2009).

Section 217 as a value system:

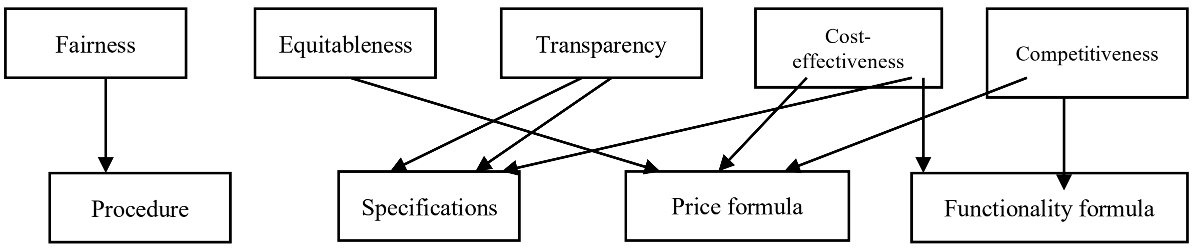

Diagram 2.2 Constitutional values within the Procurement process
Source: Pauw & Wolvaardt, 2009.

The above diagram shows the five principles linked to multiple steps within the Procurement processes and with the lack of sufficient details provided on each within the Constitution, these principles to be in conflict with each and other and legislative requirements (Pauw & Wolvaardt, 2009).

South African SOE's have been impacted with poor governance resulting in delayed infrastructure development, slow economic growth and poor policy and corruption. (Madonsela, 2019). Governance activities need to be linked to milestones in the Procurement process. Procurement systems in an organisation must have methods and practices that are shaped by policy and Legislation and should include rules and guidelines, Procurement documents (including terms and conditions) and organisation policies that address Procurement (Watermeyer et al, 2012). The Procurement processes of tender advertisement, receipt of expression of interest/tenders, evaluation of tender and award of tender requires decisions to be made as these processes commit the organisation to expenditure, that is governed by Legislation (Anthony, 2018).

Procurement Legislation and National Treasury guidelines highlights Procurement the three committees required across the Procurement process include the bid specification, bid adjudication and bid award committee, these committees are seen as the decision-making bodies within the organisation (Munzhedzi, 2016).

In order for an executive decision maker to act rationally and in compliance with law, they have to hear the other side before making a decision. Rules to ensure procedural fairness is important in official decision-making. Hearing the effected person makes the decision rationale cause the decision maker has all the facts available to them. A principle of fairness is that those who exercise public power must act fairly (Plasket, 2020).

CIDB allows for structured decision-making via decision-making control points referred to as Procurement gates, to determine if the proposed transaction can proceed to the next Procurement process. Decisions must be based on information that is provided. This information whilst supporting decision-making, provides assurance that delivery is within agreed mandate and aligned to original purpose (Watermeyer et al, 2012). Decision makers need to be provided with reliable and timely information in each Procurement process to enable a decision to be made to proceed to the next Procurement process. Decision-making points need to be at the end of a process and is linked to deliverables to allow the decision maker to assess if the process can continue or not. The diagram below is an extract from a literature review of CIDB and illustrates how the decision-making Procurement gate reviews flow into the Procurement process. These gates allow for decision-making to evaluate the relevant Procurement process and ensure that deliverables and objectives are met before proceeding to the next Procurement process. This safeguards the integrity of each Procurement process.

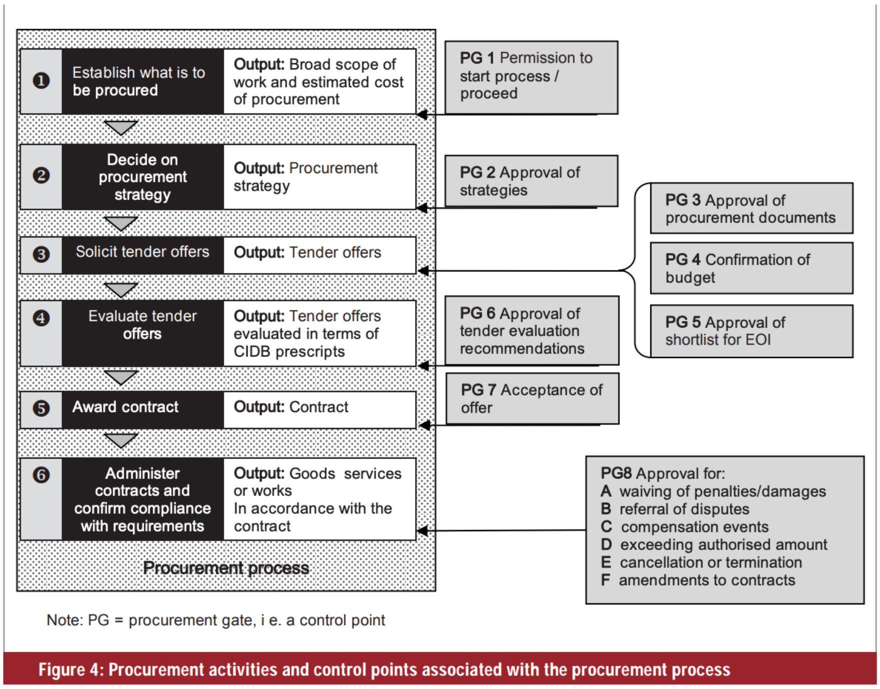

Diagram 2.3 Procurement gates across the Procurement process

Source: Watermeyer et al, 2012.

The PFMA Procurement processes of acquisition, demand, logistics and risk management are suitable for the Procurement of general goods and services. It is not suitable for the delivery and maintenance of infrastructure. Capital (Capex) and operational (OpenX) spend systems and objectives are different and require different skills sets and processes. OpenX focusses on consumption and operational needs whereas Capex focusses on the delivery and maintenance of infrastructure to meet organisation's service delivery mandate. Both Capex and OpenX are different and trying to deal with both with the same set of legislative requirements is difficult. Two different systems for OpenX and Capex are needed (Watermeyer et al, 2012). Transnet Capital Procurement and OpenX spend follow a different process.

Skills and capacity shortages is one of the biggest challenges to the successful execution and delivery of the public Procurement process. Deficiency in training, lack of knowledge of Procurement legislative requirements, poorly designed organisational structures, unqualified Procurement officials, multiple legislative compliance requirements that results in overregulation, unnecessary bureaucracy result in Procurement delays that hinder service delivery by SOE's across SA.

Adequate measures and interventions need to be implemented to address these Procurement challenges, some of these interventions include conducting comprehensive training on Procurement legislative requirements so that Procurement officials are aware of the legislative requirements in the execution of the Procurement deliverables, vetting senior managers and executives like the Chief Financial Officer (CFO), Chief Procurement Officer (CPO) and Accounting Officers to ensure individuals appointed in positions of authority have the required skills, competence and experience to carry out their duties with integrity and professional competence and introducing a professional body to regulate Procurement professionals and related officials in terms of ethical requirements and qualifications required. Building transparency into the Procurement practices will enhance legislative compliance. Transparency can be enhanced by publishing contracts that make pricing and terms and conditions available to potential bidders to review and assess in relation to their bids submitted to validate that a fair Procurement process was completed for the contract award, disclosure of Procurement rule-based decision-making, verification and evaluation criteria for bidders to be aware of verification and evaluation criteria required for the bid so as to provide assurance at the award stage that the successful bidder met all the Procurement rules and criteria and was appointed fairly. In addition, bid committees should have independent legal advisors, that act as subject matter experts to advise on complexity of legislative compliance requirements as well as the legality of decisions. There should be vetting of bidders prior to award and strict governance protocols for the adjudication process to promote transparency and fairness. Procurement needs to implement contracts for regular spend of goods and services to support cost effective purchasing. Automation of the bid evaluation process will assist with due diligence, increase efficiency in processing requests and decrease fraud and corruption (Nduduzo & Methembe, 2021).

2.6 Decision-making in organisations

Managers act on behalf of their organisation and make decisions to achieve organisational goals and objectives. Decision-making is an important part of a managers role, as this leads and directs the teams within the organisation to ensure delivery and execution of goals and objectives to support the overall strategy and mandate. Flawed decisions are sometimes made by intelligent managers despite information being made available and managers having good intentions, this could be attributable to a host of reasons like incomplete or inaccurate information presented for decision-making, goals and objectives not established upfront and communicated, political influences as well as conflicting priorities that exist within the organisation . Making a decision does not mean that individuals will action and stick to that action to achieve the desired result. Accountability for decisions means that managers must face the consequences of their decisions. A process for decision-making "appraising the challenge, surveying alternatives, weighing alternatives, deliberating about commitment and adhering despite negative feedback and opposition." Decision-making needs access to information and being able to deliberate on alternatives (Watson & Foxcroft, 2015).

Strategic decision-making is defined as "one that is important in terms of the action taken, the resources committed or the precedents set". People enter scenarios that require decisions with known objectives. These objectives determine the value of possible options. People then gather information and then choose the best alternative (Eisenhardt & Zbaracki, 1992).
Managers must "diagnose the situation, decide when a decision is to be made, search for solutions, evaluate consequences, select an alternative, influence others, implement actions and deal with numerous obstacles, setbacks and adverse conditions" (Watson & Foxcroft, 2015).
Decision-making within the organisation is not a simple process. The structure to decision-making includes identification of the problem, development of options and selection of the best option that meets the goal. Challenges exist as some organisation's establish the goal simultaneously as options are being investigated or goals are unclear and change over time and people conduct searches haphazardly and opportunistically resulting in the analysis of options being limited.

Complexity of the problem and conflicts within the organisation effect the decision-making process. More complex and turbulent organisations require less rationality. Decision makers need to be able to adjust their processes depending on the complexity of the situation. Decision-making in government is influenced by conflicting legislative requirements. Within the organisation people have conflicting interest, some focus on growth and others on profitability. Political pressure and influences impact decision-making, the goals and preferences of the most powerful decision maker usually is the decision taken. Challenges in organisations are departments with higher power get allocated more resources, managers set overall strategy and implement it "opportunistically", the more political the organisation is the more challenges exist to make decisions, there are mixed performance objectives and differing interests (Badenhorst, 2018).

Decision-making tactics need to be rational and at the same time useful in fast paced organisations and uncertain situations. Decision-making needs to be flexible and be able to adjust the approach rationally depending on the situation, information available and timeframes. Organisations need to adopt a multi-dimensional approach to support decision-making. Consideration must be given to internal and external factors to enable good decision-making that will promote and enhance the organisations performance. Further considerations include the assessment of local and international markets, consumer needs and preferences, status of competitors performance and market share, key information on the organisation's industry related to the products or services.
Considerations must be given to organisational goals, strategies and objectives as this can improve financial, operational and market performance (Badenhorst, 2018).

"Good ethical decision-making is associated with a number of positive outcomes for organisations, including less turnover and more consumer trust" (Stenmark, Riley & Kreitler, 2019, pg. 1). Grey area within the organisation can affect decision-making which may cost the organisation billions of rands. Interruptions can occur within the organisation that can result in long turnaround times to make decisions that will impact on the organisations ability to meet goals and objectives timeously, inaccurate or decision-making. Processes needs to be put in place to solve decision-making challenges ethically by being able to gather accurate information, compile accurate forecasting and "sense making". Data analytics can also be used to aid in decision-making via the availability and use of large volumes of accurate data for analysis to be completed to support options and decision-making (Power, 2016).

Decision-making can be challenging and difficult if the data is of poor quality. Data needs to be accurate, up-to-date, complete and readily available in order to help with the decision-making. This will have adverse effects on the entity's well-being and ability to achieve strategic objectives and ability to prosper in that incorrect information and options will be presented to decision makers. Decision makers must be able to assess and ascertain if the quality of the data and process used to gather the data was accurate and comprehensive as this will allow them to be more cautious in making decisions (Marshall & De la Harpe, 2009).

Trust and importance of the decision overrule politics. Politics is the "actions by which people enhance their power by the decisions they make" (Eisenhardt & Zbaracki, 1992). Coalition, lobbying, withholding agenda, control of agendas, manipulation and control over critical information and slanting information from vendors to favour certain options are some of the challenges impacting decision-making. Employees feel frustrated and experience lack of trust in the organisation due to the political influences that impact decisions being made. Decision-making must tie back to strategy (Eisenhardt & Zbaracki, 1992). Complexity and uncertainty in the internal and external environment effects decision-making (Drugova & Kalachikova, 2019). One of these complexities is the political influence over SOE's, knows as State Capture. State Capture is defined by Dassah as the "existence of three grand corruption aspects amoung political and business elites which involved the payment of bribes to gain contracts but also the purchase of political power". (Dassah, 2018, p. 2). State capture is a departure in governance where officials attempt to change or manipulate policies and legislation for personal gain. (Dassah, 2018, p. 2). It is clear that with State Capture, there is a distinctive effort made to change the rules and policies to suit individual interests. Acts, decisions and transactions are made more for private gain than public interest. The decision-making ability under State Capture regime is not focussed on what is in the best interest of the public and public institution but rather on making decisions with the aim to influence the outcomes and policies for private gain. There is influence exerted and lobbying that takes place to change the outcome of decisions to private gains or access to more power, the public's interest and objective of the SOE are no longer the priority. Actors group together for decisions and transactions (Dassah, 2018). Labuschagne indicates that State Capture has taken South Africa to a dysfunctional state, the state is plagued with personal interests, political agendas and abuse of power (Labuschagne, 2017).

The business environment is changing due to new technologies, globalization, innovation. There are new forms and ways of doing business. Lack of clear objectives in strategic management, conflicts with employees within HR and declining profits within Finance are limitations within an organisation that makes decision-making inflexible (Carrasco, Angeles, & Marroquin-Tovar, 2015). Organisations have access to large volumes and sources of data due to technology. The use of this data needs to be verified for accuracy and processes need to be in place to allow organisations to access this data, verify accuracy and use this data correctly for decision-making (Gamble, Cassenti & Buchler, 2018). There is a need for flexible decision-making models to aid organisations make good business decisions. SOE's are regulated by Legislation however SOE's require the flexibility for decision-making due to the impacts of changes of technology, globalization and innovation. There needs to be adequate decision-making criteria that allows compliance to Legislation and at the same time allows for flexibility within decision-making to enable the SOE's to deliver on its mandate.

Decision-making support systems are developed to assist the organisation make decisions. Some of the different types of theoretical models for decision-making are the Rational Model, Garbage Can and Bounded Rationality (Turpin & Marais, 2004). Elements of Bounded Rationality can be implemented within the organisations processes to aid in decision-making (Drugova & Kalachikova, 2019).

The lack of accountability across the hierarchy of the organisation is a challenge for decision-making in Public Sector organisations. Decisions are based on short term considerations and decision-making needs a framework that considers amongst other factors the future trends, goals and objectives and related projects that will assist to achieve the organisations strategy and mandate. Controls should be designed and implemented to monitor costs and outcomes of decisions to ensure desired outcomes are being achieved (Button, 1979).

Organisations need to have a deliberate process in place that allows accessibility to information to enable decision-making. Consideration needs to be given to the availability of data and timeframes required for collecting the required data to present to options to decision makers. There has to be a balance between "evidence", "emotions" and "beliefs" in making decisions (Arinder, 2016, p. 395).

Public sector employees need to be able to develop and uphold processes to enable decision-making for the best interest of the organisation amidst the strong political forces. Public Sector employees need to be able to safe guard themselves to always act ethically and be able to be well informed to make decisions for the best interest of the organisation and the public. Public sector employees are under more scrutiny due to the trust placed on them to safeguard public funds and interests. To safe guard employees, public sector has policies and procedures in place that support and aid decision-making. The objectives of these decision-making policies and delegation of authority frameworks is to ensure that resources under the control of the organisation are utilised effectively and efficiently for the purpose and objective of the organisation, which is in line with PFMA, Co Act and King code governance objectives.

2.7 Decision-making theories in Bounded Rationality

Decision-making processes should consider the complexity, goals and strategies of the SOE and other factors to ensure that decision-making is being done for the best interest of the SOE. Politicians make decisions for their personal interest and not necessarily that of the organisation (Turpin & Marais, 2004). Personal style and background impact how a person makes a decision. Decision-making is a divergent exploratory phase and a convergent phase. The convergent phase is where there is a reduction of alternatives and options to allow the decision maker to make a decision. There needs to be a balance of searching and waiting for new information that will help the decision and at the same time not to delay the decision and associated output and benefits for the organisation. Complexity of the problem, time pressure and the environment are factors that affect decision-making. The key lessons to improve decision-making is to understand the environment, package the information to assist getting across a certain message and self-help technology. Consider factors like the nature of the decision-making process, people personal styles, agenda of decision makers and presentation of results (Turpin & Marais, 2004). Learning in decisions and reasons to support decisions belong to the subject matter experts. Biological and cultural evolution are important factors to consider in decision-making (Hanoch, Wood & Rice, 2008). Rapidly changing environment, political, social, economic conditions need high speed decision-making to move around and find solutions. There are gaps between theory and professional practice of Bounded Rationality Decision-making models (Drugova & Kalachikova, 2019).

HA Simon was the founder of the first theory and model to support Bounded Rationality in 1979. Bounded Rationality is "that the manager does not necessarily have complete information and that optimal choices are not always required" (Turpin & Marais, 2004, p. 145). Bounded Rationality provides a process by taking into account the organisations goals, searching for options, stopping the search for options and other factors that will assist with the decision-making process (Hanoch et al., 2008).

The Bounded Rationality model includes "searching and satisficing." Search for alternatives and evaluate the alternatives sequentially. If the alternatives meet certain minimum criteria it should be "satisfice" and the search for options should stop (Turpin & Marais, 2004). The decision-making process has to separate the beliefs and emotions (Hanoch et al., 2008) that people have from the choices they make and assess the heuristics that people use as well as biases that they are prone to include predictions and evaluations of evidence (Kahneman, 2003). Risk and uncertainty need to be considered in decision-making, the decision maker must acknowledge that he does not have perfect knowledge of the situation and must assume that he has incomplete information. Decision maker has to consider the cost of deploying resources to gather more information versus the expected gain of adding and improving the options for decision-making. In the process of gathering information and collating options, consideration of the timeframes required to collect additional data and the timing of when the decision is required to support and enable operational performance to meet goals and objectives must be assessed. This will develop the criteria and timeframes for when the search for new information and options need to be stopped and decision-making finalised. Procedures and processes need to be in place to obtain complete information and reduce uncertainty as this will help with decision-making, simulations should be considered as an option to evaluate the various options (Simon, 1972).

HA Simon as the creator of the theories of Bounded Rationality describes decision-making as "a search process guided by aspiration levels." Aspiration levels is a goal that must be reached or exceeded by alternate decisions. Decision alternatives are not given but found in a search process. The search process continues until an alternative is found that meets or exceeds the goal. Then this alternate is chosen. Simon calls this "satisficing". Aspiration levels are not fixed and change dynamically according to the situation. These changes depending on the challenges of gathering the information and the ease at which alternatives are sourced. Bounded Rationality works with the concept of "optimisation",
providing alternatives to the current norms and rethinking the norms of the organisation. The model can be summarised in three steps, step 1 includes simple search rules, a step-by-step process where a piece of information is acquired or adjustment is made. Step 2 is simple stopping rules where the search process is stopped by choosing the first option that meets the objective. Step 3 is the simple decision rule where after the search and limited amount of information is obtained, a simple decision is required to choose the option that meets the most important reason rather than determining weighting for all reasons. It's important to choose the most important reason to be able to determine option that meets the objective (Hanoch et al., 2008).

Bounded Rationality is the search for alternatives and cues (reasons and predictors when deciding alternatives). The search is stopped when the costs of the search exceed the benefits of future searches "the optimal stopping rule". Accurate estimates of costs and benefits must be done to ensure the correct information is used to inform the search to continue or stop (Hanoch et al., 2008). Bounded Rationality assumptions are that the problem is defined perfectly, all criteria is identified and accurately measured, all alternatives are known and accurately assessed or calculated and the decision is made on the alternative that offers the highest value. Bounded Rationality must include the theory of search, if alternatives are not given the decision maker must search for them. The decision maker must set an aspiration or goal on the alternatives he should find. As soon as an alternate is found that meets the objective he should terminate the search. The decision-making process will differ in each situation. The decision-making process should not focus on profit maximisation but rather define goals in terms of targets and to consider motivational and environmental variables (Simon, 1979).

Simons concept of Bounded Rationality were expanded in later years by March and Simon and Levinthal and March. The additional considerations with the expansion of the research was that Bounded Rationality decision-making is impacted by the complexity and limited capacity of humans to process large amounts of information, new solutions are determined by modifying the current solution, alternatives are considered at a point in time, the search for new solutions is only done when the goal is not being met. The "satisficing" model is used, where the first solution that meets the goal is used. Goals and search strategies are set and developed from learning and previous experiences

Bounded Rationality theory indicates that decisions are impacted on what we know and how information is presented to us to make a decision. Consideration must be given to behavioural economics, the changes in the decision environment, preferences, beliefs and intentions (Grüne-Yanoff, Marchionni, & Moscati (2014). Decision makers have to consider how best to achieve their desires taking into account their beliefs and information available to them. The information gathering process has to be linked with gathering new information and linking that information to desires and beliefs. When information is presented, people will act differently based on their understanding and belief system. Consideration needs to be given to limitations of information, risk strategies, time constraints within the business to make the decision, illusions, psychological, social behaviours and how information is presented to enable decision-making. There could be "authorial intention", "unconscious attitudes" that the writer may be presenting (Elster, 2009, p. 17). The different interpretations of information by different actors will result in different choices and decisions being made. We need to be able to achieve information symmetry and information saturation to enable decision-making (Elster, 2009).

Ambiguity arises when the process to determine outcomes is not well understood (Mahmoudi & Pringle, 2018). Information gathering and the ease in which information is readily available helps to reduce ambiguity as subject knowledge of the situation reduces the number of probabilities.

Within the hierarchy of an organisation, there are complex units and structures that limits the flow of information. With the time constraints in place when making business decisions, the slow and/or lack of flow of information could result in delays in decision-making. Public sector organisations and related Policies are known for their hierarchy that slows down decision-making and does not help resolve “wicked problems” (Head & Alford, 2015. p. 1). To overcome this limitation, focus must be given to either split, combine or reallocate functions or sub units within the organisation to enable information flow. The unbundling of complex structures will help managers access information quicker to enable rational decision-making (Ethiraj & Levinthal, 2019).

Individuals are generally regarded as individualistic and their political agendas affect their decisions. People have different views on the economy and use these different views to develop choices and make decisions (Stiglitz, 2017).

Decision-making in organisations have to consider horizontal (line managers) and vertical (subject matter experts) consultative processes to assess flow of information and if these structures are adequate to enable decision-making. Consideration must also be given to the administrative, personal and cultural factors facing decision makers and the organisation.

Trust holds an organisation together and improves the way the organisation is managed. Trust is the ability to predict the behaviour of the other person and trust the information, data to help in decision-making (Cuguero-Escofet & Rosanas, 2019). In order to trust the other person, we need to consider the ability, benevolence and integrity as well as competence and skill, value system, unselfish values and moral virtues. Does the person we intend to trust have the right will power to execute on the agreed actions to obtain the associated benefits. Challenges arise when individuals within the organisation have conflicting priorities i.e., profitability, market position, social responsibility and personal development. Organisations need to build an ethical culture that will promote trust amongst its employees so that each employee is aligned to the organization goals in terms of the highest-ranking order and there is trust that the employee will deliver on the agreed actions to ensure that information gathering and collation of data is accurate and reliable to ensure decision-making is successful.

It is hard for actors to choose options due to other influences that will exist in the decision-making process. We think we know a lot of stuff about the matter on hand which gives us confidence to make the decision however there are limitations in our beliefs. Limitations in the form of organization hierarchy (Ethiraj & Levinthal, 2019), ambiguity (Mahmoudi and Pringle, 2018), political agendas, views of the economy and human nature (Stiglitz, 2017) and trust (Cuguero-Escofet & Rosanas, 2019).

To address these limitations, we need processes in place to allow us to obtain information saturation to make a decision. We need heuristics which is helping the decision maker to gather all the information on their own (Mahmoudi & Pringle, 2018). We need a balance between obtaining complete information and not overthinking and slowing the decision-making process down with too much information. Models and theories have been developed over the years to explain and describe how decisions are made. "Classical theories of choice in organisations emphasise decision-making as the making of rational choices on the basis of expectations about the consequences of action for prior objectives, and organisational forms as instruments for making those choices" (Dillon, 1998). Dillon concludes that Bounded Rationality helps with individual decision-making and is able to aid the less than rationale decision maker.

A review of the theoretical frameworks for Bounded Rationality decision-making indicates that there are a number of key criteria that have to be considered and implemented to aid in decision-making. Some of these criteria include how information is presented, behavioural economics, hierarchy of the organisation, flow of information, ambiguity, political agendas and trust. Based on the review completed on Bounded Rationality academic journals in this Chapter, the following framework was developed. The framework includes the process and criteria for decision-making to be considered and executed to support decision-making within the bounds and criteria of Bounded Rationality theories. This framework will be used in Chapter 4, for the research analysis to determine if elements of this framework are included in Procurement Legislation.

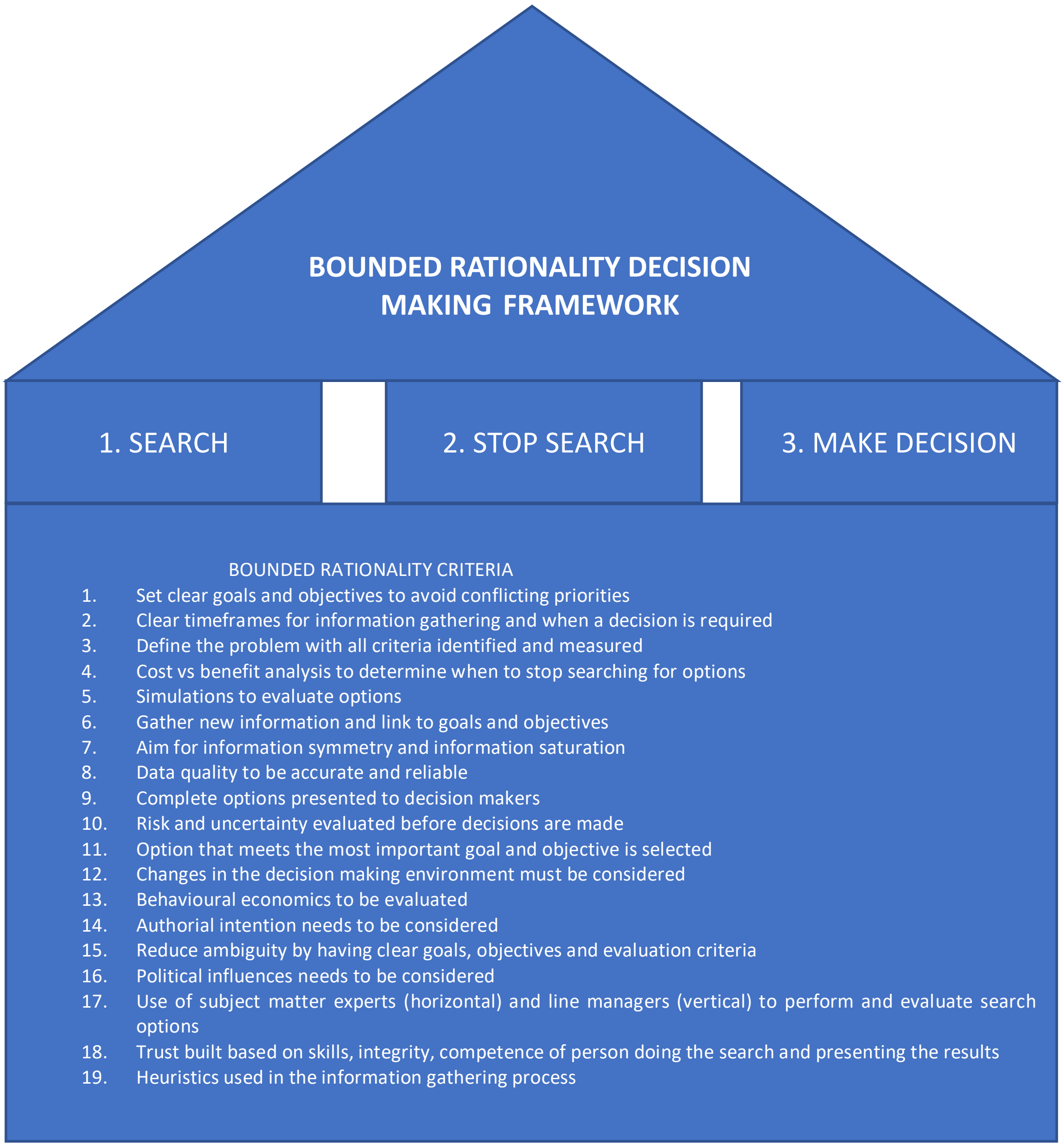

Diagram 2.4 Bounded Rationality decision-making framework

2.8 Conclusion

Procurement is an important function and SOE's are challenged with lack of and poor governance to effectively manage Procurement which is susceptible to corruption and maladministration. Procurement processes are subjected to legislative compliance through acts like PFMA, Companies Act, the Constitution, PPPFA, PAJA, PAIA, BBBEEA and others as mentioned above. The different Procurement Legislation has various Procurement processes documented with the relevant compliance requirements. Legislation also provides guidance on the decision-making committees that should be in place to ensure processes are followed and decisions are made before proceeding to the next process. Businesses need to be equipped with flexible procurement and decision-making systems. The Constitution does not specify a decision-making procedure when adopting the five principles which may result in conflicts. Decision-making requires accountability and managers to be able to diagnose the situation, evaluate alternatives and the relevant consequences then select an alternative that will be in the best interest of the organisation and at the same time comply with the relevant legislative requirements.

Decision-making is a complex process within an organisation. The structure of decision-making should include defining goals upfront, identifying the problem, developing options and thereafter selecting the option that best meets the organisational goal. Challenges within the organisation add to the complexity of decision-making. There are multiple criteria that must be considered to ensure that decision-making is accurate and reliable and organisations need a deliberate process that allows access to information, considers timeframes, expert opinions, consideration of any political influence that may be exerted and availability of data when making a decision. Bounded Rationality decision-making theory provides a framework to assist organisations with challenges and make a decision that will best achieve the pre-defined goal and objective.

3 Research methodology and data collection

3.1 Introduction

This chapter explains the research design, methodology and tools used to analyse the relevant information to meet the research objectives and answer the research question. The theory and supporting procedures that was used to complete the research was qualitative research methods.

3.2 Research approach

Research methodology is defined as how you intend to do the research and the theory and practices of how the research will be conducted to produce valid knowledge. In the methodology, the research process, tools, procedures and steps to follow are documented. This includes the research process which is how you will be conducting the research in terms of sampling, selecting cases, measurement, data collection, data analysis and interpretation and the role of the researcher (Braun & Clarke, 2013; Mouton, 2000).

Research design is detailing what type of study will be done to provide answers to the research question. The design is a plan on how the research will be carried out (Mouton, 2000), and the method to collect the data. The focus is on the goal and end product of the research and what frameworks will be used to gather and understand the information and related evidence to answer the research question (Braun & Clarke, 2013; Mouton, 2000). Research design has to consider the safety of the researcher and this will entail consideration of the topic, who collects the data and the use of pseudonyms/fake names for confidentiality. The researcher must ensure there is respect within the research design with the appropriate use of confidentiality and anonymity. Competence and responsibility need to be included in the research by awareness and compliance to professional ethics and protection to ensure no harm comes to the research participants. Integrity is included in the research design and tools to ensure that the researcher does not misrepresent data or use others work without acknowledging it (Braun & Clarke, 2013).

Qualitative research uses words as data. Data and words are collected and reviewed in different ways applying a qualitative paradigm. Paradigms, provides an overarching framework for the research and is defined as "beliefs, assumptions, values and practices shared by the research community" (Braun & Clarke, 2013). Qualitative research uses words as data, this data is collected and analysed in different ways to understand patterns and differences. This type of analysis uses the meaning of data, it is a theory generating research. The research brings their subjectivity into the research to collect, capture, interpret the data to make sense of the data. The data is organized to allow a deep understanding to be able to answer the research question and research objective. The researcher is able to use a variety to tools to collect and analyse the data.

Consent has been obtained from the GM: Human Resources and Chief Procurement Officer (CPO) at TPT to access documentation relating to the Procurement of the cranes and trainers as well as the related TPT Procurement Legislation.

The strength of this research will be to aid TPT, which has received a number of audit findings relating to weaknesses within the Procurement process to improve on the Procurement decision-making process. Executives would welcome recommendations to enhance the decision-making process to support the achievement of TPT's mandate. The weaknesses of this research and data gathering is that Procurement related transactions is currently a sensitive topic within TPT due to the qualified audit reports and the large number of Procurement related audit findings raised by the auditors. Engaging with Procurement officials within the organisation on Procurement transactions may be a challenge. The process of record-keeping within Procurement at TPT is inadequate, therefore access to certain documentation and minutes of meetings may not be available . Some of the officials are no longer working within TPT therefore interviews or questionnaires will not be possible to gather information. With the current limitation of the Covid-19 pandemic, the researcher will not be conducting face to face meetings to request related documents, these requests will be done via email or phone.

3.3 Research design

The research design and process that was used for this research study was analysing large volumes of data via Procurement Legislation, Bounded Rationality decision-making literature and the Procurement transactions hence the TA qualitiative research methodology was best suited to analyse the data and aid the researcher with the necessary information to answer the research question. The research design followed the seven steps as per the Thematic Analysis process. These steps are illustrated in digram 3.1.

Step 1 was transcription which was the preparation of data. This involved identifying all the relevant information that assisted with the research. This included Procurement Legislation that was applicable to the Procurement function of Transnet Port Terminals (TPT), which is a State-owned entity. The Procurement Legislation was identified via reading academic journals and through enquiries from TPT's Procurement governance office, who are responsible for compliance with Procurement Legislation at TPT, hence a list of all applicable Procurement Legislation was obtained from the office. With the completion of the literature review in Chapter 2 above, it was noted that there is no one defining document that provides a comprehensive list of all Procurement Legislation that applies to a State-owned entity like Transnet Port Terminals. To manage this risk, the list was built from the research articles reviewed on relevant State-owned entity Procurement Legislation and from input received from the TPT Procurement Governance office. The lack of a comprehensive list of all relevant Procurement Legislation applicable to a State-owned entity was documented in the conclusion section to drive recommendations to address this shortfall. Transcription was done in two parts, part one was to identify the Procurement Legislation and determine what Legislation is applicable to the relevant Procurement processes mentioned in diagram 2.1. Thereafter, the second part of the transcription analysed the Procurement Legislation from the Procurement Regulatory universe in table 2.1 to determine if the requirements of the Act included regulations that were applicable to the overall Procurement function for TPT. This assisted to identify the relevant Legislation applicable to this research paper to commence with step 2 of reading and becoming familiar with the information to begin coding. Part 2 of transcription assisted to eliminate the irrelevant data thus streamlining the data. Dataset 1a and 1b was developed and was a register of the Procurement Legislation applicable to the Procurement function of TPT and was relevant for this research paper and assisted to answer the research question.

Step 2 entailed the researcher reading and becoming familiar with information of interest relating to all Acts of Legislation listed in dataset 1b.

Step 3 was the coding across the dataset. The codes for the dataset was determined upfront as this was selective coding, this unique coding was documented in a coding table. The coding table highlighted relevant data from each item listed on the dataset and allocated the relevant code. The table below illustrates the format of the output for step 3. The Procurement processes developed in Chapter 2 above include demand, acquisition, sourcing, evaluation, award and contract management, as documented in diagram 2.1.

Dataset	**Codes**
Dataset 1	1. *Code 1* 2. *Code 2* 3. *Code 3*

Table 3.1 Format of coding table
Source: Braun & Clarke, 2013.

Procurement Legislation	**Document reference (page number, paragraph, line number, section)**	**Data**	**Code**
Name of Legislation	*Chapter number, page number, section of the data*	*Relevant data from Legislation*	*Code 1*

Table 3.2 Format of table to be used to code research data
Source: Braun & Clarke, 2013.

Step 4, 5 and 6 which was searching, reviewing and defining. Pattern – based analysis was used to take the data and codes identified in step 3 and reviewed this against the data and corresponding codes to collate codes and corresponding data to a theme. The table below shows the output of step 4 which was done for each dataset.

Theme: ***Theme of Procurement***		
Procurement Legislation	**Data**	**Code**
Name of Legislation	*Relevant data from Legislation*	*Procurement general*

Table 3.3 Format of table to be used to identify themes across research data
Source: Braun & Clarke, 2013.

Step 7 of writing and finalising analysis included a narrative summary on each theme identified to explain the data and meaning of the data. The final analysis was performed against the themes identified in step 6 to the Bounded Rationality decision-making framework developed in Chapter 2. This assessed if Bounded Rationality decision-making process or criteria was included in the relevant Procurement process within the Procurement Legislation for TPT.

Theme	Bounded Rationality process identified	Bounded Rationality decision-making criteria
Theme	*Yes,*	*Bounded Rationality decision-making criteria*

Table 3.4 Format of table for analysis of research data (themes and Bounded Rationality decision-making criteria)
Source: Braun & Clarke, 2013.

The analysis under this step resulted in a narrative that explained, for each theme identified, the meaning of the theme and the relevant Procurement Legislation that this theme appeared in. The analysis then analysed the process and criteria identified in the relevant theme and explained how the Bounded Rationality decision-making process or criteria was included in the theme and the relevant Procurement Legislation. Further analysis was done for the 2 Procurement transactions at TPT that have been selected as sample Procurement transactions for this research. These transactions were reviewed to ascertain if Bounded Rationality decision-making process and criteria was used by TPT in making the decision to enter into these transactions. Thereafter, a summary was done on the results of the research analysis to answer the research question on the extent of decision-making criteria included in Procurement Legislation. Recommendations were developed and included as part of the research report. This was done with the aim to enhance the decision-making processes at TPT.

3.4 Target population and sample size

The population was Procurement transactions identified as non-compliant by the auditors for TPT for the year end 31 March 2020. This was a population of forty-five findings of non-compliant Procurement transactions raised by external audit as mentioned in paragraph 1.2 above. Sampling was used to provide sufficient evidence to answer the research question. Sampling was purposive to generate insight and in-depth understanding to TPT's Procurement transactions. The sample had been selected and a review and assessment was completed within the research analysis chapter to ascertain if the selected Procurement documentation was sufficient to provide data for the analysis. In this research, sample selection was done on a "specific event or issue" (Braun & Clarke, 2013, p. 57). The researcher had sampled data that met the definition of being non-compliant to Procurement Legislation, to enable the researcher to assess if any Bounded Rationality decision-making criteria was followed for these non-compliant transactions. The sample was two procurement transactions selected out of the population of forty-five transactions as these two transactions had sufficient insight and information to be able to answer the research question and was identified as non-compliant by the auditors.

3.5 Data collection techniques

The data collection method for this research was textual data collection, with pre-existing data. This entailed reviewing and interpreting Procurement Legislation, which was a secondary source of words as this Legislation was already in written format. Bounded Rationality criteria from written academic journals which was also a secondary source of data, as this was already in written format. Legislation and academic journals are secondary sources of data as the researcher has not played a role in the production of the data. For this research, secondary sources of data was used to explore the Procurement Legislation concerning the Bounded Rationality decision-making criteria. This method assisted with the research sensitivity on the topic of State-owned entity's Procurement processes as there was no direct contact and interaction with participants or any TPT employees. The review of Procurement Legislation secondary data assisted the researcher to conduct an analysis on all the relevant Procurement Legislation to determine if any Bounded Rationality decision-making criteria was included in such Legislation, thereby meeting the research objectives and answering the research question.

Research methodology for this qualitative research was the "thematic analysis" (TA) model. This is a "systematic approach for identifying, analyzing and reporting patterns, themes across datasets" (Braun & Clarke, 2013, pg. 178). TA provided a method for data analysis and did not restrict the researcher in the method that could be used for data collection, this was a flexible research tool that could be used to answer a wide range of research questions. Large and small data sets can be analysed with the TA research tool. The TA tool allowed the researcher to use the data to identify themes to enable a "critical, constructionist analysis" which helped to identify concepts (Braun & Clarke, 2013). The TA research methodology was to collect all relevant data that was considered important for the research objective then to read and become immersed in the data to become familiar with the data to understand the data and its meaning. This assisted to identify data that was relevant to the research question. The following diagram shows the step-by-step process followed to use the TA qualitative research methodology (Braun & Clarke, 2013).

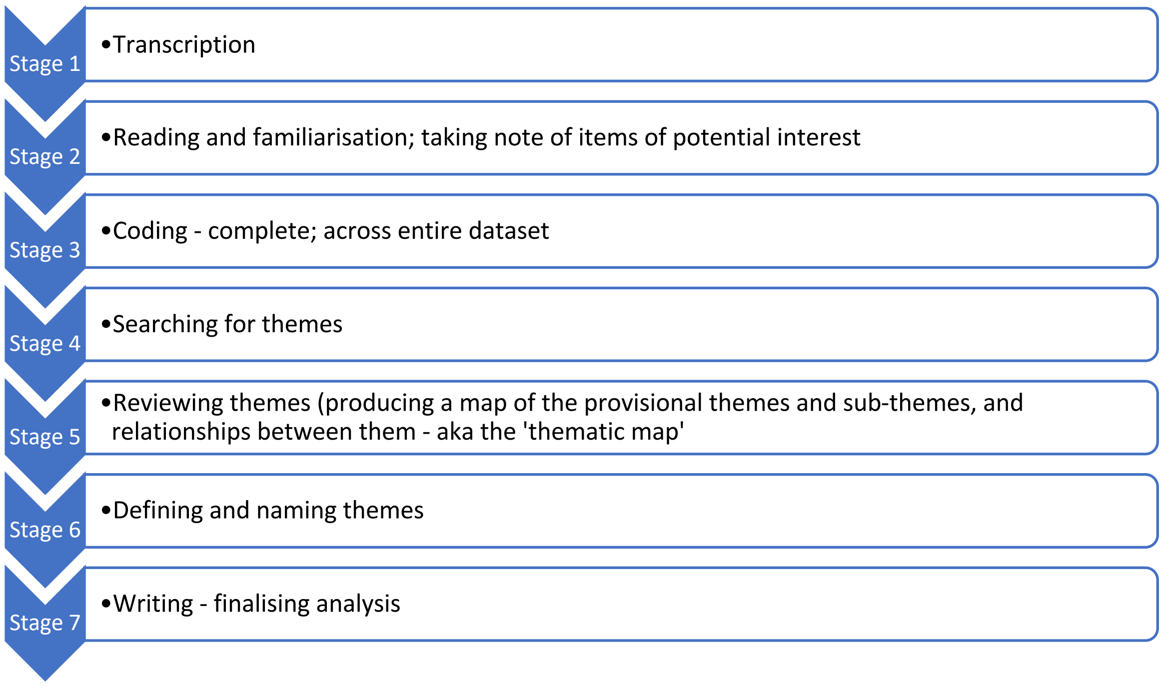

Diagram 3.1 Thematic analysis (TA) process
Source: Braun & Clarke, 2013.

3.6 Data Analysis

Once data was read, coding commenced. Coding was a process of identifying data relevant to the research objective. (Braun & Clarke, 2013). Selective coding was used to identify instances of data that was of interest and relevant to the research question. Selective coding began the process of eliminating irrelevant data, which aided with the data reduction to produce an inventory of relevant data. Coding helped with the identification and meaning of the data. Codes had to be concise and adequate to describe the information without the data, identify different concepts and ideas. Codes identified themes and patterns as well as differences. For selective coding, the themes could be identified upfront, this then guided the researcher to look for information relevant to a code that assisted with the research question. Once all data identified had been reviewed and coded, data needed to be collated per code, however some data appeared in more than one code. Similar coded data was put together to be analysed later.

Data had to be adequately indexed and referenced to the document and location within the document to trace later. Indexing including information such as document name, chapter number, page number, line number.

Once coding had been completed, the determination and allocation of themes commence. Pattern-based analysis was used as the the approach to identify data (Braun & Clarke, 2013). Themes aided in identifying concepts, topics or issues, that was important data to answer the research question. Saliency analysis was included so as to be able to identify the important data, irrespective of the frequency that the data appeared. This assisted to identify the most important and relevant themes, which then aided with the identification of central organizing concepts. Themes had to make sense and be relevant to the research question.
Analysis of the themes and data commenced thereafter. This entailed completing a deep analytical narrative to interpret themes and the related data and patterns that had to be collated. The narrative needed to tell a story and use the data to answer the research question. Theme definitions documented what each theme and the related data meant in relation to the research question. This narrative was used by the researcher to indicate how the theme and supporting data answered and correlated to the research question. The extracts and narratives highlighted the content and meaning of the data. The narrative included important extracts of the data as evidence. The researcher was able to illustrate in the narrative, what was interesting in the data, why this data was important and relevant and how did this data answer the research question. The analysis used the data to illustrate a point. Conclusions were reached within the analysis and recommendations documented accordingly.

3.7 Reliability and validity

Validity of a research is defined as data that is showing the results of what it was projecting and aiming to show. Validity extends further to data collection that is able to meet the data collection objective and the results being generalised to a wider range of data and can be applied to real life contexts (Braun & Clark, 2013). The data used in this research was from Acts of Legislation and academic theory of Bounded Rationality decision-making models and criteria. This data was found to be valid as the regulations contained within the relevant Acts of Legislation were applicable to Procurement within a SOE like TPT, which is what the study focussed on. The academic literature on Bounded Rationality was relevant as it highlighted the decision-making process prescribed under the model and litertuare was able to provide criteria that needed to be considered under the Bounded Rationality decision-making process. This literature was valid and was used to build a Bounded Rationality decision-making process and criteria framework. This framework was used as the conceptual framework for the research analysis, to allow the researcher to conclude on the research question. The data obtained for the two procurement transactions were also found to be valid as this provided the right amount of details for the researcher to analyse the decision-making process followed to commit to these transactions.

Reliability is the aim of the researcher obtaining the same results when the same research measures are used by different researchers across different data or participants (Braun & Clark, 2013). Tools used in the research must not be influenced by the researcher or any participant. The skills of the researcher assists with reliability in a qualitiative study. Themes and patterns are generated based on the researchers ability and skills. Reliabiltiy is improved when the researchers has the right skills and experience in collecting the research data and conducting the analysis needed for the research. The researcher is a Chartered Accountant and auditor by profession. The researcher professional values required that the researcher acts with integrity and honesty all the time. This aided in the reliability of the research as the results documented for this research paper, were the accurate results produced as part of the research analysis. As an auditor, the researcher also had the right skills and experience to read vast texts of Legislative data and interpret such data. This assisted with the interpretation of the regulations included in the Acts of Legislation that was included in this research study.

3.8 Ethical considerations

Procurement within the SOE's is a sensitive topic currently in South Africa as it has political challenges with political role players involved. With the clean-up across SOE's, employees that were found to be supporting previous leadership were either moved from their role or asked to leave the organisation.

Conflict of interest may have arisen as respondents and Procurement personnel might have viewed this research as a control compliance or fact finding report to establish responsible individuals for the PFMA violation identified by the auditors amounting to R136 million and R19 million.

The research approach adopted was therefore a desktop review of Legislation and the two Procurement transactions only. The researcher mitigated any risks of this research at TPT by the following actions, obtaining approval from the GM: HR and CPO to access any Procurement documentation at TPT, communicating clearly to the SCM officials the purpose of the request for documentation and that the research focussed on improvements to the decision-making criteria in Procurement Legislation only and not to complete an audit of the two Procurement transactions, only including key themes of the Procurement transactions in the research report, not using names of any SCM officials or suppliers in the research report and if the need arose, to use titles and designations and supplier as ensured confidentiality and anonymity. The researcher analysed the Procurement documentation personally and did not subject any Procurement official to any interview or questionnaire to understand any details or root causes of the Procurement transactions, no interviews or questionnaires was sent to any Procurement or other official within TPT. These actions safeguarded the positionality of the researcher. At the time of completing this research proposal report, the researcher was employed at TPT, however was no longer employed at TPT by the time the research report was completed due to resignation. Even though the researcher will not be employed at TPT, the permission granted by the GM: HR and CPO was still valid for this research report.

The research article does not disclose names of individuals to protect their identity and prevent victimisation or related consequence management. Instead Procurement official was used to describe the relevant role players. Suppliers name was not be included in this report to prevent reputational damage to suppliers, supplier will be used to describe the supplier. Cranes and training are generic purchases of goods and services that is used to describe the Procurement transactions at TPT and expenditure values rounded off to assist with anonymity in this research report. Where necessary for the purpose of this research generic titles like CE, CFO or CPO was used .

For any reason, if further clarity was required for certain TPT related Procurement transactions, names of TPT officials who provided further information was not used to protect their confidentiality.

3.9 Limitations of the research

There were no challenges experienced in obtaining documentation for the Procurement of the cranes and trainers, even though these Procurement transactions are very sensitive within TPT. Permission was obtained from TPT's GM: Human Resources to enable the researcher to make contact with the relevant role players across TPT to source the relevant information.

At the time of performing the research analysis and finalising the research report, the researcher was no longer employed at TPT. The researcher is a Chartered Accountant and Internal Auditor and as such has a keen interest to improve Procurement governance processes within SOE's, like TPT. The researcher had identified shortcomings, in TPT's decision-making process with the aim of strengthening the Procurement process to prevent future losses. Hence there was a vested interest to source the information to do a complete assessment. TPT: GM: Human Resources and CPO had approved the research topic and access to information therefore, once the research report has been finalised and approved by the University, the research paper and recommendations will be shared with these executives, with the view of improving Procurement decision-making at TPT.

The researcher had performed multiple reviews of processes and documentation to identify control breakdowns and recommend control improvements. Attention to detail was a strength for this research as this assisted to identify any shortcomings relating to Bounded Rationality decision-making criteria in Procurement Legislation.

This research was doable based on Procurement Legislation and documentation available as well as Bounded Rationality theoretical models in place.

The researcher's positionality as an auditor by profession posed as a strength as compliance to Legislation is one of the key drivers to assess compliance in the field of study and work. This positioned the researcher to positively interpret the data to assess the relevant Procurement transaction against compliance to Legislation and theoretical decision-making criteria, to determine areas of improvement that aided the research.

The focus on the research report was on Procurement Legislation and decision-making theoretical criteria as this ensured that the research report was academically focussed and not business focussed.

3.10 Conclusion

This Chapter explained the use of the TA research methodology via the seven steps of transcription, reading and familarising, coding, searching for themes, reviewing themes, defining themes and writing to finalise the analysis. This approach was used as the data was of a qualitative nature in the form of text in Procurement Legislation, Bounded Rationality decision-making literature and a sample of Procurement transactions relating to TPT.

4 Presentation of research data and information

4.1 Introduction

The Acts of Legislation which formed part of the data for this research report was analysed according to the research methodology adopted in Chapter 3 above. The Bounded Rationality decision-making theories from the academic literature review completed, was used to create the Bounded Rationality decision-making framework in Chapter 2, diagram 2.3. This framework was used in the research analysis to address the research objective and research question so as to determine the extent of decision-making criteria included in Procurement Legislation. Procurement transactions for TPT were selected as part of the research approach in Chapter 1 and included as part of the research analysis below. The results of the research analysis and interpretation of the findings are presented in this Chapter.

4.2 Step 1: Transcription

(a) Results

Procurement Legislation relevant to a SOE like TPT was identified via two sources, academic literature reviewed in Chapter 2 above and information obtained from the TPT's Procurement Governance Office. The Procurement Governance Office is responsible for the compliance to Acts of Legislation and implements processes to ensure compliance.

Part one of the transcription identified Legislation that is applicable to Procurement, the output data included twenty Acts of Legislation that apply to a SOE's Procurement function that is documented in dataset 1a below in table 4.1.

Dataset 1a:

No	Legislation	No	Legislation
1	The Constitution	11	PAIA
2	PFMA	12	POPIA
3	Co Act	13	Protected Disclosures Act
4	PPPFA	14	PEPUD
5	B-BBEE	15	CIDB
6	Competition Act	16	FIDPM

No	Legislation	No	Legislation
7	National Small Business Act	17	POCDATARA
8	OHS	18	King code
9	PAJA	19	National Treasury Regulations
10	PACCA	20	JSE Debt Listing

Table 4.1 List of Acts of Legislation relevant to TPT Procurement

The second part of the transcription analysed the twenty Acts of Legislation from part one to determine if the requirements of the Act include regulations that are applicable to the Procurement processes for TPT. This process entailed a high level review of the purpose, chapters and supporting regulations within the Act to identify if the Act has specific mention to Procurement processes and the overall Procurement function. This was done with the purpose of identifying the Acts and regulations that are specific to Procurement. This assisted to eliminate the irrelevant data for the research report, thus streamlining the data. The output for the second part of the transcription was Acts of Legislation that is relevant and applicable to this research paper. The results are presented in dataset 1b, table 4.2 below. This output was used to commence with step 2 of this qualitative research analysis of reading and becoming familiar with the regulations of the Act to begin coding.

Dataset 1b:

Table 4.1 reference	Legislation
1	The Constitution
2	PFMA
3	Co Act
4	PPPFA
10	PACCA
15	CIDB
16	FIDPM
18	King code
19	National Treasury Regulations

Table 4.2 List of Acts of Procurement Legislation relevant to research paper

(b) Interpretation of results

The output from step 1 was in two parts, the first part was a dataset of Act of Legislation that are relevant to a SOE's Procurement function. This is detailed in dataset 1a in table 4.1.

The output from the second part of Step 1 was the relevant Acts of Legislation that have specific regulations applicable to TPT's Procurement function and processes. The results of this analysis was documented in dataset 1b. Dataset 1b contains a list of Acts of Legislation that is relevant to this research paper and is included in table 4.2.

The analysis resulted in nine Acts of Legislation being identified that are specific to TPT's Procurement function and process that is relevant for this research paper. The balance of the eleven Acts of Legislation are applicable to Procurement as a whole and do not have specific regulations within the Act that regulate Procurement processes that was useful for this research paper.

It is important to establish that 55% of Procurement Acts of Legislation do not provide guidance on the Procurement function and processes. This will be relevant in the conclusion of this research paper to assist in the assessment of the extent of decision-making criteria included in Procurement Legislation. With the challenges facing SOE's Procurement function as documented in 2.1 above, Acts of Legislation should aim to regulate and control the Procurement function to enhance governance, (Munzhedzi, 2016), however, 55% of the Acts of Legislation that are aimed at controlling and enhancing governance within the Procurement function, does not provide specific regulations to govern the process. To illustrate and elaborate on the extent of which Procurement Legislation is not applicable to Procurement processes, the results from the review conducted on the Competition Act and PAJA as part of the research analysis, is documented below.

The Competition Act is applicable to SOE Procurement, however has the objective to investigate, control and evaluate restrictive practices and abuse of dominant position and mergers. The regulations of this Act relate to the process, set up and rules of the Competition Commission. The regulations in this Act does not address any Procurement process and is therefore not relevant for this research paper as there is no information that can be used to assist to answer the research question. In addition, PAJA applies to a SOE's Procurement function (Munzhedzi, 2016), the objective of this Act is "to provide guidance on the right to administer action that is lawful, reasonable and procedurally fair to promote efficient administration and good governance and create a culture of accountability, openness, transparency in public administration or in the exercise of public power in the performance of public function" (PAJA, 2000). This Act provides compliance requirements for SOE's that deal with administrative action that affects the rights of any person, to be procedurally fair. The Act goes on further to provide regulations on what will be deemed as procedurally fair. There is no regulation specific to any administrative action or requirements for procedurally fair practices specific to the Procurement function or related processes. The regulations in this Act do not address any Procurement process and is therefore not relevant for this research paper as there is no information that can be used to assist to answer the research question. Similar Acts of Legislation were analysed and found to be irrelevant to this research paper. This analysis will be concluded later on in Chapter 5.

The nine Acts of Legislation identified in dataset 1b had a distinguishing feature for being included as part of the dataset after the part two of transcription. This was that the Acts included regulations that were applicable to the Procurement function and processes. An example of this application relates to the PFMA that was identified in dataset 1b as an Act of Legislation that is relevant to the research paper. Section 50 of the act on the fiduciary duties of accounting authorities for a public entity require that such authorities "exercise the duty of utmost care to ensure reasonable protection of the assets and records of the public entity" (PFMA, 1999) and such authorities must "act with fidelity, honesty, integrity and in the best interests of the public entity in managing the financial affairs of the public entity" (PFMA, 1999). The financial affairs of the public entity include amongst other processes, income and expenditure and expenditure is the outcome of the Procurement function which is "the process whereby government bodies purchase from the market the goods, works and services they need" (Dlamini & Ambe, 2013). The expenditure resulting from the Procurement function is therefore subjected to Section 50 of the Public Finance Management Act. This applicability between the regulation of this Act and the Procurement process was used in part two of transcription, to identify the Public Finance Management Act as a relevant Act of Legislation for the Procurement function.

This Act of Legislation was therefore identified to be relevant to this research paper, as further analysis will have to be done on this Act of Legislation to assess if any Bounded Rationality decision-making criteria is included.

4.3 Step 2: Reading

(a) Results

Step 2 entailed reading the nine Acts of Legislation identified above and understanding the objective and meaning of the Act and regulations. Each Act was read and understood and regulations relevant to the Procurement process and relevant to this research paper was recorded to assist with the research analysis. The TA research approach requires the source of data to be recorded with the data during the analysis, therefore for this step in the analysis, the source (chapter number, section number, paragraph number) relevant for each regulation was transcribed so that the relevant data can be traced back to the Act of Legislation later on, should the need arise. Refer to table 4.3 below for an extract and amount of detail included in step 2 of the research analysis.

Chapter	Chapter title	Details from Legislation
Chapter 6	Public entities	49. Accounting authorities.—(1) the purposes of this Act. (2) If the public entity Every public entity must have an authority which must be accountable for (a) has a board or other controlling body, that board or controlling body is the accounting authority for that entity………

Table 4.3 Data used to read and understand Acts of Legislation

The nine Acts of Legislation resulted in 32% of the Chapters or Parts identified that had relevant regulations to TPT's Procurement process and would be relevant to this research. The output of step 2 and the breakdown of the 32% is documented in table 4.4 below, where the results are interpreted.

No	Legislation	Total Chapters or Parts	Relevant Chapters or Parts	% of relevant Chapters or Parts
1	The Constitution	14	2	14%
2	PFMA	12	1	8%
3	Companies Act	9	1	11%
4	PPPFA	17	12	71%
5	PACCA	7	2	29%
6	CIDB	6	2	33%
7	FIDPM	7	5	71%
8	King code	7	2	29%
9	NT regulations	9	1	11%
Total		**88**	**28**	**32%**

Table 4.4 Percentage of Legislative regulations relevant to Procurement processes

(b) Interpretation of results

To ensure that the TA research method was complied with, and data used in this research paper was traced back the source. For each of the nine relevant Acts of Legislation the relevant Procurement regulation was identified from the Act and the chapter number, section number and paragraph was recorded as well so that the relevant data could be traced back to the Act in the future if the need arises.

The results of Step 2 was an identification for each of the nine relevant Acts of Legislation the regulations relevant to the Procurement processes and therefore this research paper.

A summary of each on the nine Acts of Legislation, the total number of Chapters or parts for the Act and the number of Chapters or parts that had regulations relevant to the Procurement function for TPT and was highlighted as relevant for this research paper is included in table 4.4.

Analysis of Acts of Legislation that apply to TPT's Procurement process indicate that 45% of the twenty Acts of Legislation are relevant for this research paper and further analysis completed in Step 2 indicates that of that 45%, only 32% of the nine relevant Acts of Legislation have regulations that govern and relate to TPT's Procurement processes and are relevant for this research paper. This indicates that there is very little regulations within Procurement Legislation that govern the Procurement processes at TPT. This analysis will be concluded later on in Chapter 5.

4.4 Step 3: Coding

(a) Results

Coding was done on the output of Step 2 which was regulations specific to TPT's Procurement processes. This was the starting point of the coding. Data codes were developed from the Literature review completed in Chapter 2, diagram 2.1 which documented the relevant Procurement processes applicable to TPT's Procurement function. These processes entail the preparation, review and evaluation of information to aid in the decision-making process of approval to procure goods or services, approaching the market and evaluating potential suppliers and thereafter committing the organisation into a contract with the supplier to provide the requested goods or services. This commitment with the supplier constitutes entering into a Procurement event that results in expenditure being incurred for the organisation. The relevant regulations within the Acts of Legislation were understood and coded according to the data codes developed. The data codes developed in this step are included in table 4.5 below.

No	Data codes
1	Overall Procurement process
2	Procurement official values
3	Demand
4	Acquisition
5	Sourcing
6	Evaluation
7	Award
8	Contract Management
9	Procurement decision-making committees

Table 4.5 Data codes used for coding

Table 4.6 provides a summary of the number of regulations associated to each code identified. The overall Procurement Process code had the largest amount of data, in the form of regulations coded against it, 37 regulations, followed by the Demand code with 11 regulations coded against it. The results are interpreted below.

No	Data codes	No
1	Overall Procurement process	37
2	Procurement official values	7
3	Demand	11
4	Acquisition	0
5	Sourcing	1
6	Evaluation	9
7	Award	2
8	Contract Management	2
9	Procurement decision-making committees	2
	TOTAL	**71**

Table 4.6 Summary of regulations per data code

(b) Interpretation of results

The coding process was developed from the output of Step 2 and the Procurement process in diagram 2.1 in Chapter 2. Once the nine relevant Acts of Legislation were read and understood and regulations specific to the Procurement process identified, data codes were developed, these codes include the overall procurement process, procurement officials values, demand, acquisition, sourcing, evaluation, award, contract management and Procurement decision-making committees. These codes are listed in table 4.5 above.

These nine data codes were used to code all the relevant regulations from the nine Acts of Legislation. This resulted in all relevant data being coded accordingly. Regulations per data code are summarised in table 4.6 above. Seventy-one regulations over the nine relevant Acts of Legislation, were relevant to this research paper and coded accordingly. There was no relevant regulation that was not coded; hence all relevant data has been included in the coding.

A brief explanation is given for each of the data codes used. Data code on the overall Procurement process relates to regulations that apply to the entire Procurement function and the end-to-end process. Examples of this data included the values and principles that the Procurement process and overall function should comply with. The Constitution requires "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 fair, equitable, transparent. competitive and cost-effective" (Constitution, 1996). This regulation is applicable to the entire Procurement function and all processes, therefore is relevant to this research paper and was therefore coded as overall Procurement process. Other examples of regulations that were coded as overall Procurement process included:

> Section 51 from PFMA: "General responsibilities of accounting authorities (1) An accounting authority for a public entity (a) must ensure that that public entity has and maintains (i) effective, efficient and transparent systems of financial and risk management and internal control and (iii) an appropriate Procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective"
>
> Section 4 from the Prevention and Combating of Corrupt Activities Act: "Offences in respect of corrupt activities relating to public officers 4(1) Any-(a) public officer who, directly or indirectly accepts or agrees or offers to accept any gratification from any other person, whether for the benefit of himself or herself or for the benefit of another person or (b) person who directly or indirectly, gives or agrees or offers to give any gratification to a public officer, whether for the benefit of that public officer or for the benefit of another person, in order to act, personally or by influencing another person so to act, in a manner (i) that amounts to the(aa) illegal, dishonest. unauthorized, incomplete, or biased or (bb) misuse or selling of information or material acquired in the course of the exercise, carrying out or performance of any powers, duties or functions arising out of a constitutional, statutory, contractual or any other legal obligation (ii) that amounts the (aa) abuse of a position of authority (bb) a breach of trust or (cc) the violation of a legal duty or a set of rules (iii) designed to achieve an unjustified result or (iv) that amounts to any other unauthorized or improper inducement to do or not to do anything, is guilty of the offence of corrupt activities relating to public officers."

Section 1.3. from FIDPM: "This Framework specifies the allocation of clear responsibilities for performing activities and making decisions at control points, stages and Procurement gates"

Principle 4 from King code: "The accounting authority should appreciate that the SOE's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process. The accounting authority of an SOE should actively seek common understanding between the entity and the executive authority on how to reconcile competing objectives so that a strategic plan for the SOE can be developed within these confines. In order to obtain clarity and alignment on strategic objectives, key performance measures and targets and potential trade-offs to be made, it is recommended that these be agreed in writing between the entity, as represented by its accounting authority, and the shareholder, even where such an agreement is not required in terms of Legislation."

Principle 11 from King code: "Principle 11: The accounting authority should govern risk in a way that supports the SOE in setting and achieving its strategic objectives."

These regulations extracted for the code overall Procurement process applies to all Procurement processes and was important to highlight as a code as these regulations will be linked back to the Bounded Rationality decision-making framework developed in Chapter 2 above to assess if any of the legislative requirements specified in these regulations address any of the decision-making criteria which will be useful to answer the research question.

Data code 2 which is Procurement officials' values was identified based on the distinguishing information within the regulations reviewed on values that individuals in SOE's needed to possess to carry out and execute their responsibilities in terms of the requirements of the Act. These values were relevant to officials conducting Procurement related activities in TPT and were thus identified as a code that will be used later on to trace to any Bounded Rationality decision-making criteria from diagram 2.4 above. Some of the extracts from regulations that met this data code are summarised below:

Section 50 of PFMA: “Fiduciary duties of accounting authorities (1) The accounting authority for a public entity must (a) exercise the duty of utmost care to ensure reasonable protection of the assets and records of the public entity (b) act with fidelity, honesty, integrity and in the best interests of the public entity in managing the financial affairs of the public entity (c) on request, disclose to the executive authority responsible for that public entity or the legislature to which the public entity is accountable, all material facts, including those reasonably discoverable, which in any way may influence the decisions or actions of the executive authority or that legislature and (d) seek, within the sphere of influence of that accounting authority, to prevent any prejudice to the financial interests of the state (2) A member of an accounting authority or, if the accounting authority is not a board or other body, the individual who is the accounting authority, may not (a) act in a way that is inconsistent with the responsibilities assigned to an accounting authority in terms of this Act or b) use the position or privileges of, or confidential information obtained as, accounting authority or a member of an accounting authority, for personal gain or to improperly benefit another person.”

Section 34 of PACCA: “Duty to report corrupt transactions - Any person who holds a position of authority and who know or ought reasonably to have known or suspected that any other person has committed (a) an offence under Part 1, 2 , 3 or 4, or section 20 or 21; or (b) the offence of theft, fraud, extortion, forgery or uttering a forged document, involving an amount of Rl00 000 or more, must report such knowledge or suspicion or cause such knowledge or suspicion to be reported to any police official. (2) Subject to the provisions of section 37(2), any person who fails to comply with subsection (l), is guilty of an offence.”

Principle 1 of King code: The accounting authority should lead ethically and effectively. Ethical and effective leadership is exemplified by integrity, competence, responsibility, accountability, fairness and transparency. Members of the accounting authority should individually and collectively cultivate these characteristics and exhibit them in their conduct as set out in the practices under Principle 1. This is congruent with section 195 of the Constitution in terms of which “public administration must be governed by the democratic values and principles enshrined in the Constitution, including a high standard of professional ethics must be promoted and maintained.”

> Principle 2 of King code: "The accounting authority should govern the ethics of the SOE in a way that supports the establishment of an ethical culture."

The values and intention of these regulations is aimed to build an ethical culture amongst employees of the organisation to improve governance within the Procurement process. The data included in this code will be useful to trace back to the Bounded Rationality decision-making criteria to assess if the regulations include any criteria which will be useful to answer the research question.

Data code 3 to 8 which is the Procurement processes identified from diagram 2.1 in Chapter 2. It was important to code the regulations into the different Procurement processes as this established if Procurement Legislation included any Bounded Rationality decision-making criteria specific to a Procurement process. Some of the extracts from regulations that met this demand data code are summarised below:

> Section 215 of the Constitution: "National, provincial and municipal budgets (1) National, provincial and municipal budgets and budgetary processes must promote transparency, accountability and the effective financial management of the economy, debt and the public sector (2) National Legislation must prescribe (a) the form of national, provincial and municipal budgets (b) when national and provincial budgets must be tabled and(c) that budgets in each sphere of government must show the sources of revenue and the way in which proposed expenditure will comply with national Legislation (3) Budgets in each sphere of government must contain (a) estimates of revenue and expenditure, differentiating between capital and current expenditure (b) proposals for financing any anticipated deficit for the period to which they apply and (c) an indication of intentions regarding borrowing and other forms liability that will increase public debt during the ensuing year."

> Section 3 of PPPFA: "An organ of state must (a) determine and stipulate in the tender documents (i) the preference point system applicable to the tender as envisaged in regulation 6 or 7 or (ii)if it is unclear which preference point system will be applicable, that either the 80/20 or 90/10 preference point system will apply and that the lowest

acceptable tender will be used to determine the applicable preference point system (b)determine whether pre-qualification criteria are applicable to the tender as envisaged in regulation 4 (c)determine whether the goods or services for which a tender is to be invited, are in a designated sector for local production and content as envisaged in regulation 8 (d)determine whether compulsory subcontracting is applicable to the tender as envisaged in regulation 9 and (e) determine whether objective criteria are applicable to the tender as envisaged in regulation 11."

Section 4 of PPPFA: "Pre-qualification criteria for preferential Procurement
4(1) If an organ of state decides to apply pre-qualifying criteria to advance certain designated groups, that organ of state must advertise the tender with a specific tendering condition that only one or more of the following tenderers may respond (a) a tenderer having a stipulated minimum B-BBEE status level of contributor (2) A tender that fails to meet any pre-qualifying criteria stipulated in the tender documents is an unacceptable tender."

Section 6.2.1 of FIDPM: "Procurement Gate 1 (PG1) a) Obtain permission to start with the Procurement process. b) Minimum Requirement for PG 1:
1) Establish and clarify what needs to be procured. 2) Prepare broad scope of work for Procurement. 3) Ascertain a title for the Procurement for the purposes of project identification. 4) Estimate financial value of proposed Procurement and contract for budgetary purposes, based on the broad scope of work. 5) Confirm the budget. c)PG 1 is complete when a designated person or body makes a decision to proceed/not to proceed with the Procurement based on the broad scope of work and the financial estimates."

These regulations from the Constitution, FIDPM and PPPFA are specific to the demand stage of Procurement and aim to provide compliance requirements to a SOE to govern the demand stage to firstly ensure budgets are prepared adequately and that funds are checked against the available budget before the Procurement event commences. These regulations require further development of evaluation criteria upfront in the demand stage to include in tender documents and remove any grey area or judgement in the evaluation stage of the tender. This establishes upfront if funds are available before the decision is made to appoint a service provider and incur expenditure. The regulations that govern the demand stage of Procurement will be assessed against the Bounded Rationality decision-making criteria to assess if Legislation includes such decision-making criteria which will aid to answer the research question.

Similarly for data code 4 to 8 for acquisition, sourcing, evaluation, award and contract management specific regulations were identified, mapped against the applicable Procurement process and thereafter coded accordingly.

Some of the extracts of regulations specific to data code 4 to 8 are specified below:

> Section 6.2.6 from FIDPM relating to data code of evaluation: "Procurement Gate 6 (PG 6) a) Evaluate tender offers in terms of undertakings and parameters established in Procurement documents. Minimum Requirement for PG 6: 1) Open and record tender offers received. 2) Determine whether or not tender offers are complete. 3) Determine whether or not tender offers are responsive. 4) Evaluate tender submissions. 5) Perform a risk analysis. 6) Prepare a tender-evaluation report. c) PG 6 is complete when a person or body reviews evaluation report and ratifies recommendations."
>
> Section 6.2.7 from FIDPM relating to data code of award: "Procurement Gate 7 (PG7) a) Award the contract. b) Minimum Requirement for PG 7: 1) Notify successful tenderer and unsuccessful tenderers of outcome. 2) Compile contract document. 3) Formally accept tender offer. c) PG 7 is complete when a delegated person or body confirms that the tenderer has provided evidence of complying with all requirement stated in the tender data and formally accepts the tender offer in writing and issues the contractor with a signed copy of the contract."
>
> Section 13(1) from PPPFA relating to data code of contract management: "Cancellation of tender - An organ of state may, before the award of a tender, cancel a tender invitation if- (a) due to changed circumstances, there is no longer a need for the goods or services specified in the invitation; (b) funds are no longer available to cover the total envisaged expenditure; (c) no acceptable tender is received; or (d) there is a material irregularity in the tender process.
>
> (2) The decision to cancel a tender invitation in terms of sub regulation (1) must be published in the same manner in which the original tender invitation was advertised. 3) An organ of state may only with the prior approval of the relevant treasury cancel a tender invitation for the second time."

FIDPM regulations provide the process to be followed for evaluation, award stage and PPPFA provides specific detail and criteria to be met when a tender is cancelled. These regulations will be assessed against the Bounded Rationality decision-making criteria to assess if Legislation includes decision-making criteria that will aid to answer the research question. There was no regulation identified for the acquisition and sourcing processes. The impact of this lack of regulation will be discussed later in this research report.

4.5 Step 4, 5 & 6: Identifying themes

(a) Results

Step 4, 5 and 6 of the TA qualitative research analysis approach was done simultaneously, in terms of the approach documented in 3.4 above. This involved searching and reviewing the data coded in Step 3 to define and identify patterns and themes within the datasets. The regulations identified from each Act of Legislation were grouped into codes and for step 4, 5 and 6, the data codes across multiple pieces of Legislation were grouped together. Once again, in terms of the TA research analysis approach mentioned in Chapter 3 above, the source of each regulation was recorded in terms of Legislation name, chapter number, part number and section number so that this data could be traced back to the Legislation source at a later stage, if the need arises. There were 4 themes identified for this step, firstly, limited Legislation exists that govern the entire Procurement function and process, Legislation to regulate decision-making in demand, acquisition, sourcing, award, evaluation and contract management processes is limited, King code is not Legislation, however contains a vast array of guiding principle to support Bounded Rationality decision-making criteria and lastly, Legislation to regulate the Procurement decision-making committees do not exist, however the King code contains limited principles to assist. These themes are documented in table 4.7 below and the interpretation and data to support each theme is discussed further below.

No	Theme
1	Limited Legislation exists that govern the entire Procurement function and process.
2	Legislation to regulate decision-making in demand, acquisition, sourcing, award, evaluation and contract management processes is limited.
3	King code is not Legislation, however contains a vast array of guiding principles that support Bounded Rationality decision-making criteria.

4	Legislation to regulate the Procurement decision-making committees do not exist, however the King code contains limited principles to assist.

Table 4.7 Summary of themes developed from research analysis

(b) Interpretation of results

There were four themes that were identified and recoded in table 4.7 above. Firstly and in no particular order or ranking, is the theme of limited Legislation exists that govern the entire Procurement function and process. Secondly, Legislation to regulate decision-making in demand, acquisition, sourcing, award, evaluation and contract management processes is limited. The third theme identified was that King code is not Legislation, however contains a vast array of guiding principles that support Bounded Rationality decision-making criteria. The last theme, was that Legislation to regulate the Procurement decision-making committees do not exist, however the King code code contain limited principles to assist.
The themes are explained and interpreted further below, with supporting regulations from the Acts of Leglisation, that support each theme.

4.5.1 Limited Legislation exists that govern the entire Procurement function and process

The first theme identified in this research analysis was that there are regulations within the following Acts of Legislation that prescribe governance over the full Procurement function and all processes, section 195 and 217 of the Consititution, section 50, 51, 56 and 57 of PFMA, section 75 of Co Act, section 51(1) of CIDB and King code fundamental concepts and principles. These regulations relate to the Procurement strategy, values and principles for the full Procurement function, delegation of authority to the authorized executives within the business to make decisions, gateway reviews that act as control points to ensure objectives are met and decisions are made to proceed further with the Procurement process, requirements for standardized and detailed documentation across all Procurement processes to assist with decision-making, completion of risk assessments to identify any risks that needs to be considered when the decision is made and requirements for declaration of interest to ensure executives across the organisation are disclosing interests to remove personal interest and political influences from the decision-making process. An extract of some of the regulations from different Acts of Legislation that support this theme are documented below:

Section 195 of the Constitution: " Basic values and principles governing public Administration (I) Public administration must be governed by the democratic values and principles enshrined in the Constitution, including the following principles (a) A high standard of professional ethics must be promoted and maintained (b) Efficient, economic and effective use of resources must be promoted. (c) Public administration must be development-oriented (d) Services must be provided impartially, fairly, equitably and without bias (e) People's needs must be responded to, and the public must be encouraged participate in policy-making (f) Public administration must be accountable (g) Transparency must be fostered by providing the public with timely, accessible and accurate information (h) Good human-resourcemanagement and career-developmentpractices, to maximise human potential, must be cultivated (i) Public administration must be broadly representative of theSouthAfrican people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redresstheimbalances of the past to achieve broad representation (2) The above principles apply to (a) administration in everysphere of government (b) organs of state and (c) public enterprises"

217 of the Constitution: "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 fair, equitable, transparent, competitive and cost-effective."

Section 50 of PFMA: " Fiduciary duties of accounting authorities (1) The accounting authority for a public entity must (a) exercise the duty of utmost care to ensure reasonable protection of the assets and records of the public entity (b) act with fidelity, honesty, integrity and in the best interests of the public entity in managing the financial affairs of the public entity."

Section 51 of PFMA: " General responsibilities of accounting authorities (1) An accounting authority for a public entity (a) must ensure that that public entity has and maintains (i) effective, efficient and transparent systems of financial and risk management and internal control (ii) a system of internal audit under the control and direction of an audit committee complying with and operating in accordance with regulations and instructions prescribed in terms of sections 76 and 77 and (iii) an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective (iv) a system for properly evaluating all major capital projects prior to a final decision on the project (b) must take effective and appropriate steps to (i) collect all revenue due to the public entity concerned and (ii) prevent irregular expenditure, fruitless and wasteful expenditure, losses resulting from criminal conduct, and expenditure not complying with the operational policies of the public entity; and (iii) manage available working capital efficiently and economically (c) is responsible for the management, including the safe-guarding, of the assets and for the management of the revenue, expenditure and liabilities of the public entity (d) must comply with any tax, levy, duty, pension and audit commitments as required by legislation."

Section 56 of PFMA: "Assignment of powers and duties by accounting authorities (1) The accounting authority for a public entity may (a) in writing delegate any of the powers entrusted or delegated to the accounting authority in terms of this Act, to an official in that public entity or (b)instruct an official in that public entity to perform any of the duties assigned to the accounting authority in terms of this Act(2) A delegation or instruction to an official in terms of subsection (1) (a) is subject to any limitations and conditions the accounting authority may impose (b) may either be to a specific individual or to the holder of a specific post in the relevant public entity and (c) does not divest the accounting authority of the responsibility concerning the exercise of the delegated power or the performance of the assigned duty (3) The accounting authority may confirm, vary or revoke any decision taken by an official as a result of a delegation or instruction in terms of subsection (1), subject to any rights that may have become vested as a consequence of the decision."

Section 57 of PFMA: "Responsibilities of other officials An official in a public entity (a) must ensure that the system of financial management and internal control established for that public entity is carried out within the area of responsibility of that official (b) is responsible for the effective, efficient, economical and transparent use of financial and other resources within that official's area of responsibility (c) must take effective and appropriate steps to prevent, within that official's area of responsibility, any irregular expenditure and fruitless and wasteful expenditure and any under collection of revenue due (d) must comply with the provisions of this Act to the extent applicable to that official, including any delegations and instructions in terms of section 56 and (e) is responsible for the management, including the safe-guarding, of the assets and the management of the liabilities within that official's area of responsibility."

Section 75 of the Co Act: "Director's personal financial interests At any time, a director may disclose any personal financial interest in advance, by delivering to the board, or shareholders in the case of a company contemplated in subsection (3), a notice in writing setting out the nature and extent of that interest, has a personal financial interest in respect of a matter to be considered at a meeting of the board, or knows that a related person has a personal financial interest in the matter, the director (a) must disclose the interest and its general nature before the matter is considered at the meeting (b) must disclose to the meeting any material information relating to the matter, and known to the director (c) may disclose any observations or pertinent insights relating to the matter if requested to do so by the other directors (d) if present at the meeting, must leave the meeting immediately after making any disclosure(e) must not take part in the consideration of the matter, except to the extent contemplated in paragraphs (b) and (c) (f) while absent from the meeting in terms of this subsection."

Section 5(1) of CIDB: "Powers. functions and duties of Board (a) must promote and implement policies programmed and projects aimed at, amongst others.
5.(1) To provide strategic leadership, the Board (viii) standardization and uniformity in Procurement documentation, practices and procedures;(vii) Procurement reform."

Section 15(1) of CIDB: "Delegation of power - The Board may delegate any of its powers, in terms of this Act, to any person, body of persons or organ of state it considers fit. 1 (2) The Board is not divested of any power so delegated and may amend or withdraw any such delegation."

A fundamental concept from King code: "Integrated thinking takes into account the connectivity and interdependencies between the range of factors that affect an organisation's ability to create value over time."

A fundamental concept from King code: "Risk and opportunity - Strategic opportunities should be considered when setting the organisation's strategic direction. Consideration of the risks associated with such strategic opportunities affects whether the opportunity will be captured by the organisation or not."

Principle 4 from King code: "The accounting authority should appreciate that the SOE's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process. The accounting authority of an SOE should actively seek common understanding between the entity and the executive authority on how to reconcile competing objectives so that a strategic plan for the SOE can be developed within these confines. As far as performance is concerned, SOEs have to balance their priorities so as to both, fulfil their mandate and remain financially sustainable. To obtain clarity and alignment on strategic objectives, key performance measures and targets and potential trade-offs to be made, it is recommended that these be agreed in writing between the entity, as represented by its accounting authority, and the shareholder, even where such an agreement is not required in terms of Legislation."

Section 6.1.7 from FIDPM: "The authorisation to proceed to the next procurement gate must be given by a delegated person or body. The delegated person or body must be able to apply the knowledge and skill to achieve intended results required at the relevant procurement gate. The level of detail contained in the documentation upon which a decision to proceed to the next procurement gate, must be sufficient to enable an informed decision."

These regulations aim to govern the Procurement function as a whole and cannot be linked to any single Procurement process, hence the theme created for Legislation that governs the Procurement function of TPT. This theme can be linked to the following criteria in the Bounded Rationality decision-making framework, Procurement strategy, from principle IV in King code and section 5(1) in CIDB relates to the search step of the Bounded Rationality decision-making process that require clear goals and objectives that are aligned to the strategy to be developed upfront, criteria 1 from the Bounded Rationality decision-making criteria, requires that goals and objectives are established upfront so that the searching of options will be done to support and align to these goals and objectives. This removes the challenge of conflicting priorities in the decision-making process as the best option that meets the pre-determined goal and objective will be chosen. This will ensure that decisions are made to support the goals, objectives and strategy that will be in the best interest of the organisation.

Regulations that govern the Procurement function values and principles, from the Constitution and section 50 of PFMA, enable trust to be built into the decision-making process. Trust is criteria 18 in the Bounded Rationality decision-making framework and is needed so that decision makers can place reliance on the integrity of the process, and individuals presenting the information. This trust and integrity ensures that the correct process was followed and all relevant options and information was assessed to present the options to the decision maker. This also relates to Bounded Rationality criteria 8 in the decision-making framework, which ensures that data presented for decision-making has the quality of accuracy and reliability. This enables the decision maker to be well informed and equipped with the complete and correct information to make a decision.

Delegation of authority from section 56 of PFMA and section 15(1) of CIDB, is needed to ensure that authorised individuals within the organisation are making decisions, to reduce decisions made by political influences which is criteria 16 on the Bounded Rationality decision-making framework and criteria 17, which is the use of subject matter experts to be involved in the decision-making process.

Gateway reviews, from section 6.1.7 from FIDPM, require decisions to be made at certain control points within the Procurement process. The objective of these gateway reviews is to ensure process objectives are met before the next process commences. This assists with meeting criteria 1 on the Bounded Rationality decision-making framework where goals and objectives set upfront are met and that decision-making is clear when conflicting priorities exist. The gateway reviews also includes criteria 3, ensuring that all criteria is identified and measured before proceeding to the next stage of Procurement and criteria 4 to assess cost vs benefit to aid with the decision to stop searching for options.

Effective, efficient and transparent financial systems as per section 51 of PFMA relate to criteria 6, 8, 9, 12 and 18 in the Bounded Rationality decision-making framework, which is to ensure that adequate and reliable systems, controls and processes are in place to gather new information and link to goals and objectives (criteria 6) and that data quality is accurate and reliable (criteria 8). This efficient and effective financial systems also ensures that complete information is gathered and presented to decision-makers (criteria 9) to enable them to make more well-informed decisions. With sound financial and internal control systems in place, it enables business to easily consider changes in the decision-making environment (criteria 12), as information is readily available due to the systems and controls supporting the accuracy and availability of data. This effective, efficient and transparent systems and controls promote trust (criteria 18) as the controls in place will detect exceptions in the form of inaccurate data through system controls and management reviews.

Regulations that govern standardised and detailed Procurement documentation from section 5(1) of CIDB relate to criteria 7, 8, 9 on information symmetry and information saturation, accurate and reliable data quality and complete options presented to decision makers respectively.
Risk assessments from the risk and opportunity fundamental concept in King code and section 51 of PFMA, relates to criteria 10 in the Bounded Rationality decision-making framework to ensure that risk and uncertainty is considered and presented to the decision maker before the decision is made. This allows the decision-maker to assess and be aware of the impact of risks with the different options presented for decision-making.
Declaration of interests, from section 75 of the Co Act, refers to the overall Procurement process as well as values required by Procurement officials. This relates to criteria 13, 14, 16 and 18 relating to behavioural economics of individuals that present information for decision-making, reducing authorial intention and impact of political influences in the information presented and trusting the information and options presented for decision-making respectively.
This theme demonstrates that there are regulations in the Procurement Acts of Legislation that include criteria from the Bounded Rationality decision-making framework, however are limited to certain regulations and in some instances apply only to infrastructure Procurement as in the case with gateway reviews and control points mentioned in CIDB.

4.5.2 Legislation to regulate decision-making in demand, acquisition, sourcing, award, evaluation and contract management processes is limited.

Section 215 of the Constitution, section 52 of the Public Finance Management Act and section 6.1.5 of the FIDPM prescribes regulations that organisations need to perform adequate steps to ensure budget availability is in place prior to executing on spend to ensure that sufficient financial resources exist to support the expenditure of the organisation. FIDPM applies only to infrastructure Procurement however the Constitution and PFMA applies to all expenditure and thus all Procurement. Extract of the relevant regulations relating the budget requirements from the demand stage, from the Acts of Legislation are shown below:

215 of the Constitution: “National, provincial and municipal budgets -(1) National, provincial and municipal budgets and budgetary processes must promote transparency, accountability and the effective financial management of the economy, debt and the public sector (2) National Legislation must prescribe (a) the form of national, provincial and municipal budgets; (b) when national and provincial budgets must be tabled; and (c) that budgets in each sphere of government must show the sources of revenue and how proposed expenditure will comply with national Legislation. (3) Budgets in each sphere of government must contain- (a)estimates of revenue and expenditure differentiating between capital and current expenditure”

Section 52 of PFMA: “Annual budget and corporate plan by Schedule 2 public entities and government business enterprises The accounting authority for a public entity listed in Schedule 2 or a government business enterprise listed in Schedule 3 must submit to the accounting officer for a department designated by the executive authority responsible for that public entity or government business enterprise, and to the relevant treasury, at least one month, or another period agreed with the National Treasury, before the start of its financial year a projection of revenue, expenditure and borrowings for that financial year in the prescribed format and (b) a corporate plan in the prescribed format covering the affairs of that public entity or business enterprise for the following three financial years, and, if it has subsidiaries, also the affairs of the subsidiaries.”

Section 6.1.5 of FIDPM: “The Accounting Officer or Accounting Authority must ensure that a budget is available and cash flow is sufficient to meet contractual obligations and pay contractors within the time period provided for in the contract.”

The budget requirements prescribed in the above listed regulations from Legislation is linked to the demand stage within Procurement whereby budgets are checked prior to approving the goods or services to purchase and prior to the decision to enter into a Procurement event and incur expenditure for the organisation. This budget legislative requirements relates to Criteria 3 whereby problems are identified and all criteria identified and measured, which will include funding and costs for each option. Budget availability will have to be assessed to ensure that adequate budget is available for estimated Procurement expenditure. Bounded Rationality decision-making criteria 4 requires cost vs benefit analysis to be performed to determine when to stop searching for options. The search is stopped when the cost to proceed further and look for more options outweigh the benefits. Budget availability will need to be assessed as part of the cost vs benefit analysis and will drive the process of stop searching for options when funds are no long available and the cost outweighs the associated benefits. The budget regulations apply to criteria 9 where complete options are presented to decision makers and decision makers will need the information on costs and available budget for each option to assist with budget availability that will be key for the decision maker as decisions must be made that are within the funds available in the organisation.

Limited Legislation was used for this theme as there is very little regulations prescribed in the relevant Acts of Legislation that govern the Procurement processes. Furthermore, FIDPM Legislation is limited to infrastructure Procurement. Budget considerations and evaluation criteria which forms a small part of the demand stage does have limited regulations, further supporting the theme of limited Legislation. Most of the Procurement processes and activities do not have any Procurement regulations to govern the process.

FIDPM regulations apply to the sourcing, evaluation, award and contract management processes. Regulations are limited and FIDPM only applies to infrastructure Procurement, the extracts from FIDPM regulations specific to the sourcing, evaluation, award and contract management process is extracted from the data below:

> Section 6.2.5 of FIDPM for sourcing: "Procurement Gate 5 (PG 5)
> a) Solicit tender offers. b) Minimum requirements for PG 5 1) Invite tender offers. 2) Receive tender offers. 3) Record tender offers. 4) Safeguard tender offers. 5) Prepare a report on tender offers received. c) PG 5 is complete when a delegated person or body ensures that all received tender offers are duly accounted for."

> Section 6.2.6 of FIDPM for evaluation: "Procurement Gate 6 (PG 6) a) Evaluate tender offers in terms of undertakings and parameters established in Procurement documents. Minimum Requirement for PG 6: 1) Open and record tender offers received. 2) Determine whether or not tender offers are complete. 3) Determine whether or not tender offers are responsive. 4) Evaluate tender submissions. 5) Perform a risk analysis. 6) Prepare a tender-evaluation report. c) PG 6 is complete when a person or body reviews evaluation report and ratifies recommendations."

Section 6.2.7 of FIDPM for award:” 6.2.7 Procurement Gate 7 (PG7) a) Award the contract. b) Minimum Requirement for PG 7: 1) Notify successful tenderer and unsuccessful tenderers of outcome. 2) Compile contract document.
3) Formally accept tender offer. c) PG 7 is complete when a delegated person or body confirms that the tenderer has provided evidence of complying with all requirement stated in the tender data and formally accepts the tender offer in writing and issues the contractor with a signed copy of the contract.”

Section 6.2.8 of FIDPM for contract management: “Procurement Gate 8 (PG 8) a) Administer the contract and confirm compliance with all contractual requirements. b) Minimum Requirements for PG 8: 1) Capture contract award data. 2) Administer contract in accordance with the terms and provisions of the contract. 3) Ensure compliance with contractual requirements. c) PG 8 is complete when delegated person captures contract completion/termination data.”

These regulations from FIDPM relate to Bounded Rationality decision-making criteria 8 on accurate and reliable data quality, criteria 9 to present decision makers with the complete options, criteria 1 to set clear goals and objectives and evaluate tenders based on pre-determined goals and objectives to reduce impact of conflicting priorities, criteria 11 that makes the decision to choose the option that meets the most important goal / objective is selected and criteria 10 to assess risk and uncertainty before decisions are made.

PPPFA Legislation is limited and provides regulation to SOE’s to address pre-qualification criteria, designated sector for local production, sub-contracting and objective tender criteria within the Procurement process. A few regulations from PPPFA are listed below directly from the data used in this research analysis.

Section 6.1 of PPPFA:” The following formula must be used to calculate the points out of 80 for price in respect of a tender with a Rand value equal to or above R30 000 and up to a Rand value of R50 million, inclusive of all applicable taxes…”

Section 10.1 of PPPFA: “Criteria for breaking deadlock in scoring (1) If two or more tenderers score an equal total number of points, the contract must be awarded to the tenderer that scored the highest points for B-BBEE (2) If functionality is part of the evaluation process and two or more tenderers score equal total points and equal preference points for B-BBEE, the contract must be awarded to the tenderer that scored the highest points for functionality (3) If two or more tenderers score equal total points in all respects, the award must be decided by the drawing of lots."

Section 11.1 of PPPFA: "Award of contracts to tenderers not scoring highest points 11(1) A contract may be awarded to a tenderer that did not score the highest points only in accordance with section 2(1)(f) of the Act (2) If an organ of state intends to apply objective criteria in terms of section 2(1)(f) of the Act, the organ of state must stipulate the objective criteria in the tender documents."

The regulations specified in PPPFA above, relate to criteria 15 in the Bounded Rationality decision-making model of reducing ambiguity in the decision-making process. The regulations provide guidance, specific formula and measurement criteria on certain instances relevant to the pre-qualification criteria, designated sector for local production, sub-contracting and objective tender criteria to reduce ambiguity and aid in the decision-making process. Regulations of this nature is useful as it provides specific formula and guidance on what to do should a conflict arise. This takes away the "grey area" in the decision-making process and reduces ambiguity as the regulations needs to be followed to resolve the conflict. The challenge is that the PPPFA is limited to pre-qualification criteria, designated sector for local production, sub-contracting and objective tender criteria and thus cannot be used to remove ambiguity across other areas of the Procurement process when a conflict arises, which goes back to the theme of limited Legislation in place to govern the sourcing, evaluation, award and contract management processes. FIDPM applies only to infrastructure Procurement and PPPFA applies only to pre-qualification criteria and the regulations of PPPFA are relevant to the evaluation stage, hence supporting the theme of limited Legislation.

This limitation contributes to a few Bounded Rationality decision-making criteria being included in Procurement Legislation, which will be used later in Chapter 6 to conclude on the research question.

4.5.3 King code is not Legislation, however contains a vast array of guiding principles that support Bounded Rationality decision-making criteria.

King code is not Legislation, therefore is not mandatory for SOE's to adopt and comply with the principles set out in the code. King code uses an "apply and explain" concept which make compliance to the code voluntary and allows organisations to explain what principles of the code has and has not been adopted. The purpose of this concept is to move away from "mindless compliance" and be specific to the organisations circumstances thus attempting for organisations to adopt the principles to achieve the four good governance outcomes of King code. (King, pg7). King code has a sector supplement for state-owned entities and details the required King code principles that SOE's can adopt to promote good governance. TPT complies with the principles of King code and discloses compliance to King code in the annual integrated report therefore King code compliance requirements was considered as part of this research paper. When reviewing King code as part of step 2 and step 3 above, it was noted that the principles in King code can be coded against TPT's Procurement processes and a number of these principles and concepts apply to the Bounded Rationality decision-making framework, hence the development of the theme that King code is not Legislation but includes a number of concepts and principles that meet the Bounded Rationality decision-making criteria. An extract of some of the concepts and principles from King code relevant to this theme are included below:

> Fundamental concept King code: "Integrated thinking: Takes account of the connectivity and interdependencies between the range of factors that affect an organisation's ability to create value over time."

> Fundamental concept King code: "Ethics: Considering what is good and right for the self and the other, and can be expressed in terms of the golden rule, namely, to treat others as you would like to be treated yourself. In the context of organisations, ethics refers to ethical values applied to decision-making, conduct, and the relationship between the organisation, its stakeholders and the broader society."

> Fundamental concept King code: "Stakeholder inclusivity involves the balancing of interests over time by way of prioritizing and, in some instances, trading off interests. A decision on how to achieve this balance is made on a case-by-case basis as current circumstances and exigencies require, but should always be done in the best interests of the organisation over the longer term. Balancing the needs, interests and expectations of stakeholders is a dynamic and ongoing process. The quality of

stakeholder relationships indicates how effectively an organisation is able to strike this balance in making its decisions."

Fundamental concept King code: "Delegation to committees King code, like King III, deals with delegation by the governing body within its own structures. Principle 8 of King code now clarifies the objectives for these delegation arrangements, which are to promote independent judgement; to assist with balance of power; and to assist with the effective discharge of its duties by the governing body."

Principle 1 King code: "The accounting authority should lead ethically and effectively. Ethical and effective leadership is exemplified by integrity, competence, responsibility, accountability, fairness and transparency. Members of the accounting authority should individually and collectively cultivate these characteristics and exhibit them in their conduct as set out in the practices under Principle 1 This is congruent with section 195 of the Constitution in terms of which public administration must be governed by the democratic values and principles enshrined in the Constitution, including that a high standard of professional ethics must be promoted and maintained."

Principle 2 King code: "The accounting authority should govern the ethics of the SOE in a way that supports the establishment of an ethical culture."

Principle 4 King code: "To obtain clarity and alignment on strategic objectives, key performance measures and targets and potential trade-offs to be made, it is recommended that these be agreed in writing between the entity, as represented by its accounting authority, and the shareholder."

Principle 5 King code: "The accounting authority should ensure that reports issued by the SOE enable stakeholders to make informed assessments of the SOE's performance and its short, medium and long-term prospects."

Principle 7 King code: "The accounting authority should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively. The composition of its accounting authority is a key factor driving the performance of an SOE. Like the governing bodies of all organisations, an SOE's accounting authority must have the right balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively."

Principle 11 King code: "The accounting authority should govern risk in a way that supports the SOE in setting and achieving its strategic objectives."

Principle 15 King code: "The accounting authority should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the SOE's external reports."

The concepts and principles in King code have been coded as part of the research analysis and can be linked to criteria in the Bounded Rationality decision-making framework. Fundamental concept of integrated thinking relates to criteria 1 that supports setting of goals and objectives, taking into account all aspects of the business (supporting an integrated approach) upfront to reduce impact of conflicting priorities in the decision-making process as well as for criteria 3 to define the problem and use integrated thinking to ensure all areas and criteria of the problem is identified and measured. In addition, integrated thinking relates to criteria 6 in gathering new information and linking information to goals and objectives as the process of gathering information has to be inclusive and complete, which also relates to criteria 9 whereby complete options are presented to decision makers. The collation of information to ensure complete information is gathered and options presented to decision makers entails an inclusive approach to all areas relevant to the decision required, this supports the concept of integrated thinking as required by King code, hence there is a link between the King code fundamental concept of integrated thinking and number of Bounded Rationality decision-making criteria.

The fundamental concept of ethics in King code relates to criteria 18 of trusting the skills, integrity, competence of the person doing the search and presenting the results to the decision maker. King code prescribes that ethics guides what is good and right for the organisation. Employees that have a good ethical compass are able to conduct their work and related search and presentation of options with skill and integrity, thus allowing the decision maker to trust the information being presented to make the decision. Principle 1 prescribes that the accounting authority should lead the organisation effectively and ethically. This principle further relates to criteria 18 of trust. When accounting authorities lead and act ethically, trust is built in them to lead the organisation and make decisions in the best interest of the organisation. Principle 2 from King code for the accounting authority to establish an ethical culture and use ethics to govern the SOE and principle 7 from King code whereby the accounting authority has the right balance of knowledge, skills, independence to perform its governance role with objectivity also relates to the Bounded Rationality decision-making criteria number 18 which is trust built within the organisation and criteria 16 to remove political influences cause when the ethical culture is strong within the organisations, decisions made are for the best interest of the organisation and not for political gain.

Stakeholder inclusivity is a fundamental concept in King code, that is linked to criteria 1 in the Bounded Rationality decision-making framework, as goals and objectives are established taking into consideration all stakeholder expectations thus ensuring stakeholder inclusivity. Decisions are made to align to the goals and objectives, thus including the needs of stakeholders in the decision-making process. Principle 4 of King code on clarity and alignment of strategic objectives relates to criteria 1 in the decision-making framework as goals and objectives are set and established upfront so as to reduce the impact of conflicting priorities when decisions are made.

The risk and opportunity fundamental concept and principle 11 in King code, which prescribes that the SOE govern risk in a manner that supports the SOE achieving its strategic objectives, relates to criteria 10 in the Bounded Rationality decision-making criteria which requires that risks and uncertainties are evaluated before decisions are made and taken into account to ensure overall strategic objectives are met.

Principle 5 of King code, prescribes those reports issued by SOE's enable stakeholders to make informed assessments, which relates to criteria 8 on ensuring that the quality of data is accurate and reliable. King code principle 15 prescribes that information used for internal decision-making in the SOE and for external reports should be built with integrity, which is linked to Bounded Rationality decision-making criteria 8 that requires data quality to be accurate and reliable and criteria 9 to ensure that complete information and options are presented to decision makers to make decisions in the best interest of the SOE.

This theme shows a wide array of King code principles linked to a number of Bounded Rationality decision-making criteria; however, King code is not Legislation and is a voluntary adoption for SOE's. To use this theme to answer the research question on the extent of decision-making criteria included in Procurement Legislation will not be an accurate reflection as King code is not Legislation and is optional adoption, therefore will not contribute to answering the research question on the extent of decision-making criteria included in Procurement Legislation. With TPT adopting King code and King code principles being well established governance principles worldwide, the principles of King code and the close link with the Bounded Rationality decision-making criteria will contribute to the recommendations of this research paper in Chapter 6 later on.

4.5.4 Legislation to regulate the Procurement decision-making committees do not exist, however the King code contains limited principles to assist.

The three decision-making committees in the Procurement process are the bid specification committee, evaluation committee and award committee (Munzhedzi, 2016). These committees exist to provide governance to the decision-making process. There is no Legislation that governs these decision-making committees however, principle 7 of King code provide guidance to governance committees within a SOE.

> Principle 7 of King code: "The accounting authority should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively. The composition of its accounting authority is a key factor driving the performance of an SOE. Like the governing bodies of all organisations, an SOE's accounting authority must have the right balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively."

This principle relates to Bounded Rationality decision-making criteria 17, 14 and 16, where Procurement decision-making committees comprise of the relevant subject matter experts and line managers to discuss the options and make decisions to be able to remove authorial intention and political influences that could impact on decisions being made by the organisation. As mentioned above, King code is not Legislation and the principles mentioned above cannot be used to assess the extent of decision-making criteria included in Procurement Legislation, even though the principles relate to criteria in the Bounded Rationality decision-making framework. The summary above on King code principles linking to Bounded Rationality decision-making criteria becomes relevant later on in Chapter 6 on the recommendations for this research paper.

4.5.5 TPT's Procurement transactions

The final analysis performed for this research paper was on the two Procurement transactions selected as a sample in Chapter 1 above. This analysis aimed to answer research sub-question 2, did the decision-making process for the two Procurement transactions follow any decision-making criteria in the Bounded Rationality theoretical frameworks. Both these transactions were identified in the external audit report as irregular expenditure and in contravention of the Public Finance Management Act. These transactions followed a decision-making process to procure goods and services for TPT and the analysis below will review the Procurement process and the supporting decision-making process followed to assess if any criteria from the Bounded Rationality decision-making framework developed in Chapter 2 was followed. The aim was to assess if any of the Bounded Rationality decision-making criteria was being used within TPT's processes. Suppliers and TPT officials' names will not be used in this research paper and analysis below, to protect the confidentiality of the supplier and official, hence Supplier A, Supplier B, TPT official, TPT CFO or TPT CPO will be used, as indicated in 3.5 above.

4.5.5.1 Procurement transaction 1

This Procurement transaction relates to the purchase of cranes for TPT Terminal to the value of R136 million. This transaction did not follow the normal bidding process, but rather a memo was prepared and sent to the Group Procurement Committee which is the delegated decision-making committee for Procurement transactions of this value. The memo requested that the Procurement Committee approve the purchase of the cranes from Supplier A instead of approaching the open market to solicit bids and evaluate the bids and suppliers as per the Procurement processes for TPT.

The standard Procurement process of demand, acquisition, sourcing and evaluation was not followed. The decision-making committees for these processes being the bid specification

committee and bid adjudication committee was not established as these processes were not considered or performed for this transaction.
The starting point was at the award stage of Procurement, whereby TPT management prepared a memo to the Group Procurement Committee that acted as the bid award committee to approve the award of the bid to Supplier A. The main data reviewed for this research analysis was the memo that was prepared and signed by TPT officials that was sent to the Group Procurement Committee, motivating for the award to purchase the cranes to Supplier A.

The criteria from the Bounded Rationality decision-making framework developed in Chapter 2, diagram 2.4 was used to assess if any of the criteria was used in the process of approving Supplier A to provide the cranes to TPT. The analysis identified that majority of the Bounded Rationality decision-making process and criteria was not considered and used, and if considered, not done in a complete and accurate method for the procurement of the cranes.

The problem of poor operational efficiency was not defined properly (criteria 3) with KPI targets and actual performance not identified and included in the memo to enable the decision-making committee to understand the full extent of the operational challenges at TPT and the root causes of such challenges. The memo went directly to the option of purchasing the cranes to address the operational challenges, the problem was not defined (criteria 3), no options were considered via a search process and documented accordingly to give the decision-making committee options (criteria 9). The memo did not include the process followed to search for options and gather new information (criteria 6) and linking these options to goals and objectives as required by the Bounded Rationality decision-making process. This resulted in incomplete options being documented in the memo and presented to the decision-making committee (criteria 9). The lack of searching for options and sourcing new information did not lead to information symmetry and information saturation (criteria 7) to assist in the decision-making process.

A risk analysis was performed (criteria 10) and the risks documented on the memo, however the risk analysis highlighted the risks should TPT not procure the cranes from Supplier A as opposed to completing the risk analysis on the problem of poor operational performance and the risk exposure should the problem not be addressed. The memo had mentioned that subject matter experts (criteria 17) from the Capital Project team were engaged and agreed to purchase the cranes from Supplier A, however there was no supporting annexure highlighting the report from the subject matter experts to confirm the view as well as provide the decision-making committee with the use of experts in terms of the skills, competence, experience as well as the criteria used by the experts to evaluate the options on hand. The lack of supporting information from the experts did not allow the decision-making committee to evaluate the information and trust (criteria 18) the skills, experience, process followed by the experts to gather information and evaluate the various options.

The memo was drafted as a motivation to procure cranes from Supplier A and why those cranes are needed. There was authorial intention (criteria 14) in the memo that was presented to the decision-making committee. The memo was drafted to support why the cranes needed to be procured from Supplier A, instead of highlighting the current problem with operational efficiency, documenting the search process adopted to search for options to address the problem, and fairly presenting all options (risk analysis, costs, timeframes) to the decision-making committee to allow the decision makers to trust and evaluate the options and information presented to make a decision that will be in the best interest of TPT. The Bounded Rationality decision-making process was not followed adequately where the search was done on a well-defined problem, options considered and decision made to stop the search when information saturation was achieved or cost vs benefit analysis performed and the costs to proceed further with the search outweighed the benefits. It is unclear if this purchase resulted in the goals and objectives of TPT being met and paying R136 million to Supplier A was in the best interest of TPT.

Had the Bounded Rationality decision-making process and framework been used for this Procurement transaction, the problem of operational inefficiencies would have been defined and adequately measured to allow the decision makers to assess the full extent of the problem. The goal and objectives should have been clearly articulated so that options that could be searched and evaluated against the goals and objective to ensure that decisions are made in the best interest of TPT and to enable achievement of the strategy. This would have removed political influences, ambiguity and authorial intention from the decision to be made. The Bounded Rationality process of searching for options with the use of subject matter experts to gather new information would ensure that complete options with quality data is being presented for decision-making. Risk analysis completed for the problem as well as options presented would have provided decision makers with more information to evaluate options and make a decision. The urgency of addressing the operational inefficiencies to meet customer needs would have been established upfront if timeframes were developed and the stop search process followed whereby the cost vs benefit analysis of proceeding with gathering new information for new options would have been assessed against the cost and associated benefits by delaying a solution to TPT. Subject matter experts used to gather information and evaluate options would have been supported with reports and annexures indicating the approach used, the skills, experience and competence of the subject matter experts to allow the decision makers to trust the process and data and options being presented for decision-making.

If the Bounded Rationality decision-making process and criteria was used by TPT for the purchase of the cranes, TPT would have had to approach the market on a bidding process to source options, information as well as costs to present to decision makers to make an informed decision. The options searched and presented could have resulted in different equipment being purchased or equipment being purchased from a different supplier and a different (maybe lower) cost than the R 136 million. This would have resulted in a fair Procurement process being followed and therefore not found in contravention of PFMA by external audit, in addition, the Procurement process would have led a solution that addresses the operational inefficiencies at TPT and at the same time meets the goals, objectives and strategy, resulting in expenditure incurred that would have been for the best interest of TPT.

4.5.5.2 Procurement transaction 2

This Procurement transaction relates to the Procurement of a service provider to conduct training at TPT to the value of R 19 million. This transaction did not follow the normal bidding process, but rather a memo was prepared and sent to the Group Procurement Committee which is the delegated decision-making committee for Procurement transactions of this value. The memo requested that the Procurement Committee approve the appointment of Supplier B to conduct training at TPT, instead of approaching the open market to solicit bids.

The standard Procurement process of demand, acquisition, sourcing and evaluation was not followed as per diagram 2.1, taking into account input from Watermeyer et al, Anthony and Munzhedi. The decision-making committees for these processes being the bid specification committee and bid adjudication committee was not established as these processes were not considered or performed for this transaction.

The starting point was at the award stage of Procurement, whereby TPT management prepared a memo to the Group Procurement Committee that acted as the bid award committee to approve the award of the bid to Supplier B. The main data reviewed for this research analysis was the memo that was prepared and signed by TPT officials that was sent to the Group Procurement Committee, documenting the need for training and motivating the appointment of Supplier B to provide training at the Terminal.

The criteria from the Bounded Rationality decision-making framework developed in Chapter 2, diagram 2.4 was used to assess if any of the criteria was used in the process of approving Supplier B to provide training at TPT. The analysis found that the Bounded Rationality decision-making process and criteria was not considered or if considered, not done in a complete and accurate process.

The problem of poor operational inefficiency was not defined properly (criteria 3), KPI targets and actual performance was included in the memo however the root causes identified for not meeting the operational targets were limited to root causes that would be addressed by the appointment of the trainers. The problem definition was limited to the Procurement solution documented in the memo. The memo was directed to seek approval to appoint trainers from Supplier B to address the operational challenges however, no options were documented and given to the decision-making committee (criteria 9). The memo did not include processes that were followed to search for options to address the problem and gather new information (criteria 6) and linking these options to goals and objectives as required by the Bounded Rationality decision-making process. This resulted in incomplete options being documented in the memo and presented to the decision-making committee (criteria 9). The lack of searching for options and sourcing new information did not lead to information symmetry and information saturation (criteria 7) to assist in the decision-making process.

A risk analysis was not performed (criteria 10) and there was no mention or use of subject matter experts to confirm the option of appointing trainers to upskill employees that will address the operational inefficiency challenges. The decision-making committee was not presented with information on the process followed to source options, information used, subject experts used (skills, experience, competence) to develop the solution of appointment of trainers to enable the decision-making committee to trust (criteria 18) the information presented.

The memo was drafted as a motivation to procure the trainers from Supplier B. There was authorial intention (criteria 14) in the memo that was presented to the decision-making committee. The memo was drafted to support why the appointment of the trainers would address the operational inefficiencies being experienced within the Terminal, instead of highlighting the current problem with operational inefficiency, documenting the search process adopted to search for options to address the problem, and fairly presenting all options (risk analysis, costs, timeframes) to the decision-making committee to allow the decision makers to evaluate the options and information presented to make a decision that will be in the best interest of TPT. The Bounded Rationality decision-making process was not followed where the search was done on a well-defined problem, options considered and decision made to stop the search when information saturation was achieved or cost vs benefit analysis performed and the costs to proceed further with the search outweighed the benefits. It is unclear if this purchase resulted in the goals and objectives of TPT being met and paying R 19 million to Supplier B was for the best interest of TPT.

Had the Bounded Rationality decision-making process and framework been used for this Procurement transaction, the problem of operational inefficiencies would have been defined and adequately measured to allow the decision makers to assess the full extent of the problem. The goal and objectives should have been clearly articulated so that options could be evaluated against the goals, objective and strategy to ensure that decisions are made in the best interest of TPT and to enable achievement of goals and objectives. This would have removed political influences, ambiguity and authorial intention from the decision to be made. The Bounded Rationality process of searching for options with the use of subject matter experts to gather new information would ensure that complete options with quality data is being presented for decision-making. Risk analysis completed for the problem as well as options presented would have provided decision makers with more information to evaluate options and make a decision. The urgency of addressing the operational inefficiencies to meet customer needs would have been established upfront if timeframes were developed and the stop search process followed whereby the cost vs benefit analysis of proceeding with gathering new information for new options would have been assessed against the cost and associated benefits by delaying a solution to TPT. Subject matter experts used to gather information and evaluate options should have been supported with reports and annexures indicating the approach used, the skills, experience and competence of the subject matter experts to allow the decision maker to trust the process, data and options being presented for decision-making.

If the Bounded Rationality decision-making process and criteria was used by TPT for the purchase of the trainers, TPT would have had to approach the market on a bidding process to source options, information as well as costs to present to decision makers to make an informed decision. The options searched and presented could have resulted in different options being procured from different suppliers and at a different cost. This would have resulted in a fair Procurement process being followed and therefore not found in contravention of PFMA by external audit, in addition, the Procurement process would have led a solution that addresses the operational inefficiencies at TPT and at the same time meets the overall goals and objectives of TPT, resulting in a solution and expenditure incurred that would have been for the best interest of TPT.

4.6 Step 7: Write up and analysis

(a) Results

This step was writing and analyzing each theme identified in step 4, 5 and 6 above to trace back to the Bounded Rationality decision-making criteria developed in diagram 2.1 above. This write up and analysis created data that linked to any Bounded Rationality decision-making criteria to be able to answer the research questions of the extent of decision-making criteria included in Procurement Legislation applicable to TPT. In this step, the themes identified in step 6 together with any associated Bounded Rationality decision-making criteria noted was also traced to the two Procurement events for TPT that were selected as a sample under Chapter 1.2 above. This analysis aimed to respond to the second research objective which was to assess if the decision-making process or criteria was followed for the two Procurement transactions at TPT. The results of the research analysis indicates that there is limited Legislation and regulations in place to govern the Procurement processes at TPT and for the two Procurement transactions, the Bounded Rationality decision-making process of defining the problem, commencing the search for options, stopping the search process and preparing accurate and complete information to present options to decision makers to make a decision was not followed.

(b) Interpretation of results

The research paper identified twenty Acts of Legislation applicable to the Procurement function at TPT. The qualitative research method used reduced that twenty to nine Acts of Legislation that are relevant to processes that drive decision-making within the Procurement function. This highlighted that 55% of relevant Procurement Legislation apply to TPT does not have regulations that are applicable to TPT's Procurement function and process. Therefore there is limited Legislation and regulations in place to govern the Procurement processes and overall decision-making to enter into a Procurement event and incur expenditure for TPT.

32% of the relevant Legislation for Procurement decision-making processes have specific regulations that can be linked to a Procurement process, further illustrating limited Procurement Legislation on the decision-making that results in the commitment of a Procurement event and incurring of expenditure at TPT.

The data code with the most amount of regulation applicable was found in overall Procurement process. 52% of the relevant Procurement Legislation on decision-making processes relates to the process as a whole and is not specific to any decision-making points within the process.

Themes of limited Legislation exists that govern the entire Procurement process, limited Legislation to regulate decision-making in the demand, acquisition, sourcing, award, evaluation and contract management processes and, in some instances, non-existent or only apply to the Procurement for capital infrastructure. King code contains a number of Bounded Rationality decision-making criteria however has not been gazette as Legislation for a SOE and is currently optional adoption for SOE's that want to strengthen their governance practices.

The two Procurement transactions at TPT that were selected as a sample for this research analysis did not adequately follow the Bounded Rationality decision-making process or criteria. The process to obtain approval to proceed with the decision to procure the goods or services was done via a memo that was crafted to support and motivate the decision instead of defining the problem, presenting options and supporting information to allow the decision-making committee to make an informed decision for the best interest of TPT.
Had Bounded Rationality decision-making process been followed, options to address the problem would have been found and this could have resulted in a different Procurement event or expenditure being incurred. Based on the process followed by TPT for these two transactions and the lack of Bounded Rationality decision-making criteria being followed, there is no confirmation and assurance that the expenditure incurred of R 136 million and R19 million was done in the best interest of TPT.

5 Conclusions and recommendations

5.1 Introduction

To conclude this research analysis, the findings found throughout this paper have been summarised below.

5.2 Summary of findings

Procurement expenditure is a large expense for SOE's. SOE's are challenged with governance breaches and incurring expenditure that is not in the best interest of the SOE due to political influences, fraud and corruption. This impacts on the ability of the SOE to carry out its mandate effectively and provide the required goods and services to the public. Legislation that governs Procurement at a SOE like TPT is not a comprehensive guiding Legislation that prescribes regulations that cover the end to end Procurement function to safeguard the process and government spending. There is no Legislation that details the full Legislative compliance requirements for the SOE Procurement function, this opens the SOE to a risk of non-compliance as regulations required to be complied with may not be known.

The Procurement Legislation that was developed as part of this research paper, was also very limited. Twenty Acts of Legislation were identified, however only 45% of these Acts had specific regulations that were applicable to Procurement processes that drive the expenditure decision-making within the SOE. This creates a risk in that not all decision-making Procurement processes (demand, acquisition, sourcing, award, evaluation and contract management) are safeguarded by regulations prescribed by Legislation. Decisions could be made to incur expenditure of state funds within the SOE that may not be for the best interest of the SOE or SA and with no Legislation guiding such expenditure, there is insufficient grounds to convict such perpetrators for reckless spending of state funds.

The Legislation that does exist and can be applied to decision-making Procurement processes is very limited and vague, and does not provide sufficient guidance and regulations to safeguard the Procurement process of a SOE. The decision-making criteria was developed from Bounded Rationality theoretical frameworks to enable the researcher to understand if any decision-making criteria is included in Procurement Legislation. The inclusion of decision-making criteria in Procurement Legislation, will safeguard the decision-making process to ensure that certain criteria used and considered in the decision-making process, with the aim of making a decision to incur expenditure for the best interest of the SOE. From the analysis performed in this research report, some Bounded Rationality decision-making criteria is found in Procurement Legislation, The Constitution, PFMA, Co Act and PACCA Legislation that is overarching and can link back to defining the problem, setting clear goals and objectives upfront, verifying budget availability before expenditure is incurred building trust in the process and individuals involved in gathering information, evaluating options to present complete, accurate and reliable data to decision makers by ensuring an ethical culture within the organisation. Furthermore, the use of subject matter experts and delegated officials and committees in decision-making to remove the impact of political influences in a SOE and authorial intention.

PPPFA Legislation was limited to pre-qualification criteria only, however has regulations that provide specific guidance on evaluation criteria and formula to use should a conflict arise to reduce and remove ambiguity in the decision-making process. The regulations within this Act of Legislation will be useful if applied to Legislation that governs the end-to-end Procurement process.
CIDB and FIDPM had useful regulations that govern what the clear roles and responsibilities and the decision-making gateway reviews that should be in place to safeguard decision-making, however was only limited to infrastructure Procurement. The layout and details specified in regulations within this Act of Legislation can be useful if applied to other Acts of Legislation that govern the full end to end Procurement process. There are learnings that can be taken from PPPFA, CIDB and FIDPM regulations that can be applied in the full procurement process and would add value and enhance the decision-making process.

King code principles include a number of Bounded Rationality decision-making criteria and if the principles and fundamental concepts are adopted and implemented within a SOE like TPT, it would drive an ethical culture for trust to be placed on information presented for decision-making as employees that abide to the ethics and ethical culture will endeavour to conduct their daily work, complete search options and information gathering with accuracy and integrity. Strategy, goal and objective development, stakeholder inclusivity, integrated thinking, risk analysis and delegation to authorised individuals and committees will be regular principles built into Procurement processes that will result in accurate, complete data and information being used for decision-making. In addition, the Procurement decision-making committees will be equipped with sufficient skills and resources to make better informed decisions that will be for the best interest of TPT. However King code is not gazetted as Legislation and TPT adopts the "apply and explain" principle and optional adoption of principles and fundamental concepts. There are benefits with the full adoption of King code principles, however this is not mandatory for a SOE like TPT.

Even though Procurement Legislation exists and includes some elements of Bounded Rationality decision-making, majority of the Procurement decision-making processes are not governed by regulations specified within Acts of Legislation and have limited regulations that include Bounded Rationality decision-making criteria to safeguard the decision-making process.

The identified problem in this study was to establish the extent to decision-making criteria included in Procurement Legislation for TPT with the objective of determining if Bounded Rationality decision-making theoretical criteria is included in such Legislation and if the two selected procurement transaction for TPT follow any decision-making criteria. The results from this research report indicates that there is no and/or limited Bounded Rationality decision-making criteria included in Procurement Legislation applicable to TPT and this decision-making criteria was not included in the two procurement transactions entered into by TPT.

5.3 Limitations of study

The limitations of the study was not having a comprehensive list of Procurement Legislation that governs the end-to-end Procurement process. The list of Procurement Legislation was developed based on the review of academic journals and input from the TPT Procurement Governance Office.

TPT complies with the principles of King code and this was used as part of the research analysis above to assess the extent of decision-making criteria included in Procurement Legislation, however King code has not been gazetted as Legislation and adoption of the King code principles are optional for SOE's. However analysis of the principles of King code against the Bounded Rationality decision-making framework was useful as TPT adopts King code and for developing the overall recommendation for this research paper.

5.4 Opportunities for future research

There is opportunities for future research to determine if Procurement Legislation is sufficient for SOE's in South Africa to regulate and safeguard the Procurement process to ensure that expenditure incurred is for the best interest of the SOE and enables the SOE to achieve its mandate to the public.

5.5 Recommendations

The recommendations arising from the research report are summarised below.

Based on the finding that limited Legislation exists to govern the entire Procurement function and process, National Treasury that is used as the organ of state to ensure compliance to Legislation by SOE's, should draft an Act of Legislation that includes regulations that cover the end-to-end Procurement process from demand to contract management. Input and regulations specified in PPPFA, CIDB and FIDPM should be used to prepare these regulations, as these Acts are able to develop useful and meaningful regulations that can aid in the decision-making process. This Legislation is needed as SOE's have undergone major governance breaches in recent times from State Capture, therefore Legislation and measures need to be implemented in SOE's to safeguard the Procurement process and related expenditure. Over the past 20 years, South African government has spent between R400 to R500 billion per annum purchasing goods and services from private sector organisations. With this large amount of spending and the political influences on decision-makers in public sector organisations, the procurement process and spend is open to fraud and corruption. Knowing this, Government within SA, need to implement adequate Procurement Legislation supported by controls, polices and procedures to assist with monitoring to ensure a fair procurement process is being followed. (Madonsela, 2019).
This need is highlighted further as reports of State Capture within South Africa are issued by the Zondo Commission and the call for reforms within Procurement and improved governance within State Owned Entities (*Judicial Commission of Inquiry into State Capture* …, 2022). In recent times with the 4th industrial revolution, there is reliance placed on the use of data to drive decision-making, these technological advancements need to be taken into account and included in Legislation to safeguard the Procurement processes within the SOE.

Legislation to regulate decision-making in demand, acquisition, sourcing, award, evalutation and contract management is limited. The Acts of Legislation that currently govern SOE's like

PFMA, Companies Act and the Constitution are old and do not have adequate regulations to safeguard the end-to-end and decision-making Procurement processes. The latest amendments to PFMA was done in 1999, Companies Act 2008 and Constitution 1996. These Acts of Legislation need to be updated for the current ethical climate in public entities and risks facing SA and SOE's.

The finding relating to the King code not being Legislation however containing a vast array of guiding principles that support Bounded Rationality decision-making criteria should be addressed by the Minister of Public Enterprises prescribing that SOE's comply with all fundamental concepts and principles of King code and such compliance must be visible in the SOE's Procurement processes adopted. Procurement decision-making committees should comply with principles that prescribe how governing bodies should be constituted with the right skills and competent individuals. King code compliance should be measured in the daily operational activity of the SOE and the Auditor General should audit revenue and expenditure in terms of the principles of King code to provide assurance that these principles are adopted and embedded in the daily functioning of the SOE. Furthermore, SOE's should conduct post-implementation reviews of Procurement decisions made and assess if goals and objectives established in the decision-making process have been achieved with the Procurement event being concluded. This will benefit the SOE in two ways, learn from prior decision-making to improve on processes followed and information used to drive decision-making and hold business accountable, post the decision for targets that were set at the demand stage to motivate for the need for procuring the related goods or service.

Lastly, the finding that the two procurement transactions entered into by TPT did not adequately follow the Bounded Rationality decision-making process or criteria should be addressed by TPT adopting a framework that includes criteria from the Bounded Rationality decision-making framework from diagram 2.4 above. This framework should document and guide the organisation on the process to follow to define the problem, set goals and objectives upfront, gather complete and accurate information and search for options to present to decision makers for consideration. The framework should guide the organisation on the use of decision-making tools to enhance decision-making processes, these include risk analysis, use of subject matter experts, development of evaluation and other criteria to remove ambiguity in decision-making and use of simulations to evaluate options. The identification of changes to the business environment and how this will impact decision-making as well as the the identification of authorial intention within documentation submitted for decision-making will also be beneficial tools to adopt. Executives and senior managers need to be trained on decision-making models and criteria, to enable the process and criteria to be embedded effectively within TPT.

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Annexure 1: Participant information sheet

Participation in research project to determine the extent of Decision-making criteria included in Procurement Legislation at Transnet Port Terminals.

I, Katherine Bhogal am currently completing my Masters in Management at the WITS School of Governance. As part of my studies, I have to undertake a research project, whereby I am currently investigating the extent of Decision-making criteria included in Procurement Legislation at Transnet Port Terminals (TPT) under the supervision of Dr John Khumalo.

As part of this project, I would need your assistance to provide Procurement documentation to enable the assessment to be completed.

There will be no personal costs to you if you participate in this project, you will not receive any direct benefits from participation but there are no disadvantages or penalties if you do not choose to participate or if you withdraw from the study. You may withdraw at any time or not answer any question if you do not want to. The online survey will be completely confidential and anonymous as I will not be asking for your name or any identifying information, and the information you give to me will be held securely and not disclosed to anyone else. I will be using titles and designations to represent your participation in my final research report.

If you have any questions during or afterwards about this research, feel free to contact me on the details listed below. This study will be written up as a research report which will be available online through the university library website. If you wish to receive a summary of this report, I will be happy to send it to you (optional). The data collected from this research project will be stored in a password protected computer and will be kept for two years. If you have any concerns or complaints regarding the ethical procedures of this study, you are welcome to contact the University Human Research Ethics Committee (Non-Medical), telephone +27(0) 11 717 1408, email hrecnon-medical@wits.ac.za

Researcher: Katherine Bhogal, 2365787@students.wits.ac.za, 0828759903

Supervisor: Dr John Khumalo, john.khumalo@wits.ac.za

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Annexure 2: Participant research consent form

Consent to participate in research project to determine the extent of Decision-making criteria included in Procurement Legislation at Transnet Port Terminals (TPT).
PURPOSE:

I .... agree to participate in this research project. The research has been explained to me and I understand what my participation will involve.

Consent has been obtained from TPT's GM: HR (see attached consent letter) to allow the researcher, Katherine Bhogal to undertake research within TPT to assess the extent of decision-making criteria being included in Procurement Legislation.

I agree to participate in this research project. The research has been explained to me and I understand what my participation will involve. I agree to the following:

(Please circle the relevant options below).

I agree that my participation will remain anonymous	YES	NO
I agree that the researcher may use anonymous quotes in his / her research report	YES	NO

____

Name of participant

Date: __________________

Annexure 3: Ethics clearance form