

UNIVERSITY OF CAPE COAST

EXAMINING THE PROSPECTS AND CHALLENGES OF THE PUBLIC
PROCUREMENT ACT IMPLEMENTATION IN GHANA: THE CASE OF
EAST MAMPRUSI DISTRICT ASSEMBLY

BY

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Dissertation submitted to the Department of Accounting of the School of
Business, College of Humanities and Legal Studies, University of Cape Coast
in partial fulfillment of requirements for award of Master of Business

Administration degree in Accounting

MARCH 2019

DECLARATION

Candidate's Declaration

I hereby declare that this dissertation is the result of my own original research and that no part of it has been presented for another degree in this university or elsewhere.

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Supervisor's Declaration

I hereby declare that the preparation and presentation of the dissertation were supervised in accordance with the guidelines on supervision of dissertation laid down by the University of Cape Coast.

Supervisor's Signature: Date:.....

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ABSTRACT

It is believed that the promulgation of the Public Procurement Act has assisted to deal with several problems of procurement in Ghana. Despite the achievements of the reform, it appears the implementation of the procurement Act is faced with many challenges. This study sought to examine the prospects and challenges of the public procurement Act in Ghana with much focus on the East Mamprusi District Assembly (EMDA). In conducting the study, the researcher adopted purposive sampling technique to solicit the requisite information from registered suppliers, procurement staff and entity tender committee members of EMDA whose core function entails executing various shades of procurement and procurement related activities. The questionnaire technique was employed as the research instrument while Statistical Package for Social Science (SPSS) Version 21 enabled the researcher to analyse the field data captured. The major challenges identified by the study were delays in the procurement process and late payment of contractors upon completion of work. The main cause of the delays in the process according to the study was bureaucracy. In order to enjoy the benefits that come with the Procurement Act, the study recommended that government should endeavour to review the Act to limit the number of steps in the procurement process so as to reduce the level of bureaucracy in the system. Furthermore, procurement entities should comply with the contractual agreement with contractors/suppliers by honouring prompt payment upon completion of contracts/ projects.

ACKNOWLEDGEMENTS

I sincerely thank the Almighty for making it possible for me to have gone through this programme of study successfully. My appreciation goes to my Supervisor Prof. John Gartchie Gatsi for having the time, patience and brilliant contributions towards the successful completion of this dissertation. I also extend gratitude to all the lecturers who happened to handle me throughout my study period. I wish to say may the good Lord bless all of you.

DEDICATION

To my supportive wife Sheila Naa Tetteorkor Clottey and my late parents Mr.

Ben-Best Bonya Yahaya and Madam Adisah C. Natomah

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LIST OF ABBREVIATIONS

| | |
|---------|--|
| DCE | District Chief Executive |
| DSS | Decision Support System |
| EIS | Executive Information system |
| EMDA | East Mamprusi District Assembly |
| ERP | Enterprise Resource Planning |
| ETC | Entity Tender Committee |
| GDP | Gross Domestic Product |
| GST | General System Theory |
| MDA | Ministries, Departments and Agencies |
| ODA | Overseas Development Administration |
| OECD | Organisation for Economic Co-operation and Development |
| OIPT | Organization Information Processing Theory |
| PPA | Public Procurement Act |
| PPRs | Public Procurement Reforms |
| PUFMARP | Public Financial Management Reform Programme |
| RBV | Resource Based View |
| SHS | Senior High School |
| SPSS | Statistical Package for Social Science |
| SSS | Senior Secondary School |
| VFM | Value for Money |

CHAPTER ONE

INTRODUCTION

Background to the Study

Public Procurement is a powerful driver for development. In addition to providing goods, works and services of a country needs, the act of procurement itself can strengthen local economies, support marginalized groups and boost local capacity for commerce. Public Procurement is the buying of goods, works and services on behalf of a public authority, such as a government agency (Mlinga, 2009). Governments spend public monies to secure inputs and resources to achieve their objectives and by doing so; create significant impact on key stakeholders and wider society. In addition, government purchasing impacts both domestic and international trade given that procurement budgets in developing countries account for about 20% of government expenditure (Mlinga, 2009).

In Ghana, Public Procurement represents about 24% of total imports and apart from personnel emoluments, public procurement represents 50% - 70% of the national budget and 14% of GDP (Adjei, 2006). Studies revealed that, the annual value of public procurement in Ghana is about US\$600 million (World Bank, 2003). The bulk of this expenditure are programmes run by Ministries, Departments, Agencies (MDAs) and District Assemblies (DAs) as well as Public Hospitals, Universities, Schools and Colleges which involved procurement of goods, works and services. Hence, improving the public procurement system will impact substantially on the economy of Ghana which will result in budgetary savings and efficiency in government expenditure, thereby creating wealth and reducing poverty.

Due to this, governments' in Ghana have attempted to address the weaknesses in the public procurement process by the passage of several financial and legal instruments since independence. These legislations have come in the form of constitutional, legislative instruments, administrative instructions and financial circulars. In 1960, the Government enacted the Contracts Act, 1960 (Act 25) and Ghana Supply Commission Act which was reviewed later in 1990 by PNDC law 245. In 1976, the Ghana National Procurement Agency Decree, 1976 (SMCD 55) was passed by the Supreme Military Council. In 1979, another law, the Financial Administration Decree (SMCD 221) was also passed. All these laws, decrees and instruments were meant to provide a comprehensive framework of administrative powers to regulate the activities of procurement within the public sector.

However, successive reviews of the public procurement regimes in Ghana reveal substantial inefficiencies, corruption and lack of transparency in the procurement processes of governmental agencies as a result of unclear legal framework, lack of harmonized procedures and regulations and unclear institutional and organizational arrangements required in the management of the public procurement process (Azeem, 2007). It also lacked capacity development of procurement practitioners and career path for them in the Public and Civil Service. This led to the non-achievement of the core principle of public procurement which is value for money in government and donor financed procurement.

It became clear therefore that, there was the need to critically examine the processes and procedures of public sector procurement to ensure

operational efficiency and institutional capacity to address procurement issues. It is in the light of these challenges that the government after a major review of its public expenditure system, in 1993, decided to establish a comprehensive Public Financial Reform Programme designed to strengthen its Public Financial Management System.

This reform programme known as Public Financial Management Reform Programme (PUFMARP), became operational in 1995. The objective of PUFMARP was to promote efficiency, transparency and accountability in the public financial management system. To achieve this, PUFMARP recommend the review of Public Procurement system. Consequently, the Ministry of Finance and Economic Planning (MOFEP) in 1999 established a steering committee known as Public Procurement Oversight Group (PPOG) to assist in the design of a comprehensive public procurement reform programme. The group completed one of its major objectives by drafting a public procurement bill in September, 2002.

To operationalize the concept of good governance, incorporate adequate controls to promote competition and minimize the risk of fraud, corruption, waste and the mismanagement of public funds, the Public Procurement Act, 2003 (Act 663) was enacted by the government of Ghana to address the real and perceived weaknesses in the procurement of goods, works and services. This dissertation explores the major issues involved in public procurement in Ghana and examines the prospects and challenges of the Public Procurement Act (Act 663) with focus in the EMDA.

Statement of the Problem

The Public Procurement Act (Act 663) defines rules and regulations which guide, direct, and monitor the practice of public procurement in Ghana. It is believed that the law has helped to deal with several problems of public procurement in Ghana. However, despite the laudable aims and objectives of the reform, it appears the implementation of the Procurement Act is faced with challenges like lack of qualified procurement practitioners to perform the procurement function effectively, political interference in the procurement process, ineffective customer-supplier relationship, cumbersome procedures and very low thresholds.

The issues mentioned above have significant impact on achieving the overall aims and objectives of the reform and this is of concern to the researcher. Moreover, there is little empirical research on public procurement reforms in Ghana and the current study attempts to bridge this gap by investigating the prospects and inherent challenges of the public procurement law since its implementation in 2004 with much focus in the East Mamprusi District Assembly (EMDA).

Purpose of the Study

The purpose of this study is to examine the prospects and challenges of the Public Procurement Act in Ghana with much focus on the EMDA.

Research Objectives

1. To ascertain the level of knowledge of procurement practitioners in the East Mamprusi District Assembly (EMDA) on the Public Procurement Act.

2. To determine the effects of the Public Procurement Act on procurement in East Mamprusi District Assembly (EMDA).
3. To ascertain the challenges of implementing the procurement Act in acquiring works, goods and services in the East Mamprusi District Assembly (EMDA).
4. To examine the prospects of the public procurement Act in the East Mamprusi District Assembly (EMDA).

Research Questions

The study will address the following research questions:

1. What is the level of knowledge of procurement practitioners in the East Mamprusi District Assembly (EMDA)?
2. What are the effects of the Public Procurement Act (Act 663) on procurement in the East Mamprusi District Assembly (EMDA)?
3. What are the challenges that confront the East Mamprusi District Assembly (EMDA) in the implementation of the Public Procurement Law Act (Act 663)
4. What are the prospects of the public procurement Act in the East Mamprusi District Assembly (EMDA)?

Significance of the Study

Public Procurement is now perceived as a major function to the government and organizations both in the public and private sector, and a keen attention is being paid to procurement improvement or reforms. As a new law or act, it would be of interest to carry out a study/research to identify the prospects and challenges of implementing the policy. Secondly, the outcome and recommendations of the research will assist government and policy

makers to formulate and implement appropriate review action plans for the needed improvements in the reform. Moreover, the findings and recommendations of this research may also be used to improve procurement practices by other District Assemblies in the country.

Delimitation of the Study

The scope of the study will be limited to the EMDA in the Northern Region of Ghana. The study is delimited to the EMDA because undertaking a research covering the entire country will be enormous and weigh beyond the researcher's capacity, hence a limitation to the study. Thus, the generalization of the study's findings may be impaired by the inherent general limitation of a case study design. It is also worthwhile to note that, judgment conformity standards that are used in this research are adopted from Public Procurement Authority (PPA) and therefore any limitations that are embedded in them equally affected this study.

Organization of the Study

The study is organized into five (5) chapters. The first chapter consists of the introduction of the study and gives a background to the study. The section also consists of the statement of the problem, research objectives and questions, significance of the study, scope and limitations of the study and organisation of the study. The second chapter focuses on the relevant literature review on public procurement reforms in Ghana and the rationale for the procurement reform, the theoretical framework and the general organization of the public procurement Act.

Chapter three details on the research methods adopted for the study. It indicates the population, sample technique and size, research design and

instrument for data collection and its presentation and how these methods assist in achieving the research objectives. The fourth chapter covers data analysis and presentation of the study. The fifth and final chapter constitutes the summary, conclusions and recommendations based on the findings.

CHAPTER TWO

LITERATURE REVIEW

Introduction

This chapter reviews reform works done on public procurement. The review focuses on reforms in public procurement in Ghana dating back to the pre and post independence eras and the public procurement act (Act 663). It also covers the theoretical framework, empirical review and conceptual literature. In this chapter, a number of relevant literature on the effects of public procurement reforms are presented in order to establish and provide answers to the research questions.

Theoretical Review

This section comprises review of theories that are relevant to the study and inform the theoretical background of the study. These theories include the agency theory, knowledge based theory, theory of internal control, transaction cost economics theory and resource based view, contingency theory and system theory

Agency Theory

Agency theory is a concept that explains why behavior or decisions vary when exhibited by members of a group. Specifically, it describes the relationship between a principal and an agent. It explains their differences in behavior or decisions by noting that the two parties often have different goals and independent of their respective goals, may have different attitudes towards risk. The theory essentially acknowledges that different parties involved in a given situation with the same given goal will have different motivations and that, these different motivations can manifest in different ways. It states that

there will always be partial goal conflict among parties, efficiency is inseparable from effectiveness and information will always be somewhat asymmetric between principal and agent.

The important assumptions underlying agency theory is that; potential goal conflicts exist between principals and agents; each party acts in its own self-interest; information asymmetry frequently exists between principals and agents; agents are more risk averse than the principal; and efficiency is the effectiveness criterion. Two potential problems stemming from these assumptions may arise in agency relationships: an agency problem and a risk-sharing problem (Xingxing, 2012).

An agency problem appears when agents' goals differ from the principals' and it is difficult or expensive to verify whether agents have appropriately performed the delegated work (i.e. moral hazard). This problem also arises when it is difficult or expensive to verify that agents have the expertise to perform the delegated work (i.e. adverse selection) that they claim to have. A risk-sharing problem arises when principals and agents have different attitudes towards risk that cause disagreements about actions to be taken (Xingxing, 2012).

The assumptions and prescriptions of agency theory fit naturally with the issues inherent in supply chain quality management. In the process of managing supplier quality, buyers in agency relations are faced with potential problems. By their nature, buyers expect suppliers to provide good quality and to improve the quality of supplied products and/or services, but suppliers may be reluctant to invest substantially in quality, especially if they perceive that buyers are reaping all the benefits. The difference between buyers and

suppliers will result in the two parties concerning themselves only with their self-interests (Xingxing, 2012).

Agency theory determines how procurement managers execute procurement practices on behalf of public institutions. Existence of poor principal agent relationship leads to low level of top management commitment and this also affects the relationship between institutions and the suppliers. Existence of conflict of interest amongst the agents leads to execution of procurement practices against the procurement policies and this leads to increased procurement budget and loss of procurement funds. The study thus used this model to determine the effects of procurement policies for effective implementation of procurement practices in EMDA.

The Knowledge –Based Theory

The knowledge-based theory of the firm considers knowledge as the most strategically significant resource of the firm (Grant, 2007). Its proponents argue that because knowledge-based resources are usually difficult to imitate and socially complex, heterogeneous knowledge bases and capabilities among firms are the major determinants of sustained competitive advantage and superior corporate performance (Grant, 2007). This knowledge is embedded and carried through multiple entities including organizational culture and identity, policies, routines, documents, systems, and employees (Zander, 2007).

The knowledge-based theory determines the nature of organization human resources capabilities which are mostly influenced by the nature of training given to the employees. Existence of professional trained staff in the procurement field and availability of many staff with high educational level

plays an important role in strengthening the organization capabilities in terms of trained manpower. The study thus used this theory to establish how EMDA trains employees in order to equip them with knowledge that helps them to support effective implementation of public procurement practices.

Theory of Internal Control

A system of effective internal control is a critical component of an organization's management and a foundation for its safe and sound operation. A system of strong internal control can help to ensure that the goals and objectives of an organization will be met, that it will achieve long-term targets and maintain reliable financial and managerial reporting. Such a system can also help to ensure that the organization will comply with laws and regulations as well as policies, plans, internal rules and procedures, and reduce the risk of unexpected losses and damage to the organization's reputation.

The following presentations of internal control in essence cover the same ground. In USA, the Committee of Sponsoring Organizations of the Tread way Commission (COSO) issued Internal Control – Integrated Frameworking 1992, which defined internal control as a process, effected by an entity's board of directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories: Effectiveness and efficiency of operations; Reliability of financial reporting; Compliance with applicable laws and regulations.

The Rutteman Report (1994) in UK defined internal control as the whole system of controls, financial and otherwise, established in order to provide reasonable assurance of effective and efficient operations; internal financial control and compliance with laws and regulations. The theory is

relevant to the study because it outlines the internal control policies, procedures and rules to be followed in the procurement department of EMDA.

Transaction Cost Economics Theory and Resource Based View

In transaction cost economics (TCE), the focus of the firm is to minimize the sum of transaction costs and production costs (Williamson, 2005). Transaction costs affect the firms' decisions on how they organize their activities, whether to move towards vertical integration (hierarchy) or to prefer market exchange. Thus, according to TCE, the decision of whether to collaborate or not should be based on the efficiency of governance meanwhile transaction cost economics theory identifies and explains the conditions suitable for a firm to manage an economic exchange internally and the conditions under which it should manage an economic exchange externally (Williamson, 2005). Heide and John (1990) added to the argument that transaction cost analysis is useful in studies of relationships, because it provides insights into the circumstances that cause the development of a closer relationship between the buyers and suppliers. They based their theoretical argument on Williamson's (1979) studies stating that the establishment of a closer relationship corresponds to a shift away from market-based exchange toward bilateral governance.

RBV and TCE are important to the study of supplier management, as superior performance achieved in supply chain activities relative to competitors, would explain how these activities can be supported by suppliers and how supplier selection/evaluation/development can contribute to the supply chain core competences (Dey, 2010). Applying TCE underlies the aspects of efficiency and cost focus. Especially, it defines the boundaries of a

firm. RBV refers to the firm's internal value creation through its resources and capabilities. Value can be created from supplier relationship management through learning mechanisms, routines and experience. RBV applies the aspects of external and internal social relations, power distribution and the level of dependency on external counterparts. It aims at the optimization of the continuity of the business and the autonomy of a firm.

As a summary, it can be said that these theories support the purpose of supplier management, diffusion of supplier information between business units, minimization of transaction costs, value creation through internal capabilities and resources, and reducing the risks of supply dependence and availability (Ellram, 2008). In this study, TCE will be used to establish the effect of supplier management on effective implementation of procurement practices in EMDA.

Contingency Theory

Contingency theory means that one thing depends on other things, and for organizations to be effective, there must be a "goodness of fit" between their structure and the conditions in their external environment. As such the correct management approach is contingent on the organization's situation (Daft, 2001). This study accepts the notion of contingency theory, which suggests that the selected PMS design and use must conform to its contextual factors (Pugh, 2008). However, for the purpose of this study, contingency theory is used and reviewed in a narrower focus as follows. Contingency theory represents a rich blend of organizational theory such as organizational decision making perspectives and organizational structure.

The essence of the contingency theory paradigm is that organizational effectiveness results from fitting characteristics of the organization, (such as its cultures) to contingencies that reflect the situation of the organization (Lawrence & Lorsch, 2004). According to Donaldson (2001), organizations seek to attain the fit of organizational characteristics to contingencies which leads to high performance. Therefore the organization becomes shaped by the contingencies (fit) to avoid loss of performance. Thus, there is an alignment between organization and its contingencies, creating an association between contingencies and organizational contextual characteristics (Burn & Stalker, 1961, Woodward, 2001).

Contingency theory is based on the premise that there is no universally appropriate or perfect measurement system which applies equally to all organizations in all circumstances. In fact, it is suggested that particular features of an appropriate measurement system will depend upon the specific circumstances in which an organization finds itself. The study position is that contingency theory offers a useful way of conceptualizing the relationship between certain “contingency” variables and organization structure (PMS design and use).

In the view of contingency theorists, the design of accounting information and control systems, i.e. one particular type of PMS, is based upon specific characteristics of the organization and its environment. Contingency theory is essentially a theoretical perspective within organizational theory that emphasizes how contingent characteristics or contextual factors (Daft, 2001) such as technology, size, environment, culture

and strategy affect the design and functioning of organizations (Covaleski, Dirsmith & Samuel, 2006).

This theory is relevant to the study because one thing depends on another thing to be effective hence for effective procurement measures the organization needs to have strategic measures put in place in the procurement department as procurement is a chain process between the supplier and the purchaser.

Systems Theory

Bertalanffy (1972) defines system theory as the trans-disciplinary study of systems in general, with the goal of elucidating principles that can be applied to all types of systems at all nesting levels in all fields of research. The term does not yet have a well-established, precise meaning, but systems theory can reasonably be considered a specialization of systems thinking, a generalization of systems science, and a systems approach.

The term originates from Bertalanffy's General System Theory (GST) and is used in later efforts in other fields, such as the action theory of Talcott Parsons and the system-theory of Niklas Luhmann. Systems theory on the other hand, has its' origin from the work of German biologist Von Bertalanffy who understood the limitations of these traditional approaches. He saw the need to create a revised approach and hence emerged systems theory (Irving, 1999). The theory is relevant to the study because all organizations interact with the outside world as they are often systems. Sections of organizations also interact amongst themselves in exchange of key information and materials.

Overview of Public Procurement

The significant contributions the procurement function makes to organizations and national economies makes it imperative to put in place formal administrative and legal frameworks to ensure that due process is followed in the execution and implementation of procurement policies. Reporting on the contributions of the procurement function to various sectors of economies, Leenders, et al., (2006) indicate that, for a manufacturing firm, a 10 per cent improvement in procurement and supply costs are equivalent to profit resulting from 75 per cent increase in sales.

It is estimated that, public procurement accounts for about 20 per cent of government expenditure worldwide. Thus, African governments' procurement averages around 10 per cent of GDP and can account for up to 70 percent of public expenditure (Leenders, et al., 2006). In Ghana, about 43.8 per cent of the national budget is spent on public procurement, and a further 90 per cent of all development partners inflows are spent through procurement related activities (World Bank, 2003). In this view, the procurement function contributions to GDP cannot be over-emphasized. This is why public procurement laws should be of concern hence the need for this study.

Public Procurement Reforms in Ghana and the Public Procurement Act (Act 663)

Public procurement reform is the systematic restructuring and reorganization of the institutional and administrative processes for acquiring works, goods and services for the public sector using public policy, the law and regulation. Reform itself implies that, what had been in existence did not meet the procurement goals and philosophy of the nation. Reforms therefore

are designed to look at existing wrongs and weaknesses in the systems in the light of changing circumstances and come out with changes that are responsive to the new challenges.

Public procurement reform means a change in which the past ways of doing procurement give way to a new and better system. The major focus is organizational, institutional and legal structures with the emphasis on changing from tradition to more efficient, effective, modernized and simplified processes, organizations, institutions and legal structures for doing the procurement business. Reforms mean changing the general features of the systems and making them responsive to modern needs and philosophy.

During reforms, systems with opacity are changed to allow for transparent ones, those lacking integrity are transformed to enhance integrity, where in the past responsibility for procurement actions could not be pinpointed, clear principles of accountability now become the vogue, where there had been corruption, honesty now prevails and generally wrongdoing and weaknesses become exceptions rather than the rule. Public procurement reform is not a single activity. It is a process, implying continuous assessment and reviews

The Pre-Independence Public Procurement Regime

In the period before independence in 1957, the public procurement system of Ghana (then known as Gold Coast) followed the British colonial order in which the procurement of Goods, Works and Services in the colonies was under the thumb of Crown Agents. Under that system, the Crown Agents were the sole agents for the procurement of goods, works and services for the British Colonial governors and administrators in the territories, protectorates,

dependencies, mandates and jointly known as the British Empire (Azeem, 2007).

The British Colonial Governors and Administrators were stationed long distances from the British Empire headquarters, London, in an era when the modern-day information and communication technology such as cellular phone, facsimiles and internet facilities were unknown. It therefore became convenient to appoint representatives to conduct the colonial business in London on their behalf. In those days the colonies were maintained in part with grants and the agents were authorized to receive and account for British Treasury grants to the colonies they acted for.

Later, the agency arrangements were legitimized through a formal appointment by the Crown, hence the assumption of the unofficial title of Crown Agents by the agents (Kariuki & Aduda, 2016). The same agency arrangement empowered them to undertake financial transactions on behalf of such colonies. The Crown Agents were later restructured into a British public corporation. In this form and capacity, it was used by the colonial officials to handle the construction of infrastructural projects like ports, railways, roads and bridges under the colonialist's overseas development programmes. In some cases, the Crown Agents arranged financing through loans, procured the services of consulting engineers for the design work, procured and shipped the required materials and machinery, and supervised the works as project managers on behalf of the colonial administration.

It is important to note that during these developments the colonial administrator had set up the Public Works Department (PWD) to which some of the responsibilities for procuring maintenance works had been delegated.

With the Crown Agents in the saddle of public procurement, there was little wonder then that the formal procurement sector comprising suppliers, contractors, architects, quantity surveyors, engineers and related professionals were British dominated. In actual fact, in the pre-independence era, local procurement capacity particularly as regards works was virtually absent. Consequently, according to Ahadzie (2010) the sector was almost totally in the hands of British companies during that period.

Post-Independence Public Procurement System

The Crown Agents continued to provide its traditional procurement services in the post-independent Ghana particularly in the procurement of goods and services. Indeed in the 1960s and 1970s its activities were expanded to include engineering consultancy, turnkey project management, and credit finance and fund management. The importance of the Crown Agents still resonates in the procurement system of Ghana as, according to Mr A. B. Adjei, a former Chief Executive Officer of Public Procurement Authority (PPA), they provide consultancy services for the PPA including the development of curricula and modules for training of procurement officials.

When Kwame Nkrumah was placed in charge of Government Business in 1951 he naturally attempted to address the lopsidedness identified by Ahadzie (2010). Eventually he formed the Ghana National Construction Corporation (GNCC) and charged it with the implementation and execution of public works as a mandatory requirement. The GNCC was later rechristened as the State Construction Corporation (SCC).

Largely, as a result of the indigenization policy of Nkrumah's government at the time, the SCC blossomed and competed very well with

foreign firms such that it successfully completed many major projects throughout Ghana. In its heydays the SCC could boast of its involvement in about 60 per cent of the public projects in Ghana which they had won through competition. Later, the Ministry of Works and Housing became the source of qualification of contractors for works through a registration and classification system which critics now see as too general and obsolete. Despite this criticism, this classification system has post-dated the PPL as it is still a qualification requirement for contractors seeking to perform public works.

The Architectural and Engineering Services Corporation (AESC) was created in 1975 to deal with consultancy services. Until recently, the AESC, now incorporated under the Companies' code as Architectural and Engineering Services Limited (AESL) (1996), had the monopoly of providing the architectural consultancy and project supervision services for projects funded by the public as a mandatory requirement.

In line with the indigenization policy, Government reduced its dependence on the Crown Agents for procurement of goods gradually replacing it with a system of direct procurement through the Ghana Supply Commission (GSC) and later the MDAs. The GSC was established in 1960 with the mandate to procure goods in bulk for all public institutions thereby effectively taking over the functions of the Crown Agents with regards to the procurement of goods. The GSC became the Ghana Supply Company under the PNDCL 245 in 1990.

Also, the Ghana National Procurement Agency (GNPA) was established in 1976 by the SMCD 55 and was later incorporated under the Companies' code in 1995 as the GNPA Limited. It was established primarily

for the purpose of importing “designated commodities”, what in those days of scarcity were popularly called “essential commodities” in large quantities. It is important to note that the designated commodities were essentially consumer goods. The GNPA then had the power to procure the designated commodities from any part of the world by direct purchase from producers or by means of the services of agents and advisers. These were resold to Ghanaian consumers at controlled prices. The GNPA also procured bulk goods and supplies for the Ministries, Departments and Agencies (MDAs) and held buffer stock for national food security. By the authority of section 4 (3) of that Decree, the Agency was to “normally make purchases after the issue of invitations for competitive tenders and where it accepts any tender other than the lowest, it shall submit particulars thereof and reasons thereof to the Commissioner” (Ghana National Procurement Agency Decree 1976).

Thus, the GNPA law made a weak effort at introducing competition in the procurement for the public sector of Ghana. The effort was weak because it fell short of laying the ground rules for serious transparent and fair competition, leaving a gaping room for the discretion of the Commissioner. It is pertinent to note that the GSC and GNPA operated in accordance with a purchasing manual prepared for their use. In addition, it is worth-mentioning that public institutions were required to use GSC, GNPA, GNCC and AESC, as the case might be, for public contracts.

Earlier in 1967, the District, Regional and Central Tender Boards had been established as procurement advisory bodies to assist the political heads at the district, regional and the ministerial levels in carrying out their mandate as final decision makers on public procurement. Then in 1996 the responsibilities

of these boards were expanded to include approvals and award of contracts. In the Districts, this was given a legal backing by L.I. 1606 of 1995 which established the District Tender Board for each District to deal with procurement of works at the district level. A very interesting provision of the L.I. 1606 worth-noting is that it required members of the District Tender Boards to declare their assets on appointment and on the cessation of appointment (Regulation 4).

This provision is interesting because it carried accountability in the public procurement system to a higher level unprecedented in the public procurement regulation in Ghana. Equally interesting is the fact that later attempts of regulations, even in the case of the PPL, never found the need to retain this all important anti-corruption requirement. By and large, public procurement placed overarching emphasis on developmental efforts to the almost exclusion of anti-corruption measures. This reinforces the widely held belief that, in the period immediately before the promulgation of the PPL, the public procurement environment in Ghana was polluted with several challenges accentuated by unmitigated corruption. Strangely enough, until Ghana was prompted by the World Bank to carry out reforms in 1996, no serious attempt had been made to do a comprehensive reform of the public procurement system that could checkmate corruption. There appeared to be neither the urgency nor policy priority for streamlining the public procurement system in Ghana.

Reasons for the Reform in Ghana

From the year 1996 series of financial management and budget reforms under the Public Financial Management Reform Program (PUFMARP). The

PUFMARP was aimed at improving financial management through assurance of fiscal sustainability, discipline in public spending and the maximum utilization of resources towards sustainability and financial discipline. It was also to ensure transparency and accountability in public financial management and the public procurement reform was one of its major components.

The Country Procurement Assessment Report (CPAR) carried out by the World Bank in 1996 had identified very serious deficiencies in the public procurement system to include “loose legal framework, lack of codified procedures and regulations, weak capacity of procurement staff, and unclear institutional and organizational arrangements for processing procurement and decision-making in award of contracts.

Moreover, when a joint team of World Bank staff and consultants and the MOFEP conducted a Country Portfolio Performance Review (CPPR) in 2002, among its findings were, the absence of a clear public procurement policy, inadequate procurement planning, lack of transparent procurement procedures and defective contract management practices. Furthermore, the CPAR of 2003 confirmed that as a result of systemic inefficiency, public procurement did not achieve value for money. The report also claimed that an improved procurement system could at least save for the country an estimated 25 % of the cost of procurement. The implication of this for the optimal utilization of public funds for a developing country can be quite enormous. It is not surprising therefore that the government joined the increasing number of world leaders who were giving attention to the reform of their public procurement laws and practices.

It is pertinent to note that in 2001 Ghana was a highly indebted poor country (HIPC) and that qualified the country to obtain various debt cancellations. Relieves obtained from cancelled debts were to be channeled through various poverty reduction programmes, which emphasized economic growth, investment in the public sector, infrastructure development, strengthening of governance and capacity building. All these could not be achieved under the old order of public procurement system. Government therefore needed reforms to provide a properly working public procurement system, aimed at strengthening procedures, empowered by a modernized regulatory framework and supervised by a well-resourced oversight body to render meaning and focus to its efforts in that direction.

The challenges, deficiencies and organizational weaknesses inherent in the public procurement system of Ghana, providing the justification and basis for reforms and the eventual promulgation of the PPL, succinctly stated in the memorandum accompanying the Public Procurement Bill submitted to Parliament in 2003 and very well articulated in the Parliamentary debates which followed the laying of the Bill in Parliament, clearly confirmed the CPARs of 1996 and 2003. Indeed, both the memorandum and the debates recognized the PPL as an integral part of the PUFMARP initiated by the Government in 1996 to correct identified shortfalls in the public financial management system in Ghana. Specifically, the following areas of concern were clearly identified.

(i) Absence of a Uniform Public Procurement Institutional Framework

There was no institutional framework designed to carry public procurement business in an orderly, consistent and controlled manner. As a

result, several procurement practices proliferated and blossomed. Moreover, no serious effort had been made to provide a comprehensive guidance on the scope and procedures of public procurement in Ghana. Procurement activities funded through the Government of Ghana budgetary allocations were regulated by the Ministry of Finance by means of circulars and these circulars complemented procedures (established through conventions) used to control procurement by the Ministry.

Agencies partly funded by Government appeared to enjoy liberties with the choice of procurement practices they adopted. On the other hand projects under the World Bank and donor regimes used the World Bank and the donor-specific procurement guidelines and procedures respectively. With the array of partly funded Agencies, donors and development partners in the country, this situation led to series of uncoordinated public procurement practices organized under loose structures.

(ii) The Absence of a Public Procurement Policy

The absence of a comprehensive and principles-based public procurement policy offered a serious setback for the procurement system. To a large extent this was due to the absence of a central body with the appropriate capability and technical and professional expertise to assist in the development of a consistent public procurement policy (Public Procurement Bill 2003). As a result of this, uniform rules and regulations required to guide and monitor public procurement were generally not available.

(iii) Public Procurement Human Resource Capacity Gap

There existed a vast shortage of trained procurement professionals and this reflected in the general lack of professional input in the public

procurement and contracting process. In the MDAs, projects were sometimes being managed by personnel who were not necessarily procurement professionals and therefore did not have requisite skills and expertise. Up to date, a major challenge in the public procurement system of Ghana is the absence of a capable procurement professional class in sufficient numbers to ensure efficiency in the procurement function.

(iv) Absence of a Comprehensive Public Procurement Regulatory and Legal Framework

There was no comprehensive legal and professional framework to regulate public procurement. Without a regulatory framework, rules and standards, the process of award and execution of public procurement contracts could be abused. In the face of this omission, corruption in public procurement could not be effectively managed. Abuses had been alleged in rumours of inflation of contract cost and diversion of public funds through all kinds of alleged manipulations of the contract system. In some cases, as alleged, the abuses had found expression in the proliferation of white-elephant projects which were sometimes abandoned after huge amounts of public funds had been paid to contractors for mobilization. In the midst of bad contract management practices corruption in public procurement was suspected to have thrived to a crescendo.

(v) Roles and Responsibilities of Public Procurement Stakeholders were not defined

The absence of a comprehensive procurement law worsened by the non-existent professional set up to clearly define the roles and responsibilities of the participants in the public procurement system made it difficult to trace

responsibilities and apportion blame for inefficiency and wrongdoing. Where wrongdoing was suspected, there was neither an authoritative protest mechanism nor the basis to deal with complaints and grievances. In the absence of such a process, complainants, whistle blowers and aggrieved stakeholders had no means of receiving attention, redress or possible corrective remedies.

The Public Procurement Act, 2003 (Act 663)

The Public Procurement Act, 2003 (Act 663) set out the legal, institutional and regulatory framework to secure fiscal transparent and public accountability in Ghana's procurement system. The Act establishes five basic principles upon which public procurement is based. These pillars are: the legal and institutional framework; standardized procurement procedures and tender documents; independent control system; proficient procurement staff and anti-corruption measures. The objectives of Act 663 are to harmonize public procurement processes in the public sector to ensure judicious, economic and efficient use of public resources and to ensure that public procurement functions undertaken within the public sector are fair, transparent and non-discriminatory. The Act applies to procurement financed wholly or partly from public funds for the procurement of goods, works, services and procurement financed by loans contracted by the government of Ghana, including foreign aid and donor funds.

The Public Procurement Act (Act, 663) establishes the Public Procurement Board (PPB) now Public Procurement Authority (PPA), Entity Tender Committees (ETCs) and Tender Review Boards (TRBs). It specifies in clear terms the laws for procurement methods and thresholds, procedures,

appeals and complaints resolution procedures and disposal of stores. It authorizes the issuance of enforceable regulations, Guidelines, Standard Tender Documents (STDs) and Manual under the Act. The summary of the Public Procurement Act, 2003 (Act 663) is indicated on Table 1.

Table 1: Summary of the Public Procurement Act, 2003 (Act 663)

| Sections | Part | Issue |
|----------|--------------------------|---|
| 1-13 | Part I | Establishment of the Board |
| 14-20 | Part II | Procurement Structures |
| 21-34 | Part III | Procurement Rules |
| 35-43 | Part IV | Methods of Procurement |
| 44-51 | Part V (Sub-Part I) | Tendering Procedure – (Invitation of Tenders and applications to prequalify) |
| 52-55 | Part V (Sub-Part II) | Tendering Procedure – (Submission of Tenders) |
| 56-65 | Part V (Sub-Part III) | Tendering Procedure – (Evaluation and comparison of Tenders) |
| 66-77 | Part VI | Methods and Procedures to engage the services of Consultants |
| 78-82 | Part VII | Review |
| 83-84 | Part VIII | Disposal of Stores, Plant and Equipment |
| 85-99 | Part IX | Miscellaneous Provisions |

Source: Public Procurement Act, 2003 (Act 663)

Empirical Review

Traditional performance measurement system inhibits the improvement of critical dimensions such as quality, flexibility and delivery. For a performance measurement system to be regarded as a useful management process it should act as a mechanism that enables assessment to be made, provides useful information and detects problems, allows judgment against certain predetermined criteria to be performed and more importantly, the systems should be reviewed and updated as an ongoing process (Kim, Chan & Yoon, 2003).

According to Kariuki and Aduda (2016) different tools measure different projects and people. To use a broad example, you cannot judge the

progress of a marketing campaign based on the number of employee injuries any more than you can judge the cost effectiveness of a copy machine based on quarterly sales, many businesses make the mistake of using the same metrics and goals to measure all company management. This is a mistake because different areas of the business may have different strategic goals and must be measured accordingly. Therefore, it is essential to develop individual measurement tools for each area of performance measurement.

Kariuki and Aduda (2016) in their paper proposes and tests a model to explain three critical outcomes of Performance Management Systems information quality, effectiveness, and usefulness of the PMS to managerial decision-making. Drawing from Organizational Information Processing Theory (OIPT), they examined how those three outcomes may be influenced by factors that affect OIP requirements (industry, size, and geographic scope of operations) and by organizational and technological factors that affect OIP capabilities.

Organizational factors included management's decision-making style and organizational structure. Technological factors included the types of technology used in the PMS (ERP; specialized tools such as EIS and DSS; and generic tools such as Excel, Access and Lotus Notes), and the degree of use of e-commerce and Internet technologies. He used stepwise regression to analyze data from a sample of 1,990 respondents in small, medium and large organizations, operating at regional, national, international and global levels across a broad range of the Dow Jones Global Industry Groups.

Infrastructure should be implemented to include data acquisition; collation; sorting; analysis; interpretation; and dissemination processes to

support the use of performance measures. This suggests that reflection requires assessment of the effectiveness and efficiency of these processes, data acquisition, data gathering, data collation, sorting, data analysis and interpretation to make it more meaningful (Neely, 2008).

Kariuki and Aduda (2016) found that the firms had measurement tools but had challenges hence several recommendations were made. They included the need to emphasize on performance measurement in procurement so as to help identify areas of weakness, control efficiency, increase profitability and competitiveness of firms. The researcher also recommended the need for organizations to embrace the importance of professionalism and independence of the procurement function for the full potential of procurement performance measurement to be realized, and the need for procurement professionals to come together and develop sectorial procurement performance measurement indicators to facilitate uniform measurements and intercompany benchmarking.

Cox (2007) indicated that monitoring is an organization's own oversight of the control system performance and therefore monitoring should be on going and part of the normal course of daily operations and activities. Internal and external audits, as part of monitoring systems, may provide independent assessment of the quality and effectiveness of a control system's design and performance. All should share responsibilities of monitoring and self-assessment, everyone should understand their roles and responsibilities to report any breaches of the control systems.

Delone (2003) stated that organizations face different levels of uncertainty, i.e., "the difference between the amount of information available

and the amount of information required to perform the task at the desired level of performance. This difference characterizes the information processing requirements of the task. The three factors that can be expected to influence the information processing requirements that a PMS must meet: industry, scope of operations, and size of the organization. Different industries vary in their velocity and predictability of change, and the resulting levels of uncertainty raise different levels of information requirements. Uncertainty and therefore information requirements can also be expected to increase as organizations expand in terms of their geographic scope of operations (regional, national, international, or global) and size (small, medium, large organizations).

OIPT proposes that organizations deal with these increased information processing requirements by trying to reduce the effects of uncertainty through buffering (e.g., extra inventory) or by increasing their information processing capabilities through structural mechanisms (e.g., lateral relations) and efforts to improve information flow (e.g., investments in IT and IS). "Technological Capabilities includes factors such as: The types of technology used in the performance management system to generate and process information: Enterprise Resource Planning (ERP), specialized tools (EIS - Executive Information Systems, DSS (Decision Support Systems) or generic tools (Excel, Access, Lotus Notes); The level of use of e-commerce and Internet technologies to facilitate the flow of information.

Tan et al. (2009) in their study stated that employees may neither engage in, nor give the appearance of engaging in, dishonest or unethical actions. Both are injurious to the public's perception of honest government. As

a government employee, you might have access to procurement and other non public information that could affect a contract bid or the award process handling administrative data.

Amos (2008), in his study explained the importance and effective way to maintain ethics awareness in agencies is to provide training for employees. Ethics training and seminars can be provided, along with training in more specific areas, such as procurement procedures, record keeping, records management, and accountability and administrative law. Regular reviews or audits of procurement processes and performance measurements can be done to ensure probity is being considered and achieved.

An organizational culture is a combination of factors including nationality, the tasks performed by the organization, information technology and the people working in the organization. While alliances are vital for supply chain performance, the cultural diversity brought by the integration may either be a barrier or a bridge. The firms' cultural diversity must be taken into account during such alliances because these will affect supply chain performance (Brau, Fawcett, Magnan & McCarter, 2005).

Conceptual Framework

A conceptual framework is a set of broad ideas and principles taken from relevant fields of enquiry and used to structure a subsequent presentation (Biklen 2003). In conducting the study, a conceptual framework was developed to show the relationship between the independent variables and the dependent variable. In this study, the dependent variable is effects of the public procurement Act (Act 663) and the independent variables are; procurement policies, supplier management and procurement staffing

strategies. The constructs and relationship between the research variables are illustrated in Figure 1.

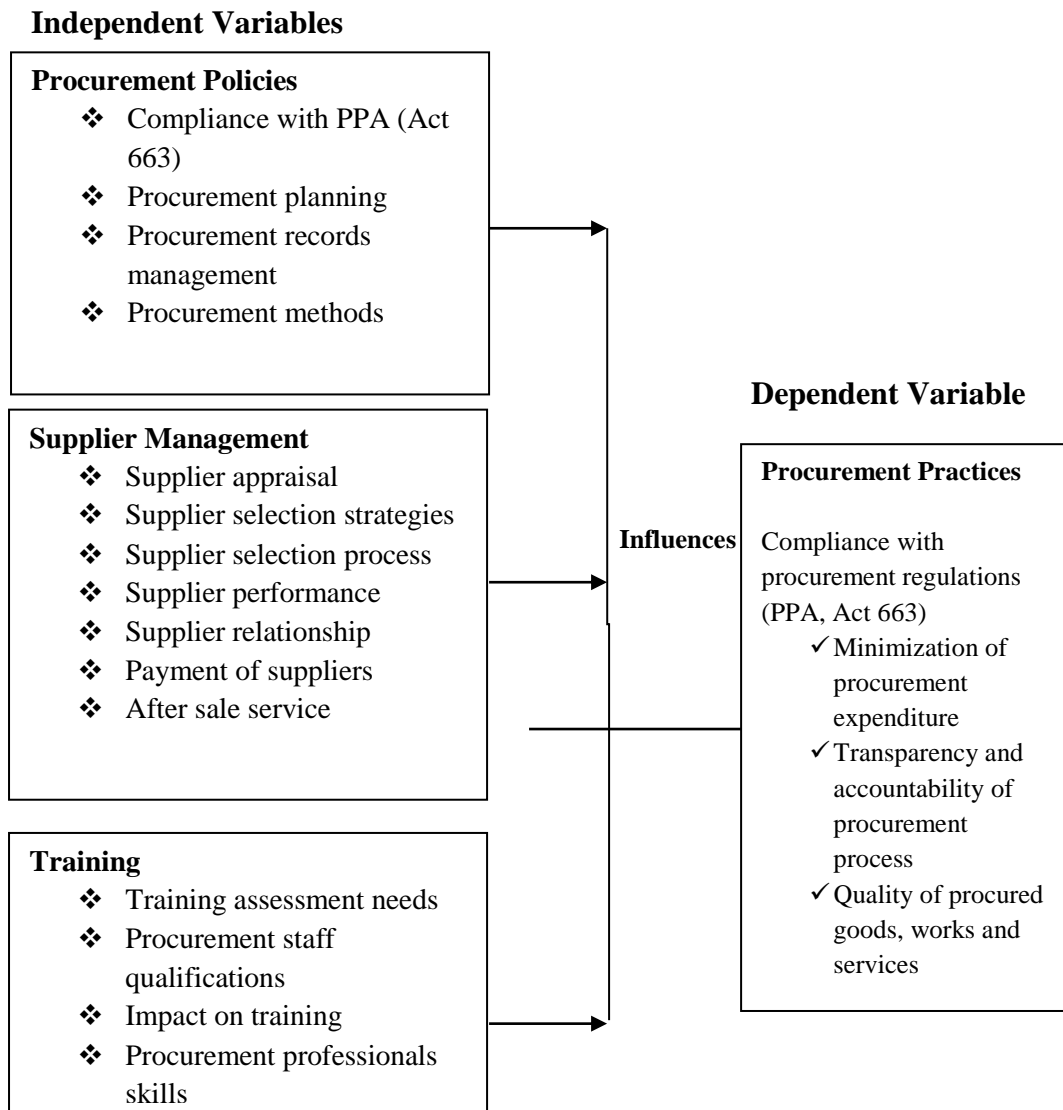


Figure 1: Conceptual framework

Source: Author's construct

Procurement Policies

Procurement policies are rules and regulations for governing procurement procedures in an organization. A properly designed and implemented procurement policy plays a pivotal role in providing a guiding framework for the implementation of effective procurement practices (Bartik 2009). The employed procurement policies to be discussed in this study is the

public procurement Act (Act 663); to figure out whether its implementation has brought about immense effective procurement practices or not.

Supplier Management

Supplier management is a business process that allows a company to adequately select its vendors and negotiate the best prices for goods and services that it purchases. Senior managers also monitor the corporate supply chain to ensure that vendors familiarize themselves with the company's operating activities and manufacturing processes (Arthur, 2009).

Training

Training is the process of identifying and developing the necessary knowledge and skills required for doing a job. Training is learning provided in order to improve performance on the present job (Armstrong, 2008). Lack of training on application of sustainable procurement strategies hinders implementation of effective procurement practices in many government institutions.

Procurement Practices

Effective public procurement systems are systems that are defined as offering a high level of transparency, accountability and value for money in the application of a procurement budget. They are critical to poverty reduction and aid effectiveness. Hence, all parties in the development process must have a vested interest in promoting this critical pillar of good governance: and to do so, in the context of an open macro economic framework that promotes open competition, the free functioning of markets and the allocation of resources based on comparative advantages (Cox, 2007).

A study by Wanyama (2010) revealed that many public institutions lose huge amounts of funds annually as a result of the implementation of ineffective procurement practices which are not in tandem with public procurement and disposal regulations. Mugo (2011) notes that low level of compliance with procurement regulations, lack of transparency and accountability of procurement funds lowers the level of effectiveness in procurement practices in public institutions.

He further established that the major factors that determine the extent to which effective procurement practices are employed in public institutions include; the level of compliance with procurement regulations, minimization of procurement expenditure, transparency and accountability of procurement funds and quality of procured goods and services. Velnampy (2010) conducted a study on evaluation of factors influencing effective procurement management system of public sector organizations. The study found that low level of compliance with procurement regulations and lack of high degree of transparency and accountability hinder execution of effective procurement practices.

A study by Wanjiru (2014) on the effects of records management on the efficiency of procurement function in an organization revealed that poor record management practices affect procurement efficiency in organizations to a great extent. The study recommends that firms adequate controls should be put in place by introducing electronic data management software for managing records and in liaison with these, both internal and external stakeholders should be connected to the electronic data software for transparency and

efficiency. The study recommends that adequate controls should be put in place reducing opportunities for corruption.

CHAPTER THREE

RESEARCH METHODS

Introduction

This section focuses on the procedure used in obtaining relevant data for the achievement of the objectives of the study. It covers the study area, research design, population and sample size, sampling technique, research instruments, data collection procedure, data analysis and presentation for the study.

Study Area

The study focuses on the EMDA in order to obtain the relevant information to meet the objectives of the study. The EMDA is one of the 26 Metropolitan/Municipal/Districts of the Northern Region of Ghana and is located in the north-eastern part of the Region. To the north, it shares boundaries with Talensi-Nabdam District, Bawku West and Garu-Tempane Districts, all in the Upper East Region and to the east is the Bunkpurugu-Yunyoo District. It is bordered to the west by the West Mamprusi District and the south by Gusheigu District.

The EMDA was established by the Legislative Instrument (LI) 1776 as the highest administrative and political body in the district charged with the responsibility of formulating and implementing development plans, programmes and projects. The capital of the District is located at Gambaga. Gambaga is a historic town lying next to the seat of the Nayiri, king of Mamprugu, and also the first headquarters of the Northern Territories. It is one of the oldest districts in the Northern Region. Out of it, the West Mamprusi District was carved in 1988. In 2004, the Bunkpurugu-Yunyoo District was

also created to promote developments. It therefore served as the parent District for West Mamprusi and Bunkpurugu -Yunyoo Districts.

The Assembly has a total membership of fifty-two (52) which comprises of thirty-six (36) elected members, fifteen (15) Government appointees, one (1) Member of Parliament and one (1) District Chief Executive (DCE). The District Assembly is administered by the DCE as the political head. He is assisted by the District Coordinating Director who supervises and monitors the activities of all the decentralized government departments in the district. The District covers a land mass of $1,706.8\text{km}^2$ which is about 2.2% of the total land mass of the Northern Region. The district is also home to one Parliamentary Constituency known as Nalerigu-Gambaga constituency.

According to the figures for 2010 Population and Housing Census, the district has a population of 123,626. This is made of 66,453 females and 57,173 males representing 54% and 46% respectively. The average population density is 57 per km^2 . There are 142 communities in the District. The EMDA is structured under sixteen active and functioning decentralized departments made up of; Central Administration Department, Finance Department, Education, Youth & Sports Department, Health Department, Agriculture Department, Physical Planning Department, Social Welfare and Community Development Department, Natural Resources Conservation Department, Forestry Game and Wildlife Division, Works Department, Industry and Trade Department and Disaster Prevention Department, Waste Management Department, Budget and Rating department, Legal department and

Department of transport. The District Procurement Unit is under the Finance department.

Research Design

Research design is a plan and research structure that could assist the researcher to answer the questions explored in the research (Cohen, Manion & Morrison, 2005). The research design used for the study was the quantitative descriptive design. A descriptive design seeks to find out certain facts concerning an existing phenomenon. According to Burns and Grove (2010), descriptive design is a study which uses the sample data in any systematic investigation to describe and explain what is existent or non-existence on the present status of a phenomenon being investigated. Descriptive design allows a small proportion of the sample to be selected and findings generalized to the larger group. This makes the research less expensive but still efficient. The weakness about the use of surveys in research is its inability to deal with issues which have emotional contents to the participants of the study (Burns & Grove, 2010).

Population

The target population for the study was members of the Entity Tender Committee, procurement staff and registered suppliers of EMDA. The population consists of three (3) members of the EMDA Entity Tender Committee, twenty (20) Supply staff and eighty-two (82) EMDA registered suppliers. The total population of the study was 105.

Inclusion Criteria

Respondents have to work in the Procurement unit, serviced under the Entity Tender Committee and registered suppliers of EMDA for at least one month. Supply staff, Entity Tender Committee members and registered suppliers who were voluntarily willing to participate in the study and were available at the period of data collection.

Exclusion Criteria

Supply staff, Entity Tender Committee members and registered suppliers who refused to give consent for participation in the study were excluded. Workers and staff of EMDA who were not working in the Procurement Unit were excluded from the study.

Sampling Procedure

Sampling allows the researcher to study a workable number of cases from the large group to derive findings that are relevant for all members of the group (Burns & Grove, 2010). Purposive sampling was adopted for the study. Purposive sampling method which allows the researcher to select particular participants needed for specific information was adopted for selection of respondents (Burns & Grove, 2010).

Purposive sampling method was used because the criterion chosen allowed the study to focus on people who would be most likely to experience, know about, or have insight into the prospects and challenges of the public procurement reform in Ghana and create a representative sample without sampling at random (Burns & Grove, 2010). All the three (3) members of the EMDA Entity Tender Committee, twenty (20) Supply staff and eighty-two

(82) EMDA registered suppliers were allowed to participate in the study. The sample size of the study was 105.

Data Collection Instrument

The data collection tool that was employed to conduct the research is questionnaire. Questionnaire is a set of questions used to gather information in a research study especially in survey (Burns & Grove, 2010). According to Cohen, Manion and Morrison (2005), the appearance of a questionnaire is very important; it must look easy, attractive and interesting rather than complicated, tricky, unclear, forbidding and boring to enable high response rate. The limitation of questionnaire arises when the problem under investigation is emotional and there is no way to tell how truthful a respondent is being. Sometimes, there is a level of researcher imposition (Burns & Grove, 2010). The set of closed-ended questions was used to gather information on the prospects and challenges of the public procurement Act in Ghana with much focus on the EMDA.

The questionnaire was made up of five (5) sections: A, B, C, D and E. Section A: Socio demographic characteristic of respondents. Section B: level of knowledge of procurement practitioners in the EMDA on the public procurement Act. Section C: effects of the public procurement Act on procurement in EMDA. Section D: challenges of implementing the procurement Act in acquiring works, goods and services and section E dealt with prospects of the procurement Act in ensuring fair, cost effective and efficient procurement of works, goods and services.

Validity and Reliability

According to Waltz, Strickland and Lenz (2005), validity and reliability are two factors which any qualitative researcher should be concerned about. Waltz, Strickland and Lenz (2005) defines reliability as the degree of consistency with which instances are assigned to the same category by different observers or by the same observer on different occasions. Validity is the ability of a study to measure what the investigator intends to measure (Waltz, Strickland & Lenz, 2005). The instrument for this study was designed by the researcher and was given to the supervisor for comments and modification after which it was used for a pilot study. Due attention was paid by the researcher to the development of the questionnaire to ensure that the questions elicited necessary information in accordance with the objectives of the study.

Pre-testing

Pre-testing the questions allows the researcher to assess the main elements of the data collection process (De Vos, Strydom, Fouche & Delport, 2005). It is also a means of ensuring that the questions are clear and can be understood by the respondents, which will bring meaningful data to help answer the research question (De Vos, Strydom, Fouche & Delport, 2005). A pre-test study of the questionnaire was conducted on five (5) supply staff of the procurement unit of Tamale Municipal Assembly. The respondents in the pre-testing showed high knowledge about the procurement act but lamented of the unusual delays and tiresome procurement process of the procurement act.

Data Collection Procedure

Before administering of the questionnaire to respondents in this study, a pre-test of the study had been conducted on five (5) supply staff of the procurement unit of Tamale Municipal Assembly. Questionnaire which were made up of closed-ended questions that offered a list of possible options from which the respondent could choose were administered to the 105 respondents selected for the study. The data collection was conducted at various offices of the respondents each morning at 10am and afternoon at 2: 00pm.

Permission was sought from the respondents through verbal communication before the respondents were allowed to fill the questionnaire on their own because they could read and write but were informed about the objective of the study and its significance. Responded questionnaire were collected on the same day it was administered. One hundred (100) completed copies of the questionnaire were retrieved after three day of administering of the questionnaire. It took a maximum of 20 minutes for each respondent to answer the questionnaire. A period of three days was used for the data collection.

The study was based on primary and secondary sources of data. The primary source of data was obtained from a questionnaire which was administered to the participants selected for the study. The secondary data was also obtained through various kinds of documents such as research reports, annual reports, books and articles obtained from published documents and related literature relevant to the study.

Data Processing and Analysis

Data analysis is a systematic action of inspecting, cleaning, transforming and evaluating data, with the aim of putting it into useful information, which can be used to influence and support decision making (Burns & Grove, 2010). The collected data was coded. This process aims at simplifying data entry and analysis. The first step in this process was to provide a coding frame, or the coding scheme. The scheme was then used to translate the responses in the questionnaire into numbers.

Data was entered into the Statistical Package for the Social Sciences (SPSS) Software (Version 21). Variables were defined in the variable view phase of the SPSS programme while data was entered into the data view of the software programme to create a data file. Statistical Package for Social Science (SPSS) version 21 was used to process the quantitative data. The data was processed into statistical tables, frequencies, percentages and graph. Great care was taken to avoid over-generalization of the findings and conclusions that were contained in the work.

Ethical Consideration

A letter of introduction and permission was taken from the Department of Accounting, University of Cape Coast to sort for permission from the Head of the District Procurement Unit of EMDA before the start of data collection at the Procurement Unit. The consent of the respondents was sought before administering the questionnaire through face to face verbal communication. To ensure confidentiality of the information received from respondents, no name or address of respondents was used. Respondents were allowed to participate in the study voluntarily.

CHAPTER FOUR

RESULTS AND DISCUSSION

Introduction

The findings of the study are presented in this chapter. The findings are based on the objectives of the study. The results are presented in tables and graph. The findings involve a presentation of the quantitative analysis of the socio-demographic data of respondents, the level of knowledge of procurement practitioners and suppliers, effects of the public procurement Act on procurement, challenges of implementing the procurement Act in acquiring works, goods and services and prospects of the procurement Act in ensuring fair, cost effective and efficient procurement of works, goods and services in EMDA.

Socio Demographic Characteristics of the Respondents

Sex of the Respondent

Sex of the respondents was considered as one of the key indicators of the bio-data of the respondents predisposed to the study. Out of the 100 respondents, majority (73%) of them were male while 27% of the remaining were females as seen from Figure 2. This implies that more males were involved in the study than their female counterparts.

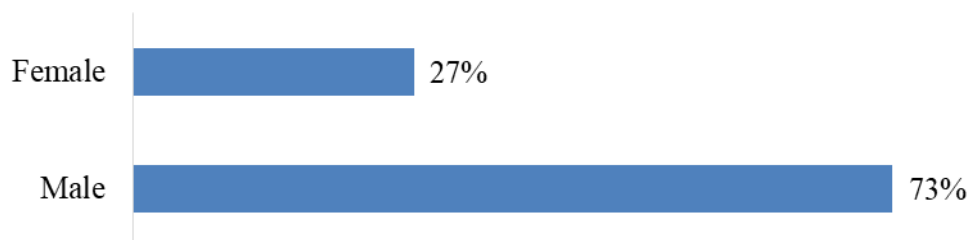


Figure 2: Sex of the respondent

Source: Field work (2018)

Age of the Respondents

With regard to the age distribution of the respondents, figure 3 below shows that 41.0% of the respondents were between the ages of 20-29 years, 40.0 % of the respondents were between the ages of 30-39 years, 16.0% of the respondents were in between the ages of 40-50 years and 3.0 % of the respondents were above 50 years as observed in Figure 3. The age distribution of the respondents indicates that majority of the respondents involved in the study are vibrant and energetic.

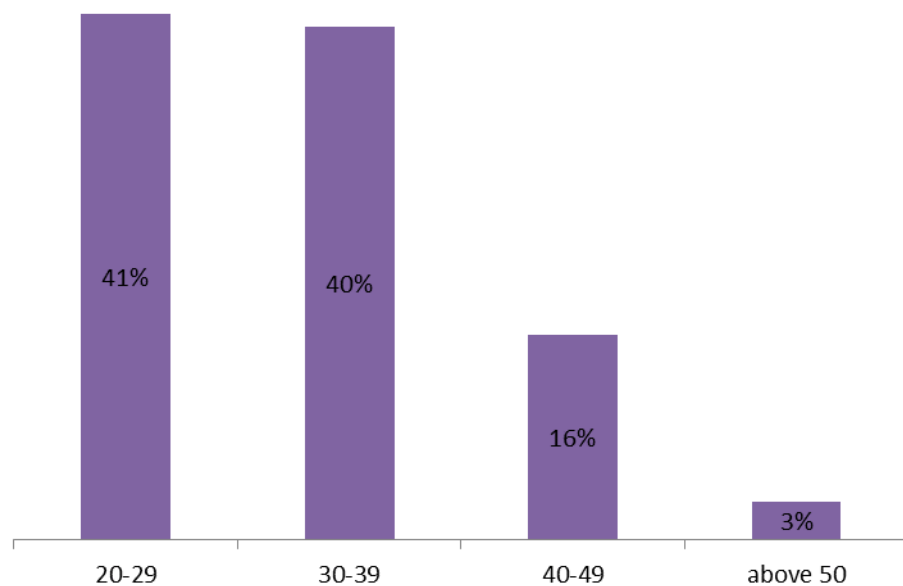


Figure 3: Age of the respondents

Source: Field survey, (2018)

Level of Qualification

On the study of the levels of qualification of the respondents, it was revealed from Figure 4 that 37.0% of the respondents have SHS/SSS certificate, 31.0% of the respondents have diploma, and 29.0% of the respondents were holding Bachelor's degree and 3.0% of the respondents were

holding Master's degree as their educational qualification. It can be deduced that most of the respondents were with SHS/SSS certificate as their level of qualification. This finding directly confirms to the knowledge-based theory propounded by (Grant, 2007). According to him, once knowledge in an organization determines the nature of the organization human resources capabilities which are mostly influenced by the nature of training given to the employees. Existence of professional trained staff in the procurement field and availability of many staff with high educational level plays an important role in strengthening the organization capabilities in terms of trained manpower.

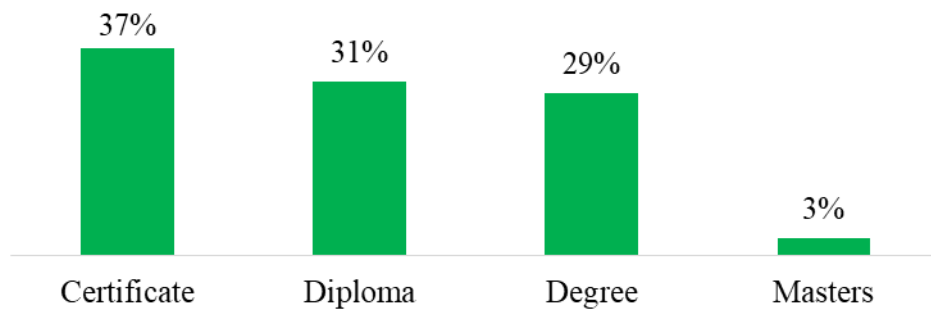


Figure 4: Level of knowledge

Source: Field survey, (2018)

Working Experience

On the working experience of the respondents, it was discovered that 29.0% of the respondents have working experience of less than 1 year, 36.0% of the respondents have working experience of 1-3 years, 21.0% of the respondents have working experience of 4-6 years, 10.0% of the respondents have working experience of 6-10 years and 4.0% of the respondents have working experience of 10 years and above as seen in Figure 5. It can be observed from the results that both novice and experienced workers were selected to respond to the items on the instrument.

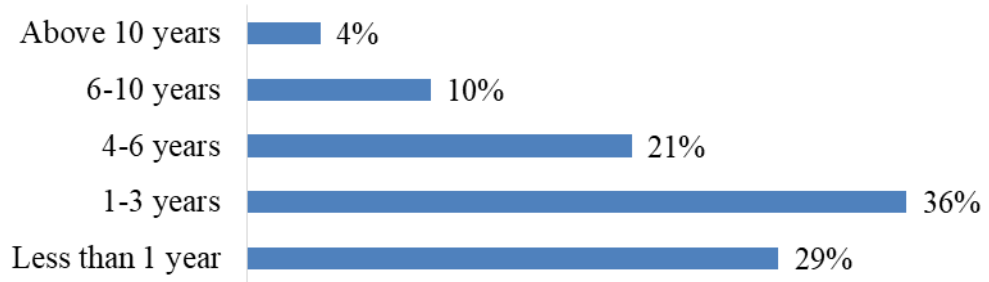


Figure 5: Working experience

Source: Field survey, (2018)

Main Discussion

This section deals with the main data collected from the field in order to answer the research questions that were raised to guide the study. The discussion is structured according to the research questions.

Level of Knowledge of Procurement Practitioners in the EMDA

Research question one sought to ascertain the level of knowledge of procurement practitioners in the EMDA. The results are presented in Figure 6.

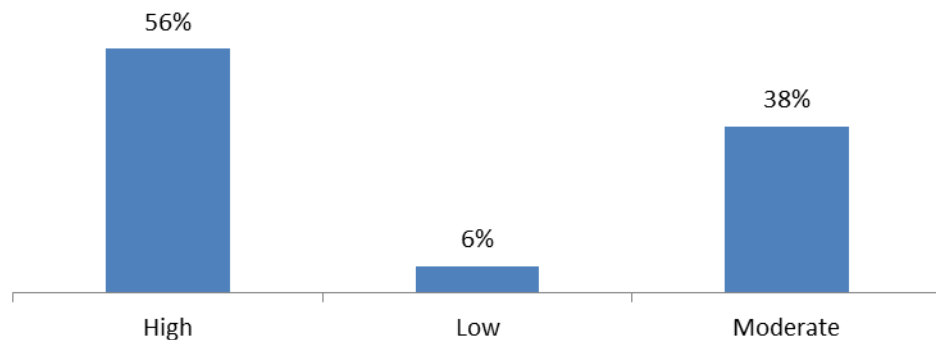


Figure 6: Level of knowledge of procurement practitioners and suppliers

Source: Field survey, (2018).

Figure 6 presents the level of knowledge of practitioners and suppliers of the procurement act. It can be observed from the results that 56.0% of the respondents had high level of knowledge about the procurement act. 38.0% of the respondents had moderate level of knowledge of the procurement act.

However, 6.0% of the respondents had poor knowledge about the procurement act. This implies that majority of the respondents understands the procurement process and will be able to practice and implement them during bidding.

The finding of this study agrees with the Country Procurement Assessment Report of Ghana in 2007 which revealed that most Ministries, Departments, Agencies (MDAs) and District Assemblies (DAs) staff who are responsible for procurement were not procurement-proficient, even though they have been trained. This is classified by Cox and Furlong (1995) as Perceived Inefficiency. Additionally, the conceptual model indicates that there is a perceived inefficiency in the procurement rules. The public procurement Act, 2003 (Act 663) specifies a number of rules, legal and ethical of conduct for the whole procurement process. These rules aim to avoid discrimination in the award of contracts and to ensure transparency and accountability through the procurement process. However, the rules have been criticized on the premises that they are not in line with best practices in relation to procurement practices in the public sector, Cox and Furlong (1995).

On the contrary, De Boer and Telgen (1998) in a study reported that many public institutions were not conversant with the legal obligations to follow the stipulations of the public procurement laws thereby leading to non-compliance with the law. Further, Jensen and Meckling (1976) also argued that both the principal and agent are motivated by their own self-interest when entering into contractual relationship and aim to maximize benefits or utility for themselves only.

To many practitioners, the procurement laws are not exactly clear. Therefore, familiarity of the rules by both purchasers and suppliers will influence the chance that public agents will comply with the rules. This leads to the notion that there exist a relationship between familiarity with the procurement rules and its compliance that leads to positive impact of the public procurement in particular and the economy of Ghana in general.

Consequently procurement activities within the district assemblies, according to Hardcastle (2007), were handled by mediocre personnel who lacked the proper knowledge, skills and capacity to conduct conventional value for money procurement practices. Inadequate budgetary allocation for training and skills development makes it difficult for personnel to attend coaching sessions being run by private consulting groups. These indicate a professional incompetence in handling the procurement process. It's of this view, that Acevedo et al (2010) support the findings that well-grounded procurement laws clearly spell out the definitive roles of procurement technocrats such as accountants, engineers and the actual procurement services staff.

Although (Public Procurement Act, 2003) has mandated Public procurement Authority to develop career paths for procurement practitioners to attract qualified staff and to give them opportunities to gain professional procurement qualifications, only 20% of procurement staff holds qualifications in procurement from Figure 4. This confirms the position held by (EOCD/DAC, 2007) in a study that some procurement officials lack some level of skills and knowledge to manage the procurement cycle effectively. In view of this, the Public Procurement Authority needs to initiate

education/training and capacity development of personnel to support individuals that are engaged in public procurement to ensure adherence to professional and ethical standards as well as make informed decisions regarding procurement operations even though this study found about 66% of respondents having high knowledge of the public procurement act from Figure 4.

Effects of the public procurement Act (Act 663) on procurement in the EMDA

Research question two determined the effects of the public procurement Act (Act 663) on procurement in the EMDA. The results are presented in Figure 7.

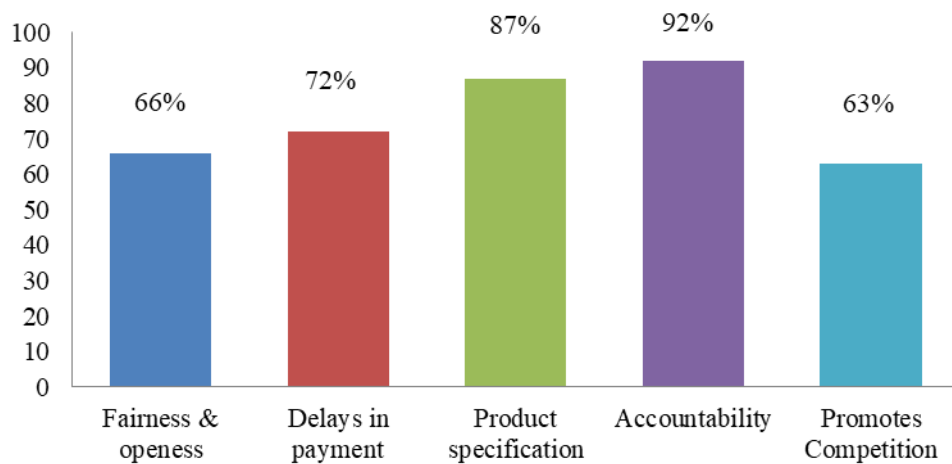


Figure 7: Effects of the public procurement act on procurement

Source: Field survey, (2018).

Figure 7 depicts the effects of the public procurement Act on procurement of goods and services in EMDA. From the results, 66% of the respondents believed that the public procurement act ensures fairness and openness, 72% of the respondents indicated that the procurement act delays in payment, 87% of the respondents indicated that the procurement act allows for

product specification incorporation and 92% of the respondents believed the procurement act ensures accountability and protection of the public purse with 63% of the respondents believing that the procurement act promotes competition.

The findings of this study agrees with the public procurement act (Act 663) of Ghana which states that one significant aspect of the principles of public procurement was to allow for competition so as to realize the best value for money as stipulated. This is further strengthen by Erridge et al. (1999) who believes that competitive tendering would avoid accusations of favouritism and fraud and that the openness of the system would encourage more suppliers to participate and that increased competition would help reduce prices, improve quality and lead to greater competitiveness among suppliers. Again, Anvuur, Kumaraswamy and Male (2006) affirmed to the study finding and Erridge et al. (1999) study results. The study further added that, the procurement act foster competition in public procurement processes; transparency and accountability in procurement functions; facilitating the ease of procurement administration and ensuring that value for money is achieved (Anvuur, Kumaraswamy & Male, 2006).

Despite the findings been positive to competition, Falvey et al. (2007) stipulated that developing countries are characterized by relatively low levels of competition and have limited or no formal competition policy. Even though government procurement accounts for a significant share of public spending, the procedures for awarding and monitoring contracts lack transparency. Therefore measures need to be put in place to promote and/or regulate competition and to make procurement more transparent in order to offer

potential benefits in enhancing the competitiveness and efficiency of the business environment. Falvey et al. (2007) have also indicated that the two features that render developing countries prone to anti-competitive business practices is the small or very small number of firms which tends to dominate many sectors because of small markets that can only sustain a few large firms, with relatively weak institutional framework. Singh (2002) also argued that it is important for developing countries to establish formal competition policies, primarily because of structural changes due to privatization and deregulation.

A related issue is opening up of the procurement market to foreign competition, where agreements have been reached at both the regional and international levels. The rationale behind opening up public procurement is that protectionist measures in public procurement can constitute barriers to trade (and competition) that promote costly inefficiencies (Cecchini, 1992). It is therefore important for governments to open up procurement to international competition since competitive procurement practices promote efficiency in public spending and helps public authorities acquire cheaper, better quality goods and services at lower costs (Falvey et al., 2007).

Challenges that confront the EMDA in the Implementation of the Public Procurement Law (Act 663)

Research question three ascertained the challenges of implementing the procurement Act in acquiring works, goods and services in the EMDA. The results are presented in Figure 8. Table 2 further presents the classification of challenges in the implementation of the public Procurement Act

Challenges of implementing the Public Procurement Act in Acquiring Works, Goods and Services

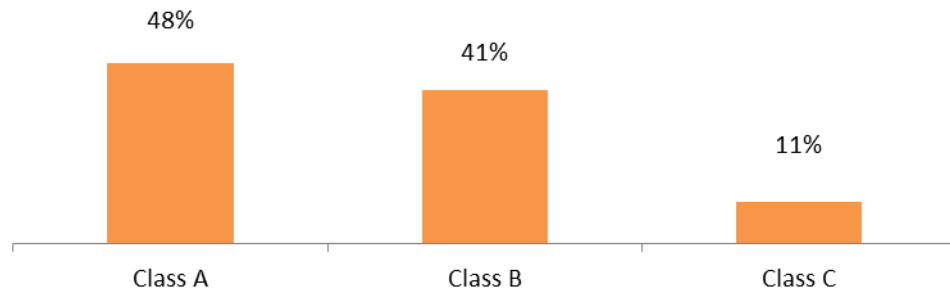


Figure 8: Challenges of implementing the procurement act in acquiring works, goods and services

Source: Field survey, 2018.

Table 2: Classification of Challenges in the implementation of the Public Procurement Act

| S/N | Challenges of implementing the Procurement Act | Class |
|-----|--|-------|
| 1. | (a) Requires too many requirements in a tender document and excessive documentation | A |
| | (b) Delays in the award of contracts and payments and ineffective negotiation | |
| | (c) Negative attitude of practitioners and suppliers towards practice of procurement act | |
| 2. | (a) Interference of the process by political figures | B |
| | (b) Encourages over concentration on price as the basis of award instead of quality | |
| | (c) Lack of training of practitioners and suppliers on the procurement act | |
| | (d) Lack of material resources to ensure effective implementation of the procurement act | |
| 3. | (a) Limited knowledge of the act among practitioners and suppliers | C |
| | (b) Lack of adequate personals to ensure effective implementation of the procurement act | |

Source: Field survey, 2018.

Table 2, represents the challenges of implementing the Procurement Act in acquiring works, goods and services in EMDA. The challenges are grouped into classes in Table 2. The most highly ranked challenges of implementing the Procurement Act in acquiring works, goods and service in EMDA were too many requirements in a tender document, excessive documentation, delays in the award of contracts and the negative attitude of practitioners and suppliers towards the practice of the public procurement act representing 48% of the responses received.

The finding of the study is in line with Azeem (2007) who found out that lack of career development path and low salaries of procurement personnel also militates against procurement reforms implementation, poor records keeping and delays in payment of contractors and suppliers have also been cited as some of the crucial factors that challenges the procurement reforms implementation. Azeem (2007) further stated that ineffective negotiation is also a challenge in the implementation of the procurement act. Most procurement officers put their personal interest on financial benefits that they would get during negotiation.

The second highly ranked challenge of implementing the Procurement Act in acquiring works, goods and service in EMDA were interference of the process by political figures, over concentration on price as the basis of award instead of quality, lack of training of practitioners and suppliers on the procurement act and lack of material resources to ensure effective implementation of the procurement act (41%). The above percentage rate portrays that majority of the respondents agreed that, those challenges exist as

far as implementing the Procurement Act in acquiring works, goods and service in EMDA were concerned.

Also, the findings of this study agrees with Heng, Heng, Cao, Daniel and Miroslaw (2004) who concluded that interference of the procurement process by political figures, over concentration on price as the basis of award instead of quality, lack of training of practitioners and suppliers on the procurement act and lack of material resources to ensure effective implementation of the procurement act negatively affect the implementation of the procurement act in EMDA.

The finding also connotes the findings of Boateng (2008) which states that, the composition of the district assemblies especially those in Ghana are made up of elected and appointed members who are usually political party sympathizers and such appointments are often made in appreciation of the role played in winning political power. Consequently these people often collude and connive with appointed district chief executives to implement most procurement projects in their favour. Newspaper reports reflect volumes of procurement which were conducted in clear violation of the procurement policies and regulations. Political manipulations constitute the greatest “enemy” to compliance with the procurement policies and regulations in Ghana. Perhaps stricter sanctions ought to be applied to punish government officials who help politicians and their cronies to circumvent the laid down procurement policies and regulations.

The least challenges of implementing the Procurement Act in acquiring works, goods and service in EMDA were; limited knowledge of the act among practitioners and suppliers and lack of adequate personnel to ensure

effective implementation of the procurement act (11%). This follows logically that most of the respondents agreed with the statements.

To improve on the effects of these challenges, Erridge and Hill (1998) suggest the benefits of e-procurement to include improve efficiency, increase in contract compliance and involvement of staff, leveraging the procurement spend and lower processing costs. Staatscourant, (2008) agreeing with Erridge and Hill argue further that, lack of e-procurement system in public entities will result in the difficulty to analyze performance and expenditure on a micro-economic level.

Moreover, Hunja (2003) indicated that, in order to overcome these obstacles in the public procurement system, there is the need to formulate strategies aimed at diffusing the obstacles to the far-reaching reforms that are needed. Facing the above challenges and others like rapid development in technology which has brought about new procurement methods, public procurement cannot be perceived as a mere clerical routine but public procurement practitioners should be involved in strategic procurement planning (Hinson & McCue, 2004).

Prospects of the Public Procurement Act in the East Mamprusi District Assembly (EMDA)

Research question four examines the prospects of the procurement Act in ensuring fair, cost effective and efficient procurement of works, goods and services in the EMDA. The results are presented in Figure 9.

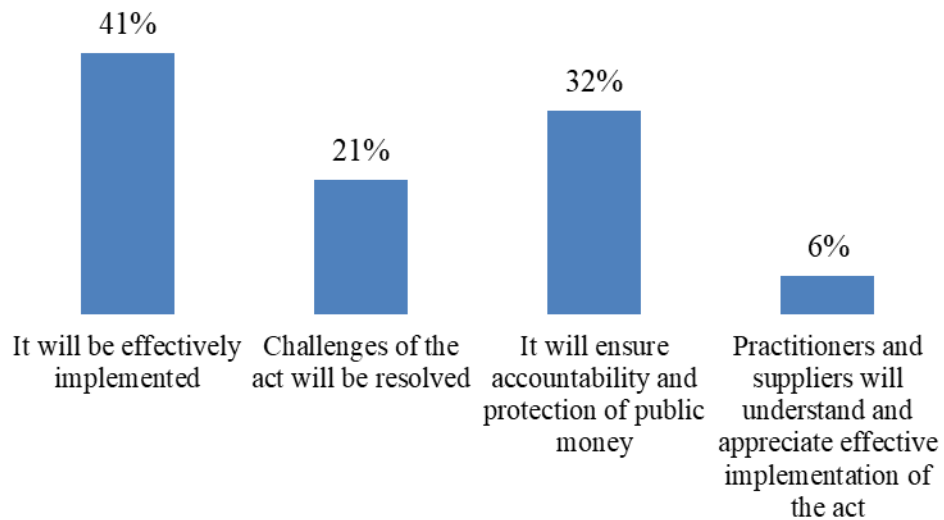


Figure 9: Prospects of the procurement act in EMDA

Source: Field Survey, 2018.

Figure 9 displays the results on the prospects of the Procurement Act in ensuring Fair, Cost Effective and Efficient Procurement of Works, Goods and Services in EMDA. The results indicated 41.0% of the respondents projected the public procurement act will be effectively implemented. In addition, 32.0% of the respondents also projected that challenges of the act will be resolved.

Mugo (2011) notes that low level of compliance with procurement regulations, lack of transparency and accountability of procurement funds lowers the level of effectiveness in procurement practices in public institutions and this has a similar revelation in this study since 21.0% of the respondents envisioned that the procurement act will ensure accountability and protection of public money and 6.0% of the respondents also projected that practitioners and suppliers will understand and appreciate effective implementation of the act in the district. This implies that the prospects of the procurement Act in EMDA is good and will be effectively implemented to meet its set goals.

Results on effective implementation indirectly affirms the finding of Wanjiru (2014) on the effects of records management on the efficiency of procurement function in an organization and further revealed that poor record management practices affect procurement efficiency in organizations to a great extent. The study however recommends that firms adequate controls should be put in place by introducing electronic data management software for managing records and in liaison with these, both internal and external stakeholders should be connected to the electronic data software for transparency and efficiency.

A contrary view by Brau, Fawcett, Magnan and McCarter (2005) indicated that, the rules guiding government purchasing and contracting need to be accountable and transparent. This does not only limit corruption but contributes to a more accountable relationship between government and citizens. It is also important because of the huge sums involved. Furthermore, government procurement accounts forms approximately 4.5% of developing countries Gross Domestic Product (GDP) and governments tend to be the largest single consumers of goods and services in most countries. A government's use of purchasing can thus be a very significant tool to achieve socio-economic objectives. If procurement reform is done accountably, with a view to achieving both cost effectiveness and broader development goals, it can play a powerful role in poverty reduction.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Introduction

This chapter presents the summary of the study including an overview of the study and the key findings made. It also looks at the conclusions drawn from the findings and the recommendations

Overview of the Study

The study focused on examining the prospects and challenges of the public procurement Act in Ghana with much focus on the EMDA. Specifically, the study looked at the level of knowledge of procurement practitioners and suppliers in the EMDA on the public procurement Act, effects of the public procurement Act on procurement in EMDA, challenges of implementing the procurement Act in acquiring works, goods and services as well as the prospects of the procurement Act in ensuring fair, cost effective and efficient procurement of works, goods and services in the EMDA. Descriptive design was used for the study. Purposive sampling method was used to sample respondents for the study. A questionnaire was used for data collection and the data was analyzed using descriptive statistics of SPSS (version 21).

The study confirms that the Public Procurement Act 2003 (Act 663) is observed to proffer solutions but not without challenges. Majority of the respondents had high knowledge about the procurement. The procurement act ensures accountability and protection of public purse, promote competition and fairness and have negative effects such as a delays in awarding contract and payment and too much of documentation. The procurement Act is

challenged with factors such as interference of the process by political figures, over concentration on price as the basis of award instead of quality, lack of adequate training of practitioners and suppliers on the procurement Act and inadequate material resources to ensure effective implementation of the procurement Act. Despite the above mentioned challenges, the Public Procurement Act has good prospects in the future.

Key Findings

Based on the analysis made in the study, the following findings were made:

1. Sixty-six percent (66%) of the respondents had high level of knowledge (>70%) about the procurement act.
2. Sixteen percent (16%) of the respondents had moderate level of knowledge (50-70%) about the procurement act.
3. Eighteen percent (18%) of the respondents had poor knowledge (<50%) about the procurement act.
4. Sixty-six percent (66%) of the respondents believed that the procurement ensures fairness and openness.
5. Seventy-two percent (72%) of the respondents indicated that the procurement act delays in payment.
6. Eighty-seven percent (87%) of the respondents indicated that the procurement act allows for product specification incorporation.
7. Ninety-two percent (92%) of the respondents believed the procurement act ensures accountability and protection of public purse.
8. Sixty-one percent (61%) of the respondents indicated that the procurement act causes fear in practitioners of the act.

9. Sixty-three percent (63%) of the respondents believed the procurement act promotes competition.
10. The most highly ranked challenges of implementing the Procurement Act in acquiring works, goods and service in EMDA were too many requirements in a tender document, excessive documentation, delays in the award of contracts and the negative attitude of practitioners and suppliers towards practice of the procurement act.
11. The second highly ranked challenges of implementing the Procurement Act in acquiring works, goods and service in EMDA were interference of the process by political figures, over concentration on price as the basis of award instead of quality, lack of training of practitioners and suppliers on the procurement act and lack of material resources to ensure effective implementation of the procurement act.
12. The least challenges of implementing the Procurement Act in acquiring works, goods and service in EMDA were the limited knowledge of the act among practitioners and suppliers and lack of adequate personnel to ensure effective implementation of the procurement act.
13. Forty-one percent (41%) of the respondents projected that the procurement act will be effectively implemented in EMDA.
14. Thirty-two percent (32%) of the respondents also projected that challenges of the act will be resolved.
15. Twenty-one percent (21%) of the respondents also envisioned that the procurement act will ensure accountability and protection of public money and that practitioners and suppliers will understand and appreciate the effective implementation of the act in the district.

Conclusions

The result of this study demonstrates that the Procurement Act has brought about fairness and competition in contract awarding and the procurement process. Also, the act ensures efficiency and effectiveness in awarding of contracts to contractors and consultants. The study further revealed that there is transparency in the use of state resources when the public procurement law is applied. This consequently means that there is openness and fairness in procurement activities in Ghana now. Again, the decisions of procurement entities follow the rules and regulations of the Act and these decisions are available and accessible to the public.

The study however showed that even though the Procurement Act has enormous advantages imbedded in it, it was found out to be faced with some challenges. The major challenges identified by the study were delays in procurement process and late payment of contractors upon completion of work. The main cause of the delays in the process according to the study was bureaucracy. Unavailability of funds, bureaucratic process in procurement, centralized payment system, inability of contractors to finish projects within stipulated period and breach of contract were the reasons for the delays in payments. Challenges of the implementation of the Public Procurement Act were diverse with mixed reactions. It was important that, the Act facilitates the process of procurement where it is perceived that it controls the process.

Recommendations

Based on the findings, the study, therefore, suggests the following recommendations:

1. In order to enjoy the benefits that come with the Procurement Act, it is recommended that procurement entities comply with the contractual agreement with contractors/suppliers by honouring prompt payment upon completion of contracts/ projects. This would enhance contractor's ability to become resourceful to improve upon their financial capabilities on subsequent execution of projects/ contracts.
2. Furthermore, the government should endeavour to review the Act to limit the number of steps in the procurement process so as to reduce the level of bureaucracy in the system. Bureaucracy delays the smooth procurement process and eventually affects public financial management since it adds more cost to contractors and government if they are to pay with interest rate.
3. The Public Procurement Act is a very effective tool for the fight against corruption in Ghana. Practitioners and entities therefore need to be educated on the provisions of the act and the consequences of breaching those provisions for both the practitioners, entities and service providers.
4. Public entities must ensure that suitable candidates are employed on the basis of merit and placed in their relevant qualifications, skills, and experiences with their roles and responsibilities clearly defined to avoid role conflicts with other professions and departments. Strategies must also be put in place to retain them.
5. The Public Procurement Authority (PPA) should organize workshops and seminars adequately for prospective suppliers at subsidized fees to encourage participation and understanding of the law.

Suggestions for Further Studies

This study must be replicated in other organisations in different parts of the country to compare if there are disparities in the outcome of the studies. Further studies must be conducted to ascertain the level of compliance of the procurement act among public institutions.

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APPENDICES
APPENDIX A
QUESTIONNAIRE

Introduction

I am a final year master's student of the University of Cape Coast, Department of Accounting and conducting a research on the prospects and challenges of the public procurement Act in Ghana with much focus on the EMDA. Information received would be used for academic purpose and would be treated with confidentiality. Participation in this study is voluntary. THANK YOU FOR YOUR PARTICIPATION. Please read the instructions carefully before you answer the questions. You can seek for clarification if you have a problem understanding a question.

SECTION A: SOCIO-DEMOGRAPHIC DATA OF RESPONDENTS

Instruction: Tick just one response for each question

1. Gender: a). Male [] b). Female []

2. What is your age?
 - a). Below 20 []
 - b). 21-29 []
 - c). 30-39 []
 - d). 40-50 []
 - e). 50 and above []

3. What is your level of academic qualification?
 - a). SSS/SHS certificate []
 - b). Diploma []
 - c). Degree []

- d). Masters []
- 4. How long have you been working or been a supplier of the procurement unit of EMDA?
 - a). Less than a year []
 - b). 1-3 years []
 - c). 4-6 years []
 - d). 7-10 years []
 - e). above 10 years []

SECTION B: LEVEL OF KNOWLEDGE OF PROCUREMENT PRACTITIONERS AND SUPPLIERS ON THE PUBLIC PROCUREMENT ACT

Choose from the following: (Agree, Disagree and don't know) to indicate your knowledge of procurement practitioners and suppliers on the public procurement act. Tick just one response for each of the statements on the table.

| No | Item | Agree | Don't Know | Disagree |
|----|--|-------|------------|----------|
| 5 | I have heard about the procurement act of Ghana | | | |
| 6 | I have attended on-the-job training programmes | | | |
| 7 | I am able to apply the procurement act in the acquiring works, goods and services | | | |
| 8 | The current procurement act was established in 2003 | | | |
| 9 | The procurement act specifies the laws for procurement methods and thresholds, procedures, appeals and complaints resolution | | | |

| | | | | |
|----|--|--|--|--|
| | procedures and disposal of stores | | | |
| 10 | The procurement act establishes five basic principles upon which public procurement is based | | | |
| 11 | The procurement act must be used by all district, municipal and metropolitan assemblies | | | |

SECTION C: EFFECTS OF THE PUBLIC PROCUREMENT ACT ON PROCUREMENT

Choose from the following: Agree, Disagree, and undecided, to indicate the effects of the public procurement act on procurement. Tick just one response for each of the statement on the table.

| No. | The following are the effects of public procurement act on procurement | Agree | Disagree | Undecided |
|-----|--|-------|----------|-----------|
| 12 | Cumbersome and expensive procedures or requirements | | | |
| 13 | Delays in payment | | | |
| 14 | It enhance effective communication | | | |
| 15 | Saves time and provides checks and balances in procurement activities | | | |
| 16 | It allows for product specification incorporation | | | |
| 17 | It ensures accountability and protection of public purse | | | |
| 18 | It causes fear in practitioners of the act | | | |
| 19 | Reduces fraud (Over/under invoicing) | | | |
| 20 | Promotes competition | | | |

Others (specify)

SECTION D: CHALLENGES OF IMPLEMENTING THE PROCUREMENT ACT IN ACQUIRING WORKS, GOODS AND SERVICES

Choose from the following: Strongly agree, Agree, Disagree, Strongly disagree and undecided, to indicate challenges of implementing the procurement act in acquiring works, goods and services in EMDA. Tick just one response for each of the statement on the table.

| No. | Challenges of implementing the procurement act | SA | A | D | SD | U |
|-----|--|----|---|---|----|---|
| 21 | Requires too many requirements in a tender document | | | | | |
| 22 | Out-dated specifications requested in a tender | | | | | |
| 23 | Encourages over concentration on price as the basis of award instead of quality | | | | | |
| 24 | Limited knowledge of the act among practitioners and suppliers | | | | | |
| 25 | Delays in the award of contracts | | | | | |
| 26 | Negative attitude of practitioners and suppliers towards practice of procurement act | | | | | |
| 27 | Lack of training of practitioners and suppliers on the procurement act | | | | | |
| 28 | Lack of material resources to ensure effective implementation of the procurement act | | | | | |
| 29 | Lack of adequate personnel to ensure effective implementation of the procurement act | | | | | |

Others (specify.....)

SECTION E: PROSPECTS OF THE PROCUREMENT ACT IN ENSURING FAIR, COST EFFECTIVE AND EFFICIENT PROCUREMENT OF WORKS, GOODS AND SERVICES

30. What are your projections of the procurement act in ensuring fair, cost effective and efficient procurement of works, goods and services in your district?

- a) It will be effectively implemented []
- b) It will ensure accountability and protection of public money []
- c) Practitioners and suppliers will understand and appreciate effective implementation of the act []
- d) Challenges of the act will be resolved []
- e) Others (specify)