

**Procurement practices influencing
service delivery: a case of TNK-BP Oil
& Gas Company in Russia**

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Abstract <p>Procurement and procurement practices have influence on service delivery. The aim was to investigate procurement practices influencing service delivery within the case company was the TNK-BP Oil & Gas Company in Russia.</p> <p>The quantitative research method was used to investigate the specific objectives. A sample of 94 participants participated in the study. Convenience sampling method was used to select the sample, questionnaire was used to collect the raw data, which was later analysed by using SPSS software. Analysis of variance (ANOVA) was used as mathematical statistics method to analyze the correlations between the analyzed data groups by comparing the differences between their means. The regression analysis was used to determine the relationship between the independent variable (service delivery) and the dependent variables (procurement planning, procurement policies and sustainable procurement practices).</p> <p>The outcomes found that the TNK-BP has procurement practice such as competitive bidding. It was further noted that procurement process is transparent. It was established that there is positive impact of procurement policies on service delivery. The positive association between procurement policies and service delivery was found. It was also established that there is positive association between sustainable procurement and service delivery in TNK-BP.</p> <p>The research had its limitations – it was focused on the employees as the main participants yet service delivery could only be appropriately assessed by the customers as they are the ones who experience the implications of service delivery. Future research should be focused on investigating the service delivery by focusing on the customers.</p>		
Keywords/tags Questionnaire study, procurement practices, service delivery		
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1 Introduction

1.1 Oil industry in Russia

Oil industry is one of the major foreign exchange earners for Russia. The Russian petroleum industry has the eighth largest oil reserves in the world. Russia accounts for 12.5% of crude oil exports in the globe. The country also has some of the largest gas reserves in the globe. Russia is home to some of the world's largest oil and gas companies such as Gazprom, Tatneft, Lukoil, Northgas, Rusneft, and Rosneft. This makes Russia a leading country in oil and gas production. The large number of oil producers in Russia highlights the intensity of competition in the industry, which creates a need for having an efficient supply chain in order to reach high profit margins. In addition, oversupply of oil by countries such as Saudi Arabia has increased competition and lowered oil prices. This implies that only the oil and gas companies that have an efficient supply chain can be profitable.

TNK-BP was the third largest oil and gas company in Russia until it was acquired by Rosneft, which is a Russian state-owned oil and gas corporation. Despite the fact, that the company is one of the greatest companies in Russia, it has run into various problems due to political interference of the Russian government, leading to BP selling its stake in the company (Neate 2013). This development had various effects on the company's crude oil procurement practices. According to Yenkeff (2011), the procurement practices of the oil and gas companies are considered to be the backbone of success in the oil and gas industry. RT News (2013) has indicated that the oil and gas industry is facing increasing competition for the scarce oil revenues, hence there is a need to implement good oil procurement practices that can enable the companies to enhance their service delivery. The Telegraph (2017) notes that oil wells are drying up in countries such as Saudi Arabia, Yemen and Kuwait, creating a need for additional oil rigs, which is an expensive activity. Therefore, the oil and gas companies have to plan their inventory well to ensure that they have sufficiently big oil volumes to cater for the high demand for oil and gas. In addition to drilling and mining oil, the other challenge related to oil and gas companies is the transportation of oil. Unlike other materials, oil derivatives are highly flammable and very delicate,

with the capability of causing massive environmental damage because of the potential spills. Therefore, companies have to implement mechanisms to help them deliver oil to the consumers and retailers with minimal oil spills. In such cases there have been gas flare ups which cause excessive damage to the ozone layer. In addition to causing damage to the environment, it has diminished consumer confidence and makes the companies face high costs of fines levied on oil and gas that cause environmental damage (Brief 2015).

Various oil companies have different crude oil (and related equipment) procurement and supply chain policies. The procurement policy mainly focuses on the rules pertaining to contracting other companies, the political environment and regulation flexibility. Companies in the oil and gas industry operate in a fixed regulation environment since most of the regulations are based on the government acts or acts of parliament that have made the company. However, for companies, such as the TNK-BP, which is a private company, many of its procurement policies, rules and regulations are derived from the BP company. The regulatory environment policy mainly affects the company's procurement activities, such as the companies that should be contracted as well as why they should be contracted. For oil and gas companies, many of the practices include contracting transport and logistics companies as well as shipping companies to undertake such activities. It also includes contracting drilling companies to identify the oil rigs for the company. Other practices include: sourcing practices, which are the activities of identifying suppliers, e-procurement, which is the process of buying goods and services needed by the company via Internet, as well as tendering. Moreover, the best procurement practice is measured by the company's transparency. According to Yenkeff (2011), it has enabled the BP company to obtain the best services and products from the market through practices, such as competitive biddings and tendering processes.

The oil and gas industry also requires expensive procurement planning, because the oil markets fluctuate every now and then due to political risks, which makes the oil companies to hold large stocks or overproduce the oil stock. Awareness of the external factors, especially of the political factors, is of utmost importance to oil and gas mines' procurement. Bashina (2012) notes that market planning is essential in effective service delivery as well as in ineffective procurement. The fluctuations in

the market and other changes need coordinated plans that ensure that the production is equivalent to the demand in the market. This prevents overproduction and also underproduction, which is more expensive as it results in opportunity costs for the company. Procurement planning also includes planning for the labour force. According to Harter (2010), the labour force in oil and gas companies is usually high. For instance, a company like TNK-BP has employed thousands of employees in its facilities. Others, for example, Rice (2015), state that labour planning has been essential as it has helped in ensuring that the facilities are fully productive during the peak season and also in ensuring that additional employees are laid off when the operations are on a low level. This ensures that the company saves on costs when production is low or there is low oil demand in the market.

Sustainability also has its implications in the oil and gas sector. Unlike other sectors that are not highly evaluated on the basis of sustainability, the oil and gas companies are considered to be pollutants, and various countries have put in place restrictions to ensure that oil and gas companies are making less harm to environmental sustainability. Measures, such as environmental taxes, have been put in place by many European countries and the UK to ensure that oil and gas companies pay carbon taxes as well as other levies for environmental conservation. To redeem their image, oil and gas companies have gone a step further by engaging in environmental conservation activities. Companies, such as the BP, have devised strategies to ensure that they have minimal oil spills and gas flare-ups. They have invested in technologies, such as gas flaring technologies, underground oil reserves technology as well as enhanced transport services that minimise or prevent oil spills.

2 Research aims and objectives

This chapter contains the details on the research aim and objectives. It explains the research aims and demonstrates the specific objectives of the study. The aim of this study was to examine procurement practices influencing service delivery in the case of TNK-BP Oil & Gas Company in Russia. The specific objectives of this investigation were:

1. To determine the current procurement practices in the TNK-BP Company
2. To evaluate the influence of the procurement policy on service delivery in the TNK-BP Company
3. To analyze the influence of procurement planning on service delivery in the TNK-BP Company
4. To evaluate the influence of sustainable procurement practice on service delivery in the TNK-BP Company

3 Research methodology

3.1 Introduction

This section presents the research methodology used in the study. It discusses the research philosophy, the research strategy and the data collection methods used in this thesis. It includes details on the sampling strategy, data collection process and data analysis methods that were applied during the research process.

3.2 The research philosophy

Positivism and interpretivism are the most commonly used research philosophies. Positivism suggests that research should be verifiable, objective and factual. It implies that research should be evidence-based. The results of the study ought to be backed by factual evidence. (Pickard 2007). This implies that research has to be scientific or conducted by using scientific means so that it can be credible. On the other hand, interpretivism holds that truth is subjective and it can vary depending on the individual. The philosophy suggests that the reality is subjective as every person has his/her own way of seeing the reality based on their background (Remenyi, Williams, Money and Swartz 2008). This study leaned on positivism as it aimed to verify scientifically whether procurement practices influenced service delivery. The use of positivism leads to a reliable way of assessing whether the procurement practices influence service delivery. The method eliminates the researcher's preconceived beliefs and notions and helps in ascertaining whether the procurement practices influence service delivery, unlike in interpretivism, where the researcher's biases can influence the research (Ragin 2010).

3.3 Research approach

Deductive and inductive approaches can be extensively applicable in an academic investigation. The deductive approach is mainly a research plan where the researcher initiates the research by first identifying the theory that is relevant to the aspect being investigated, and then by testing whether the theories can be applied in a specific context (Ragin 2010). The inductive approach, on the other hand, initiates research

by first identifying a specific context and studying it to identify new theories, and then identifying whether the theories would be usable in a wider context or in a general area of practice. The inductive approach is also known as the bottom-up plan. For this study, the deductive approach was preferred, since the target was to test whether the procurement theories were applicable in a specific context, which was that of the TNK-BP Company in Russia. Therefore, the theories guiding the use of procurement practice, such as the procurement policies, procurement practices and sustainable procurement as well as their influence on service delivery were discussed first. After that, it was tested whether the theory could be applied to the case of the TNK-BP Company.

3.4 The research strategy

A research strategy is the method used by the researcher to obtain information from the participants. There are several research strategies that could be applied in empirical investigations, and they include experiments, ethnographic studies, observations and surveys. An experiment is a controlled trial meant to determine how the application of a particular impact would change the phenomena being investigated. Experiments are usually carried out in a scientific set-up, especially in testing non-human phenomena. Ethnographic studies are cultural studies that entail living with the community that is being studied. Observation mainly entails surveillance of the phenomena under investigation in order to identify behavioral change. It is mostly used when investigating non-human beings, such as animals or bacteria. It is also costly to make prolonged observation, which makes it difficult to use as an observation method. Survey is a strategy where the researcher selects a sub-population or a sub-group or sub-process of the phenomenon under investigation as a representative of the whole phenomenon. This method was preferred in this investigation since it ensured that the subsection of the phenomenon was selected and used to investigate the phenomenon. The most important advantage of a survey is that it is less costly as it eliminates the need to use the whole group (Remenyi et al 2008). It also saves the researcher's time as the researcher only deals with a small subsection, which can be reached within particular time limits. While carrying out the survey, the researcher can use a small subsection without compromising the quality of the investigation. It

is also the most appropriate method when conducting a deductive study that requires scientific and verifiable input, because surveys collect data that could be easily verified.

3.5 Data collection method

The two most commonly used data collection methods are qualitative and quantitative data collection methods. A qualitative data collection method mainly focuses on the collection of non-quantifiable data such as words, emotions and feelings (Pickard 2007). The quantitative data collection entails collection of information that is measurable and verifiable. For this research, the most appropriate data collection method was a quantitative data collection method, since verifiable information was preferred.

3.6 Research instrument

Since the research used a quantitative data collection method, the most appropriate data collection instrument was a questionnaire, because it collected information that was only relevant to the research objectives (Ragin 2010). Secondly, the questionnaire was cost-effective as there were several ways in which the questionnaire could be sent to the research participants. The questionnaire used in this inquiry is in Appendix 1.

3.7 Sampling strategy

A sampling strategy is used to obtain the research participants. Since the subsection of the phenomenon was planned to be chosen, it was necessary to have a method in which the subsection of the phenomenon would be selected. There are several ways that can be used: non-probability sampling and probability sampling (Salganik & Heckathorn 2004). The probability methods select the participants by using methods that ensure that each participant has an equal chance of participating in the study. They are time consuming but considered to be the most scientific since the most representative sample is selected. In non-probability methods, preference is given to a subsection or a sub-group or sub-process of the phenomenon over others (Pickard

2007). It is used when it is necessary to select some parts of the group that are the most representative and when there is a time limitation to offer all the participants equal chances. For this study, the non-probability methods were used and, specifically, convenience sampling. In convenience sampling, the participants are selected based on their availability. This was necessary due to time limitations, as it was difficult to provide an opportunity for all the participants. A sample frame of 100 participants was selected for the study based on the fact that TNK-BP had over 1000 workers who worked in the procurement department, which meant that the sample represented the employees in a ratio of 1:10

3.8 Data collection process

To collect the data, an e-mail to the TNK-BP management was written, requesting for a permission to undertake a study on the influence of procurement practices on service delivery. Once the research was approved by the management, the author collected the contacts of the TNK-BP procurement employees and wrote them an e-mail, requesting them to participate in the study. E-mail, containing the survey and a request to rate the responses on a scale of 1-5, was used as the means of communicating with the participants.

3.9 Data analysis

To analyze data, tabulated means and frequencies as well as the tables of the outcomes were used. Later, the software such as SPSS, was used to evaluate the data and identify the correlation between the procurement variables and service delivery. Analysis of variance (ANOVA) was used as mathematical statistics method, leading to an analysis, whether there are any correlations between the analyzed (experimental) data groups (or variables) by comparing the differences between their means. ANOVA provides a statistical test of whether the means of some variables are equal, and therefore is useful for comparing three or more means for statistical significance. The regression analysis was used to determine the relationship between the independent variable (service delivery) and the dependent variables (procurement planning, procurement policies and sustainable procurement practices).

4 Different aspects of procurement

4.1 Procurement policies

This section highlights the background research on procurement practices and the background of the service delivery practices as well as background information about service delivery and procurement practices in the TNK-BP Oil & Gas Company in Russia. The procurement practice research dates back to 1970, when companies could not afford to make procurement activities more transparent to ensure that public funds were not being misused during the process of purchasing and buying goods for public entities. Therefore, recent research identifies that integrity and transparency in the procurement process are significant in the process. This has led to the formulation of regulation practices to ensure that the procurement activities are transparent. However, the transparency differs from country to country. While some countries indicate that companies have to advertise their tenders in newspapers, others require companies to have online inventories as well as online sources that make the tendering process transparent to the vendors as well as to the members of the public.

In addition to transparency, McKeivitt and Davis (2014) indicate that another procurement policy issue is related to the legal and contractual environment. Companies should be knowledgeable of the contract rules that exist in a country as the procurement policies are highly dependent on the legal contracting environment. Raymond (2008) notes that effective companies employ people who are knowledgeable of the contract law and the legal environment to ensure that the procurement practices are in line with the legal environment of the country in which they are operating. This ensures that there are no lawsuits concerning contracts given or cancelled by the company. The company should ensure that its procurement policies, such as bidding policies as well as non-competitive bidding processes, are in line with the legal requirements and regulations of the country in which they are operating.

Another important issue regarding policy is technical specifications of the contracts. According to Ronnback (2012), companies should have specialists design s contract and its technical specifications. This is to ensure that the goods, such as oil or drilling

machines, delivered to the company are the ones required by the company, as omission and negligence in specifying the technical details of the goods and services required by the company could result in losses and lawsuits.

Another important aspect of the procurement policy is the country's political environment or risk level. According to Love, Davis, Edwards and Baccarini (2008), different countries have different elements of political risks. The political risks many include factors, such as the likelihood of violence and political chaos that may affect the company's contract and ability to mine and produce oil especially in the countries which are rich in oil and gas. Nijaki and Worrel (2012) state that countries, such as Libya, have higher degrees of political risk compared to other countries, such as Russia. Some countries may have an environment that is not friendly to private companies, and hence, this may force the private companies to follow stringent regulations and tendering processing in order to operate in a particular country. Peter, Damien, Peter and Jim (2014) note that policy-making influenced by political instances ensures that policies are tailored to suit the political risk that may be experienced in that particular country. Another procurement policy issue is related to the influence that the management or senior managers have on the procurement process. Fee and McIlroy (1998) state that a procurement process should be independent on the procurement managers and other senior managers and executives. The managers should not in any way influence the procurement process. However, in some countries and organizations, procurement is the sole responsibility of the managers or the senior managers. This affects the procurement process and practices, such as tendering, due to the influence of the management.

The procurement policy can also be influenced by the bilateral and multilateral ties between companies or a country and another country (Gleeson and Walden 2016). For instance, in the case of oil and gas companies, the procurement processes are highly influenced by the member countries policies, as each country has to ensure that the tendering processes favor their member countries. This means that the procurement has to be tiered in such ways that some tenders are reserved for a specific country, while others are reserved for another country. For instance, in oil and gas companies, tenders for oil rig machinery and oil refinery services are often reserved for local companies instead of international companies, irrespective of the

qualification and suitability of the international company. In some cases, external factors, such as the finance department, may determine in advance which services will be procured from a particular country thus affecting the competitiveness of the procurement process (Hartmann, Roehrich, Frederiksenn and Davies 2014).

The procurement process is also influenced by special interest groups and the national policy. For instance, some interest groups may demand that some products and specific goods and services must be delivered by special interest groups, such as disabled people, the youth or women. Other countries have associations and organisations that are considered to be of special interest and that should be awarded the tenders during procurement.

4.2 Procurement planning

Another factor that has impact on procurement is procurement planning. According to Mapulanga (2015), successful procurement has to be based on effective planning. Effective and detailed planning can ensure that the procurement is in line with the organizational needs. This is because organization is at risk of losing money when its planning is poor as it would mean that not “urgent” items would be procured while necessary items would be starved out of cash. One of the best procurement planning strategy is the use of budgets. According to Fisher and Corbalán (2013) and according to the above-mentioned strategy, each department should indicate what is needed as well as the estimated cost of the item, which should be procured. Procurement budget should correspond to the revenues, which the company has set aside for the procurement activities. Brochner, Camén, Eriksson and Garvare (2016) agree that budgeting is very important aspect of procurement. This is because it ensures that all the details of the items to be procured are identified in advance, before the procurement process begins. Successful budgeting process not only involves the procurement department, but also other departments that require having items and equipment. Rolfstam, Phillips and Bakker (2011) note that proper specification of the equipment and items required by each department is necessary in procurement planning. The departments have to provide budgets, which indicate the equipment and the quality standards for suppliers to ensure that proper equipment is being acquired by the company.

The procurement budgeting also has to take into consideration the long-term cost of equipment offered. The budget has to take into consideration the depreciation and appreciation of assets to ensure that the equipment and services are purchased at the correct value. This would save the company's money that is lost through depreciation and ensure that the company has purchased the goods at the right market prices.

Another aspect of procurement planning, except of the budgeting, entails planning for procurement human resources. Tumuhairwe and Ahimbisibwe (2016) note that many organisations do not have procurement employees, which have enough knowledge about the procurement activities. Some of the employees are having a lot of knowledge and experience in the other activities, but not in procurement. Amann, Roehrich, Ebig and Harland (2014) agree that procurement department in many organizations is one of the departments, which is hiring employees, which are not knowledgeable of procurement, which is leading to losses and poor service delivery. The employee, working in procurement should have a certain amount of experience in procurement, should be knowledgeable of procurement laws and regulations as well as policies. Procurement employees should have a knowledge of budgeting allocation and budgeting methods such as cost estimation methods.

4.3 Sustainable procurement

The other critical aspect of procurement, being discussed in this research, is the sustainable practices in procurement. (Hui, Othman, Omar, Rahman and Haron 2011) note that sustainable practices are also applicable in procurement activities. According to Steinfeld, Prier and McCue (2015), sustainable procurement practice ensures that the procurement is adhered to the principles and dimensions of sustainability, which are: economical sustainability, social sustainability and environmental sustainability. The aspects of economical sustainability in procurement mainly exposure that the procurement processes yielded value for the company. This means that the procurement is not only competitive but also transparent. In an economically sustainable procurement environment, the procurement ensures that the company obtains value for money. All the requirements ought to have the specified value, they should be durable and should last for the time that they have been specified. In addition to

that, the sustainable procurement should ensure that the company does not lose money in any way. It should ensure that the negotiation process is fair and the best supplier is given the contract, in which consumers would become environmentally conscious.

The environmental sustainability, on the other hand, refers to the focusing on procurement of environmental-friendly goods. Along with the tendency and the fact that consumers have become conscious of the conservation of the environment, there is an increasing need for companies to become environmentally friendly. This can only be possible, if the company produces or handles goods, services and is having suppliers, which are environmentally friendly. The company can ensure that its supply chain is environmentally friendly by purchasing goods, which are certified as having low carbon emissions or from companies that are paying for carbon emissions. This ensures that the procurement process is not only efficient, but also environmentally conscious and friendly. Companies in the oil and gas industry have adopted sustainability practices, for example, companies are putting in place specialized surveillance systems that ensure that the leaks in the pipeline or in ships are detected as soon as they happened, preventing prolonged damage.

The procurement processes should also be socially sustainable, which means that the companies should take in account the social factor while buying goods or services. For instance, the companies can give preference to goods and services, which are locally manufactured as a way of having social sustainability (Nijaki and Worrel 2012). This can be done to promote and support the local communities, as well as local cultures. Socially sustainable procurement processes can also include procuring goods and services from the companies or organizations that support vulnerable groups, such as women and youth. The other aspect of sustainable social procurement is ensuring that the goods that were procured do not advance negative causes or accidents, such as terrorism, and injustices, such as slavery or child labor.

4.4 The effect of procurement planning on service delivery

Procurement planning has its own influence on service delivery. Procurement planning positively affects service delivery if it was done appropriately (Mansi and Pandey

2016). Having an effective planning ensures that the procurement is in line with the organizational needs and instigates capability to meet customer expectations, which is one aspect of service delivery (Ruparathna and Hewage 2015). In addition, Meehan, Ludbrook and Mason (2016) state that good planning prevents the organization from losing money, when their planning is poor, as it would ensure that only the important items are procured in the right amount and at the right time.

Fisher and Corbalán (2013) identified that organizations that had procurement budget, have better service delivery, comparing to those that do not. According to Aliza, Kajewski and Bambang (2011), involving all the departments during the budgeting process ensures high service delivery. This is because proper specification of the equipment and items, which are required by each department is necessary in procurement planning and enhances the service delivery. It ensures that better items, equipment and supplies that would meet customer needs are procured. It eliminates chances of not offering services and products to customers, because they are not available (Guillaume, Thierry and Grabot 2011).

Planning activities that take into consideration the long-term cost of strategy of the organization also lead to good service delivery. Procurement planning that endeavors to anticipate future needs of the customer also endears customers and leads to customer satisfaction (Meehan, Ludbrook and Mason 2016). Planning enables the company to anticipate the future and hence procure equipment and supplies that would lead to customer satisfaction (Sahling and Kayser 2016). Procurement planning that also takes into consideration the offers made by the competitors and therefore ensures that the company offers its services at more affordable price than competitors, is also enhancing customers perception of the value offered by the company (Hawkins et al. 2015).

Procurement planning that includes planning for human resources also has good service delivery. Having employees that are knowledgeable of the procurement processes leads to customers' satisfaction. Having employees with procurement background ensures that proper planning is being done (Brewer and Arnette 2017). It ensures that the all deliveries are ordered appropriately and are on time, which enhances reliability and the capacity to meet customers' expectations. Employees who are engaged and are available to offer service and attention to the clients, enhance

the perception of service delivery, compared to employees who are absent and disengaged (Manso and Nikas 2015). Similarly, having employees who are disengaged leads to poor service delivery, since they can't put in place proper plans and appropriate contract terms that would ensure that suppliers are fully obligated to deliver high-quality supplies, which will lead to better service delivery (Meehan, Ludbrook and Mason 2016).

4.5 The effect of public procurement policy and practices on service delivery

Various aspects of procurement policy have distinctive influence on the procurement policy (Tkachenko, Yakovlev and Kuznetsova 2017). For instance, procurement policy that promotes transparency and integrity in the procurement process positively influenced the procurement process. Rehmatulla, Smith and Tibbles (2017) note that the organisations that had good procurement policies also had good service delivery. The transparency ensures that the goods procured are of high quality and are as per the specifications, which enables the employees to provide quality services. However, in instances, where the procurement is shrouded with secrecy, the goods delivered are of poor quality and are not delivered on time, which affects the service delivery negatively. Therefore, policies that promote transparency end up enhancing service delivery, while policies that do not entrench transparency lead to poor service delivery and underperformance. Gleeson and Walden (2016) note that apart from the poor service through non delivery and late delivery, lack of transparency make organizations to procure goods and services at punitively high costs, which end up being transferred to consumers through an increased cost of service. Most significantly, lack of transparency promote corruption within the organizations, which negatively affects the service delivery. It makes the organizations to lose money while delivering poor quality services to customers. Transparent policies, such as online bidding and online procurement ensure that the company obtains value for its resources by giving contracts to suppliers to provide high quality services and materials at a reasonable price (Vecchiato and Roveda 2014).

Also, the legal and the contracting environment/policy of an organization has its implications on the service delivery. Legal and contracting policies that promote

bidding over single-sourcing have better service delivery over those that have single-sourcing policies. This was verified by Rehmatulla, Smith and Tibbles (2017), who note that the public sector usually single-source some contracts which results to the public sector having poor service delivery. In addition, the knowledge that the policy formulators are concerning law of contracts in particular has implications on service delivery (Gleeson and Walden 2016). Poorly drafted contracts, which do not clearly spell the obligations of the contractors and consequences of failing to meet the obligations, have poor service delivery compared to the organisations whose contracts are clear and specified consequences (such as fines and refunds) of failing to deliver the contracts.

The technical specifications of the contracts also have influence on the service delivery. Companies that have specialists to design for them the technical specifications of the contracts end up having better service delivery compared to the contracts that are designed without technical input (Brammer and Walker 2011). Policies that promote involvement of departmental technicians during the procurement process, so that the technicians can make correct specification, enhance service delivery. Most importantly, discussions between different departments while procuring the latest equipments that could help the company, have a positive impact on service delivery. Good technical specifications also spurr innovations among the suppliers, so that they can compete on delivering innovative and better products to the company, thus enhancing quality of services offered to the customers. According to Ronnback (2012), the companies should have specialists to design the contracts, especially the technical specifications of the contracts. This is to ensure that the goods delivered are the ones required by the company, since omission and negligence in specifying the technical specifications of the goods and services required by the company can result in losses and lawsuits.

Another influence that policy may have on service delivery is related to the political environment. Some countries allow senior government officials to meddle with the procurement process of public companies and sometimes even private companies (Grudinschi, Sintonen and Hallikas 2014). For instance, some countries indicate that thirty percent of the procured goods and services should go to local companies. This has negative effect on service delivery as it is probable that the local goods may not

be of the desired quality and price, which interrupts the companies in the obtaining value for their money. In addition, political meddling promotes corruption and eventually leads to poor service delivery, as companies are unable to source quality goods and services from the suppliers (Batley and Harris 2014).

The aspect of procurement policy that has influence on the service delivery is the bilateral and multilateral ties between the companies or the country and another country (Brammer and Walker 2011). The desire of member countries to procure goods and services from particular companies, because of their country of origin do not always lead to good service delivery. In many instances, the influence of bilateral ties leads to single-sourcing during procurement, which eliminates the possibility of having a better supplier to deliver the goods or services.

4.6 Service delivery

4.6.1 Customer point of view

Service delivery is mainly aimed on meeting customers' expectations. This is how the company endeavors to ensure that the customer is satisfied with the goods and/or services. Service delivery entails various dimensions of the speed, in which the service is delivered to customers. PWC (2011) note that speed, in which the services are delivered, determines whether the service delivery is good or not. Delayed delivery implies that the service delivery is poor. On the other hand, fast delivery of the goods and services requested by the customer means that the service delivery is good or satisfactory.

Service delivery also entails meeting customer's expectations regarding the delivery of the exact products that the customer requested. Service Futures (2015) note that service delivery involves ensuring that the customers have received the same products and services which they requested. Batley (2004) states that supplying the sub-standard products indicates poor service delivery, while supplying the high-quality products and services means that the service delivery is high. It includes the assuring that the expected service will be delivered. Service delivery without the element of meeting customers' expectations is considered to be poor. Johnson (2011) highlights that governmental institutions in many countries are known for not meeting

customer expectations. Unlike in the private sector, where customer is in the center, in the public sector the market principles do not apply. However, Batley and Larbi (2004) note that the trend of public companies' privatization as well as capability of the private sector to compete for service delivery, make it necessary for the companies to have high quality of service delivery.

4.6.2 Provider point of view

The other crucial aspect of service delivery is employee engagement. Good service delivery has to have employees who are willing to support customers. High-skilled employees can not only positively influence customers' trust, but also assure customers that the service is of high quality. Batley and Mcloughlin (2014) state that organizations, which have improved service delivery, usually train their employees to ensure that they are having high professional skills and knowledge on how to serve the customers. Engagement of the employees into working process also includes the attitude, which the employees have towards serving the customers. Employees that have good attitude made the customers consider the service delivery as a good one, compared to those employees who do not have good attitude towards the customers. Nevertheless, researchers such as Fukey, Issac, Balasubramanian and Jaykumar (2014) argue that the service delivery is separated from employees' engagement and that engagement is rather a human resources practice than service delivery issues. Despite this, engagement of the employees influences service delivery and hence is a part of good service delivery. Good and excellent service delivery can't be reached by employees, who are not engaged into their work. Brown, Ryan and Parker (2000) established that one of the challenges in service delivery is employees being absent in public organizations. Singh, Pathak, Naz and Belwal (2010) agree that absenteeism and lateness are the major issues that affect service delivery in governmental institutions.

The service delivery in the public sector is also affected by the service quality. This is the perceived value of the service provided. There are factors that influence the perceived value of the service quality such as: reliability – ability to deliver or perform the promised service accurately, assurance – knowledge of employees and their ability to communicate confidence, tangibles – physical appearance of the personnel,

offices, etc.; responsiveness – readiness to provide service and to help the customers and empathy. All five elements of the service quality have to be present in a good service delivery (Siddiquee 2016). However, in public institutions service quality is poor, since the responsiveness of the employees is poor. Batley and Harris (2014) note that also the maintenance of equipment in the public sector leaves a lot more to be desired, which makes the public sector to be considered as having very poor service quality. According to Rice (2007), having a good service delivery means that indeed there is high-quality service delivery system in company that monitors, evaluates and improves the service process, so that the customer can be fully satisfied with the service. Fukey et al (2014) agree that fulfilling all the aspects of service quality is very difficult, hence good service delivery is only achieved, when the service quality is excellent. Batley and Mcloughlin (2014) stipulate that service delivery is the process, rather than the outcome. They argue, that service delivery is the process of delivering high service quality hence service quality is the true reflection of good service delivery.

5 Results of the study

This section contains the findings that were analyzed from the raw data by using SPSS. The findings are based on the research objectives and were attained through research methods outlined in section 3. Tables were used to demonstrate the findings.

5.1 The procurement practices of the TNK-BP

The table below shows the procurement practices of TNK-BP. From the table, it can be identified that the procurement was transparent as the average or mean of the item/question was 4.617 as shown by table below. Means which were above 3.0 indicated that the item was perceived positively since the highest score on the Likert scale was five and the least score on the Likert scale was 1. On the question, whether TNK-BP allowed competitive bidding, the research noted that there was competitive bidding as the mean was 4.255, which is above average. On whether the company had specialists, the mean was 4.532 and it is above average. On whether the company procurement took into consideration the bilateral ties of the country, the mean was also high as it is 4.617.

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
The company procurement process is transparent	94	3.0	5.0	4.617	.5885
The company allows competitive bidding	94	3.0	5.0	4.255	.7888
The company has specialist who prepare the suppliers contracts	94	3.0	5.0	4.532	.6987
The company takes into consideration bilateral ties when awarding tenders	94	3.0	5.0	4.617	.5309
Valid N (listwise)	94				

5.2 The impact of procurement policies on service delivery

On the impact that the procurement policies had on service delivery, the inquiry used regression evaluations to determine this impact. The regression analysis is used to determine the relationship between the dependent variable and the independent variable. In this case the independent variable is the service delivery while procurement planning is the dependent variable whose impact on the dependent variable is being assessed.

From the inquiry, the adjusted R^2 is 0.329, implying that change in one aspect of procurement policy led to 32.9% change in service delivery. From the ANOVA it is notable that the association amongst procurement policies and service delivery is significant. To determine the implication of procurement policy and service delivery the inquiry put into practice the regression statistical equation ($y = a + bx + e$) where: a is the y-intercept point, b is the slope of the line, e is an error). The b value or the slope of the line is used to determine whether the gradient or the correlation is positive or negative. In this case, y = procurement policies (Independent variable), a = procurement policy intercept, b = the gradient, x = service delivery. The equation is therefore as follows: TNK-BP procurement policy = 1.258 + 0.736 service delivery + ϵ , proving that increase in one value of procurement policy resulted into 0.736 growth in service delivery.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.580 ^a	.336	.329	.40156

a. Predictors: (Constant), Policies of TNK-BP

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.519	1	7.519	46.627	.000 ^a
	Residual	14.835	92	.161		
	Total	22.354	93			

a. Predictors: (Constant), Policies of TNK-BP

b. Dependent Variable: Service delivery in TNK-BP

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.258	.488		2.580	.011
	Policies of TNK-BP	.736	.108	.580	6.828	.000

a. Dependent Variable: Service delivery in TNK-BP

5.3 The impact of procurement planning on service delivery

On the impact that the procurement planning had on service delivery, the inquiry used regression evaluations to determine this impact. From the inquiry, the adjusted R^2 is 0.339 implying that change in one aspect of procurement planning led to 33.9% change in service delivery. From the ANOVA it was notable that the association amongst procurement policies and service delivery is significant. To determine the implication of procurement policy and service delivery the inquiry put into practice the regression statistical equation that was as follows: $TNK-BP \text{ procurement planning} = 2.327 + 0.501 \text{ service delivery} + \epsilon$, proving that increase in one value of procurement planning resulted into 0.501 growth in service delivery.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.588 ^a	.346	.339	.39864

a. Predictors: (Constant), Planning of TNK-BP

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.733	1	7.733	48.663	.000 ^a
	Residual	14.620	92	.159		
	Total	22.354	93			

a. Predictors: (Constant), Planning of TNK-BP

b. Dependent Variable: Service delivery in TNK-BP

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.327	.325		7.166	.000
	Planning of TNK-BP	.501	.072	.588	6.976	.000

a. Dependent Variable: Service delivery in TNK-BP

5.4 The impact of sustainable procurement on service delivery

On the impact that the sustainable procurement had on service delivery, the inquiry used regression evaluations to determine this impact. From the inquiry, the adjusted R² is 0.398 implying that change in one aspect of sustainable procurement led to 39.8% change in service delivery. From the ANOVA table, it is notable that the association amongst sustainable procurement planning and service delivery was significant as the significance was 0.00. Regressions were further used to ascertain the significance. To determine the implication of procurement planning on service delivery the inquiry put into practice the regression statistical equation that is as follows: TNK-BP sustainable procurement = 2.047 + 0.571 service delivery + ε, proving that increase in one value of sustainable procurement resulted into 0.571 growth in service delivery.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.636 ^a	.404	.398	.38039

a. Predictors: (Constant), Sustainable practices in TNK-BP

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.041	1	9.041	62.485	.000 ^a
	Residual	13.312	92	.145		
	Total	22.354	93			

a. Predictors: (Constant), Sustainable practices in TNK-BP

b. Dependent Variable: Service delivery in TNK-BP

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.047	.322		6.357	.000
	Sustainable practices in TNK-BP	.571	.072	.636	7.905	.000

a. Dependent Variable: Service delivery in TNK-BP

6 Discussion

This section compared the findings with other previous studies that have discussed the same topics and objectives in order to determine whether the research was consistent or not consistent with other previous studies.

6.1 Procurement practices in TNK-BP

From the research it can be identified that there are procurement practices in TNK-BP. It is evident that the company has policies such as having transparency in their procurement activities. Also, the company has competitive bidding activities. However, it was noted that the procurement was hampered through the fact, that there are multilateral ties in the procurement practices. The company was also found to employ people which were knowledgeable of the procurement practices which made it easy to formulate appropriate contract specifications that favored the company. This is in agreement with the previous study of Raymond (2008), which notes that effective companies employed people that are knowledgeable of the law of contracts and the legal environment to ensure that the procurement practices are in line with the legal environment of the country they were operating in. This ensures that there are no lawsuits concerning contracts given or cancelled by the company. The company should ensure that its procurement policies such as bidding policies as well as non-competitive bidding processes are in line with the legal requirements and regulations of the country that they are operating in.

6.2 The effect of procurement policy and practices on service delivery

The research identified that indeed the procurement policy of the TNK-BP influenced the service delivery. This could be attributed to the fact that company ensured that its bidding process was competitive, which ensured that only the best got the opportunity to supply services to the company. Also, the transparency in procurement increased consumer confidence in the company and ensured that only the best suppliers and service providers were contracted to make the service delivery better. This

concluded with (Tkachenko, Yakovlev and Kuznetsova 2017) who argued that public procurement policy influenced service delivery in various dimensions depending on the nature and type of public policy. Various aspects of procurement policy have distinctive influence on the procurement process. For instance, procurement policy that promotes transparency and integrity in the procurement process positively influenced the procurement process. Rehmatulla, Smith, and Tibbles (2017) note that the organizations that have good procurement policies also have good service delivery. The transparency ensures that the goods procured are of high quality and are as per the specifications, which enables the employees to provide quality services. However, in instances where the procurement is shrouded with secrecy, the goods delivered are of poor quality and are not delivered on time, which affects the service delivery negatively. Therefore, policies that promote transparency end up enhancing service delivery, while policies that do not entrench transparency lead to poor service delivery and underperformance. Gleeson and Walden (2016) note that apart from the poor service through non-delivery and late delivery, lack of transparency makes organizations procure goods and services at punitively high costs, which end up being transferred to consumers through increased cost of service. Most significantly, lack of transparency promotes corruption within the organizations, which negatively affects the service delivery. It makes the organizations lose money while delivering poor quality services to customers. Transparency policies such as online bidding and procurement ensure that the company obtained value for its resources by giving contracts to suppliers to provide high quality services and materials at a reasonable price (Vecchiato and Roveda 2014). Also, the legal and the contracting environment/policy of an organization has its implications on the service delivery. Legal and contracting policies that promote bidding over single sourcing have better service delivery over those that have single sourcing policies. This is verified by Tkachenko, Yakovlev and Kuznetsova (2017) who note that the public sector usually single source some contracts, which results into the public sector having poor service delivery. In addition, the knowledge that the policy formulators have concerning law of contracts in particular has implications on service delivery. Poorly drafted contracts which do not clearly spell the obligations of the contractors and consequences of failing to meet the obligations, have poor service delivery compared to the organizations whose contracts are clear and specified consequences (such as

finances and refunds) of failing to deliver the contracts. The technical specifications of the contracts also have influences on the service delivery. Companies that have specialists, who design for them the technical specifications of the contract end up having better service delivery compared to contractors that are designed without technical input. Policies that promote inclusivity of departmental technicians during the procurement process, so that the technicians would make correct specification, enhance service delivery. Most importantly, discussions between different departments while procuring the latest equipment that could help the organization service the customers more efficiently. Good technical specifications also spur innovations among the suppliers, so that they could compete on delivering innovative and better products to the company, thus enhancing the quality of the services offered to customers. According to Ronnback (2012), the companies should have specialists to design the contracts and technical specifications of the contract. This is to ensure that the goods delivered are the ones required by the company as omission and negligence in specifying the technical specifics of the goods and services required by the company can result in losses and lawsuits.

6.3 The effect of procurement planning on service delivery

The study identified that planning was part and parcel of procurement in the TNK-BP, as well as the fact that procurement planning had its own influence on service delivery was identified. The study noted that there was positive association between procurement and service delivery. Procurement planning positively affects service delivery if it was done appropriately, which is in line with the extant inquiry of Mansi and Pandey (2016). Appropriate planning ensures that the procurement is in line with the organizational needs and encourages the capability to meet customer expectations, which is one aspect of service delivery (Ruparathna and Hewage 2015). In addition, according to Meehan, Ludbrook and Mason (2016), good planning prevents the organization from losing money, when the planning is poor as it ensures that only the important items are procured at the right amount and at the right time. This positive aspect of procurement can be attributed to the fact that most of the participants indicated that the TNK-BP company had procurement budget. Fisher and Corbalán (2013) identified that organizations that have procurement budget, have better

service delivery, comparing to those that do not. According to Aliza, Kajewski and Bambang (2011), involving all the departments during the budgeting process ensures high service delivery. This is because proper specification of the equipment and items required by each department is necessary in procurement planning to enhance the service delivery. It ensures that better items, equipment and supplies that will service customers' needs are procured. It eliminates the chances of not offering services and products to customers because they are not available (Guillaume, Thierry and Grabot 2011). Planning activities that take into consideration the long-term cost of strategy of the organization, also lead to good service delivery. Procurement planning that tends to anticipate future needs of the customer also endears customers and leads to customers' satisfaction (Meehan, Ludbrook and Mason 2016). Planning enables the company to anticipate the future and hence procure equipment and supplies that will lead to customer satisfaction (Sahling and Kayser 2016). Procurement planning that also takes into consideration the offers made by the competitors to ensure that the company offers its services at a more affordable price than competitors, is also enhancing customers' perception of value offered by the company (Hawkins, Gravier, Berkowitz Muir 2015).

The study identified that TNK-BP procurement planning activities took into consideration the human resource aspect by ensuring that the qualified personnel is hired in the procurement departments. This is in agreement with (Brewer and Arnette 2017), who identified that procurement planning that includes planning for human resources has also got a good service delivery. Having employees that are knowledgeable of the procurement processes leads to customer satisfaction. Having employees with procurement background ensures that proper procurement planning is done. It ensures that all the deliveries are ordered appropriately and are delivered on time, enhancing reliability and the capacity to meet customers' expectations. Employees who are engaged to work and are available to offer service and attention to clients, enhance the perception of service delivery, compared to employees who are absent and disengaged (Manso and Nikas 2015). Similarly, having employees who are disengaged leads to poor service delivery and they can't put in place proper plans and appropriate contract terms that would ensure that suppliers are fully obligated to

deliver high quality supplies that will lead to better service delivery (Meehan, Ludbrook and Mason 2016).

6.4 The effect of sustainability practices in public procurement on service delivery

The inquiry established that the sustainable procurement of TNK-BP led to high service delivery. The findings are in agreement with the previous inquiry of Oruezabala and Charles Rico (2012), which identified that sustainable procurement practices lead to high service delivery. Companies that put in place sustainability mechanisms, such as the economic sustainability, benefit by having good service delivery for their customers: for instance, having competitive and transparent bidding leads to high level of service delivery (Large, Kramer and Hartmann 2013). Sustainable economic procurement ensures that there is value service given to customers. It ensures that the services provided are in line with what was promised to customers, thus enhancing service delivery (Sonnino and McWilliam 2011). Most importantly, sustainable procurement ensures that the supplies procured will deliver high-quality services to the customers. It eliminates procurement of defective products and low-quality supplies, which is also enhancing the service delivery. Likewise, sustainable procurement that is focused on the environment is also enhancing the service delivery. Witjes and Lozano (2012) argue that ensuring that the company procured from suppliers that are environmentally-conscious, enhance satisfaction of customers, who have the desire to conserve the environment. It ensures that the procured goods and services are not only efficient, but minimize waste, hence enhancing service delivery. Igarashi, Boer and Michelsen (2014) note that green procurement practices enhance the long-term value of the supplies purchased, as they are more sustainable, compared to the purchased supplies that are not environmentally compliant. Companies save money by procuring environmentally-friendly products, which enable the companies to offer cheaper products and services to the customers, hence enhancing service delivery (Uttam and Roos 2015). Social sustainability of the procurement process also enhances the service delivery. For instance, employing employees from the local community enhance the service delivery by having employees, who are engaged at work (Testa, Iraldo, Frey and Daddi 2016). Social sustainability also enables employees to

be committed to serve the customers, hence is enhancing the service delivery. Acts of social sustainability, such as training of the employees, enhance the service delivery, as the trained employees can offer better services, compared to the untrained employees. Also, engaging in procuring the products from the local community, endears the company to the local community and increases the satisfaction of the local customers (Nijaki and Worrel 2012).

7 Conclusion and recommendations

This section includes summary of the findings as well as an analysis on whether the findings provided an answer to the research objectives. The section also contains discussion on the strengths of the study as well as weaknesses of the study. It includes recommendations for the areas, which future studies should focus on to be improved.

7.1 Summary of the findings

The research succeeded in attaining the first objective of investigating the procurement practices of TNK-BP. The study noted that the TNK-BP company had procurement practice, such as competitive bidding. It was further noted, that procurement process was transparent. In addition, the other practices included activities such as bidding, and ensuring that the procurement is sustainable by procuring goods and services from companies that had environmentally-friendly products.

The research achieved the second objective of investigating the impact of procurement policies on the service delivery. The inquiry established that there was positive impact of procurement policies on service delivery within the TNK-BP. This concurred with (Tkachenko, Yakovlev and Kuznetsova 2017), who argue that public procurement policy influence service delivery in various dimensions, depending on the nature and type of public policy. Various aspects of procurement policy have distinctive influence on the procurement policy. For instance, procurement policy that promotes transparency and integrity in the procurement process, positively influences the procurement process. Rehmatulla, Smith and Tibbles (2017) note that the organizations that had good procurement policies also have good service delivery. The transparency ensures that the goods procured are of high quality and have proper specifications, which enables the employees to provide quality services. However, in instances, where the procurement is shrouded with secrecy, the goods delivered are of poor quality and are not delivered on time, which affects the service delivery negatively. Therefore, policies that promote transparency end up enhancing service delivery, while policies that do not consider transparency, lead to poor service delivery and underperformance.

The research attained the third objective of investigating the impact of procurement planning on the service delivery. The study found that there is positive association between procurement policies and service delivery. Meehan, Ludbrook and Mason (2016) state, that good planning prevents the organization from losing money, when their planning is poor as it would ensure, that only the important items are procured in the right amount and at the right time. This positive aspect of procurement can be attributed to the fact that most of the participants indicated that TNK-BP had procurement budget. Fisher and Corbalán (2013) identified that organizations that have procurement budget, have better service delivery, than those that do not. According to Aliza, Kajewski and Bambang (2011), involving all the departments during the budgeting process ensures high service delivery. This is because proper specification of the equipment and items, required by each department is necessary in procurement planning to enhance the service delivery. It ensures that better items, equipment and supplies that would meet customer needs are procured. It eliminates the chances of not offering services and products to the customers, because they are not available.

The research attained the fourth objective of investigating the impact of sustainable procurement on the service delivery. It established that there is positive association between sustainable procurement and service delivery. Charles Rico (2012) state that sustainable procurement practices lead to high service delivery. Companies that put in place sustainability mechanisms, such as the economic sustainability, benefit by having good service delivery for their customers: for instance, having competitive and transparent bidding leads to high level of service delivery (Large, Kramer and Hartmann 2013). Sustainable economic procurement ensures that a quality service is given to customers. It ensures that the services provided are in line with what was promised to the customers, thus enhancing service delivery (Sonnino and McWilliam 2011). Most importantly, sustainable procurement ensures that the supplies procured will deliver high quality services to the customers. It eliminates procurement of defective products and low-quality supplies, which enhance service delivery. Likewise, sustainable procurement that is focused on the environment is also enhancing the service delivery. Witjes and Lozano (2012) argue that ensuring that the company procured from suppliers who are environmentally conscious, enhanced the

satisfaction of the customers, which have the desire to conserve the environment. It ensures that the procured goods and services are not only efficient, but also minimize waste, hence enhancing the service delivery.

7.2 Weaknesses of the study

This research had its share of limitations. First of all, the research was focused on the employees as the main participants, yet service delivery can only be appropriately assessed by the customers, as they are the ones who experience the implications of the service delivery. Therefore, this limited the outcomes of the study, since the employee participants could not indicate that the service delivery of their company can be very poor. The other weakness of the study is that service delivery is a wide concept and can't be effectively assessed by the few dimensions, which were used to assess it in this study.

7.3 Recommendations for future research

The future research should focus on investigating the service delivery by focusing on the customers. This can ensure that service delivery in TNK-BP is assessed by the customers, rather than the employees, since the customers are the ones, who experience whether the service met their expectations. They are also the ones, who know whether the employees were engaged or not. Service delivery in the future studies should also be assessed by using service delivery framework and connected methods.

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Appendices

Appendix 1. The questionnaire

The questionnaire

Dear Sir/Madam,

This questionnaire is about procurement and its influence on service delivery in TNK-BP. It investigates how procurement policies; procurement planning and sustainable procurement affect service delivery. There are no incentives or payments offered to participate in the inquiry. Please do not include your name or personal details as the study should be carried out anonymously to protect the privacy of the participants. Thank you for considering it worthwhile to participate in the research.

Part 1: Warm-up questions

1. For how many years are you working in TNK-BP?
2. Do you aware of any procurement policy of TNK-BP?
3. Do you know how customers consider your service delivery?

Part 2: Objective questions

Please tick the most appropriate response (1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly agree)

Procurement policies in TNK-BP

	1	2	3	4	5
Q1. The company procurement process is transparent					
Q2. The company allows competitive bidding					
Q3. The company has specialist who prepare the suppliers contracts					

Q4. The company takes into consideration bilateral ties when awarding tenders					
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Procurement planning in TNK-BP

	1	2	3	4	5
Q5. The company procurement is usually budgeted for					
Q6. The departments are involved in procurement planning					
Q7. The company procurement planning anticipates future needs					
Q8. The company hires procurement employees knowledgeable of procurement practices					

Sustainable procurement practice in TNK-BP

	1	2	3	4	5
Q9. The company ensures that procured goods and services have the correct value					
Q10. The company ensures that the procurement is ethical					
Q11. The company ensures that procurement takes into consideration the environment					
Q12. The company takes into consideration the local community					

Service delivery

	1	2	3	4	5

Q13. The clients' expectations are met by the company					
Q14. The company delivers its orders to clients on time					
Q15. The company has engaged employees					
Q16. The company has good service quality					