



# Research on the Conception of Performance Evaluation for Government Investment Projects

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**Abstract:** The development of the national economy and social undertakings cannot be separated from government procurement. With the gradual expansion of government procurement scale, conducting performance evaluation of government procurement projects and improving the efficiency of government procurement fund utilization has become an important link in the government procurement management system where management and procurement are separated by financial departments at all levels. Performance evaluation can effectively improve process control and achieve optimal resource allocation. The performance evaluation of government investment project procurement is crucial for improving the efficiency of government investment. The article combines the practical experience of the budget performance evaluation project in Wangcheng District, Changsha City to preliminarily explore the main ideas and evaluation index system of government procurement project performance evaluation, aiming to provide useful reference and reference for designers of other government procurement project performance evaluation work plans.

**Keywords:** Government Investment Projects, Performance Evaluation, Indicator Construction

## 1. Introduction

The performance evaluation of government procurement projects is the use of scientific and standardized performance evaluation methods, based on unified evaluation standards, and in accordance with the basic principles of performance evaluation implementation, to scientifically, objectively, and fairly measure and evaluate government procurement activities and their effects. It encourages various regions and departments to focus on the effectiveness and output effects of procurement funds while standardizing government procurement behavior.

## 2. The Significance and Evaluation Dimensions of Performance Evaluation for Government Procurement Projects

### 2.1. The Significance of Performance Evaluation for Government Procurement Projects

Conducting performance evaluation of government

procurement projects is of great significance and value for both socio-economic development and the government's public sector. On the one hand, it is conducive to the rational allocation of public resources, improving the efficiency and effectiveness of the use of government procurement funds; On the other hand, it is conducive to promptly correcting improper government procurement behavior, avoiding risks, improving the transparency of procurement activities, and promoting the construction of a clean government [1].

### 2.2. Dimension of Performance Evaluation for Government Procurement Projects

Through research on the government procurement system and project implementation, the author believes that performance evaluation of government procurement projects can be carried out from both micro and macro dimensions.

On the micro level, it refers to specific procurement behavior. The lower the cost of funds and the shorter the time spent on a project, the higher the micro performance achieved. Specifically divided into financial efficiency and administrative efficiency. Fund efficiency refers to the budget

savings rate of a project; Administrative efficiency refers to the timely completion rate of government procurement targets based on their different procurement cycles.

Macroscopically, it is an analysis of the performance of the government procurement system, including scale efficiency, personnel efficiency, and policy efficiency [1-6]. It is measured by the cost-saving efficiency of the total scale of government procurement, the size of per capita procurement volume, whether the government procurement policy is scientific and applicable, and whether the government procurement management system and mechanism are efficient. Currently, most regions have not analyzed the macro performance of government procurement.

### 3. Basic Principles for Implementing Performance Evaluation of Government Procurement Projects

#### 3.1. The Principle of Combining Comprehensiveness with Specificity

Comprehensivity refers to a comprehensive performance evaluation of government procurement participants, the entire process of government procurement activities, and the content of government procurement. However, due to the different functions and focuses of different procurement project expenditures, attention should also be paid to their specificity when evaluating the development and implementation of work.

#### 3.2. The Principle of Combining Unity and Differentiation

To conduct performance evaluation of government procurement projects, it is necessary to establish a unified set of evaluation principles, systems, and procedures. Based on the diversity and differences of procurement projects, and on the basis of unified standards, methods and indicators that are suitable for specific procurement expenditure targets should

also be selected.

#### 3.3. The Principle of Combining Qualitative and Quantitative Analysis

In the performance evaluation of government procurement projects, qualitative analysis and quantitative analysis should be combined. Quantitative analysis mainly analyzes the quantitative relationship of research objects, such as output quantity, quality, cost, and timeliness; Qualitative analysis is the use of descriptive sentences to analyze the specific characteristics of the evaluation object.

### 4. Main Ideas for Performance Evaluation of Government Procurement Projects

#### 4.1. Performance Evaluation Ideas for Procurement Management of Government Procurement Projects

Procurement management can be divided into stages such as investment, procurement, and performance evaluation. The performance evaluation of government procurement projects can be carried out from the necessity of procurement needs, key links in the procurement process, and execution precautions. At the evaluation level of procurement efficiency, in terms of procurement effectiveness, in addition to reflecting the output, economic benefits, social benefits, etc. within the project itself, attention should also be paid to the benefits brought by the government procurement system, such as cost control and support for the development of small and medium-sized enterprises [7-12].

The performance evaluation of government procurement projects should be based on government procurement projects, focusing on the entire process and process of government procurement, and objectively reflecting the true situation of government procurement projects. The entire process of government procurement is shown in Figure 1.

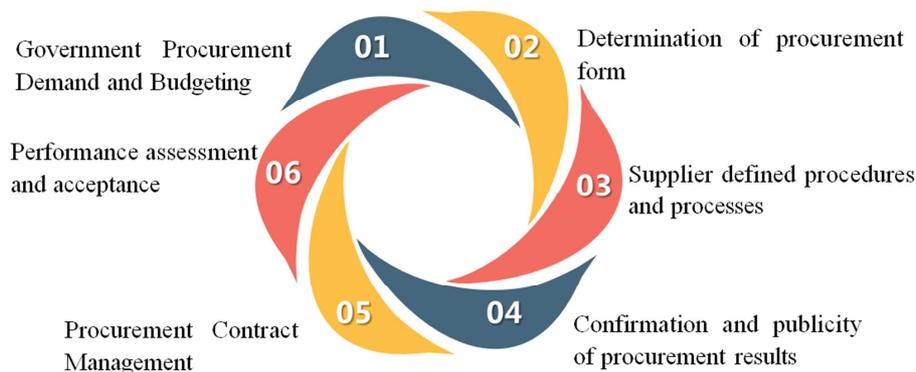


Figure 1. Implementation process of closed-loop management for government procurement.

#### 4.1.1. Evaluation of Government Procurement Budget Preparation and Demand Proposal

In actual evaluation, when evaluating the performance of the government procurement budget preparation and demand

formulation process, the evaluation agency needs to focus on two points: firstly, the completeness and rationality of the procurement demand, mainly referring to whether the procurement demand complies with national laws, regulations,

government procurement policies, and relevant management systems such as assets and finance; The second is the matching of procurement requirements, procurement budget preparation, and procurement implementation plan, mainly referring to whether the procurement requirements have undergone procurement cost analysis or procurement price calculation, whether the various analysis and calculation methods are scientific, and whether the analysis and calculation data are reliable.

#### **4.1.2. Evaluation of the Determination of Government Procurement Forms and Methods**

The forms of government procurement can be divided into centralized procurement and decentralized procurement, and the methods of government procurement can be divided into bidding and non bidding [4]. The legitimacy, compliance, and rationality of content and procedures are key points that need to be verified and paid attention to in the evaluation of government procurement forms and methods. Firstly, the determination of the form is whether the project content within the centralized procurement directory should be fully collected, and whether the procurement form should be determined based on the procurement limit standard. Secondly, the determination of methods should pay attention to the scope of application of different procurement methods. Generally speaking, bidding procurement mainly uses open bidding, non bidding procurement, inquiry for goods, and competitive negotiation for services [13-16]. Finally, if there are invited bidding and single source methods in the project, it is necessary to focus on whether they comply with relevant policies and regulations, as well as whether the determination of relevant processes and procedures is standardized.

#### **4.1.3. Evaluation of the Process and Procedures Determined by the Supplier**

In the implementation process of government procurement projects, the most complete and complex process and procedure for determining suppliers is open bidding. When evaluating the performance of the process and procedures determined by the supplier, the key points to be reviewed are: firstly, the standardization, fairness, and efficiency of the process. Evaluators must have a deep understanding of the different processes, procedures, and time nodes of different procurement methods, and investigate the supporting institutional processes one by one. Secondly, whether the content of the bidding documents is complete, coherent, and scientific. When reviewing relevant procedural materials, attention should be paid to the responsiveness of bidding suppliers and whether there are fewer than three suppliers. Thirdly, whether there are exclusive, discriminatory, and biased clauses in the bidding documents, such as technical, service, commercial clauses, evaluation methods, standards, etc. In addition, it is also necessary to pay attention to whether the bidding announcement deadline meets the specified deadline, whether the bidding announcement and change announcement are published on government procurement information announcements and media, whether the content is complete, true, and accurate, whether inquiries and doubts are

received, accepted, processed, and answered according to regulations, and whether the bidding and evaluation processes are standardized, etc.

#### **4.1.4. Confirmation and Publicity Evaluation of Government Procurement Results**

The confirmation of government procurement results generally involves two steps: publishing the results publicly and questioning complaints, and issuing a result confirmation notice if there are no objections. When reviewing the compliance and openness of government procurement results confirmation, the first thing to focus on is whether the disclosure is in accordance with the format specifications of government procurement disclosure information, and whether the content is complete, true, and accurate; Then there is the deadline for reviewing the public announcement, as well as the accuracy of the release channels, whether there are any doubts or complaints, what are the contents of the doubts and complaints, and what are the final handling methods and results.

#### **4.1.5. Evaluation of Government Procurement Contract Management**

The evaluation of government procurement contract management mainly includes the evaluation of contract content, contract signing, and the organizational management of the contracting parties. When conducting performance evaluation, the evaluation agency needs to focus on several points: firstly, the contract content. The content of the government procurement contract should not only include the usual provisions on the rights and obligations of the purchaser and supplier, dispute resolution, etc., but also include relevant content that fully reflects the procurement needs, and clarify whether there are substantive modifications to the bidding documents of the winning supplier. The second is the timeline for contract signing. The purchaser or procurement agency shall sign a government procurement contract in accordance with the matters determined in the procurement documents within 30 days from the date of issuance of the bid winning or transaction notification (specific local time shall prevail). The third is the standardization of supplementary contracts. The purchase amount of all supplementary contracts shall not exceed 10% of the original contract purchase amount, and the additional goods, engineering, or services shall be consistent with the terms agreed in the original contract. The fourth is archive management. Whether the government procurement project archives (including electronic archives) are complete, archived in a timely manner, and properly kept, and whether the undertaking entity has established a government procurement project ledger.

#### **4.1.6. Evaluation of Performance Assessment and Acceptance**

According to relevant regulations, the procurement unit should develop an assessment and acceptance plan and acceptance form based on the characteristics of the project, specifying the time, method, and procedure for performance acceptance. Firstly, it is important to focus on verifying whether the procurement unit has organized assessment and

acceptance work, developed assessment and acceptance plans, completed the content of the acceptance form, and whether assessment and acceptance have been effective.

Substantive effects have been achieved. Secondly, it is necessary to verify whether the results of performance assessment and acceptance are linked to the conditions for fund payment and return of performance bond agreed in the procurement contract, and whether they are applied in the new round of government procurement budget formulation and procurement implementation.

#### **4.2. Evaluation Ideas for the Procurement Effectiveness of Government Procurement Projects**

Effect analysis includes two aspects: output and benefits. The output is mainly reflected in whether the procurement task is completed, whether the quality meets the standards, whether the completion is timely, and whether the control of procurement costs is reasonable; The benefits are mainly reflected in the policy objectives and effectiveness of government procurement laws, regulations, and institutional construction, whether the largest possible and scientifically proportional investment has been obtained while fully utilizing existing financial funds. In addition, the effectiveness indicators should also focus on the satisfaction of the purchasing entity, service recipients, and related parties. Relevant information can be collected through data retrieval, questionnaire surveys, interviews, and other methods.

#### **4.3. Evaluation Ideas for Long-Term Supervision Mechanism of Government Procurement Projects**

To establish a long-term supervision mechanism for government procurement projects, it is necessary to carry out full process supervision of procurement projects before, during, and after the event. In the process of implementing performance evaluation for government procurement projects, the main reviews include: firstly, whether there are any doubts and complaints throughout the entire process of government procurement (including the evaluation process and procurement results); The second is to question the investigation status of the complaint and the timeliness of the response; The third is the results of the processing, whether there is responsibility, and the satisfaction of the processing results should be obtained from all participants; The fourth is whether the procurement unit has established a third-party (supplier) management mechanism, fulfilled regulatory functions, and carried out phased tracking management based on work content, requirements, and time. In addition, when evaluating the long-term supervision mechanism of government procurement projects, it is also necessary to have a deep understanding of whether regulatory mechanisms such as market access mechanism, quality assessment, result application, and exit mechanism have been strictly implemented.

## **5. Conclusion**

This article elaborates on the significance and evaluation

dimensions of government procurement project performance evaluation, the basic principles of implementation, the main ideas of evaluation, and the design of indicator system, which has strong operability. The scientific design of the indicator system is conducive to achieving unified and standardized performance evaluation indicators and comparability of evaluation standards for government procurement projects, thereby improving the quality of performance evaluation for government procurement projects. It has a positive reference role in promoting more comprehensive, accurate, objective, scientific and efficient performance evaluation of government procurement projects and achieving expected goals.

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