

**STAKEHOLDERS ENGAGEMENT PRACTICES IN THE PUBLIC BUDGET
PREPARATION PROCESS; A CASE STUDY OF THE SEKONDI TAKORADI
METROPOLITAN ASSEMBLY**

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DECLARATION

I hereby declare that this submission is my own work and that, to the best of my knowledge and belief, it contains no material previously published or written by another person nor material which to a substantial extent has been accepted for the award of any degree or diploma at Kwame Nkrumah University of Science and Technology, Kumasi or any other educational institution, except where due acknowledgement is made in the thesis.

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ABSTRACT

Stakeholders' Engagement has become an important part of public service at both the national and the local levels. In public financial management, regular stakeholders' engagement seen as a measure of transparency and accountability. To guarantee citizens ownership of budgets and to obtain their support during implementation, stakeholders' engagement during the budget preparation stage considers an important practice. Ghana's budgeting system require citizens' participation and engagement during the budget preparation process. District Assemblies are require by existing legal framework, manuals, and guidelines to engage a number of internal and external stakeholders in the preparation of a District Budget. As to whether this important requirement is adhered to during budget preparation was the focus of this study. The study was on the topic; Stakeholders Engagement Practises in The Public Budget Preparation Process in The Sekondi Takoradi Metropolis. The study adopted questionnaires and interview as the data collection instruments and qualitative method was used to analyze collected data. Given that budgets are managed in cycles, a case study research design was adopted to allow detail study of budget management issues. Data was collected from both primary and secondary data sources. Purposive Sampling Technique was adopted to select respondents who have the experience and participation in the metropolis. The study results show that stakeholders' engagement in the metropolis is centered around the heads of departments and the technical offices as compared to the people budgets seek to develop. Stakeholders' engagement is not based on proper planning; staff of the Budget Office do not have the right capacity to engage. Stakeholders' identification is centered on stakeholders relevant to local revenue mobilization. This is leaving out a significant number of stakeholders needed to enrich our budgets. The community level structures needed to engage are not established. Zonal Councils and Units Committees are not established to facilitate engagement. For a budget to be accepted by the people, the preparation process of that budget need to be more engaging than it is now.

Keywords; Stakeholders, Engagement, Municipal Assembly, Participation, Budget Preparation.

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LIST OF ABBREVIATIONS

BRDP	-	Community Based Rural Development Project
CSO	-	Civil Society Organization
DA	-	District Assembly
DACF	-	District Assemblies' Common Fund
DPCU	-	District Planning Co-ordinating Unit
GIS	-	Geographical Information System
IGF	-	Internally Generated Fund
LI	-	Legislative Instrument
M&E	-	Monitoring and Evaluation
MA	-	Metropolitan Assembly
MCD	-	Metropolitan Co-ordinating Director
MCE	-	Metropolitan Chief Executive
MLGRD	-	Ministry of Local Government and Rural Development
MMDAs	-	Metropolitan, Municipal and District Assemblies
MPCU	-	Metropolitan Planning Co-ordinating Unit
MBA	-	Metropolitan Budget Analyst
MPO	-	Metropolitan Planning Officer
MTEF	-	Medium-Term Expenditure Framework
NGOs	-	Non- Governmental Organizations
RCC	-	Regional Co-ordinating Council
STMA	-	Sekondi Takoradi Metropolitan Assembly

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DEDICATION

This dissertation is dedicated to my loving wife Gifty Aba Bennett Nunoo. I appreciate your patient and support through this journey to success. To the Budget Analysts and Officers in the Western Region, Ghana, Staff of the Sekondi Takoradi Metropolitan Assembly and the Wassa Amenfi West Municipal Assembly.

All Glaucoma Patients

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

According to Kenny, 1997, Aristotle had proposed that participation and engagements are at the center of human personality and the fulfillment of its intended desire. The public participation pressure in the global advancement of governance and development take its strength from the concept of participatory democracy (Wight and Grindle, 1997). A number of organizations including the World Bank Group, United Nations supported this new democracy thinking. Significant to note is that the concept of participatory development was first advanced at the United Nation Economic Commission Conference for Africa at Arusha, Tanzania in 1990 according to Nelson and Wright, 1995. However, Rahnema, 1992 traces the participation ideology to the Third World Development. After the failure of development project in the 1900s leading to social workers calling for the consultation and involvement of the population affected by the development to be provided in the planning and implementation (Armah, et al., 2009).

Mohammed (2010) said that decentralization is by far the most widely accepted strategy for ensuing the people's engagement and participation in local development. He added that there is arguably no other institution of state like the local governments that provide a great opportunity for grassroots participation in local development and decision-making. There is growing citizen's dissatisfaction in both new and old democracies about the way their governments operate and their capacity to influence them (Beetham, 2005). Opoku, 2006 observed that in Africa and other places on the globe, the resultant conflicts are often addressed through dialogues of all stakeholders' concern.

According to Ghana's decentralization action plan, the concept was initiated to ensure participation at the grassroots. These grassroots participation was in the area of governance administration, composite budgeting and planning, implementation, development monitoring and service delivery with the aim to improve the lives of majority in the rural parts of the country. Participation and local governance in Ghana has become an important means of improving the processes that affect lives (Ahenkan, et al 2013). Article 35 (6) of Ghana's constitution requires that the government in power makes democracy a possibility through decentralization. This is expected that there are greater opportunities for citizens' participation at all levels of governance and decision making. To effectively achieve this, the 1993 local government Act, (Act 462) and the current Act (Act 936) mandates District Assemblies to be an authority responsible for the raising of funds and the overall development delivery of their areas of jurisdiction. The Public Financial Management Act (Act 921) require active public participation in public financial management. Hence participatory budgeting and stakeholders' engagement in the budgeting process.

Budgeting is universally used as one of the powerful financial management control tools. It is one of the major management control processes in nearly all organizations especially government organizations (Hansen, et al. 2003) and is traditionally described as an accounting tool that government organizations use to implement development strategies (Ostergren and Stensaker, 2011). The traditional purpose of budgeting including government budgets is to set financial targets and plan financial values. This makes development progress easily measurable and to transform the growth ideas of organizations into understandable operative actions (Hannien, 2013). Public sector budgeting draws benefits from these and ensures their achievement and sustainability.

According to Felix, Richard and Omar, 2008, government policies and plans are meant to be translated into programmes, activities and projects. A budget is used to do this translation at the national and local levels. They underscore the importance of a budget by concluding that a budget is the second most important governance document next to the constitution. As democracy takes root in Africa and Ghana, it is a common practice for local government budgets to be designed with the participation of people in the process called participatory budgeting.

Participatory budgeting is a democratic deliberative direct process which is voluntary and universal where the population meet to discuss and decide on the utilization of public resources and public politics in a transparent and mutually benefiting way. They identified some key principles of participatory budgeting; Transparency, Efficiency, Inclusion Solidarity and Participation. Participatory budgeting goes hand in hand with participatory planning at all levels. Fair Share (2001) also defines participatory budgeting as a process whereby communities develop their budget together with other stakeholders. These stakeholders' may include elected and non – elected officials who provide technical direction to the final budget document. According to Claudio C. Acioly and A. Herzog et al (2002) participatory budgeting is a process of prioritizing development aspirations and targets by the beneficiary stakeholders and jointly deciding with local government representatives where the local governments actually decide on the final allocation of the public resources needed to ensure implementation. Also the partnership between the community stakeholders and the local government influence the content and capturing in the ensuing years budget.

UN – HABITAT (2004) approach to participatory budgeting is one of a process through which the people decide on the destination of all or part of the available public resources

especially infrastructure provision. Giovanni Allergretti, (2006) says the concept is the process of turning budgetary decision to the citizens from whom the budget has a direct bearing, creating public arena in which citizens can discuss and set the cities priorities or choose some new investment affecting a huge percentage of the municipal budget.

The local budget management process is in a cycle commonly called the Local Budget Cycle. According to the Ghana Composite Budget Manual, 2013, the cycle comes in stages; Budget Planning and Preparation, Budget Presentation and Approval, Budget Implementation, Budget Monitoring and Reporting and Budget Reviews.

The Budget Planning and Preparation Stage is the stage of interest in most participatory budgeting argument. It is known that to influence a budget is to influence its preparation and draft content. The Budget preparation process comes with a number of activities from both the Revenue and Expenditure sides. These activities provide countless opportunities for local government practitioners to initiate stakeholders' engagements to ensure citizens ownership. Stakeholders' engagement is an important activity in the Budget Planning and Preparation stage. The local budget is influenced by diverse stakeholders both from the national and regional levels and the sub district and community players. At the national level, various grant allocations are made to the local assemblies. The policies and programmes of government are finalized and communicated to the assemblies. Multiple communication channels are always opened between an assembly and the ministries departments and agencies especially the Ministries of Finance and Local Government and Rural Development during the budget preparation period.

On the other hand, a local assembly is required to engage their respective sub - districts stakeholders. Budget planning begins with converting the District Medium Term

Development Plan in the District Strategic and Investment Plan. This process is largely influenced by the steps and requirements outlined in the National Planning Guidelines. Community needs assessments, monitoring of initiated development activities and review of the currently year's budget are all activities involve stakeholders' engagement. Peer to peer stakeholders are regularly engaged to ensure sector plans are adequately provided for in the budget. The revenue budget stakeholders' engagements are codified in the law and guidelines. The study seeks to research into the stakeholders' engagement practices and tools during the local budget preparation at the local assemblies' level, the impact on outcome budgeting and the avenues to apply tested and best practices in improving and sustaining public engagement in local budgeting in the Sekondi Takoradi Metropolis.

1.2 Problem statement

Stakeholders' engagements in the local budget planning and preparation process is gradually gaining currency in development and governance circles. To ensure citizens ownership of the decision making that feed into the budget, local governments are encouraged to involve the people in such sensitive processes (DFID, 2003).

However, according to Egbenya (2009), the local government system does not yet have the right capacities and tools to roll out effective stakeholders' engagements that guarantee majority participation. The current participatory budgeting programmes and initiatives are designed and adopted by Civil Society Organizations (DFID, 2003). The mainstreaming of participatory budgeting / stakeholder engagement is not internally driven hence not tailor made. There is no scientific or verifiable stakeholder engagement practises and tools for the key departments. There is the need to adopt some best practises to drive the agenda. There is clearly no mutually accessible medium for the people to

volunteer participation. Where there is, it sustainability is a challenge. This position is even deepened by the National Popular Participation Framework, 2016, which report that Ghana participation is weak taking its strength from the Open Governance Scorecard Report, 2015. Of the three open governance pillars, participation is the weakest due to absence of the Right to Information Act, non – prioritization of stakeholders’ role in local development, and the capacity issues of the practitioners when it comes to management of stakeholders.

The budget preparation processes are yet to be demystified. The public budget is currently technical and comes with some usability phobia. A well-structured people engagement could demystify budgeting. The people cannot make meaning from a budget document. Having a friendlier approach to budget presentation is a necessity to participation which is far from the current practise. The issue of allocating fiscal resources towards people participation as against allocation towards achieving campaign promises is also a challenge. The political elite still believe the people do not know what they want and that their acceptance of the manifesto promise is an admission. The people are only politically involved. The other aspect of governance lack engagements (Devas, et al, 2003). There is therefore the need for a study to test and recommend stakeholder engagement tools and best practises applicable during local budget preparation processes.

1.3 Research objectives

The researcher’s general objective for undertaking this study is to evaluate the stakeholders’ engagement practices in the budget preparation processes in the Sekondi Takoradi Metropolitan Assembly.

The specific objectives are;

1. To determine the level of stakeholder's engagement in the budget preparation process in the Sekondi Takoradi Metropolis.
2. Identify the challenges with stakeholders' engagement in the budget preparation processes.
3. Determine the effect of stakeholders' engagement in the budget preparation process on development delivery.

1.4 Research Questions

In the light of the issues under scrutiny, the following research questions were raised to facilitate empirical enquiry.

1. What are the levels of stakeholders in budget preparation processes in the Sekondi Takoradi Municipal Assembly?
2. What are the challenges with stakeholders' engagement in the budget preparation processes?
3. What are the effects of stakeholders' engagement in the budget preparation process on development delivery?

1.5 Significance of the Study

The research work will serve as a reference piece of work for students and practitioners in the field. The result of the study will also be very useful to Budget Analysts and Officers that are currently involved in stakeholder's engagement and are facing difficulties. It will be very useful to Non-governmental organizations in carrying out their projects and budgeting processes monitoring.

It will significantly influence future reviews of the National Popular Participation Framework, 2016, the annual Budget Preparation Guidelines and Budget Implementation Guidelines both released by the Ministry of Finance.

1.6 Research Justification

Ghana local level democracy provides the context for decentralized budgeting. The constitution and all resultant legal frameworks requires a bottom up budgeting preparation process. In spite of these, participatory budgeting specifically during the preparation stage has been an increasing concern for policy makers and development practitioners. Countless initiatives and programmes are been introduced by Civil Society Organizations and governance interest groups to help improve participatory budgeting at the grassroots level.

Also with the back drop that Ghana is currently going through public financial reforms, any study with the aim of exploring different approaches to providing sustainable alternatives to stakeholders' engagements / participatory budgeting would be of interest and importance to policy makers and development experts. The study would bring out the strength and weaknesses in the current practises. It is expected to add to existing knowledge on the general concept of participatory budgeting and deepen the linkage between project management stakeholder engagement tools and practise and public sector budget management operations.

The researcher been an author on the subject will use the study outcomes to review his published materials. It will greatly see relevance among Civil Society Organizations involved public financial management advocates.

1.7 Research Methodology

A case study approach would be adopted as a research design. Bromley (1990) defined case study as a systematic inquiry into an event or a set of related events which aim to describe and explain the phenomenon of interest. The researcher is adopting this method because it would allow the use of multiple sources of evidence and study the evolution of decentralized budgeting.

Data would be collected from both primary and secondary sources. Data collection tools to be used are questionnaires, semi structured interviews and interviews. Questionnaires would be used for metropolitan Assembly officials both at the center and at the sub metropolitan levels. The interview will be used on respondents from the community level and selected officials.

A purposive sampling method would be used to capture key stakeholders involved in Budget Preparation processes. Random Sampling method would be used to reach research population who may be involved indirectly in the budget preparation process.

A total sample frame of 115 is targeted for the study including Metropolitan Budget Committee members, Assembly members, traditional authorities, Unit Committee members, Civil Society Organizations, Media, Community members drawn from 5 suburbs within the metropolis. Using the Mathematical Sample Determination model, a sample size would be determined for the study.

Study variables to consider will include the budget cycle, budget preparation process, level of capacities, project management tools and practises applicability. Unit of the study analysis would include Unit Committee members, Civil Society Organizations, Media, Community members, Heads of Departments and Rate Payers Associations.

Data to be obtained would be processed by editing, coding, and tabulated. Qualitative and quantitative techniques would be applied. Descriptive analysis would also be used. The scope of this research will be Sekondi Takoradi municipal Assembly

1.8 Limitations of the study

The research foresees some key limitations to the research. The study is about people's perception and participation and levels of engagement which would require evaluation of experiences, body languages and practical issues on levels of participation but time and availability of research units may not allow for these details to be collected. Respondents to be selected based on purposive sampling would be considered for face – to - face interviews in order to get a glimpse of these information.

Accessing the respondents may be difficult as the research period coincide with the budget preparation season for 2020 budget year. Google forms are planned to be used and shared on their WhatsApp platforms to reach a sizeable number of them. Also data collection tools shall be administered after working hours. The time allotted for the research is going to be a challenge. A three-month research period (June and August, 2019) is inadequate to exhaustively complete such an important local development study. This will also result in the use of limited material and transport resources.

1.9 Organization of the study

The research would be organized under five (5) chapters. Chapter one would present the introduction of the study, the research scope, statement of the problem, the research questions and objectives, and the research limitation and justification. The second chapter would present the outcome of the various literature on the topic reviewed. The chapter three would also outline the methodologies used for the research. Chapter four

would present the report from the analysis on the collected data and the last chapter would be used to present the study findings, recommendations and conclusions.

CHAPTER TWO

REVIEW OF RELEVANT LITERATURE

2.1 Introduction

This chapter presents outcomes of the review of key literature on stakeholders' engagement in budget preparation process by the researcher. The study explores the concept of stakeholder engagements, other concepts like Participation, Involvement and Engagement, the Local Government System, Budgeting in the Local Government System, Participatory Budgeting, Challenges, the conceptual framework and conclusions.

2.2 Stakeholders Engagement

Advanced economies where local governance is far matured, stakeholders' management issues are at the heart of the local development. It comes without argument that in a study of this nature, the concept stakeholder is looked at closely.

2.2.1 Origin of the stakeholder concept

The concept of "stakeholder" management emerged in the 1960s at the Standard Research Institute, and is credited to Freeman. The concept of stakeholder was first used in a report whose theme was on planning. This report was distributed to business sponsors and groups in a conference in 1963 (Singer 1999). As indicated above, the term, which is derived from the study of management practices, evolved from the research works at Standard Research Institute (SRI) in the 1960s. Between 1980 and 1990, Freeman formalized the approach to stakeholders' engagement and gained momentum. According to Mainardes et al (2011) stakeholder theory originated from four key academic fields: sociology, politics, economics, and ethics. Freeman and McVan (2005) gave a business

look to the concept of stakeholders as they deduced that managers needed to understand the interest of employees, customers, suppliers, lenders and society. *To* them this was necessary in order to create that conducive environment for businesses to thrive. In a simple definition, stakeholders are groups whose support to the organization is core the survival of the business (Freeman, 1984:13). Based on this definition, it is believed that the success of any organizations is highly depended on the support of such groups. Therefore, it is relevant for management of such organizations to explore its relationship with all its stakeholders. According to Boakye-Agyei (2009), stakeholders usually include persons locally affected by government development decisions. These stakeholders are either formal or informal representatives, civil society organizations, national or local government authorities, politicians, religious leaders who have special interest. It was noted that the changes in these groups serve as challenges resulting restructuring at the local government (Molen, et. al., 2002: 61). Moreover, the decision by each body affect the other. Amponsah (2007) defined stakeholders as those that are effecting change in the community and those that such changes are affected. He was categorical that the list of stakeholders identified or to be identified should depend on the conflicts, projects, programme and other issues that need to be resolved or agreed upon and should be as inclusive as possible.

2.2.2 Stakeholder defined

In the 1980s, stakeholders' engagement became widespread theory within strategic management as a field of study. As proposed by Freeman (1984) it was christening on businesses to identify groups and individuals whose characteristics and attitudes can affect the achievement of business objective. More so, it was important to identify and understand how the achievement of the said business objectives will affect other groups

and individuals. This knowledge should enable the development of strategies that take this into consideration when arriving at a decision. This is cited by most researchers as the foundation of stakeholders' engagement theory. While Freeman (1984) definition served as the most cited explanation to the term stakeholder, the growing interest in stakeholders' engagement theory, is attributed to a much focus by the academics on the role and responsibilities of business organizations' in society (Harrison and Freeman, 1999). Following this definition, it can be suggested that stakeholders' engagement theory is view from business ethics, economic, political and social issues in management. This, moreover, helps to explain the multiplicity of definitions for stakeholders at a societal and organizational level.

However, Donaldson and Preston (1995) suggested that ethics, morality, and corporate social responsibility is at the core of stakeholder theory. Similarly, stakeholders' engagement provides a linkage between management and ethics since Freeman (1984) broadened its remit beyond its previous confines of company shareholders (McGrath and Whitty, 2017:1). Although Freeman's (1984) definition is widely used which categorically state that a stakeholder is anyone or group of people who can affect, or is affected by, the achievements of the organizations objectives, such as employees or managers. Miles (2012) concludes that a stakeholder is anyone in the organizational level or milieu. In addition, Freeman (1984) drew an interesting line between an internal stakeholder, which may include an employee or manager, and external stakeholders, which includes suppliers, shareholders, government or other in society. But Aaltonen and Kujala (2016) asserted that stakeholder is someone who is within a broader stakeholder landscape but who has interdependent relationships with other stakeholders within the same landscape. In this case, there should be all inclusive and corporation of the members or groups to gain information that could influence the decisions of the management.

Clarkson (1994) believe that a stakeholder's relationship within a firm does not necessarily have to be actual, but could potentially influence the decisions of the organization in future. Therefore, stakeholders should be treated with respect and should not be ignored. Indisputably, some stakeholders are central in the very activities of an organization or society as they have a lot of influence and power and thus can be affected severely by the effects of the development activities while others in contrast play quite a significant marginal role (Nichols and Von Hippel, 2000).

Freeman (1984) divided stakeholders into two categories: strategic and moral stakeholders. In his analyses, he believed that the strategic affect the firm while moral are those who are affected by the firm. Hence, the management of stakeholders interests is essential in every organization or business (Freeman, 1984). It is also important for the management of any organization to identify and pay critical attention to stakeholders with significance interests of the budget for performance. Savage et al. (1991) divided stakeholders into two (2); claimants and influencers, and take into account the capacity of stakeholders to either rebel or cooperate with the actions of the organization. However, there is usually a high level of interrelationship between the cooperation and its immediate stakeholders. Practically, it is also important for the organization to develop expertise in order to understand how stakeholders emerge, their concerns, and the willingness to either enable or frustrate the organization from achieving its objectives (Freeman, 1984). This approach makes the organizations to rely on other bodies in order to survive and succeed. Based on this perspective, stakeholders' engagement must formulate and implement process, which will satisfy all and only those groups who have a stake in the business (Freeman and Mcvea, 2001). In budget preparation process, stakeholders will be the representatives of the people in the community or the assembly. This could go a long way to serve the immediate officials interests than the whole

community. However, management addressing stakeholders' interests, the development of the community is likely to perform better than those that do not address the interests of the people (Post et al, 2002). Drienikova and Saka'I (2012) assert that to reach the win-win or success in any organization or community development, all the stakeholders must be included into the responsible activities of the organization. This, therefore, manages the relationship of each stakeholder to be satisfied. It is observed that one of the advantages of stakeholders' engagement include eliminating conflicting interests among stakeholders, reducing the pressure of management to produce short-term results, reducing the costs associated with a high turnover among stakeholders, and providing the firm with committed stakeholders in an environment characterized by increasing competition. According to Eden and Ackermann (1998) paying the appropriate attention to stakeholders is one way of satisfying those involved or affected.

2.2.3 Types of stakeholder

There exist varieties of stakeholders, which can be formed into many categories resting on the core purpose of the organization in the focus of the stakeholders. Grumble and Wellard (1997) grouped stakeholders into four categories. These includes key stakeholders, primary stakeholder, active and passive stakeholder.

Key stakeholders: These actors are considered to have significant influence on the success of a particular course of action within an organization. These actors could be of significant influence on the organization.

Primary stakeholders: these are the identified beneficiaries of a given project or environment decision. These are individuals and groups who are ultimately affected either positively or negatively.

Secondary stakeholders: they are those who serve as intermediaries within a particular intervention in order to attain the successful completion of an intervention project or programme.

Active stakeholders are those who have the power to influence the decision or action of interest while **passive stakeholders** are those who are affected by decisions but do not have direct influence of the decision making process. According to Peele (1995), these categories sometimes may overlap. For the purposes of this study, Grumble and Wellard (2009) category would be adopted in this study.

2.2.4 Stakeholder identification and analyses

According to Freeman (1984), the relationships between the various groups is determined by grouping stakeholders, characterized and assessed previous undertakings. Key factor to achieve success is through interacting with the various stakeholder groups. An additional criterion to determine whom the organizations stakeholder is what Mitchell et al. (1997) as factors of power, legitimacy and urgency. African Development Bank (2011) classified stakeholders into two; primary and secondary. They argue that primary stakeholders are the beneficiaries of a development initiative while secondary stakeholders are those who influence a development initiative. But Frooman (2010) believes that the secondary are less influential, however, they have the ability to affect the organization through the support they can offer. Rawlins cited in Ovaitt (2006) reviews several approaches for identifying stakeholders and synthesizes a new model. Rawlins argue that the relationship or connection between the stakeholders and the organization's is the new approach to identify stakeholders. This assertion suggests that preference should be given to stakeholders by their hallmarks, manage their relationship to the issue and communication strategy surrounding the organizations.

Stakeholder analyses has become key aspect of stakeholders' engagement. Meltsner (1972) believes that attention is core to assess and enhance political feasibility, particularly when it comes to articulating and achieving the common good (Campbell and Marshall, 2002). Ideally, stakeholder's analyses should help the organizations to identify who the business stakeholders are and what specifically would satisfy them. This would usually help reveal several ways to satisfy those who are key stakeholders in order to create public good. Stakeholder analyses are now important than ever because of globalization of the world. Moreover, the outcome of the analyses is to check effectiveness and outcome of the organizations. Chinyo and Olomolayie (2010) classified stakeholders as key and non-key. This brought about a different perspective to the success of organizational plans and objectives. By their definition, key refers to those stakeholders who successfully complete their projects depending on their interests and needs being recognized while non-key refers to those stakeholders whose needs and interests are non-essential. Therefore, stakeholders are people or groups who have direct or indirect benefit an influence in the outcome of a budget. As a continuous process, monitoring is the stage where stakeholders obtain regular feedback on the progress made concerning achieving their goals and objectives. Evaluation determines the extent to which they are achieving stated objectives to influence decision-making (Teagan and Aigbavboa, 2017). It is important to note that not all stakeholders are going to share the same concerns or priorities.

Although it takes time for the stakeholders to build relationships with the organizations, trust, respect and understanding are relevant. Moreover, these are invisibles that develop and evolve over time, they are based on collective decision, experiences and interactions. Due to this, organizations are now beginning to engage with stakeholders at the incipient stage of any initiation. Often, this is experience is seen in the larger or more controversial

preparation of budgets, where initiatives are taken at the very pre-feasibility stage, showing to communities and other local stakeholders that their options are regarded. However, there are times stakeholder's interaction becomes less prioritized when there is no urgent need to do so. In such cases, when there is conflict, the absence of well established relationships and communication place the project at the more instantaneous risk. Thusly, when engagement is done at the pre-feasibility stage, it provides a great latitude to influence public misunderstanding and bring a constructive relationship with stakeholders that can serve as each stakeholder better.

In contrast, Marleen (2002), identifies stakeholder Identification as a second step that comes after the first step of initiation of the process. Usually, this includes both stakeholders that are relevant to the project and serve as potential stakeholders. Interviews with experts, brainstorming in group meetings, and the use of checklist could serve as techniques that can be used to support the relationship between the stakeholders and the organization. It is relevant to note that what one member of the organization sees as a potential stakeholder sometimes may not be. It, however, needs group participants with different background, which will help in stakeholders' engagement process. This also helps stakeholder analyses to track changes in stakeholder behavior over time; to develop cooperation between the stakeholder and the organization, resulting successful outcomes for the organization. It finally helps to clarify the repercussions that could effect changes.

2.3 The Concept of Participation

The concept of participation is at core of democracy. It is increasingly being advocated for in economic policy dialogues as the way to make the government spending more "pro-poor" (Brautigam, 2004). Participation surfaced in the 1980s after Structural

Adjustment Programme failed in Africa, especially in West African countries. According to Samad (2002), the term participation is generally approached differently depending on the context of the user and the field in which it is studied. This makes it quite difficult to be conceptualized. In the olden days Greece, participation was a matter of paying taxes, attending public meetings, voting and holding offices. In Kaler (1999) view, the term has become synonymous to the concept sharing and joining forces by various actors in the daily activities of an organization, or a policy process. Participation is belief to be linked to the concept of empowerment. It is observed that without empowerment participation could be meaningless and useless in every process (Oakley and Mersden, 1984). Participation is the active involvement of the stakeholders and actors in the planning, design and implementation of the development projects and programmes (Mohammed, 2010). According to the World Bank (1992), participation is the only process through which stakeholders have the opportunity to influence and shared control over their own development initiatives, decisions and resources utilization which affect them. Mohammed argued that through effective plan formulation, control of projects and sharing of benefits of development to actualize is what makes participation necessary.

On the other hand, the USAID (1995) defines participation as an active engagement of partners and customers in the sharing of ideas, committing of time and resources, making decision and taking action to bring about a desired development objective. That is to say participation helps in all facets of development programmes. Participation kindles the development of stakeholders' experience to motivate them to become both the *center* and *subjects* of development in society. It helps people to become primary actors than seeing them as *objects* of their development goals. Boakye-Agyei (2009) confirmed that stakeholders' participation could be used to achieve an effective stakeholders'

engagement to benefits or facilitate the social development process of the people towards empowerment and sustained engagement in development delivery.

In 2016 the Ghana National Popular Participation Framework was launched into operation. The framework recognizes participation as a political principle or practice and a right. It also presents the principle of participation to mean that a person affected by a governance action or decision in Ghana has the right to partook in the decision making process leading to that particular decision.

The framework identifies and define public and popular participation differently. Popular participations largely mean that in decision making concerning a project, public contribution will influence outcome as a matter of right. Public Participation on the other hand is a two-way communication approach to problem solving with sole aim of a mutually acceptable decision. The working group on the framework defined the concept of participation within the governance system as system that enhances opportunities at all levels governance that guarantee the active involvement of all stakeholders in shaping decisions which affect their wellbeing.

Driven by cross cutting issues like Gender, Disability, Capacity development, ICT among others, participation is monitored by some guiding principles; Inclusivity, Flexibility, Accessibility, Transparency, Accountability, Capacity Building, Trust, Commitment and Respect.

2.4 Organizational Structure of Local Governance in Ghana

Ghana; a unitary state, is divided into regions, each headed by a Regional Minister appointed by the president in consultation with the council of state. Under the regions are the District Assemblies (DAs). The Regional Coordinating Councils (RCCs) comes

in between the District Assemblies and the Central Government. The RCCs consisted of the representatives from the District Assemblies within the region and also from the Regional House of Chiefs in the Region. The mandate of the RCC is to coordinate policy implementation and monitoring at the District Assemblies level.

The District Assemblies are divided into three: Metropolitan, Municipal and District Assemblies (MMDAs). Within the MMDAs, there is Chief Executive, and two-thirds of the members are directly elected by electorate. Moreover, one-third of the members are appointed by the President in consultation with the chiefs and interest groups or CSO in the district. The Chief Executive is nominated by the President and approval by two-thirds of the members of the MMDA present and voting. There is also a Presiding Member who is part of the MMDA and elected from among members by two thirds of all members of the MMDA.

2.5 Participation in the budgeting process

The concept of participatory budgeting is a means of allocating limited resources through the implementation of comprehensive government policies, plans, and active citizen's participation, under the scrutiny of Civil Society Organization (CSOs) with the aim to achieve a direct democracy approach to budgeting, transparent and accountable governance and quality services delivery. Allowing citizen's participation broadens people's knowledge and understanding of government development goals. Public service is delivered through taking part of decision making and access public information to make development possible. It is recognized that when people are allowing participating in budget preparation, it helps to win community support for government programmes, promote, by promoting community education and accountability in government

expenditure. This is done through the building a network with the Civil Society Organizations (CSO).

According to PNDC Law 207, 1988, the concept of participatory budgeting is defined in the constitution of Ghana. In 2009, the government enacted LI 1961 to deepen the decentralization process by instituting departments of district assemblies (MMDAs) as the fiscal decentralization to the higher pedestal. Moreover, provisions of the Public Financial Management Act, 2006 (Act 921) also allows stakeholder participation and feedback. This have raised the hopes and expectations of the people seeking greater participation. These includes the ordinary citizens, Non-governmental organization (NGOs), and Civil Society Organization in spending the generated revenue which can lead to better outcomes for the people. According to Stones (2001) a good public participation budgetary practice enables government to be more responsive and accountable, and it can develop the people's perception of the performance of the government and the services they receive. Effective fiscal decentralization in Ghana means participatory budgeting which means involvement of stakeholders in rational allocation of expenditure and revenue responsibilities, within an accountable public financial management system (Asumadu, 2017). In order to achieve this, the government of Ghana shifted from producing an executive budget to a participatory budget to allow citizens to have clear knowledge of development plans of the government.

Asumadu (2017) classified budgeting processes in Ghana into two. Functional Classification is where budgetary expenditures are classified according to the main or purposes or statutory functions of the organization or departments, e.g. Economic, Infrastructure, Social Public Safety. Economic Classification is where budgetary

expenditures are classified according to the kind of transactions or the natural accounts. e.g. Compensation of Employees, Goods and Services, and Assets.

Under section 92 (3) of the Local Government Act of 1993, the new Local Government Act (Act 936) and the 1992 Constitution, a budget is expected to be an aggregation of both revenue and expenditure from all the departments and organizations in a ministry, department and agency. The concept of this aggregation envelops the development planning, revenue projection and mobilization and expenditure estimation and the driving policies and strategies. This envisage a composite budgeting system which harmonizes the various department budgets into a single budget document for the district assembly. The objectives of the composite budgeting system in Ghana include; to ensure easy integration of the district budgets into the national budgeting system. Ensure that funds follow functions to give meaning to the staff transfers, to facilitate a harmonized development and introduce an element of fiscal prudence in the management of public funds at the MMDA level. Integrate the resources of the various departments including funding sources.

Also, in legal process of budgeting, Chapter 20 of the 1992 constitution of Ghana is solely devoted for decentralization process. It is indicated that all budgeting process in Ghana should be backed by a well-defined legal regulatory framework which prescribes the structure and systems for budget preparation. These laws and Acts includes; The Local Government Act 2016 (Act 936), the Public Financial Management Act, 2016 (Act 921), Procurement Act, 2003 (Act 663) and it amended Act, Local Government Service Act, 2003 (Act 656), Internal Audit Agency Act, 2003 (Act 6580), Decentralization Policy and Framework reviewed in 2010, Public Financial Management Regulations (LI 2378)

Aside these laws are Guidelines and Administrative directives which are usually released annually like Budget Preparation Guidelines, Composite Budgeting Manual, Budget Implementation Guidelines. These annual documents suggest some participation activities which require stakeholders' engagement. Under the Revenue Budget preparation process the following activities or steps have ever been requested;

- Consultative Meeting on the Fee Schedule with rate payers' associations,
- Meeting on revenue mobilization strategies to be captured into the Revenue Improvement Action Plan,
- Engage the national offices to obtain revenue allocations for the budget,
- Engage the regional and national offices for policy directives,
- Engage revenue collectors to clean revenue data for projections
- Engage to review the revenue budget performance to inform new budgets,
- Engage the Presiding Members, Coordinating Directors and the Chief Executives on signed agreements with revenue implications,
- Engage Members of Parliament on grants and parliamentary enactments with revenue implications,

Under the Revenue Budget preparation process the following activities or steps have ever been requested;

- Engage heads of departments to review their department action plans and budget costing sheets,
- Engage all budget preparation stakeholders on how budget would be prepared and delivered,
- Engage every head of department on the regulations governing every fund source to the department,

- Engage schedule officers responsible for the preparation budget related documents like the Human Resources Development Plan, Revenue Improvement Action Plan, Procurement Plan, Operations and Maintenance Plan and Environment and Sanitation Management Plan,
- Where there is the need for budgetary cut downs, affected heads are expected to be engaged.
- Engage local coordinators on the budgeting of government flagship programmes and projects
- Engage the staff through the Human Resources Management Office on the capturing of staff compensation into the budget,
- Regular engagement of Management Committee to seek approvals on budgetary issues like allowances, composition of structures and expenditure priorities,
- Coordinate and engage stakeholders to help defend the budget at Regional Hearing.

2.6 Challenges to stakeholder participation in budgeting in Ghana

Budget and budgeting in every country is considered an important public financial management document which comes next to the constitution. Even though its content is relevant for a period of twelve months, its preparation cannot be underestimated. To ensure increased ownership and acceptance of final outcome, a number of formal and informal consultations, engagements and participatory activities are expected. The Budget Management Offices and the staff need to employ a number of stakeholders' management tools. In spite of the willingness of the Budget Team to be as extensive as possible in their engagement and consultations, key challenges hinder this effort.

Abdul Malik, (2013). He identified some challenges that can undermine effective stakeholder participation in budgeting process. These include;

1. The reliability, access and quality of management information to engage.
2. Government and Political class unwillingness to be accountable and transparent raises trust issues.

The Ghana National Popular Participation Framework, 2016 groups the identified challenges into two (2) perspectives; the Public Officers Perspective and the Citizens Perspective

Challenges from the citizen's perspective;

- The low level of understanding and appreciation of the decentralization in general and budget participation specifically.
- The non – existence of Clients Service Centers affecting awareness of institutions and persons to contact to initiate engagements.
- Lack of commitment by duty bearers to engage.
- Mistrust between state officials and the citizens
- Lack of capacity on the part of officials
- Lack of citizen's demand for engagement.

Challenges from the public officials' perspective;

- High population size distributed in communities affecting engagements
- Non – functioning of the sub districts
- Victimization of public officials who give out information by the political class
- Funding availability and time of release

- Poor engagement platforms. Poor capacity in Information Communication Technology (ICT)

Even though these challenges are what most of the African countries have passed through, but it varies. Although Ghana is not exceptional, accountability and participation at the local level is still limited. However, it cannot be compared to the military regime. It is phenomenal in Ghana that people have little or no access to participate at the local level because public offices working with the government treat government affairs as personal. This include treating budget preparation activities as personal. It is also observed that governments are mostly concern about their party's manifestoes than the concerns of the communities at the local level. This makes one assume that decision making is still centralized. Finsterbush and Wicklin III (1987) concluded that it takes additional time and resources to mobilize less developed communities which can slow down programmed. Also, fragile projects may become overburden and collapse due to organizational complexity and frustrations of those involved. According to Peter (2007), the bedrock of traditional managers focusses on tools and template that allow us to complete the creation of the products being delivered, while the discipline of stakeholders' engagement focus on human dynamics.

2.7 The Conceptual Framework

The Conceptual Framework of the research is captured in Figure 2.1 below. The Dependable variable is the Budget Preparation Process at the Local Assemblies Level. The independent variables include the resources needed, skills to engage stakeholders, communication skills and how to handle sensitive issues during engagement, attitudes and the stakeholders towards engagements, legal and institutional frameworks.

Resources – the local budget management institutions would require funding, logistics and staff to engage stakeholders effectively. The Assembly would have to receive funds enough and timely to meet mutually accepted dates and venues. The lead department need logistics to enhance presentations and staff need to have the right capacity to sustain engagements.

Legal Framework – the existing legal regime from both local and national sources need to support and promote continuous engagement.

Institutional Framework – the established institutional frameworks like departments, committees and subcommittees need to be operational to enhance broader engagement.

Stakeholders Engagement Skill – the Budget Management Offices and Departments need to have the capacity and skills, tools and techniques to engage diverse stakeholders.

Attitude of Stakeholders – Stakeholders attitudes and interest in engagement need to be sustained. Where they not managed well, it could lead to disinterest in engagements which breeds suspicion of hiding or involvement in corruption.

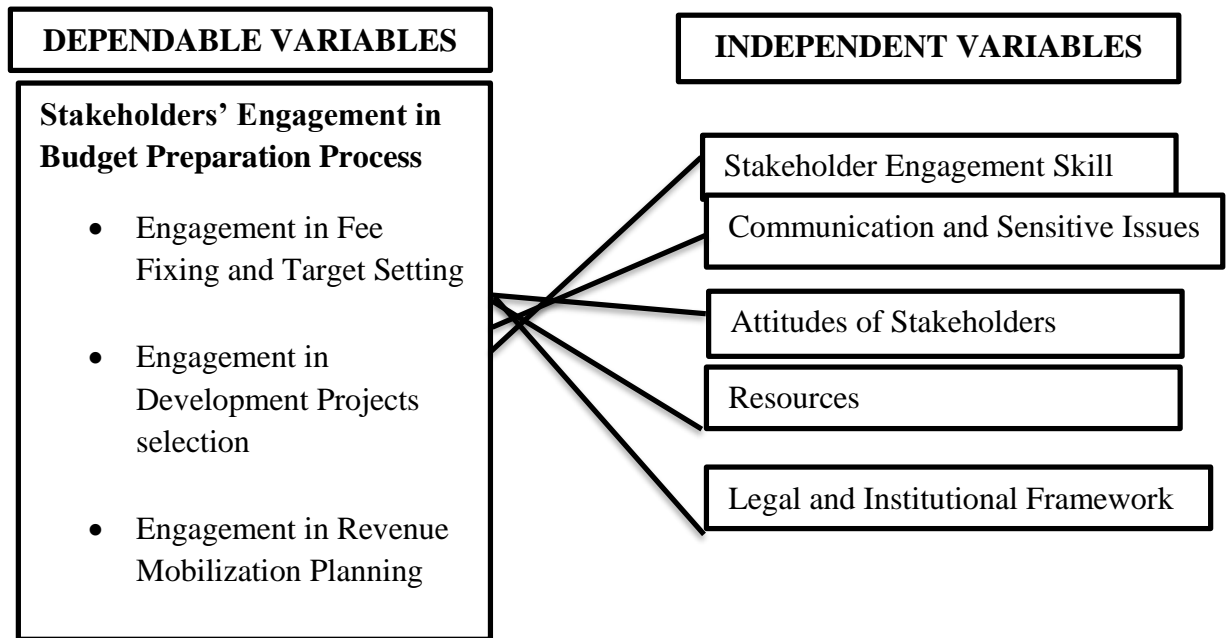


Figure 2. 1 Conceptual Framework

2.8 Effect of Stakeholders Engagements

The effect of stakeholders' engagement in any organization is observed to be a key corporate governance practice. In Agyemang, 2010 he emphasized that stakeholders pose a significant influence / effect on the outcome of projects and by extension development. Stakeholders shape the design of project outcome which is translated into the implementation and finally product. The requirements of a project are heavily influenced by the project stakeholders. Even though Ahwoi, K. 2010 and Agyemang, 2010 had different outlook to their publication, they both identified these effects of stakeholder's engagement on development delivery; enables the identification of the right stakeholders and additional ones which are of particular value to the project; enables the pooling of resources, experiences and expertise together to ensure the implementation and the delivery of the requirements; enables the identification of alternative strategies for the delivery of outcomes and development; it reduces the risk of development delivery and

ensuring ultimate utilization of resources; guarantees the buy – in of stakeholders in the acceptance of the project.

Boakye-Agyei, K. (2009) recognized that it is costly to ignore project stakeholders' expectations and can impact significantly on the project negatively. For example, if the engagement of a procurement officer is poorly managed, this will affect the delivery of third party supplies which will go a long way to affect the final delivery.

In the field of local governance and budgeting, stakeholders' engagement is equally seen as pivotal to development delivery (Njenga, 2009). According to Smith, (2003) stakeholders' engagement in the public government space drives development and the associated perception. The effect on development is paramount. Ahwoi, K. 2010 recognizes that stakeholders' engagement in the budget cycle and processes affect local development directly. In revenue budgeting, stakeholders help assist with the content of the Fee Fixing Resolution (Fee Schedule). In the mobilization of budgeted revenue, stakeholders assist in the collection, building item population and strategies to reduce leakages. He also added that in the expenditure budget, stakeholders influence the project selection, funds application guidelines and expenditure processing and the delivery of municipal services.

Jensen, (2002) gives the effect of stakeholders' engagement a different approach. To him, stakeholders' engagement makes grievance and conflict management easy. Has positive influence on negotiations and arbitrations. These positively affect risk and cost. This position is supported by the International Finance Corporation (IFC) publication – *Stakeholders Engagement; A Good Practice Handbook for Companies Doing Business in Emerging Markets* – published in 2007.

Sharma, (2000) identified that if development is by the people through a well-informed budget, then the resultant development delivered is an effect of stakeholders' engagement.

2.9 The Study Area

2.9.1 Background

In 1930 the Sekondi Town Council was created to administer the development of the area under the Town Council Ordinance No. 26. In 1946 the Takoradi area was joined to the Sekondi Town Council as one administrative council. By June 1962, the Sekondi-Takoradi Town Council was elevated to a metropolitan assembly. The name was changed to Shama Ahanta East Metropolitan Assembly (SAEMA) through a Legislative Instrument (LI) 1316 in 1994. However, in 2008 the name was changed to Sekondi-Takoradi Metropolitan Assembly (STMA) through an LI 1928 after Shama was elevated as a District.

Vision: A world class city with modern infrastructure, social services, best governance, attractive business and living environment.

Mission: To improve the living conditions of the metropolis through the provision of sustainable socio- economic development and good governance that is responsive to the needs of the people. The total land area of STMA is 192 kilometers square. STMA is located on coordinates 04°55' 00" N and 01°46'00" W. It is also located on the west coast of Accra about 280 Km and 130km east from La Cote D'Ivoire. Sekondi is the administrative capital of the Metropolitan area and the Regional administration is also located in Sekondi.

2.9.2 Demographics

The total projected population of the metropolis in 2019 is 746,301 with a growth rate of 3.2%. Of this population, 48.9% are males while 51.1% are females. The Metropolis has a youthful population with the concentration in age group 0-4 and 20- 24 years. The age structure of the Metropolis is relatively youthful. 44.8% of the population is below the age of 14 with 51.9% between 15 and 64 while those above 65 are only 3.3%. For every 100 females there are 96 males.

2.9.3 Major Economic Activities

The Sekondi-Takoradi Metropolis is made up of commerce and industry-related activities. The metropolis offers localization and cluster of industrial activities through the provision of efficient infrastructural and service delivery. Likewise, as a result of expansion in communication, energy, transportation, water and sanitation, the social interactions of people function as a pull factor to attract migrants into the city in search of greener pasture leading to higher population density. The high population density also offers large market for business activities and expansion to improve upon the wellbeing of people in the city. This contributes to the attraction of skilled workforces, which allows the transfer of knowledge and skills in specialized sectors of the economy such as the oil and gas industry. This is statistically visible to the employable occupation of most people in the city.

Agriculture continues to play an important role in the economy of the Metropolis, providing both full-time and part-time employment for about 20% of the total population. About 85,000 people are estimated to be engaged in agriculture, 6% of whom are in fishing. Over 70% of the rural population of the Metropolis depends directly and indirectly on agriculture and related activities. Major crops grown include cassava,

plantain, maize, rice yam and cocoyam. Vegetables, especially the exotic ones, are also extensively cultivated for their livelihood. It is estimated that about 35% of the land area of the Metropolis is cultivable. The average farm size is about 2 acres. The concentration of industries in the Metropolis is made up of manufacturing, wood processing and Agro-processing. Manufacturing is the most patronized industrial activity.

The retail fabric of Sekondi-Takoradi has a high proportion of informal traders. These traders are scattered throughout the city selling a wide range of products and services. The Kokompe No. 1 and No. 2 area is the host for mechanics and local artisans. Local artisans include wood furnishers, welders, hairdressers and barbers etc. Most of these individuals are middle aged with little or no formal education. There are a total of 4 major markets in the Metropolis. These include the Takoradi Central Market, Sekondi Market, Aprembo Market and Kojokrom Market. Each of these markets primarily serve the communities close to where they are located. However, the Takoradi Central Market is the major market in the Metropolis.

The development characteristics of the metropolis is key to the study as it hosts diverse development stakeholders and would be key to budget preparation.

2.9.4 Institutional Arrangement

The Metropolitan Assembly is the highest governance administrative body in the area. The General Assembly of the Sekondi-Takoradi Metropolitan Assembly is the highest decision making body with a total number of 36 members. There are 3 Members of Parliament and the Metropolitan Chief Executive. The Assembly has two main committees; the Executive Committee and the Public Relations and Complaints Committee (PRCC). Apart from the two main committees, there are 7 sub committees

namely: The Development Planning Sub-Committee, Works Sub-Committee, Finance and Administration Sub-Committee, Social Services Sub-Committee, Revenue Mobilization Sub-Committee, Education Sub-Committee, and Environment and Sanitation Sub-Committee. These sub committees discuss issues relating to the growth and development of the Metropolis and make recommendations to the Executive Committee. Security matters are being handled by the Metropolitan Security Committee (METSEC). The Metropolitan Assembly has all the 16 required departments, government agencies and commissions needed to deliver on services mandate.

The Metropolitan Assembly is made up of three Sub- Metropolitan District Councils. These Sub-District administrative structures are symbols of community participation. They form the basis for effective distribution of infrastructural services at the Sub-District level. The sub metropolitan district councils have their offices at the following location; Takoradi sub metro at Takoradi, Sekondi sub metro at Sekondi, and Essikado-Ketan sub metro at Essikado.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter is concerned with a description of the choice and approach of Research methods employed in the study. This includes the study design, population, sampling procedure, data collection instrument, ethical considerations, instruments validation and data collection procedure and data processing and analysis used to measure the stakeholders' engagement during budget preparation at the local government level.

3.2 Research / Study Design

The design used by the researcher in the study was case study. This approach was necessary to collect necessary data and examine the data in the light of stakeholders' engagement in the budget preparation process. Yin (1984) cited by Zucker (2001) deduced that a case study research approach is an empirical inquiry that investigates phenomena in real – life context. This is in line with Bromley (1990) definition which saw the approach as a systematic inquiry sets of events which aims to describe the interested phenomena. Zucker (2001) was optimistic of the successful use of this approach in studies.

The researcher settled on case study research approach as it allows the use of different sources of evidence. The design also makes it easy to focus on one budget cycle. The fact that the approach allows one data source to validate another thereby guaranteeing improved quality of study data was a merit for the study. This was necessary as the researcher was given the room to look at the research objectives and questions in detail. With the researcher inability to control the phenomena under study, the study design

approach was most appropriate to adopt. Lastly, it enabled the researcher to learn through practice thereby enhancing understanding of the variables.

3.3 Data Sources

Study data was obtained from primary and secondary sources. The secondary sources saw the review of a number of relevant literature. These sources included publications, journals and online. These reviews either supported or refuted arguments and conclusions.

3.4 Data Collection Instrument

The main data collection instrument used in the study was questionnaire and interview. These instruments were used given the nature of the respondents; the season, responsibilities and convenience. They also allowed a detailed examination of the dynamics of stakeholders' engagement in the budget preparation process.

The data collected were from two (2) levels – Metropolitan Level and Community Level. The Metropolitan Level covered the Heads of departments and the staff of the Budget and Rating Department. The heads of departments are the policy makers involved in the metropolitan budget preparation process. The staff of the Budget and Rating Department are at the core of the study as they are responsible for the initiation of stakeholders' engagement. The Community level also covered elected officials and rate payer associations.

Given that the second half of the year is a busy season in most of Assemblies, interviews based on the questionnaire was scheduled with five (5) of the top policy makers of the Metropolitan Assembly. Questionnaires were most used as it fit into the busy schedule of respondents. Questions were selected to speak directly to the research objectives and

questions. Closed ended questions were used in the case where responses were limited, factual or quantitative in nature while open ended questions were used for responses which were unlimited, opinionated and qualitative.

3.5 Sampling Methods

The researcher preferred a purposive sampling method and a simple random technique in this study. The purposive sampling method is a multi – stage sampling technique which belongs to the non - probability sampling method. This allows the combined use of different sampling technique at different stage of the study. The simple random method is a probability sampling method which also allowed the researcher to meet its respondent set.

The purposive sampling technique was used to select the Metropolis and the key respondents informed enough to meet research objectives. It was also used to identify key informants like the elected Assembly Members from the various decentralized structures. The Random sampling technique was used to identify and select the study sample units.

3.6 Study Variables

Agyemang (2010) defines variables as a concept that varies. Implying variables may take more than one value. These values become their attributes. The logical grouping of attributes is how Babbie (2007) defined variables. Key variables considered in the study included Level of involvement in budget preparation, membership in key budget preparation committees, capacity in budgeting and planning, rate payer, leader of a rate payer association or organized group, elected member of the Assembly and approval involvement.

3.7 Sample Size Determination

The informant identified were arrived at by engaging the Metropolitan Budget Analyst, Presiding Member and the Budget Preparation Guidelines. Given the time, only community members from the Takoradi Sub Metropolitan Area was considered.

From table 3.1 below, the total sample frame identified for the study is 105,070. To determine the key informant for the study, a mathematical sample determination method was adopted. This was to give the sampling procedure a scientific conclusion and cater for some errors.

$$n = N/1+N(e)^2$$

where;

n – Sample Size

N – Sample Frame

e – Margin of Error (which is 0.05)

Based on the mathematical formula above, the key informants to be used for the study was 496. It was however, impossible for the researcher to contact all these key informants within the time for the study.

Key Informants	Sample Frame	Sample Size	No. to be Involved in the Study
Community Members (Takoradi Sub Metro)	104,958	398	15
Budget Committee Members	17	17	9
Assembly Members	44	40	15
Traditional Authorities	7	7	3
Unit Committees	44	40	10
	105,070	496	52

Table 3.1: Summary of Proposed Respondents

For the researcher to narrow the 496 sample size to much smaller but representative and robust size, a Purposive Sampling Technique was employed. Budget Committees members was reduced to nine (9) respondents. The researcher selected the heads of the Finance, Development Planning, Central Administration, Health, Education, Budget and Rating, Human Resources, Revenue and Waste Management Departments and Offices. The three (3) traditional authorities considered were those recommended as very committed to local development issues at the Assembly. Assembly members selected were fifteen (15) and are those who were easy to reach within the study period and mostly in the Takoradi Sub Metro. Out of the three (3) sub metro, the Takoradi Sub Metro was

selected and fifteen (15) respondents were sampled and ten (10) Unit Committee members from the Takoradi Sub Metro.

3.8 Unit of Analysis

According to Babbie (2007) the unit of analysis is also the units of observation. Meaning unit of analysis is the ‘what’ or ‘whom’ in the study. The most elementary phenomena under study that create the description of all such units explaining the differences among units. The researcher identified the following as the unit of analysis in this study; Staff of the Budget and Rating Department, Heads of Departments making up the Budget Committees, Central Administration which hosts the Coordinating Director, Presiding Member and the Chief Executive (Mayor), Various committees and sub committees that pass the budget at various stages.

3.9 Data Processing

Editing, Coding and Tabulation were used to process and present the collected data. To clean the data collected and to eliminate errors, the researcher employed editing. Qualitative and quantitative techniques were used to process data. Descriptive analysis was used to present observation especially from the interviews. Interview transcript and statements were sometimes presented in direct quotes. The above were used to enrich the presentations of findings and conceptualizations.

CHAPTER FOUR

ANALYSIS OF STUDY DATA AND AREA

4.1 Introduction

This chapter presents the profile of the study area; Sekondi Takoradi Metropolitan Assembly. Also is the analysis of the data collected from the field. Both qualitative and quantitative techniques are used. Analysis on stakeholders' engagement and budget preparation is presented examining the role of stakeholders, tools applied and capacity issues, challenges encountered during engagements and effect on development delivery. Fifty – two (52) questionnaires were distributed.

4.3 Analysis of Data Collected

This analysis is based on responses from fifty - two (52) response outcome. Table 4.1 presents the background information of the respondents. Out of the 52 respondents, 41 (representing 78.8%) were males and 11 (representing 21.2%) were females.

Twenty – nine (29) respondents representing 55.8% are aged between 31 and 40 years. Most of the respondents are middle aged and active to engage. Also when enquired of the number of years spend in the metropolis, 31 of the respondents representing 59.6% have worked in the metropolis between 5 and 10 years. Majority have or should have participated in a number of budget preparation cycle to participate in the study.

Table 4.1: Number of years spent in MMDA

	Parameter	Frequency	Percent (%)
Gender	Male	41	78.8
	Female	11	21.2
		52	100
Age	20 – 30 years	6	11.5
	31 – 40 years	29	55.8
	41 – 50 years	9	17.3
	50+ years	8	15.4
		52	100
Years Working in MMDA	-5 years	7	13.5
	5 – 10 years	31	59.6
	11 – 15 years	11	21.2
	15 + years	3	5.8
		52	100

Source: Author's Construct, 2019

4.3.1 Level of Stakeholders Engagement

The study opts to determine the level and role of stakeholders' engagement in the budget preparation process in the Sekondi Takoradi metropolis. Respondents were asked if they have been engaged on the budget preparation process before. The responses have been presented in table 4.2 below

From the responses, more people have been engaged in the budget preparation exercises of the Metropolitan Assembly. Average percentage of the “Yes” responses was 50.7%. However 49.3% of the responses said they have not been engaged before. In a detailed look at the responses, it was obvious engagement was bias towards those who are close to the system of governance. Ten (10) Assembly Members representing 66.7% said they have been engaged because they were members of the Finance and Administration Subcommittee. Engagement was basically for approval purposes. The remaining five (5) representing 33.3% said they have not been engaged except for approvals. Considering that Budget Approval is another stage, then it could be said that assembly members are not actually involved in the preparation process itself. Traditional authorities and the unit

committees are the least engaged in the budget preparation process. The Unit Committees lack of engagement is attributed to the non – existence of the Zonal Councils. The traditional authorities’ engagement issues were also attributed to legal framework which does not encourage governance participation and the fact that the assembly spend an insignificant percentage of budget on tradition interest activities.

Table 4.2; Response on been engaged in Budget Preparation

Informants	Responses	Number	Percent (%)
Assembly members	Yes	10	66.7
	No	5	33.3
Traditional Leaders	Yes	1	33.3
	No	2	66.7
Unit committees	Yes	2	20.0
	No	8	80.0
Community Members	Yes	5	33.3
	No	10	66.7
Budget Committees	Yes	9	100
	No	0	0.0
Average Percentage of Responses	Yes	27 (51.9)	50.7
	No	25 (48.1)	49.3

Source: Author’s Construct, 2019

The members of the Budget Committee have all been engaged in the budget preparation process. This was because of their technical contribution to the budget which is supported by the current legal regime. When the community stakeholders alone are analyzed separately, it was observed that 38.3% said they were engaged while 61.7% said they were not engaged. Engagement at the community level is weak or poor.

4.3.2 Stakeholders Engagement Structures

The metropolitan assembly has managed over 20 budget cycles including budget preparations. Respondents were asked to provide existing structures either required or

established to sustain stakeholders' engagement. Table 4.5 shows that structures that are existing are those that enhance administrative and technical engagement. All (100%) respondents knew of the establishment of Budget and Rating Office, Budget Committee, Finance and Administrative Subcommittee, Planning Coordinating Committee, Sub Metropolitan Budget Units and Development Planning Subcommittee. Less than 5.5% of respondents taught of Town Council Offices, Town Council Committees and Community Budget Groups are established. A check from the records shows that most sub structures that support grassroots engagement is yet to be established and made operational.

Table 4.3: Established Institutional Structures

Institutional Structures	Frequency	Percent (%)
Budget and Rating Office	52	100
Budget Committee	52	100
Finance and Administration Subcommittee	52	100
Unit Committees	15	28.8
Town Council Offices	2	3.8
Development Planning Subcommittee	52	100
Planning Coordinating Committee	52	100
Sub Metropolitan Budget Units	52	100
Sub Metropolitan Budget Committee	16	30.8
Community Budget Committees	1	1.9
Town Councils Committees	2	3.8
Media Platforms – Media Houses and Social Media	31	59.6
All Statutory Departments	52	100
Public Relations and Complaints Committee	35	67.3
Public Relations Office	36	69.2
Revenue Office	52	100

Source: Author's Construct, 2019

On the use of media to engage stakeholders, 31 respondent representing 59.6% taught there are enough media and online structures established to be used. However, their regret is that the concentration has always been on the establishment of administrative

structures. 35 responses (69.2%) knew of the establishment of the Public Relation Office and the Public Relations and Complaints Committee but thinks the posture is more of explaining the Assembly point and not to engage. This analysis is consistent with initial bias towards technical and administrative systems. Establishment of stakeholders' engagement structures is limited to technical reasons.

4.3.3 Stakeholders Identification

The researcher asked respondents to list identified stakeholders in the budget preparation process. This would provide another dimension of the level of engagement and role of stakeholders in the process. Table 4.3 present the response.

Out of the 18 stakeholders identified by the respondents, all (100%) respondents identified all assembly staff as stakeholders; Staff of the Budget and Rating Department, Heads of Departments, Coordinating Directorate, Office of the Mayor, Members of Parliament, Sub Metro Staff, Revenue Collectors and Rate Payers Associations. The later was identified due to the annual consultative meetings organized on the Fee Schedule. Between 33 and 35 respondents representing 65.0% and 67.8% respectfully identified Office of the Presiding Member and the General Assembly committees and subcommittees as stakeholders. 4 respondents representing 7.7% identified traditional authorities as stakeholders in the budget preparation process. 18 respondents representing 34.6% listed opinion leaders in the communities. Given legal regime, the metropolitan Assembly is seen engaging opinion leaders more than traditional leaders.

They explain that the posture of the legal references is bias towards administrative stakeholders and as such seen and involved more in drafting the budget. Budgets are still

seen as a highly technical document and are still guided by guidelines which deepen the budget technical myth.

Table 4.4: Stakeholders identified by Respondents

Identified Stakeholders	Frequency	Percent (%)
Staff of the Budget and Rating Department	52	100
Heads of Departments	52	100
Coordinating Directorate	52	100
Office of the Mayor	52	100
Presiding Member	35	67.3
Assembly Members	36	69.2
Chiefs and Queen mother	4	7.7
Ministries – Ministry of Finance, Local Government and RD	3	5.8
RCC, Sekondi	30	57.7
Subcommittees	35	67.3
Government Agencies and Commissions	13	25.0
Rate Payers Associations / Organized Group	52	100
Members of Parliament	52	100
Civil Society Organizations and Religious Groups	27	51.9
Opinion Leaders	18	34.6
Sub Metro Staff	52	100
Media	11	21.2
Revenue Collectors	52	100

Source: Author's Construct, 2019

The non-administrative staff involvement in the budget preparation process is only visible during the approval stage. The only avenue to influence the content of the budget is only at the approval stage.

4.3.4 Opportunities for Stakeholders Engagement

The study also sought to find out from respondents the required budget preparation steps that stakeholders are to be engaged. Response were grouped under revenue and

expenditure steps. 100% of the respondents listed Consultative Meetings on the Fee Schedule and Budget Approval Meetings. These are the two (2) budget preparation steps that over the years' civil societies in local governance has advocated. The metropolitan assembly is committed to these stakeholder engagements due to their linkage to raising targeted revenue and having the budget approved for implementation respectively. Responses also show that stakeholders are engaged more on revenue steps than expenditure steps. Table 4.6 present these responses.

Under the expenditure steps, four (4) process steps were identified by respondents. 36 respondents representing 97.3% identified Preparation of Department Action Plans steps as the most engaged step. This is due to the planning systems and requirements by the Development Planning Authority. The community needs assessments and community action plans required during the medium term plan preparation. Less than 10 respondent knew of the three (3) other expenditure steps that require stakeholders' engagement. However, under the revenue steps, engagement on grant allocation capturing was least known.

Table 4.5: Budget Preparation Steps that require Stakeholders

Budget Preparation Steps	Frequency	Percent (%)
Revenue Steps		
Consultative Meeting on Fee Schedule	52	100
Data Validation for Projection	21	40.4
Grant Allocation Capturing	9	17.3
Review of the Revenue Projections	35	67.3
Approval Meetings	52	100
Expenditure Steps		
Preparation of Department Action Plans	36	69.2
Validation of Action Plan Costing Sheet	9	17.3
Review of Expenditure Reviews	5	9.6
Determination of Allowances	2	3.8

Source: Author's Construct, 2019

4.3.5 Frequency of stakeholders Engagement

From table 4.7 100% of respondents indicated that they are engaged mostly once a year. This is expected as the budget preparation season is once a year and coincide with the responses. 70% of Assembly members are of the opinion that stakeholder engagements are organized at least quarterly. Level of stakeholders' engagement in the budget preparation process is generally limited to quarterly and in the second half of the year. This shown by the over 50% responses for mid – year, twice a year and yearly from table 4.7.

Table 4.6: Frequency of Stakeholders Engagement

Engagement Frequency	Frequency	Percent (%)
Every Month	1	1.9
Every Quarter	14	26.9
Every Mid – Year	27	51.9
Every Year	52	100
Twice a Year	52	100

Source: Author's Construct, 2019

4.3.6 Funding for Stakeholders Engagement

To evaluate the perception and / or challenge of funding stakeholders' engagements in the metropolis, respondents were asked if the assembly provided funds. From table 4.2, on the average, 40 respondents representing 76.9% said the assembly provided the needed funds. Their reason was that the assembly always provided since it involved technical staff and their activities. However, a look at the responses from the Budget Committee members show almost a split response.

Table 4.7; Response on Funds for Stakeholders Engagement

Informants	Responses	Number	Percent (%)
Assembly members	Yes	12	80.0
	No	3	20.0
Traditional Leaders	Yes	3	100.0
	No	0	0.0
Unit committees	Yes	10	100.0
	No	0	0.0
Community Members	Yes	11	73.3
	No	4	26.7
Budget Committees	Yes	4	44.4
	No	5	55.6
Average Percentage of Responses	Yes	40 (76.9)	79.5
	No	12 (23.1)	20.5

Source: Author's Construct, 2019

4.3.7 Stakeholders Engagement Practices

The study also sought to find out the stakeholders' engagement practises deployed during budget preparation engagements. From table 4.8, the top three (3) engagement practices out of the ten (10) practices were Building trust (100% responses), Identifying stakeholders (67.3% responses) and adopting the right approach (48.1% responses).

Planning towards was the least used with one response representing 1.9%. The Planning, Visualizing and Invitation scoring below ten percent (10%), it explains why the levels of engagements were poor from the community respondents' perspective.

Table 4.8: Stakeholders Engagement Processes Used Most

Stakeholders Engagement Processes	Frequency	Percent (%)
Identifying Stakeholders	35	67.3
Developing a Stakeholders Engagement Plan	1	1.9
Prioritizing Stakeholders	19	36.5
Visualizing Stakeholders	0	0.0
Adopting right approaches to engage stakeholders	25	48.1
Building trust between Assembly Officials and Rate Payers	52	100
Observing the effective of communication	17	32.7
Invitation means to stakeholders	5	9.6
Venue / Location for stakeholders' engagement	11	21.2
Managing stakeholders with responsibilities	15	28.8

Source: Author's Construct, 2019

4.3.8 Stakeholders Engagement Tools

From table 4.9 most familiar stakeholders' engagement tools used in the budget preparation process in the metropolis are presented. Out of the tools questioned on, five (5) out of nine (9) had ever been used in budgeting. The most used tool is meeting with 52 responses representing 100% this was followed by Voting with 37 responses representing 71.2%. and presentation and feedback with 36%.

This shows that the used of different tools to meet different stakeholders' needs is not the practice. This can affect engagement outcomes significantly.

Table 4.9: Stakeholders Engagement Tools Common in Budget Preparation

Stakeholders Engagement Tools	Frequency	Percent (%)
Engaging of consultants to undertake stakeholders' engagement	0	0.0
Meetings	52	100
Questionnaires and Surveys	0	0.0
Stakeholders Analysis	2	3.8
Power – Influence Grid	1	1.8
Benchmarking	0	0.0
Stakeholders Engagement Assessment Matrix	0	0.0
Presentations and Feedbacks	19	36.5
Voting	37	71.2

Source: Author's Construct, 2019

4.3.9 Challenges in Stakeholders Engagement

From the above analysis and the research objectives, the challenges associated with stakeholders' engagement is core to this research. Figure 4.1, presents the challenges provided by the respondents in the study.

The respondents identified seven (7) challenges affecting stakeholders' engagement in the metropolis. These were Lack of Logistics, Capacity, and Inadequate funding. Others are Poor Communication, Corruption perception, Budgets as a technical document and partisan politics.

Lack of Logistics was identified as one of the challenge by all (100%) respondents. They mentioned these are the needed logistics; vehicles, projector set, laptops, printer / photocopying machine and digital camera. From the Budget Analyst, the ones they are using are their personal devices. Poor communication of development and performance facts affect broader understanding and appreciation of the issues by the community and assembly members. Partisan politics in practice is very synonymous to stakeholders' engagement. Hence the politicization of engagement by the political class. This was highlighted from responses obtained from the legal regime either as a challenge or not. The lack of capacity on the part of public officials to engage was strongly cited all respondents.

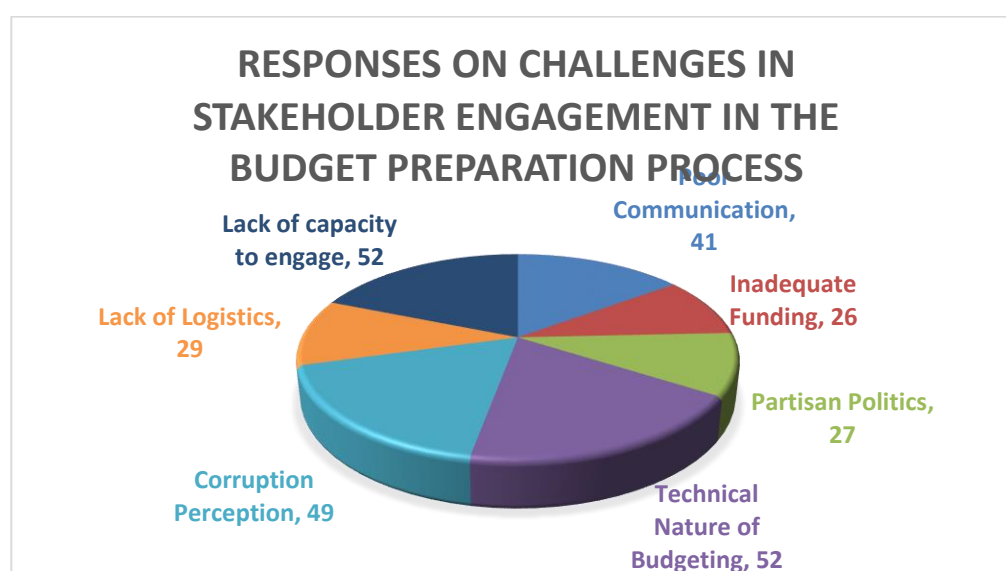


Figure 4. 1 Challenges in Stakeholders' Engagement

Source: Author's Construct, 2019

4.3.10 Effect of stakeholders Engagement on Development Delivery

To determine the effect, the current state of stakeholders' engagements have had on budget implementation and development delivery in general, the researcher analyzed responses as follows; the Stakeholders' engagement has affected the revenue budget more than the expenditure driven development activities. Ninety – five (95) percent of the respondents felt the exercise is becoming an annual routine or “ritual”. As a result, there is currently no strong connection to development deliverables.

Table 4.11 Ways stakeholders' engagement have affected development

Effect on Development Delivery	Frequency	Percent (%)
Clarify the Vision and Improves Ownership	30	57.7
Reduce revenue leakages hence more development funds	35	67.3
Pooling of resources and experiences	13	25.0
Reduce risk and development wastages and delays	52	100
Mobilization of more Internally Generated Funds	52	100
Development provided to meet users' specifications	27	51.9
Application of funds within legal boundaries.	13	25.0

Source: Author's Construct, 2019

CHAPTER FIVE

SUMMARY OF FINDINGS, RECOMMENDATIONS AND CONCLUSIONS

5.1 Introduction

Key findings, recommendations and conclusions from the study are presented in this chapter. Even though the study was conducted within the jurisdiction of Sekondi Takoradi Metropolis, findings uncovered have policy implication that are relevant to central government. Budget Managers would also find relevance.

5.2 Key Findings

The following key findings were made after analyzing data collected from the field and the review of the literature of the subject. These findings are presented in relation to the objectives of the study.

5.2.1 Level of stakeholders Engagement

The analysis of the level of stakeholders' engagement in local budget preparation process in the metropolis showed the following;

- i. The level of engaging heads of departments in the budget preparation process is very high as compared to the community level stakeholders. All the staff of the Budget and Rating Department and other heads of department reached said they were engaged.
- ii. Stakeholders' engagement is greatly determined by the legal expectations and the discretion of the Budget Analyst. 85% of assembly members and 99% of traditional authorities interviewed indicated that but for the legal requirement they would not be engaged in the budget preparation process. Similarly, 95% of

Rate Payers involved said but the legal requirement to organized consultative meetings, they would not have been engaged.

- iii. Engagement on revenue issues are high as compared to expenditure issues. This is the case to ensure rate payers pay their revenue. 91% of assembly members, rate payers and traditional authority said they have been engaged more on revenue issues than on expenditure issues. This is done every year in spite of the challenges.
- iv. Engaging zonal councils and unit committees are non – existence. This was because almost all councils and committees were not operational. The councils when operational are expected to prepare their budgets and make inputs into the metropolitan budget.
- v. Stakeholders’ engaged yearly are the same. Stakeholders identification and engagement has not been taken as an important part of the budget preparation process. There are not enough community level structures for engagement. Few steps in the budget preparation process have been identified that require stakeholders’ engagement.

5.2.2 Stakeholders Engagement Practices

Upon analysis of the stakeholders’ engagement practices and tools and techniques available to the assembly, the following findings were arrived at.

- i. The Budget and Rating Department does not have the capacity, tools and techniques to engage stakeholders in a sustainable manner. Stakeholders’ engagement practices are not prioritized and not professionally executed. 77% of the staff of the department interviewed saw no reason to adopt key practices and where they were used it is not recognized.

- ii. The use of meetings is the only tool frequently used. This is because most engagements are information supply platform from the Assembly to the people. The people may only fine tune aspect and not seen agreeing on a common ground. The other engagement tools are non – existence.

5.2.3 Challenges

The study established the following challenges in stakeholders’ engagement in the budget preparation process.

- i. The lack of appreciation of stakeholders’ engagement practices and tools by public officials is a major challenge. Even engaging heads of departments comes without any scientific or best approach. It is seen as annual “ritual” to meet a requirement hence its lack of professional touch.
- ii. The myth that a budget is a technical document and that not every stakeholder should be involved is another challenge. This myth come with some phobia when engaging external stakeholders.
- iii. Inadequate funding during the budget preparation period also affect the stakeholder identification and involvement steps. Over the years, only the consultative meetings on the fee schedule has received funding.
- iv. Apathy on the part of all stakeholders is a strong factor. Previous engagements had yielded no impact hence why continue to engage. Heads of departments do not receive allocations to implement plans, community are always told their activities cannot be implemented because of funding.
- v. Non - functioning of the zonal councils and their committees comes as a challenge. This in effect is fueling negative perception of corruption.

5.3 Recommendations

The key recommendations of the study based on the findings are presented to help improve stakeholders' engagement practices in MMDAs in the Budget Preparation Processes. The study was conducted at the metropolitan assembly, but issues raised are relevant to all Assemblies and Regional and Central Governments.

- i. Stakeholders' engagement in the Budget preparation process at the District Assemblies need to be reviewed. A comprehensive guideline is needed. The Regional Coordinating Councils, Local Government Ministry and Local Assemblies need to publish such a guideline.
- ii. Local Assemblies need to operationalize the sub district structures. To achieve this, the legal requirements for stakeholders' engagement need to be decentralized to the sub districts level. Given the assemblies commitment to legal requirements, if the sub districts are to engage stakeholders then the assemblies would ensure their operationalization.
- iii. The staff of the Budget Management Office need to be trained on stakeholders' Management. Governance support institutions are encouraged to fund projects on stakeholders' engagement and train public officials on stakeholders' management in general.
- iv. The Ministry of Finance, Local Government Ministry and the Regional Coordinating Councils need to make stakeholders' engagement plans and reports an important part of their monitoring exercises.
- v. The concept of Community Budgeting need to be introduced to take away the myth of budget being a technical document. if communities are guided to prepare

their budgets it will develop in them the confidence to interrogate a budget document.

- vi. The local government reform process should consider reviewing the legal definition of a stakeholder and their role in development delivery

5.4 Conclusion

The content of a budget is expected to speak to the aspiration of the primary beneficiaries hence the preparation process need to be as engaging as possible. For a budget to meet this standard and guarantee high level of ownership, there is the need to identify and engage the right stakeholders and be exhaustive as is possible. This is consistent with the very essence of decentralization and thus effort need to be made to enhance stakeholders' management and engagement.

Driven by the objective of determine the stakeholders' engagement practices in budget preparation process, this research was conducted in the Sekondi Takoradi Metropolis.

From the issues above, the level of stakeholders' engagement in the budget preparation process is weak at the district level. The role of stakeholders in the budget preparation process is not amplified. The current engagements are only sustained legally. Assemblies are bias towards establishing structures that deepen the technical perception of a budget. The Consultative Meetings on Fee Schedule is the known stakeholders' engagement in budget preparation.

The study also established that stakeholders' engagement is not handled professionally during the budget preparation process. There is the need for a comprehensive capacity building on stakeholders' management. This major shortcoming is actually responsible for the challenges of the engagements.

For a budget to be accepted by the people, the preparation process of that budget need to be more engaging than it is now. Ghana decentralization journey needs extensive engagement in both the planning and budgeting processes to guarantee desired impact.

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APPENDIX 1

Questionnaire for the Metropolitan Budget Committee Members
KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY,
KUMASI
COLLEGE OF ART AND BUILT ENVIRONMENT
DEPARTMENT OF CONSTRUCTION TECHNOLOGY AND MANAGEMENT

Topic; Stakeholders Engagement Practices in The Public Budget Preparation Process
in The Sekondi Takoradi Metropolis

Please kindly respond to the following research questions by either writing responses or ticking appropriately.

SECTION A – YOUR PROFILE

1. Name of Department;
2. Position in Department;
3. Your Sex; () Male () Female
4. Age; () 20 – 30 years () 31 – 40 years () 41 – 50 years () 50 + years
5. How long have you worked in your current MMDA?
() less than 5 years () 5 – 10 years () 11 – 15 years () 15 years and above

SECTION B – Budget Preparation Processes and Stakeholders’ Engagement

1. How many Budget Cycles have you implemented / managed?
.....
2. Have you been engaged by the Assembly in the Budget Preparation Exercise?
Yes / No
If no, why
3. What structures have your MMDA put in place to encourage participatory budgeting during the budget preparation process? Tick appropriately.
Budget and Rating Office () Budget Committee () Unit Committees ()
Finance and Administration Subcommittee () Town Council Offices ()
Development Planning Subcommittee () Planning Coordinating Committee ()
Sub Metropolitan Budget Units () Sub Metropolitan Budget Committee ()
Community Budget Committees () Town Councils Committees ()
Others, Specify;

4. Please list the budget preparation process that require stakeholders' engagements?

a. Revenue Budget Preparation

Sn	Revenue Budget Preparation Process	Tick
1		
2		
3		
4		
5		

b. Expenditure Budget Preparation

Sn	Expenditure Budget Preparation Process	Tick
1		
2		
3		
4		
5		

5. Does the Assembly provide funds for all stakeholders' engagement during the budget preparation process? Yes () No ()

If No, What is the effect on the engagement

6. Based on experience, which of the listed stakeholders' engagement processes is most used in the Budget Preparation Steps

	Stakeholders' Engagement Processes	Tick
1	Identifying Stakeholders	
2	Developing a Stakeholders Engagement Plan	
3	Prioritizing Stakeholders	
4	Visualizing Stakeholders	
5	Adopting right approaches to engage stakeholders	
6	Building trust between Assembly Officials and Rate Payers	
7	Observing the effective of communication	
8	Invitation means to stakeholders	
9	Venue / Location for stakeholders' engagement	
10	Managing stakeholders with responsibilities	
11	Other, specify;	

7. Please list the stakeholders that are involved in the preparation of the Metropolitan Budget.

Sn	Stakeholders	Sn.	Stakeholders
1		6	
2		7	
3		8	
4		9	
5		10	

8. Which of the following stakeholders' engagement tools and techniques are common to the Budget Preparation Stakeholders? Tick appropriately.

	Stakeholders' Engagement Tools	Tick
1	Engaging of consultants to undertake stakeholders' engagement	
2	Meetings	
3	Questionnaires and Surveys	
4	Stakeholders Analysis	
5	Power – Influence Grid	
6	Benchmarking	
7	Stakeholders Engagement Assessment Matrix	
8	Presentations and Feedbacks	
9	Cultural, Political and Gender Awareness	
10	Voting	
11	Others, specify;	

SECTION C – Challenges in Stakeholders Engagement

- Does the legal framework encourage stakeholders' engagement? Yes () No ()
If No, Why
.....
- Does the existing institutional framework support stakeholders' engagement?
Yes () No ()
If No, Why
.....
- Does the Metropolitan Assembly have the complement of staff needed to engage stakeholders during the budget preparation process? Yes () No ()
If No, what are the staff needed

4. Does the Metropolitan Assembly budget staff have the capacity needed to engage stakeholders during the budget preparation process? Yes () No ()
5. If No, what are the additional training needs
6. Does the Metropolitan Assembly have the needed logistics to engage stakeholders during the budget preparation process? Yes () No ()
If No, what are the additional logistics needed
7. What do you think are the challenges hindering stakeholders' engagement in the budget preparation process in the Metropolis?
.....

SECTION D – Stakeholder Engagement and Development Delivery

1. Does the Assembly have the autonomy to disburse its funds? Yes()No ()
If no, why?
2. Have the stakeholders' engagements influenced stakeholders' attitude in development issues?
Yes () No ()
If no, why?
If Yes, state specific
3. How would you describe the attitude and participation of stakeholders in development delivery?
Very Engaging () Engaging () Not Sure () Not Engaging ()
4. What do you think could be done to improve on stakeholders' engagement in the budget preparation process?

APPENDIX 1I

Questionnaire for the Assembly Members and Community Members
KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY,
KUMASI
COLLEGE OF ART AND BUILT ENVIRONMENT
DEPARTMENT OF CONSTRUCTION TECHNOLOGY AND MANAGEMENT

Topic; Stakeholders Engagement Practices in The Public Budget Preparation Process
in The Sekondi Takoradi Metropolis

Please kindly respond to the following research questions by either writing responses or ticking appropriately.

SECTION A – YOUR PROFILE

1. Position ;
2. Highest Education Qualification ;
3. Sex; ☐ Male ☐ Female
4. Age; ☐ 20 – 30 years ☐ 31 – 40 years ☐ 41 – 50 years ☐ 50 + years
5. How long have you engage this Metropolitan Assembly?
☐ less than 2 years ☐ 2 – 4 years ☐ 5 – 9 years ☐ 10 years and above

SECTION B – Budget Preparation Processes and Stakeholders’ Engagement

9. How many Budget Cycles have you been engaged in?
10. How participatory / engaging is the Budget Preparation Process in the Metropolis? Very Engaging ☐ Engaging ☐ Not Sure ☐ Not Engaging ☐
11. What structures have your MMDA put in place to encourage participatory budgeting during the budget preparation process? Tick appropriately.
Budget and Rating Office ☐ Budget Committee ☐ Unit Committees ☐
Finance and Administration Subcommittee ☐ Town Council Offices ☐
Development Planning Subcommittee ☐ Planning Coordinating Committee ☐
Sub Metropolitan Budget Units ☐ Sub Metropolitan Budget Committee ☐
Community Budget Committees ☐ Town Councils Committees ☐
Others, Specify;
12. Please list the budget preparation process that require stakeholders’ engagements?
c. Revenue Budget Preparation

Sn	Revenue Budget Preparation Process	Tick
1		
2		
3		
4		
5		

d. Expenditure Budget Preparation

Sn	Expenditure Budget Preparation Process	Tick
1		
2		
3		
4		
5		

13. Does the Assembly provide funds for all stakeholders' engagement during the budget preparation process? Yes () No ()

If No, What is the effect on the engagement

14. Which of these activities do you think the Assembly engage in.

	Stakeholders' Engagement Processes	Tick
1	Identifying Stakeholders	
2	Developing a Stakeholders Engagement Plan	
3	Prioritizing Stakeholders	
4	Visualizing Stakeholders	
5	Adopting right approaches to engage stakeholders	
6	Building trust between Assembly Officials and Rate Payers	
7	Observing the effective of communication	
8	Invitation means to stakeholders	
9	Venue / Location for stakeholders' engagement	
10	Managing stakeholders with responsibilities	

15. Please list the stakeholders that are involved in the preparation of the Metropolitan Budget.

Sn	Stakeholders	Sn.	Stakeholders
1		6	
2		7	
3		8	
4		9	
5		10	

16. Which of the following stakeholders' engagement tools and techniques are frequently used? Tick appropriately.

	Stakeholders' Engagement Tools	Tick
1	Engaging of consultants to undertake stakeholders' engagement	
2	Meetings	
3	Questionnaires and Surveys	
4	Stakeholders Analysis	
5	Power – Influence Grid	
6	Benchmarking	
7	Stakeholders Engagement Assessment Matrix	
8	Presentations and Feedbacks	
9	Cultural, Political and Gender Awareness	
10	Voting	

SECTION C – Challenges in Stakeholders Engagement

8. Does the legal framework encourage stakeholders' engagement? Yes () No ()
If No, Why
9. Does the existing institutional framework support stakeholders' engagement?
Yes () No ()
If No, Why
10. Does the Metropolitan Assembly have the complement of staff needed to engage stakeholders during the budget preparation process? Yes () No ()
If No, what are the staff needed
11. Does the Metropolitan Assembly budget staff have the capacity needed to engage stakeholders during the budget preparation process? Yes () No ()
12. If No, what are the additional training needs
13. Does the Metropolitan Assembly have the needed logistics to engage stakeholders during the budget preparation process? Yes () No ()
If No, what are the additional logistics needed

14. What do you think are the challenges hindering stakeholders engagement in the budget preparation process in the Metropolis?

SECTION D – Stakeholder Engagement and Development Delivery

1. Does the Assembly have the autonomy to disburse its funds? Yes () No ()
If no, why?
2. Have the stakeholders' engagements influenced stakeholders' attitude in development issues?
Yes () No ()
If no, why?
If Yes, state specific
3. How would you describe the attitude and participation of stakeholders in development delivery?
Very Engaging () Engaging () Not Sure () Not Engaging ()

What do you think could be done to improve on stakeholders' engagement in the budget preparation process?