

# Construction Procurers' Perceptions of Value for Money

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## Introduction

“Value for money” (VFM) is recognized as an important component of the market-oriented thinking underpinning new public management (NPM) (Haque 1999; Diefenbach 2009; Luke et al. 2011) and has pervaded the externalization of public services in many jurisdictions (Alford and O’Flynn 2012). Australia state governments have externalized much of their public works design, construction and maintenance capability (Furneaux et al. 2008). Large-scale public infrastructure projects are politically, socially, and economically significant. For public sector organizations and agencies charged with procuring construction projects and roads projects, justifying “value for money” both externally to taxpayers and communities, and internally to authorizing and/or client departments within government is crucial but inherently challenging. This is particularly so given the multiplicity of objectives sought as part of projects outcomes (Love et al. 2008, 2010; McCabe et al. 2011) and the increasing complexity of projects (Flyvbjerg 2007, 2009).

The importance of the role of middle managers in implementing strategy is addressed in the private sector literature (Floyd and Woolridge 1992; Floyd and Lane 2000), and increasingly being recognized in the public sector, where the alignment of strategy between senior and middle managerial levels in public organizations is associated with better organizational performance (Andrews et al. 2009, 2012). Middle managers with backgrounds in architecture, building, and engineering undertake the associated construction procurement activities. Construction procurement activities undertaken by public agency project managers include tendering, evaluation, selection, and contract award and might also include project planning, and contract management post award. Further, they are responsible for implementing procurement strategy and receive little policy guidance detailing how to implement strategy via procurement (Staples and Dalrymple 2015). These processes

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are heavily reliant on the professional and technical expertise of those procuring. Bovaird (2006) notes that public sector organizations were increasingly appreciating that market relationships were socially constructed in the procurement process, and not simply a product of market conditions. These project managers are, therefore, central actors in designing procurement processes that construct markets and create public value (Moore 1995). The way in which procurers' perceive "value for money" has implications for the way markets are constructed and value delivered.

Combining this responsibility for the implementation of strategy with their expertise, these project managers become the arbiters of VFM and reflect community, political, and multiple government agency perspectives (treasury, cabinet and client department) of "value for money." How these managers perceive VFM is likely to influence how they procure. This chapter focuses on construction procurement by Australian state governments and provides qualitative insights into how these public managers perceive "value for money" within the context of their procurement work.

In Australia, Federal, State, and Territory government procurement policies' emphasize the pursuit of VFM but contain only a limited description of what VFM means. The South Australian Procurement Board (2011) outline in their strategic plan 2011–2013 the objective of establishing a practical guide for public authorities on what "value for money" in government means, which further highlights the ambiguous nature of "value for money" for those charged with delivering it. In a survey of 47 UK local authorities, "value for money" was perceived as the primary objective of purchasing by 89% of the leaders of council, 84% of chief executives, and 77% of purchasing managers (Murray 2001). "Value for money" is frequently the objective and mantra of those spending public money (Murray 2001); however, there is little in the literature that elucidates what "value for money" means to the public sector beyond efficiency, economy, and effectiveness (Glendinning 1988). The key research questions addressed in this chapter are:

- First, to what extent is VFM an objective for those procuring construction projects? and
- Second, how do construction procurers' perceive VFM?

The chapter begins by highlighting "value for money" as a key plank of the market orientation espoused by NPM and describing the introduction of "value" based externalization procurement policy in Australia and the UK. It then highlights the interest in "value for money" from scholars in construction management and public management. An overview of the research design and the methods used to generate primary data is then provided. The findings and discussion shows the multi-dimensional nature of "value for money" and its inherent complexity on infrastructure projects. "Value for money" is viewed primarily as comprising "economy" and "efficiency" drivers with less emphasis placed upon "effectiveness" drivers. Finally, the chapter concludes by considering the pervasiveness of "value for money" discourse for those responsible construction procurement activities and across public organizations and state jurisdictions with Australia.

## Literature Review

NPM related reform and the externalization of public services is an area that has received considerable coverage in the extent literature (Pollitt and Bouckaert 2011; Alford and O'Flynn 2012; Walsh 1995). "Value for money" encapsulates the market orientation of NPM that has been introduced globally and impacted all public service sectors (Diefenbach 2009). Boyne (1998) posited that in the UK its impact was felt most strongly at a local government level when subjected to compulsory competitive tendering (CCT) with a mandate for procuring and contracting on the basis of lowest cost. In both the UK and Victoria, Australia the emphasis on economy ("money") under CCT was replaced with "best value," retaining the competitive element of the market, but emphasizing "value," rather than lowest cost as the guiding principle governing the externalization and delivery of public services (Boyne 1998; Bovaird and Halachmi 2001; Boyne et al. 2002).

While "best value" has not been applied in the same manner within Australian state and federal governments as it was in Victorian local government. Table 1 highlights that the externalization discourse emphasizing "value" has resonated at the federal level of Australian government but also across all state jurisdictions. Further, it shows that there has been clearly articulated recognition that "value for money" does not equal lowest cost when externalizing public services (Department of Finance 2012).

Public procurement policy guidance provided by the UK government and the devolved parliaments of Northern Ireland, Scotland, and Wales has likewise emphasized the "value for money" (HM Treasury 2006; Wales Government 2010; Department of Finance 2012; Scotland Transforming Procurement: Accelerating Delivery 2010; Northern Ireland Public Procurement Policy (Version 10) 2012).

The concept of "value for money" in the public sector has attracted attention from scholars and practitioners interested in several related fields: construction procurement, public-private partnerships (PPPs), public management, and accountability/auditing. There is considerable evidence that value-based procurement approaches, rather than lowest cost, are important to those responsible for construction procurement (Kenley et al. 2000; Wong et al. 2000; Tookey et al. 2001; Kelly et al. 2002; Palaneeswaran et al. 2003; Kelly et al. 2004; Walraven and de Vries 2009).

There is an emerging focus on construction procurement by Australian state governments (Staples and Dalrymple 2011; McCabe et al. 2011; Love et al. 2010, 2008; Furneaux et al. 2008). Love et al. (2008) provide insight into the selection of procurement approaches by public sector clients highlighting the risk-averse nature of Western Australian State Government clients finding that uncertainty avoidance was a major factor in choosing predominantly, a traditional lump sum (TLS) approach. The perceived strength of a lump sum approach was that it provided cost certainty to the client and avoided the risk associated with cost escalation. Love et al. (2008) found that government perceived the capacity of the supply side to deliver nontraditionally as limited, and that cost certainty and the issues associated

**Table 1** Value for money in Australian federal, state, and territory governments

Federal, state, or territory governments	Value for money policy guidance
Federal government	Achieving VFM is the core rule of the 2012 Commonwealth Procurement Rules (Department of Finance 2012). Approvers (definition) must be satisfied, after reasonable enquires, that the procurement achieves a VFM outcome. VFM in procurement requires: encouraging competitive and nondiscriminatory processes; using Commonwealth resources in an efficient, effective, economical, and ethical manner that is not inconsistent with the policies of the Commonwealth; decisions-making in an accountable and transparent manner; considering the risks; and conducting a process commensurate with the scale and scope of the procurement
Australian capital territory	Section22a, Procurement principle—VFM (1) A territory entity must pursue VFM in undertaking any procurement activity (2) VFM means the best available procurement outcome (3) In pursuing VFM, the entity must have regard to the following: (a) probity and ethical behavior, (b) management of risk, (c) open and effective competition, (d) optimizing whole of life costs, and (e) anything else prescribed by regulation
Federal, state, or territory governments	VFM policy guidance
New South Wales	“The government’s procurement policy provides the framework for agencies to achieve VFM from their procurement while being fair, ethical, and transparent. Public sector expertise resources, facilities and products should be used in preference to engaging the private sector, subject to VFM considerations. Where the private sector is to be engaged, opportunities to gain government business are encouraged through effective competition.” (New South Wales 2013)
Northern territory	There are five procurement principles underpinning the NT Governments Procurement Framework, of which the first is best VFM
Queensland	The Queensland State Procurement Policy is about maximizing VFM and reducing costs of procurement, linking agency procurement, and the priorities of government
South Australia	In the public sector, the purchase of goods and services opens us to public scrutiny; therefore, we must obtain value and behave appropriately when spending public money. The aim of the State Procurement Act (2004) is to make certain that government bodies: obtain VFM when they spend public money; treat all participants ethically and fairly; ensure probity, accountability, and transparency in procurement
Tasmania	Buyers must behave ethically and comply with a code of conduct. They must also enhance opportunities for local businesses by ensuring that suppliers that wish to do business with the government are given the opportunity to do so

**Table 1** (continued)

Federal, state, or territory governments	Value for money policy guidance
Victoria	“The VGPB is committed to delivering VFM outcomes for Victoria, while also developing procurement capability, minimizing risk and enabling access to procurement opportunities for all businesses.” (VGPB 2012)
Western Australia	WA Government Procurement (2013) states: “GP’s aim is to ensure services are responsive to customers’ needs and to provide VFM outcomes for government through goods, services, and human services procurement.”

with probity and accountability were important elements of public sector procurement. The authors further commented that public clients are under increasing pressure to obtain “value for money” from the services and projects they deliver and are considering the procurement methods selected so as to obtain better “value for money.” Love et al. (2008, p. 760) noted the sheer volume of criteria used to select priorities for projects and how this demonstrates the complexity of best value as a concept. The authors concluded that a “procurement framework should be able to guide the decision maker rather than provide a prescriptive solution.” Staples and Dalrymple (2014) found there was a level of alignment between the strategic plans of Australian state governments and the construction projects pursued—if a project was not in the strategic plan then it would not be funded in the budget cycle. The authors also found that strategic plans have little impact on the way construction procurement is undertaken, and that this interpretative step is frequently the work of project managers who are located in centralized public works and roads agencies. Love et al. (2010) found that there was an inconsistent understanding of project objectives amongst public officers procuring construction projects, and they also reported that the public sector client made a point of stating that cost certainty was achieved with a TLS approach. The authors concluded that repeatedly using a TLS method is not an effective way to obtain “value for money.”

The PPP literature attempts to define and assess “value for money” largely in financial measures to decide whether it is a viable procurement approach. The focus is on undertaking cost-benefit analyses to determine whether the PPP procurement route is financially advantageous (Nisar 2007) or promoting it as a delivery method (Grimsey and Lewis 2005). VFM over these longer contractual time periods is complex and riddled with uncertainty (Burger and Hawkesworth 2011). The idea that the procurement approach chosen is a driver of “value for money” is a view consistently held in the construction procurement literature (Walker and Hampson 2003, pp. 43–54), where “value for money” differs according to the project and procurement approach adopted (e.g., alliance projects, see MacDonald et al. 2012, 2013).

The goals of public procurement are frequently multiple and conflicting (Murray et al. 2012; Murray 2009b; Erridge 2007), adding complexity to the commissioning and delivery roles (Bovaird 2006), and requiring value laden judgments by those involved. Murray (2001) found that “value for money” was the primary goal for the

UK local government procurers, while Erridge and McIlroy (2002; cited in Erridge 2007) outlined three sometimes conflicting goals of public procurement (commercial, regulatory, and socioeconomic—see Table 2). Economy, efficiency and effectiveness are the commonly described dimensions of “value for money” (Glendinning 1988), however Erridge and McIlroy (2002) describe these “value for money” goals as largely “commercial” goals, and that public procurement has important “regulatory” (competition, transparency, equality, and compliance) and “socioeconomic” goals (public interest, employment concerns, social exclusion, economic development, and environmental policy).

As governments have increasingly externalized services (Alford and O’Flynn 2012) the subsequent associated auditing activities have increased in importance and complexity (Gronlund et al. 2011). The accountability/auditing field focuses on the auditing of public sector expenditure to determine whether it has achieved “value for money” (Gronlund et al. 2011; Johnsen et al. 2001; English 2007). Gronlund et al. (2011) focused on the types of audits undertaken and described prominent “value for money” elements as efficiency, economy, and effectiveness.

## Methods

A qualitative approach was adopted and data were generated from ten public sector agencies (five roads and five works) in five Australian States: New South Wales (NSW), Queensland (QLD), South Australia (SA), Victoria (VIC), and Western Australia (WA). These states were selected as they are the major investors in construction projects. Over \$40 billion of infrastructure expenditure is outlined in the 2013–2014 state governments budgets (NSW 2013; QLD 2013; SA 2013; TAS 2013; VIC 2013; WA 2013). This investment comprises both the commissioning of new infrastructure and recurrent expenditure on existing projects.

**Table 2** Competing strands of public procurement. (Adapted from Erridge and McIlroy (2002))

Strand	Key themes	Achieved through
Commercial	<ul style="list-style-type: none"> <li>- Value for money</li> <li>- Economy</li> <li>- Efficiency</li> <li>- Effectiveness</li> </ul>	<ul style="list-style-type: none"> <li>- Competition/competitive tendering</li> <li>- Closer relationships with suppliers</li> <li>- Longer contracts</li> <li>- Facilities management</li> </ul>
Regulatory	<ul style="list-style-type: none"> <li>- Competition</li> <li>- Transparency</li> <li>- Equality</li> <li>- Compliance</li> </ul>	<ul style="list-style-type: none"> <li>- EU public procurement directives</li> <li>- HM treasury tendering procedures</li> <li>- Organizational tendering rules</li> </ul>
Socio-economic	<ul style="list-style-type: none"> <li>- Public interest</li> <li>- Employment concerns</li> <li>- Social exclusion</li> <li>- Economic development</li> <li>- Environmental policy</li> </ul>	<ul style="list-style-type: none"> <li>- Best value</li> <li>- Contract compliance</li> <li>- Transfer of undertakings (Protection of employment) (TUPE)</li> <li>- Green buying guides</li> </ul>

**Table 3** Scenario for construction works procurers: procuring value for money

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<p><b>A.</b> The Department of Education wants to build a primary school in (a regional town). The project is estimated to cost \$9.5 million</p> <ul style="list-style-type: none"> <li>• How would you procure in this case?</li> <li>• What would best value be in this case?</li> <li>• What government priorities that you would seek to advance?</li> <li>• Who would determine these priorities?</li> </ul> <p><b>B.</b> The policy changes decreeing that all schools should all have solar panels, which will reduce the running costs for hot water and electricity in conjunction with supporting environmental technologies (holding tanks for hot water, etc.). By installing the solar panels for this project the budget is exceeded by \$600,000.</p> <ul style="list-style-type: none"> <li>• Which decision do you take?</li> <li>• Who would determine the priorities?</li> </ul>
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Data were collected using three approaches: (1) telephone interviews, (2) face-to-face interviews, and (3) document analysis. Telephone based semistructured interviews were undertaken with twelve participants drawn from five roads and five construction agencies states and ranged from 14–20 min in duration with participants. The telephone based interviews focused on “value for money” and provided contact information for potential participants in the face-to-face interview phase. In order to further explore “value for money,” 37 (20 (C)onstruction and 17 (R)oads) project managers who were involved in the preparation, evaluation, and awarding of construction contracts through a tender process were interviewed face-to-face in their place of employment. These project managers had, on average, over 20 years of public sector procurement experience. The average duration of the interviews was 66 min (range: 44–123 min) and featured a mixture of open-ended and closed questions designed to explore perceptions of “value for money,” and the extent to which it was an objective. Open-ended questions were used in a stem-plus-query design (Cavana et al. 2001, p. 139), which allowed room for other issues to emerge, and for the researcher to prompt and probe, based on the answers provided by participants. The pattern of the interview was designed to be a series of funnel sequences (Cavana et al. 2001) starting with a broad, unstructured, open-ended question: “I am very interested in VFM. Would you tell me about Value for Money?” Then we proceeded to two more structured questions directly related to the research questions. Firstly, a closed ended question, and secondly a directed but open question:

- To what extent is purchasing VFM an objective?
- What does VFM mean to your department?

These interviews were supplemented by analysis of procurement and construction procurement policy documents and a limited amount of observation during site visits for fieldwork. Scenarios and reflections on current procurement practice were then used to further probe the issues of VFM (See Table 3).

Policy, procedure, and process documents from all of the locations were analyzed to see what light they shed on VFM. Interviews were audio recorded and Nvivo software was used to manage the data and create broad bucket coding (Richards 2005; Bazeley 2007; Richards and Morse 2007). These broad bucket codes were then further analyzed in a manner consistent with what Strauss and Corbin (1998) described as axial coding following the steps laid out by Dey (1993) including

reading and annotating, creating categories, assigning categories, linking data, making connections, and producing an account.

The nature of procurement undertaken by the sample cohort of project managers is strategic, complex, and focused on the delivery of best VFM outcomes. The project managers procuring infrastructure for state government agencies are highly experienced. Those procuring have either spent an overwhelming proportion of their career in the public sector or have been career civil servants. They have, on average, more than 20 years of experience in both the public sector environment and the procurement of infrastructure. Most project managers are degree qualified in the areas of architecture, construction, and engineering.

## Results and Discussion

When asked about the extent to which “value for money” was an objective all of the 37 project managers interviewed responded that “value for money” was important. One roads project manager (SA) commented on the importance of “value for money”:

I think it’s a very, very, very strong objective; it’s probably the biggest factor in anything that we do—(R13 SA).

The responses from construction agency project managers also reflected the importance of “value for money”. A works project manager (SA) stated:

It’s a major objective. All our tendering systems are really focused on doing just that [delivering value for money]. It seems obvious to me, sorry [Laughing]. I mean, I suppose it is obvious, but that’s what we have been trying to do for years—(C9 SA).

The overwhelming response from project managers was that “value for money” is extremely important; a fundamental objective and the primary driver of their procurement work. This was illustrated by one project manager (WA) who stated:

Oh look its critical [value for money], at the end of the day the Government is looking at the most effective and efficient means of expending the taxpayers’ dollars—(C8).

The finding that “value for money” is the primary objective and driver of construction procurement within Australia state governments is consistent with Murray’s (2001, 1999) findings on procurement in UK local government. That “value for money” was reported as the primary procurement objective suggests that “value for money” discourse is extremely pervasive within government institutions. Value based policy influencing the externalization of services (for example “best value”) has not been implemented by Australian state governments as it was in UK local governments (Bovaird and Halachmi, 2001). Best value was pursued at a Local Government in Victoria between 1999 and 2008 (Victorian Government 1999).

There was a high level of similarity as to the importance of “value for money” reported by project managers from both roads and construction backgrounds. One works project manager explained this in terms of extracting the most out of public funds:



[...] we're always looking for value for money, and we want to achieve that, get the most out of the money we've got to play with so to speak—(C14 NSW).

One roads project manager described “value for money” as being the total focus because it is a priority for because of societal desires and expectations:

To what extent? About a hundred [percent]. It might be 101 [percent] actually. Because the public expect to get value for money. They not only expect to get it, they actually want to see we're getting it too—(R1 QLD).

There was little difference in the extent to which “value for money” was an objective for roads and construction works agencies. Further, there was little difference between the states, which suggests that there are institutional forces that prioritize “value for money” across jurisdictions and government agencies. The likeness of the responses from participants suggests that the neo-liberal rhetoric or discourse of “value for money” is embraced and espoused by both sides of politics in Australia, although its meaning can differ as to the relative emphasis placed on economy, efficiency, or effectiveness.

Under CCT “value for money” was viewed as primarily focusing about “economy” and procuring on the basis of lowest cost, while “best value” emphasized the 3E's “economy, efficiency, and effectiveness.” In Australia, the terms “value for money” and “best value” are not strongly related to policy regimes of particular political parties as in the UK and are used interchangeably and synonymously by the project managers.

## Perceptions of “Value for Money”

There were two major strands of findings about the project managers' perceptions of “value for money.” First, the project managers commented extensively on the nature of “value for money,” and second, they highlighted the complexity of “value for money” drivers that are considered when undertaking construction procurement.

They commented on “value for money” not being able to be universally defined, and “value for money” being a relative concept, echoing Glendinning (1988) who referred to attempts to define “value” in the economics literatures. Further, project managers commented extensively that “value for money” required interpretation by them as procurers, necessitating their judgment, and because of its relative nature it differed from project to project depending on several factors including: location, financial environment, and forward plans. As one procurer of roads projects commented:

We keep getting these discussions where people are trying to get a universal formula or calculation of what is value for money. I think value for money can change on a network depending on the section of the road you're talking about, the environment you're in, how much money is available, what your forward plans might be and so on, which makes it very difficult to come down and argue or demonstrate value for money—(R4 QLD).

One building procurer suggested government needed to take a location based perspective, particularly to regional projects, where greater cross-government collaboration was needed to both contemplate and coordinate the achievement of the planned impacts for regional communities.

If there is no universally applicable definition of “value for money,” and the procurers professional expertise is crucial in creating public value (Moore 1995), then the procurers’ role becomes even more central in implementing strategy (Floyd and Woolridge 1992; Floyd and Lane 2000). The nature of “value for money” as perceived by the project managers and their role in creating value creates challenges in the policy environment as how to provide appropriate guidance on procuring “value for money” (see Wales Government (2010) Community Benefits). It may also require creative thinking about how the tacit knowledge of procurers can be codified through policy and systems, and shared between project managers, and across institutions and jurisdictions.

There was only one project manager (SA) out of the 37 project managers and 12 project executives interviewed who offered an official definition of “value for money.” This definition was focused on balancing price with achieving objectives:

I can give you the official definition [of value for money] ... the fulfilment of objectives for the lowest whole-of-life cost, maximisation of the objectives—(C17 SA).

Governments are now providing policy advice (see Table 1) to departments and procurers about what VFM is, but how this policy information is both used and perceived is worthy of further exploration.

## Politically Value-Laden Judgments

Project managers were conscious of how the political environment could influence “value for money” on a project and the role of politicians in defining “value for money.” One participant (NSW) commented on the overarching authorization that is needed from the political environment to legitimize interpretations of “value for money”:

Yeah value for money is really quite subjective and has to be driven from the top. Really from the top, and the ministers, at the higher levels. Ministers are there to decide what is value for money. Not us. We try to represent, to a large extent the minister has to be aware of what is value for money—(C14 NSW).

The implication of this desire for political authorization is that without it project managers may not feel empowered to use their skills in their procurement solutions.

The second major theme was focused on the drivers of “value for money” on a project, and highlights the multi-dimensional nature and complexity of “value for money” for those procuring construction projects. This supports the findings of scholars who detail the large amount of criteria upon which projects are procured (Love et al. 2008) where a multiplicity of objects are frequently sought (McCabe et al. 2011). “Value for money” was viewed as comprising many drivers and factors.

However, the evidence showed that project managers still predominantly view “value for money” through commercial “economy” and “efficiency” lenses (Erridge and McIlroy 2002). Further, “value for money” drivers that initially appear unrelated to commercial imperatives are frequently viewed as drivers of good commercial outcomes, be it (for instance: relational contracting, getting good design, etc.).

Another important finding was the plurality of institutional perspectives with government. Project managers noted that government departments: treasury, premier, cabinet, and client agencies all have an opinion on what “value for money” is. Frequently these departments have their own commercial agendas, but sometimes they are focused on the socioeconomic uses of a facility. Within works agencies there is a strong commercial incentive to listen, and develop good relationships with client departments, as the clients commission projects and works procures for them. This theme of listening to client departments was noticeably stronger in state jurisdictions where client departments are not mandate to procure through a centralized works department. In other words, the works agency needs good relationships with clients to ensure ongoing work that makes the works agency a viable entity within government.

Roads agencies both commission and procure projects and are then responsible for the maintenance and upkeep of the infrastructure procured. The connected nature of expertise within the domains, and the fact that they will be responsible for the ongoing maintenance may mean they are in a better position to make VFM judgments over issues of life cycle.

## Conclusion

The findings reveal the multi-dimensional nature of “value for money” and its inherent complexity on infrastructure projects. “Value for money” is the major objective for the managers responsible for procuring buildings and roads construction projects on behalf of Australian state governments. It is viewed as the main driver of procurement activities by project managers responsible for construction procurement of over \$40 billion of infrastructure expenditure outlined in the 2013–2014 Australian State and Territory Governments budgets. This is encapsulated in the response from one manager:

Oh, ultimately to me, it's [VFM] the objective—(C1 QLD).

The discourse of “value for money” has been powerful within Australian state governments but relies on interpretation by, and the expertise of project managers to translate into procurement strategy, highlighting opportunity for creative policy. This is further supported by the finding that only one project manager cited an official definition of “value for money” and the definition was sufficiently open ended that it required interpretation by a project manager to operationalize it through procurement. Project managers are, therefore, very important for these types of specialized procurement. The importance of the project manager's role is further enhanced by the perceptions of “value for money” expressed that believe it is a relative term

that requires interpretation and judgment by project managers in order to operationalize the concept. The complexity of VFM was highlighted by project managers as they listed multiple drivers that can then be viewed as fitting into the auditing perspective of the 3Es or the Erridge and McIlroy (2002) three goals of procurement (commercial, regulatory, and socioeconomic). What is clear when you analyze the responses through these three lenses is that most of the drivers of “value for money” are commercial oriented goals viewed through economy and efficiency lenses. Far less consideration is given to socioeconomic goals or effectiveness drivers of VFM.

This may be because project managers believe that effectiveness and socioeconomic criteria are politically value laden and therefore require the approval/authorization from politicians. Further exacerbating the complexity was the finding that it was acknowledged by project managers that there were multiple institutional perspectives on “value for money.” While these multiple institutional perspectives exist economy and efficiency remain the primary focus for those procuring.

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