

Determinants of Public Fund's Savings Formation via Public Procurement Process

Beata GAVUROVA,¹ Andrea TKACOVA,² David TUCEK³

Abstract: *The aim of procurement is to achieve savings of public resources. Domestic and foreign studies point to the fact that the condition of achieving the savings is sufficient competition on the supply side. Slovakia currently belongs to the group of countries with low competition in public procurement deals. Furthermore, in this context we have compared the best practices of using public funds with regard to public procurement in the Czech Republic. The aim of this paper is to create and analyze models of the number of tenders subcontractor participation and open competition on the savings achieved in public procurement. Based on the Wilcoxon signed-rank test in the R software is demonstrated that public procurement in an average is a way to save public funds. Using linear regression in R program positive effect of the number of offers to saving process is identified. Across the investigated group as well as at dividing to limit and above the limit contracts, any further offer increased energy in average of 3%. Participation of the subcontractor has positive effect on savings in the whole study group and at above limit contracts over 1.35 million euros without value added tax. Open competition as a kind of public procurement is not statistically significant in pursuit of savings in procurement for a given sample.*

¹ Associate Professor, Ph.D., Technical University of Košice, Faculty of Economics, Némcovej, Košice. Slovakia, e-mail: beata.gavurova@tuke.sk

² Ph.D., Technical University of Košice, Faculty of Economics, Némcove, Košice. Slovakia, e-mail: andrea.tkacova@tuke.sk

³ Associate Professor, Ph.D., Tomas Bata University in Zlín, Faculty of Management and Economics, Mostní 5139, Zlín, Czech Republic. e-mail: tucek@fame.utb.cz