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COLLEGE OF ARCHITECTURE AND PLANNING
DEPARTMENT OF BUILDING TECHNOLOGY

**PROCUREMENT MANAGEMENT AS A STRATEGIC TOOL FOR ACHIEVING
ORGANIZATIONAL GOALS: A CASE STUDY OF GA EAST MUNICIPAL
ASSEMBLY**

KNUST

**A THESIS SUBMITTED TO THE DEPARTMENT OF BUILDING TECHNOLOGY
IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF
MSC DEGREE IN PROCUREMENT MANAGEMENT**



BY

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DECLARATION

I, **JUSTIN TSOGBE GLOVER**, do hereby declare that this dissertation is the result of my own research work carried out. This work is the true reflection of the task I set out to accomplish and have duly acknowledged all sources from which references were drawn. It has not been presented either in Ghana or elsewhere for any diploma, degree or postgraduate programme. I accept all errors and omissions as my own entirely.

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ABSTRACT

The study examined how procurement management can function as a strategic tool towards achieving organizational goals with Ga East Municipal Assembly (GEMA) as the study area. The study also set out to examine the strategic procurement practices being employed by Ga East Municipal Assembly (GEMA) to achieve its organizational goals, investigate the effectiveness of the supplier base of GEMA which enables it to achieve its organizational goals, ascertain the adequacy of human capital being used by GEMA to drive its procurement functions towards meeting the organizational goal as well as identify the constraints to the procurement function of GEMA that militate against meeting organizational goals. In conducting the study, the researcher adopted the purposive sampling or judgmental technique to solicit the requisite information from the officials and management members of GEMA whose core functions entail executing various shades of procurement activities. The questionnaire technique was employed as the research instrument while Statistical Package for Social Science (SPSS) enabled the researcher to analyse data captured from the field. Findings of the study indicated that procurement management could facilitate the achievement of corporate objective when procurement practices ensure that value for money is always achieved in the organizations procurement activities. The study further noted that procurement could contribute to the attainment of competitive advantage when transaction costs associated with purchasing goods and services as well as their prices are conveniently reduced. Recommendations made called upon local government directorate to continuously build the capacity of procurement officials and suppliers on development of the National Procurement Law so as to shore up their competences and capacities for discharging their procurement responsibilities. This way, prudent procurement activities can be conducted so as to enable GEMA use its procurement function to achieve corporate objectives. The study concluded that procurement practices at GEMA are highly influenced by the National Procurement Law (NPL) in that the provisions of the law define the various elements in the supply chain management thereby keeping the organization on track toward achieving its procurement and other institutional objective.

DEDICATION

The Almighty God deserves special praise for granting me the strength and vital energy to combine family life, office work and academic activities. I am really most grateful to my maker.

Then my wife Anastasia Tsogbe Glover(Mrs), my children Zoe Eyrarn and Roy Edem Tsogbe Glover and other members of my family for their patience, sacrifices and prayers which enabled me to go through the course successfully.

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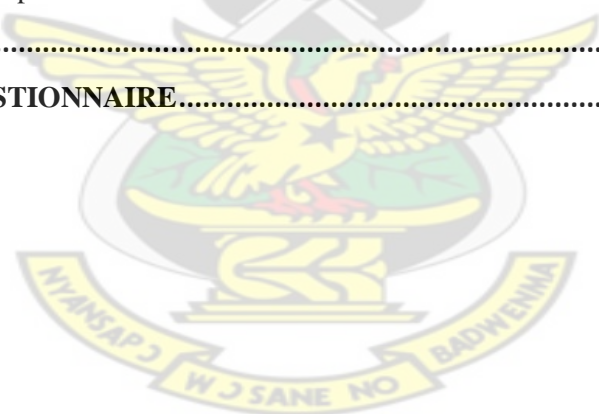


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CHAPTER ONE

INTRODUCTION

1.1 Chapter Introduction

The study examined the effectiveness of procurement management practices of Ga East Municipal Assembly (GEMA) towards meeting the corporate goals of this decentralized administrative unit within the framework of Ghana's local governance. This chapter presents the background to the study, statement of the problem, objectives of the study, research questions, significance of the study, brief research methodology, scope of the study, chapter disposition as well as the milestones of the study.

1.2 Background of the Study

It has long become abundantly clear to central government that perhaps an effective means of running the country is through decentralizing the ministries, departments and agencies within its administrative framework. Consequently, Ghana has been partitioned into 216 District Assemblies with plans under way to create more districts. Resourcing these grass-root structures has not been easy in terms of logistical support, human capital and the requisite infrastructure.

Given the scarce revenue base of the country which is worsened by the dwindling tax input as a result of SME businesses folding up, it stands to reason that the personnel tasked to oversee and administer local governance, develop strategic procurement management practices which will ensure that value for money is always achieved in all procurement endeavours. Rowlinson *et. al.* (2009), defines procurement as the “process of obtaining services, supplies and equipment in conformity with applicable law and regulations. Wyld (2011) also notes that procurement “covers all purchasing activities whose purpose is to give the buyer the best value for money. In the views of Hawkins *et. al.* (2009), procurement provides “an opportunity for firms and organizations to contribute to a position of competitive advantage

by reducing the price and the transaction costs associated with purchasing goods and services”.

In contemporary organizational setting, Pakkala (2002) argues that the strategic nature of procurement cannot be overemphasized. Indeed across the world Hunja (2003) notes that in both corporate and governmental procurement, the practice of purchasing has moved from a localized, operational activity to one that is more consolidated and strategic both in nature and practice. Azeem (2007) explains further that “a principal driver in this shift has been the need to produce per unit cost savings through better acquisition practices”. Tassabehji (2010), is also of the opinion that organizations which perceive procurement as a purely administrative function, might not be taking advantage of the benefits of new procurement technologies with the ability of improving efficiency, costs saving as well as building healthy relationships with supply chain partners.

Callender and Matthews (2002) see procurement management as a knowledge area that has to do with selecting vendors, negotiating their terms as well as working towards managing the ongoing relationships with them. In most cases, especially with the decentralized political structures in Ghana, procurement activities are conducted by project managers who are managing various developmental projects. In other instances the purchasing department or high-level manager takes charge of procurement activities.

A few years ago, Ghana Government realized the enormous amounts of money that went down the drain as a result of uncoordinated and unregulated procurement activities of ministries departments and agencies. Consequently Public Procurement Act (Act 663) was promulgated in 2003 to introduce some sanity into the procurement functions of public institutions. One of the objectives of the Public Procurement Act, Act 663 was to ensure that the country receives value for every ‘*pesewa*’ spent on procurement. This law has been in

operation for some time now and it is appropriate that a study is done to investigate how the public sector is using it to achieve its organizational goals.

1.3 Statement of the Problem

Procurement functions in most District and Municipal Assemblies in Ghana are the preserve of the political appointees who head these institutions and often see purchases as a way of giving jobs to political party foot soldiers and other cadres rather than using procurement practices to achieve organizational goals. Consequently most of these functions are not carried out by designated procurement staff. Moreover procurement staffs are consulted too late in the procurement process and the majority of staffs do not hold professional procurement qualifications thereby failing to align procurement practices with organizational goals.

From the foregoing, there appears to be widespread violation of the procurement law and one is not too sure of the procurement strategies being implemented by these district and municipal assemblies. Some Assemblies also have overly-large supplier base often caused by maverick buying, dis-aggregation, lack of co-ordination and focus on dyadic supply relationship rather than supply chain management, all of which run counter to achieving organizational goal. Such overly-large supplier base according to Soreide (2002) precipitates low-value procurement which creates inefficiencies with transaction costs out of proportion to the value of the items purchased and this constitutes the trust of the study.

1.4 Research Questions

It is the conviction of the researcher that the following research questions will help realizes the objectives of the study:

- What strategic procurement practices are in place at GEMA that enables it to achieve its organizational goals?

- What is the nature of the supplier base of GEMA which facilitates the achievements of organizational goals?
- What are the constraints to the procurement management functions of GEMA which disrupt efforts at achieving organizational goals?

1.5 Aim and Objectives of the Study

The overall rationale of the study is to determine how effective procurement management practices can be employed by District and Municipal Assemblies of Ghana as a strategic tool towards achieving their organizational goals such as improved standard of living. These improvements in the life of people will manifest in areas such as infrastructural developments and other social amenities. Specific objectives however include:

- To outline the strategic procurement practices being employed by Ga East Municipal Assembly (GEMA) to achieve its organizational goals
- To determine the effectiveness of the supplier base of GEMA which enables it to achieve its organizational goals
- To identify the constraints to the procurement function of GEMA that militate against meeting organizational goals

1.6 Significance of the Study

The study is relevant in that the findings will not only add to the general body knowledge concerning the effective use of procurement practices to achieve organizational goals but also assist stakeholders in strategizing the direction of their procurement practices. Authorities of the Public Procurement Board who might be privy to the final report are likely to have better ideas on how public institutions really conduct their procurement activities so as to perhaps lobby to strengthen or amend some provisions of the law. The study will also augment the

knowledge of the researcher on practice of procurement in public institutions. Finally KNUST students who might be researching along similar topics will see the final report as a useful reference material.

1.7 Brief Research Methodology

The researcher adopted the mixed research design in conducting the study. Primary data emanated from interviews and questionnaire survey of officials of all decentralized institutions operating under the GEMA. Content analysis and thematic matrix were employed in analyzing the qualitative data while descriptive statistics of means, frequencies and percentages were employed in analysing the quantitative data collected from the survey. Purposive sampling technique adopted for the study helped in directly approaching management members and officials of Ga East Municipal Assembly for the primary data. A time frame not exceeding two weeks was allowed for the collection of the primary data while secondary data from both published and unpublished sources were collected over the entire period of the study.

1.8 Scope of the Study

The study covered the Ga East Municipal Assembly (GEMA) which happens to be one of the decentralised administrative structures within the local government administration in Ghana. Procurement officials in the district education, health offices, fire service, public works department, National Disaster Management Organisation (NADMO), Ghana Revenue Authority, Social Security and National Insurance Trust (SSNIT), police administration, judicial service, labour and social welfare department were all covered by the study.

1.9 Structure of Report (Chapter Organization)

To facilitate reading and comprehension of the report, the study was structured into five distinct chapters. Chapter one is the transformation of research proposal and featured background of the study, statement of the problem, aims and objectives of the study, research questions, significance of the study as well as scope or delimitations of the study. Chapter two presents the literature review on effective procurement management practices with special reference to public institutions. Chapter three outlines the details of the research methodology by explaining the research design, sources of data, sampling procedure, research instrument, and data collection strategies as well as data analysis techniques. Chapter four presents the analyzed data together with their interpretation as well as a discussion of the findings. Chapter five summarized the study, makes appropriate recommendations and draws very useful conclusions.



CHAPTER TWO

REVIEW OF RELEVANT LITERATURE

2.1 Introduction

This second chapter reviews contemporary publications on effective procurement management practices and corporate goals. It begins by examining the theories of the concept of the procurement management prior to examining issues on international and local perspective of public procurement practices. Challenges to public procurement practices have also been discussed as well as its organizational management. Efforts have also been made to discuss how organizations use procurement management to achieve corporate goals.

2.2 Concept of Procurement Management

Procurement management, in the view of Bolton (2004) is an important strategic activity that ensures that sufficient materials and services are available for the smooth operation of a company. However, Azeem (2007) indicates that, procurement now plays a new role in corporate performance involving value generator, integrator and networking, positioned as a core competency, a driver of business strategy, and enabler of additional business. Procurement management process according to Hardcastle (2007) includes purchase and acquisition planning, contracting planning, seller response request, seller selection, contract administration, and contract closure. Dixit (2004) submits that, procurement management covers relationship between sellers (or contractors, subcontractors, vendors, service provider, or suppliers) and buyers (client, customers, purchaser, service requestors).

Tookey *et al.* (2001), explains that a procurement management environment which includes elements of law, finance and accounting, risk management and politics; and where practitioners from each of these professions at times claim this function as their province. This claim- staking is recognized explicitly in the various management frameworks that can be found worldwide for procurement governance and is indicative of the lack of agreement,

including within reform agendas, about what government procurement entails or of its strategic significance. This lack of agreement about the scope and nature of public procurement, in the view of Boateng (2008), is very familiar and varied within organizations and even between procurement practitioners as it is between these professions. For organizations in which procurement is conceived of as a mid to low level back-room activity driven by compliance, process management will be the status quo, and relatively few agendas of performance or wider policy will be met, and reform becomes endemic.

Soriede (2006) indicate that, alternatively where organizations conceive of procurement in terms of organizational performance usually in terms of indicators such as budget impact broader policy expectations and compliance will be neglected. Frequently too, public sector organizations of a scale does not seem to justify anything more than a clerical approach to this function. Even where the impacts of these elements are acknowledged, there is often insufficient scope or incentive for management to coordinate or collaborate with other public sector agencies, or to develop the means and roles to reconcile transparency with substantial bodies of regulations as well as with efficiency and effectiveness objectives and related policy goals such as business development.

Hawking and Stein (2004) are of the conviction that, these elements do not readily co-exist and may even seem incompatible. For example, the commercial and operational realities of procurement efficiency and effectiveness generate management responses in opposing terms of both centralization and devolution. Only where organizations or governments recognize the appropriate scope of public procurement, balancing the process, performance and strategic imperatives, can they develop the skills, incentives, performance measures, organizations and management tools to deliver the full range of political/community expectations. In the absence of a comprehensive framework such as this, government reforms can be expected to remain piecemeal and cyclical.

Callender and Matthews (2002) mention that, procurement practitioners respond to the requirements of their own organization and will generally identify their role in terms of process management/simple procurement vs. performance management /complex procurement vs. strategic procurement and policy depending on whether they are in a small or a larger operational organization or a central policy agency. But this role identification cannot quarantine these managers from the inherent tensions which arise from the conflicts between centralization and decentralization that is a consequence of these alternate roles.

Westring (1997) points out that, efforts to strengthen or reform public procurement will often include centralization vs. decentralization or devolution considerations but have rarely reconciled or even recognized the tensions between these basic constituents of the procurement environment, and instead have identified the need for change with the outcomes of these problems and in doing so have often preserved or even deepened the underlying divergences. Understanding these complex issues is often unappetizing both to executives and to politicians, making their reconciliation seem unachievable. The emergence of technology into this field is, however, beginning to reshape the possibilities.

2.3 Public Procurement Practices – International Perceptive

According to the Acevedo *et al.* (2010), the last decade of the twentieth century had witnessed the start of a ‘global revolution’ in the regulation of public procurement. Actually, challenges in procurement reforms are beyond procurement regulations to include procurement process, methods, procurement organizational structure, and workforce. Arrowsmith and Trybus (2003) submit that, procurement reforms occur constantly in all countries, developed as well as developing countries. The scope of reforms varies, from reforming the whole procurement system if the system is completely dysfunctional such as the on-going procurement in Sierra Leone after a long civil war and the successful reform in

Gambia, or fixing some narrow areas in a well-developed procurement system in developed countries.

In “challenges in public procurement: comparative views of public procurement reform in Gambia,” Wayne A. Wittig and Habib Jeng describe how procurement reform was implemented in The Gambia. Through a joint effort of the World Bank, Government of The Gambia and the International Trade Centre WTO/UNCTAD (ITC), a team of procurement experts developed a comprehensive approach to modernize the public procurement system of The Gambia in a model combining elements of a Central Tender Board with a Procurement Policy Office. Local capacity is being developed in the Gambia Public Procurement Authority and in the Procuring Organizations to support transparent public procurement systems. Positive and objective changes lie in the new legal, regulatory and organizational framework as demonstrated by a survey of Procurement Organizations. Nevertheless, challenges remain in extending and sustaining the reforms.

Westring (1997) indicates that, the role of civil society in public procurement reforms in the Philippines highlights the role of Procurement Watch Inc. (PWI), a civil society organization, which was at the forefront of the advocacy for the Government Procurement Reform Act (GPRA). Prior to the passage of the GPRA, there were over a hundred guidelines governing public procurement. The GPRA sought to standardize and institutionalize procurement reforms and address the lack of transparency and accountability that have long plagued the Philippine government in its procurement. Tookey *et al.*, (2009) pointed out that, to steer the process of change, support from the highest levels of leadership in the government and the private sector were found to be essential. PWI became the cog that linked different branches of government, and garnered support from the private sector.

Dixit (2004) explains that, in reforming public procurement sector in Turkey, the government spends around U.S. \$25 billion on purchased goods, services and construction works each year. It can be easily understood how vital it is to have a transparent and competitive public procurement system for the country. This essay presents both a comparison of the public procurement legislation before and after the reform and a comparison of some aspects of a newly introduced system with some developed countries' public procurement systems.

According to Boateng (2008), in December 2003, the Canadian Prime Minister initiated a comprehensive review of Canada's federal procurement, to ensure a "best of breed" approach with demonstrated high value for Canadian taxpayers, and created the Canada Parliamentary Secretary's Task Force on Government- Wide Review of Procurement for this purpose. In "government-wide review of procurement: redesigning Canadian procurement," the Task Force on Government-Wide Review of Procurement reported on the work of the Task Force to date (mid-way to its planned December 2004 report and recommendations), and set out its initial conclusions. This government-wide review had examined all aspects of procurement, from fundamental concepts such as fairness and open competition, through procurement processes and organization, to management oversight and public accountability.

In the view of Azeem (2007), U.S. Federal procurement agencies have many socioeconomic, and in particular, small business goals, but these goals are currently measured on a single metric: the percentage of total agency dollars that are awarded to small business. Finding the balance between the benefits of public procurement reform and benefits derived from small business participation is a public policy challenge. In balancing socioeconomic and public procurement reform goals, effective metrics for measuring small business participation in public procurement, Hunja (2003) support the argument that in order to accurately measure small business participation in a 'trans-procurement transformation' environment, more

effective metrics are required. The existing metrics are ineffective and that the new metrics measure small business participation with greater efficacy.

In the view of Hawking and Stein (2004), the evolution of procurement, from a bureaucratic, manual process to an IT systems-based approach has not obviated the apparent need to continue the search for a perfect public procurement system. In a tale of two cities in the search for the perfect procurement system, Vives *et. al.* (2009), examine the way in which two state-based jurisdictions in Australia have sought to develop their unique versions of a perfect procurement system. Apart from the classic management choices between centralized or decentralized procurement platforms, the procurement policy choices, represented by lowest purchase price or value- for-money, also have to be resolved. Knight *et. al.* (2008) states that, conflicting demands include the need to enhance government management of procurement within the constraints of a tender-driven contracting policy framework, while assuring high levels of probity, accountability and transparency, whilst also satisfying the diverse governance expectations of stakeholders.

According to Hardcastle (2007), in public procurement partnerships, recent experience with public procurement efforts in the U.S. suggests dissatisfaction with both governmental deliveries of services and resulting efforts to privatize or outsource these services. There is increasing recognition that both approaches should be combined to acquire increasingly complex goods and services, relying upon public procurement partnerships. Various trends have impacted public acquisition in recent years, further supporting the need for partnerships. These include a declining public procurement workforce, an expanded role for procurement practitioners, the complexity of acquiring information technology systems, the need for flexibility in negotiating contracts and partnership arrangements, as well as the increasing visibility of risks and the need to manage them effectively.

According to Giancarlo Spagnolo and Federico Dini “Reputation Mechanisms and Electronic Markets: Economic Issues and Proposals for Public Procurement,” online ‘feedback mechanisms,’ also known as ‘reputation systems,’ have been successfully implemented in the most important private e-markets, such as Yahoo, Amazon and eBay. These appear very effective in fostering trust and cooperation among anonymous trading partners. Then they discuss how public procurement practices differ for public electronic markets and supply contracts systems, providing some simple “rules of thumb” for public (and private) procurement agencies that plan to set up a feedback mechanism.

In the United States, a new procurement approach, which was recently initiated, is explored by Ken Buck in overcoming resistance to a paradigm shifting change in the federal sector: share-in-savings contracting: from concept to application. Rowlinson (1999) explains that the evolution of the share-in-savings (SiS) concept, characterized as the ultimate performance-based contract. Cole (2001) notes that, while the concept has been codified in federal statute and used successfully by many state governments, its adoption at the federal sector, until recently, has been limited. Even with policy emphasis at the highest levels in government on increasing the number of performance-based contracts, there has still been resistance from both the public and private sectors. Using data driven, participatory action research, the author addresses some of the reasons for the slow rate of acceptance; and then analyzes the impact of strategic initiatives aimed at increasing acceptance and ultimately greater utilization of the concept.

In the United Kingdom, public procurement policy may be categorized in terms of their regulatory, commercial and socio-economic focus. According to Acevedo et. al. (2010), public procurement policy in terms of a framework of values culminating in the concept of public value, reflect not only government goals but also broader societal values. The author found that there has been partial delivery of commercial improvements. These improvements,

however, have been uneven across departments as there has been an overemphasis on regulatory requirements at the expense of socio-economic development. While procurement's contribution to wider government policy is increasing, its full potential will only be realized when it is delivering on socio-economic policies and thereby contributing across the full range of values. This argument will be illustrated with particular reference to a pilot project on increasing employment through public service and construction projects in Northern Ireland.

In benchmarking municipal public procurement activities in Finland, Bolton (2004) observed that, there are different kinds of procurement and logistics activities in municipalities and hospital districts. The authors examine whether there were differences in procurement between the municipal public organizations in Finland and how the Finnish municipal public entities differ from benchmarking information in other countries. They try to identify best practices in different parts of municipal public procurement.

Azeem (2007) states that, although the provision of basic public services has historically been considered a core state function, during the last decade governments have been increasingly moving toward the various options of private participation in a constant quest to improve the quality of services in a cost-effective manner. There appear to be considerable advantages in “contracting out” services using performance-based schemes that delegate service to providers under legally binding agreements tying payments to measurable outputs delivered at a predefined quality level. Soriede (2006) mentioned that, public procurement is a multi-faceted challenging field; and public procurement practitioners have faced numerous challenges caused by diverse factors.

2.4 Public Procurement Practices Local (Ghana) Perceptive

Public procurement, in the view of Knight *et. al.* (2008), operates in an environment of increasingly intense scrutiny driven by technology, programmed reviews, and public and political expectations for service improvements. Currently, in Ghana, procurement is of particular significance in the public sector and has been used as a policy tool due to the discriminatory and unfair practices during apartheid. Boateng (2008) explains that, procurement is central to the government service delivery system, and promotes aims which are, arguably, secondary to the primary aim of procurement such as using procurement to promote social, industrial or environmental policies. Arrowsmith (2010) notes that, prior to 1994; public procurement in South Africa was geared towards large and established contractors. It was difficult for new contractors to participate in government procurement procedures. However, public procurement in Ghana has been granted constitutional status and is recognized as a means of addressing past discriminatory policies and practices.

Hawking and Stein (2004) indicate that, reforms in public procurement in Ghana were initiated to promote the principles of good governance, and the National Treasury introduced a preference system to address socio-economic objectives. The reform processes were due to inconsistency in policy application and the lack of accountability and supportive structures as well as fragmented processes. Matthew (2006) states that a uniform implementation approach to procurement was required, due to a research study on opportunities for reform processes in the South African government (2000) conducted by the Joint Country Assessment Review (CPAR) and the World Bank in 2001.

According to Azeem (2007), the deficiencies and fragmentations in governance, interpretation and implementation of the Preferential Procurement Policy Framework Act (PPPFA) Act No 5 of 2000, resulted in the introduction of supply chain management (SCM) in the public sector as a policy tool). In 2003, a SCM document entitled 'Supply Chain

Management: A guide for accounting officers/authorities' was developed to guide the adoption of the integrated SCM function and its related managerial responsibilities. This was government's attempt to achieve the desired strategic policy outcomes through public procurement.

Despite the reform processes in public procurement and the employment of SCM as a strategic tool, there are predicaments in procurement practices, for example non-compliance with procurement and SCM-related legislation and policies as well as tender irregularities). According to De Lange (2011), taxpayers were fleeced of GH¢30 billion. Corruption, incompetence and negligence by public servants were to be blamed. The South African government spent GH¢26.4 billion in 2010 in ways that contravened laws and regulations.

According to Callender and Mathews (2002), immediately after taking office in 1994, the government initiated a series of budgetary and financial reforms on procurement. The intention of the procurement reforms was to modernize the management of the public sector, to make it more people- friendly and sensitive to meeting the needs of the communities it serves. Procurement reforms in Ghana started in 1995 and were directed at two broad focus areas, namely the promotion of principles of good governance and the introduction of a preference system to address certain socio-economic objectives.

Hunja (2003) indicates that, in 2001, the National Treasury completed a joint CPAR with the World Bank to assess procurement practices throughout the public sector. The CPAR identified certain deficiencies in the current practices relating to governance, interpretation and implementation of the PPPFA and its associated regulations. The systems of procurement and provisioning were fragmented owing to the fact that tender boards were responsible for procurement, whereas provisioning was largely underwritten by norms and standards in the

logistics system driven by the National Treasury. Effective and efficient financial management in government was continuously questioned.

Similarly, Mkhize (2004) submits that, the logistics system as a tool for asset management raised concerns because of a lack of proper handling of movable assets in the government environment. The year 2003 saw the adoption of an SCM document entitled 'Policy to guide uniformity in procurement reform processes in government' in conjunction with provincial treasuries to replace the outdated procurement and provisional practices in municipalities. 'Supply chain management: a guide for accounting officers of municipalities and municipal entities' was also compiled to provide guidelines on the adoption of the integrated SCM function and its related managerial responsibilities assigned to accounting officers in terms of sections 62 and 95 of the MFMA.

2.5 Challenges to Public Procurement Practices

Soriede (2002) mentions that, it is important to note that SCM is an integral part of procurement in the public sector. Therefore, it is used as a tool for the management of public procurement practices. However, despite the employment of SCM as a strategic tool, public procurement still faces enormous predicaments. These include, among others lack of proper knowledge, skills and capacity, non-compliance with SCM policy and regulations, inadequate planning and the linking of demand to the budget, accountability, fraud and corruption, inadequate monitoring and evaluation of SCM, unethical behaviour, and too much decentralization of the procurement system.

2.5.1 Lack of Proper Knowledge, Skills and Capacity

Boateng (2008) notes that, in keeping with the Ghana government policy of decentralising governance leading to the establishment of over 130 district assemblies, a good number of fresh university graduates were recruited and placed in charge of ensuring the proper

functioning of the administrative structures within these newly created Districts. Not much capacity building projects were put in place to enhance the human capital base of these new organisations. The situation appeared worse in the case of procurement management where specialised knowledge was required to implement the seemingly new national procurement law.

Consequently procurement activities within the district assemblies, according to Hardcastle (2007) were handled by mediocre personnel who lacked the proper knowledge, skills and capacity to conduct conventional value for money procurement practices. Inadequate budgetary allocation for training and skills development makes it difficult for personnel to attend coaching sessions being run by private consulting groups.

2.5.2 Non-Compliances with Policies and Regulations

The composition of the district assemblies especially those in Ghana, according to Boateng (2008) are made up of elected and appointed members. Government appointees are usually political party sympathizers and such appointments are often made in appreciation of the role played in winning political power. Consequently these people often collude and connive with appointed district chief executives to implement most procurement projects in their favour.

Newspaper reports reflect volumes of procurement which were conducted in clear violation of the procurement policies and regulations. Political manipulations constitute the greatest 'enemy' to compliance with the procurement policies and regulations in Ghana. Perhaps stricter sanctions ought to be applied to punish government officials who help politicians and their cronies to circumvent the laid down procurement policies and regulations.

2.5.3 Inadequate Planning and Linking Demand to the Budget

Planning, according to Daft (2006), is an integral component of strategic management and therefore all administrative functionaries should uphold the virtues of planning.

Unfortunately most procurement functionaries within the public service of Ghana conduct their activities with inadequate planning.

Adequate provisions are not made towards appraising the capacity and capabilities of the suppliers prior to awarding contracts. In most cases supply contracts are even discussed at the national political level and forced down the ‘throat’ of the district assemblies which might not be ready with the processes for such ‘political’ contracts. Procurement officials are not given adequate time to implement the procurement processes necessary to ensure that value for money principle is upheld in the procurement processes.

Most procurement activities are linked to the budgetary provisions and therefore unbudgeted items cannot be procured. This situation often leads to some important requisition items not being met. District assemblies are required to generate funds internally through market tolls and other levies unfortunately these sources of funds are not enough to budget on. This situation has even been worsened by recent increment in the prices of utilities services which is likely to adversely affect the prospects of many business units.

2.5.4 Inadequate Measures for Monitoring and Evaluating Procurement activities

Sound procurement practices according to Hunja (2003) entails creating structures that will promote effective monitoring and evaluation (M&E) of the various stages of the procurement management processes. This, in the view of Azeem (2007) presupposes that right from the requisition stage some evaluation ought to be conducted to assess the authenticity of the demand. The pre-bidding stage all ought to be monitored to ensure that miscreants did not have their way with the process. Opening of bid document also demand M&E exercises to ensure that nepotism and its concomitant of favouritism do not disrupt the fairness of the exercise.

The contract award process, the initial mobilisation by the contractor all requires monitoring. Project implementation should be monitored and evaluated to ensure that target levels are attained. Unfortunately most public project lack the requisite M&E structures leading to serious compromises in the conduct of procurement management services in the public sectors.

2.5.5 Accountability Fraud and Corruption

Another setback to procurement management practices in the public sector, according to Hawking and Stein (2004), lies with accountability, fraud and corruption. The situation, in the view of Matthew (2006), is serious with some development economies where income levels are low and therefore procurement officials cut corners to supplement their pay packets. The absence of M&E structures promotes such dishonest practice leading to a huge compromise on the value for money principle. Incidence of under-invoicing and over-voicing are rife in many procurement endeavours in public organisations.

Some accounting officers according to Arrowsmith (2010), connive with supplier to dupe their organization. Goods not supplied are even paid for. It also happens in some procurement exercises where goods in stock are siphoned out for sale. Some suppliers manage to motivate officials to secretly disclose quotations made by competitors so as to enable them quote lower figure and as it were win the contracts. Some unscrupulous officials also smuggle late submissions for selfish gains. All these go to disrupt procurement management practices in various public sectors organization.

2.5.6 Unethical Behaviour

Another setback to procurement management practices at public organisation emanate from unethical behaviours. Hardcastle (2007) notes that some procurement officials throw ethnics

of the profession to the wind and assist particular suppliers to win contracts at all cost. Unethical behaviour includes highly placed officials twisting the arms of procurement officials to ensure that their favourites eventually succeed in winning the bid contracts. It is also a common unethical practice for some procurement officials to divulge information on bid quotations to their favourites in order to help them to quote more favourable rates thereby winning the contract. The desire to amass wealth often clouds the judgment of procurement officials in compromising professional ethics.

2.5.7 Too Much Decentralization of the Procurement System

Procurement, like other value chain management activities require professional experience and therefore ought to be solely handled by trained people. Unfortunately with decentralized organizations managing their own procurement activities, too many untrained hands are discharging procurement functions leading to mediocrity in procurement administration. Ghana, for instance used to have a National Procurement Agency; unfortunately its activities have now been reduced to importing rice and salad oil for sale to the public. Certainly, over-decentralisation of the procurement system has introduced too many crooks and miscreants into the system thereby injuring the value for money component associated with procurement management.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the details of the research methodology by presenting research design, population of the study, sampling procedure, research instrument, data collection procedure, data analysis, ethical consideration, validity and reliability.

3.2 Research Design

The researcher adopted both quantitative and qualitative research designs (mixed research design) in conducting the study. Quantitative research methods, according to Marczyk *et. al.* (2005) attempts to maximize objectivity, reliability, and generality of findings, and is typically interested in prediction. Integral to this approach is the expectation that a researcher will set aside his or her experiences, perceptions, and biases to ensure objectivity in the conduct of the study and the conclusions that are drawn. Key features of many quantitative studies are the use of instruments such as tests or surveys to collect data, and reliance on probability theory to test statistical hypotheses that correspond to research questions of interest.

Pfeil and Zaphiris (2010), note that quantitative methods are frequently described as deductive in nature, in the sense that inferences from tests of statistical hypotheses lead to general inferences about characteristics of a population. Quantitative methods are also frequently characterized as assuming that there is a single “truth” that exists, independent of human perception. The quantitative technique enabled some descriptive analysis to be conducted in order to achieve the objective of the study. Qualitative or content analysis, according Zikmund and Babin (2010) has to do with obtaining data by observing and analyzing content systematically to obtain the specific information (content) and other characteristics of the required message. Content analysis, in the view of Kumar (2005)

examines the message itself and involves the design of a systematic observation and recording procedures for quantitative description of the manifest content of communication.

3.3 Population and Sample of the Study

The study area is the Ga East Municipal Assembly (GEMA) one of the decentralized administrative structures established to facilitate local governance in Ghana. In view of the fact that the population of the study is undefined, a purposive sampling technique was employed. Primary data came from officials within various departments whose job description influence procurement practices.

The study involved collecting firsthand information on using effective procurement management practices as a strategic tool towards achieving organisational goal. Officials in charge of procurement within decentralized departments such as Education, Health, Fire service, Public works, National Disaster Management Organization (NADMO), Social Welfare Ghana Revenue Authority, Social Security and National Insurance Trust (SSNIT) Police Administration, Judicial services were covered under the study.

3.4 Sampling Procedure

Given the fact that information on procurement activities of Ga East Municipal Assembly (GEMA) cannot be obtained from any other official of the organisation but only privileged few, the researcher deemed it appropriate to adopt the purposive sampling or judgmental technique to solicit the requisite information from the officials and management members whose core functions entail executing various shades of procurement activities.

Purposive sampling or judgmental sampling technique was adopted in drawing up the sample for the study. According to Pfeil and Zaphiris (2010), purposive sampling is a non-probability sampling technique in which an experienced individual selects the sample based on his or her judgment about some appropriate characteristics required of the sample member.

Researchers using purposive sampling, in the opinion of Buchanan (2000), usually select samples that satisfy their specific purposes even if they are not fully representative. The afore-mentioned sampling procedure enabled the researcher to pick up the necessary data which were methodically processed to achieve information for analysis.

Table 3.1: Study sample distribution

Departments	Top Management	Procurement official	Total
Municipal Administration	10	18	28
Ghana Education Service	3	5	8
Ghana Health Service	3	5	8
NADMO	3	5	8
Public Works Dept	3	5	8
SSNIT	3	5	8
Fire Service	3	5	8
Police Administration	3	5	8
Judicial service	3	5	8
Ghana Revenue Authority	3	5	8
TOTAL	37	63	100

3.5 Sources of Data

Both primary and secondary data were helpful in achieving the objectives of the study. Primary data emanated from the officials of all decentralized institutions operating under the GEMA while secondary data for the study came partly from the available records of the Ga East Municipal Assembly as well as articles in both local newspapers and international

journals, other published and unpublished desk top materials on how procurement management strategies can be used to achieve organisational goals.

In the view of Freund and William (2002), secondary data relates to information that has already been published. Due to the fact that secondary research are usually published without the specific needs of a decision or a particular purpose such as this research work, being taken into consideration, Zikmund and Babin (2010) point out that caution must be exercised when using such information. The information provided through secondary research can be biased, partial and of poor quality. Rarely is secondary information sufficient in itself to provide accurate information from which a decision can be made. In this study therefore, the secondary data have been carefully edited and reviewed in consonant with the spirit of the study.

3.6 Research Instrument

The questionnaire technique constituted the main research instrument for the study in that the GEMA officials are all well educated people who had no problems honouring the dictates of the questionnaire. Moreover the questionnaire technique granted the respondents the necessary flexibility to answer the questions at their convenient period.

The questionnaire was fragmented into five sections. Section A: related to issues concerning demographic features of respondents. Section B: outlined the strategic procurement practices currently being used by GEMA in order to achieve strategic goals. Section C: investigated the effectiveness of the supplier base of GEMA. The final section D: attempted to identify the constraints to the procurement management function at GEMA

3.7 Data Collection Procedure

A time frame not exceeding two weeks was given to prospective respondents to honour the questionnaires. At intervals, the researcher kept reminding the respondents of their

responsibility to the study. At the expiry of the time frame, the researcher personally went round to pick up the answered questionnaires. Care was exercised to ensure that all areas had been filled except where they did not apply to the respondent. Respondents who also sense their limitation in answering certain questions sought clarity from the researcher.

3.8 Data Analysis

The researcher employed SPSS to help analyse data from the field and this helped in calculating descriptive statistics such as mean, mode and median of the various variables. The necessary pie charts, histograms, bar charts, frequency tables emanating from the analysis have been presented in the fourth chapter.

3.9 Ethical Consideration

In every study, it is conventional and necessary to take a number of ethical issues into consideration in order to obtain the best results. The researcher conducted himself in such a manner as to command respect and acceptability with the respondents. He also endeavoured to be truthful to the respondents in order not to compromise any ethical standards.

The respondents who wanted to be excused from participating owing to various reasons had their wishes respected and those who did not want to answer certain questions were also exempted from honouring those questions. Under no circumstances was anybody forced or coerced into answering a questionnaire. To this end before the selection of respondents took place, the researcher briefed them about the importance of the objectives of the study. Nonetheless all respondents were assured of confidentiality and protection from any form of harm or injury of any sort with regards to divulging information for the study.

3.10 Validity and Reliability

Validity, according to Zikmund and Babin (2010), is a measure or the extent to which a score truthfully represents a concept. Reliability represents also how precise a measure is in that the different attempt at measuring the same thing converges on the point. Reliability, in the opinion of Carlson and Anderson (2007), is an indicator of measuring internal consistency and is the key to understanding reliability. A measure is reliable when different attempts at measuring something converge on the same result when a measuring process provides reproducible results, the measuring instrument is reliable. Reliability is necessary but not sufficient condition for validity. Reliability scale may not be valid. A reliable but invalid instrument will yield consistently inaccurate results.

The data collection instruments, i.e. the questionnaires for the study, were tested for their validity and reliability. By validity, the best indicators or questions after a critical examination of a range of possible indicators were chosen to measure the concept or subject matter which is perception or attitude of respondents with regards to procurement activities at Ga East Municipal Assembly. This was made possible after the pre-test. On the other hand to satisfy the need for reliability, indicators were analyzed to see the degree of consistency in measuring the concept at hand. To this end, ambiguity in wording and unclear questions on chosen indicators were removed or corrected subsequently.

CHAPTER FOUR

ANALYSIS OF DATA AND DISCUSSION OF FINDINGS

4.1 Introduction

This chapter presents the profile of Ga East Municipal Assembly, the analyzed data together with their interpretation as well as the discussion of findings.

4.2 Response Rate

One hundred questionnaires were administered to respondents who are heads of department within the municipality. In all seventy-one answered questionnaires were retrieved representing seventy-one (71) percent response rate. The high response rate could be attributed to the desire of respondents in ensuring that procurement management practices in the municipality are used as a strategic tool towards achieving their organisational goals.

4.3 Profile of Ga East Municipal Assembly

The Ga East Municipal Assembly is located at the northern part of Greater Accra Region. It is one of the ten (10) districts in the Greater Accra Region and covers a Land Area of 166 sq km. It is boarded on the west by the Ga West Municipal Assembly (GWMA), on the east by the Adenta Municipal Assembly (AdMA), the south by Accra Metropolitan Assembly (AMA) and on the north by the Akwapim South District Assembly.

The 2000 National Population and Housing Census put the Municipality's population at 161,873 with a growth rate of about 4.2%. The projected population for the year 2010 is therefore 244,226. The growth of the population is mainly due to the influence of migration inflows. The projected population is however considered rather low considering the inflow of people into the municipality since the creation of the District in 2004. The estimated population by the DPCU is about 480,200 people.

4.4 Background of Respondents

The researcher deemed it appropriate to investigate the background of respondents to know what weight to put on the data from them. To this end data was collected on highest level of academic qualification and length of service duration.

4.4.1 Highest Academic Qualification of Respondents

Findings on respondent's highest academic qualification have been presented in table 4.1

Table 4.1: Frequency Table showing Respondent Highest Academic Qualification

Types of qualification	Frequency	Percentage
First Degree (without Professional Qualification)	8	8.3
Masters Degree (without Professional Qualification	24	25.0
Degree with Professional Qualification	48	50.0
Professional Qualification only	16	16.7
Total	96	100

Source: Field Data (2013)

From table 4.1 forty-eight (i.e. 50%) respondents have various university degrees together with professional qualifications in Local governance, Engineering, Planning, Accountancy and purchasing and supply management. Twenty-four (i.e. 25%) possess masters degrees in banking, finance etc. Sixteen (i.e. 16.7%) respondents hold, as their highest educational qualification, such Professional Certificates as in Surveying, Building Technology and Accounting. Eight (i.e. 8.3%) respondents possess first degrees in Purchasing and supply

management and engineering as their highest academic qualification. Looking at the professional and academic qualifications of the various respondents to this study, one is left in no doubt as to the credibility of the data collected from them. Also, one is sure of their better comprehension of the questions in the questionnaire.

4.4.2 Service Duration of Respondents

Findings on respondent service duration with GEMA have been packaged in table 4.2

Table 4.2: Frequency Table showing Respondent's Service Duration with GEMA

Service duration	Frequency	Percentage
4-6	8	8.3
7-10	36	37.5
11-15	28	29.2
16-20	16	16.7
Above 20 years	8	8.3
Total	96	100

Source: Field Data (2013)

Table 4.2 above depicts the fact that thirty-seven (i.e. 37.5%) out of the ninety-six respondents have been with GEMA between 7 and 10 years. Twenty-nine (i.e. 29.2%) respondents continue to help the Municipal Assembly implement its strategic vision after being hired for periods between 11 and 15 years. Sixteen (i.e. 16.7%) respondents have also served GEMA for between 16 and 20 years while eight (i.e. 8.3%) respondents have been around GEMA for over twenty years. Another eight respondents started signing the

Municipal Assembly payroll for periods of between 4 and 6 years. This again points to respondents who have adequate experience with the happenings within the assembly making them the best people to provide the data required for this study.

4.5 Analysis of Issues Relating To Procurement Practices at GEMA

Issues discussed here include respondents' views about the practice and concept of strategic procurement management practices, opportunities opened to firms that practice the concept, environment which promote public procurement, efforts being made to strengthen or reform public procurement, aims of procurement management practices at GEMA as well as how the national procurement law influence existing procurement management practices at municipal assembly.

4.5.1 Concept of procurement management practices at GEMA

Findings on concept, importance, opportunities of procurement management have been presented in table 4.3.

Table 4.3: Frequency table on views of the concept and opportunities of procurement management

Statement	Agree (%)	Neutral (%)	Disagree (%)
Strategic procurement management practices ensure that value for money is achieved in all procurement endeavours	58.4	20.8	20.8
Procurement itself is a process of obtaining services, supplies and equipment in conformity with applicable	100	-	-

law and regulation			
Procurement provides an opportunity for firms and organizations to contribute to a position of competitive advantage by reducing the price and the transaction costs association with purchasing goods and services	87.5	2	12.5
In both corporate and governmental procurement, the practice of purchasing has moved from a localized operational activity to one that is more consolidated and strategic both in nature and practice	83.3	16.7	-
Public procurement operates in an environment of increasingly intense scrutiny driven by technology programme reviews and public and political expectations for improvements.	66.7	33.3	-
Efforts to strengthen or reform public procurement often include centralization consideration but have rarely reconciled or the tension between these basic constituents of the procurement environments.	66.7	33.3	-

Source: Field Data (2013)

In table 4.3, fifty-six (i.e. 58.4%) out of the ninety-six respondents agreed with the suggestion that strategic procurement management (SPM) practices ensure that value for money is always achieved in all procurement endeavours. Twenty (i.e. 20.8%) respondents disagreed with the statement while a further twenty (i.e. 20.8%) remain neutral over the suggestion that

SPM ensures that an organization achieves value for money in all procurement activities. All 96 (i.e. 100%) respondents agreed with, 58 (i.e. 60.4%) strongly concurring with the idea that procurement itself is a process of obtaining services, supplies and equipment in conformity with applicable law and regulations.

Eight-four (i.e. 87.5%) respondent agreed with the statement that procurement provides an opportunity for firms and organizations to contribute to a position of competitive advantage by reducing the price and the transaction costs associated with purchasing goods and services. Twelve (i.e. 12.5%) respondents disagreed with the suggestion entirely.

Eighty (i.e. 83.3%) respondents appeared to be in harmony with the suggestion that in both corporate and governmental procurement the practice of purchasing has moved from a localized operational activity to one that is more consolidated and strategic both in nature and practice. Sixteen (i.e. 16.7%) remained neutral over the statement. Sixty-four (i.e. 66.7%) respondents agreed with the notion that public procurement operates in an environment of increasingly intense scrutiny driven by technology programme reviews and public and political expectations for improvements. Thirty-two (i.e. 33.3%) respondents remained undecided over the suggestion.

Sixty-two (i.e. 64.6%) respondents agreed with the statement that efforts to strengthen or reform public procurement will often include centralization versus decentralization or devolution consideration but have rarely reconciled or even recognized the tension between these basic constituents of the procurement environment. Thirty-four (i.e. 35.4%) respondents remained neutral over the suggestion that reforming public procurement must involve reconciliation of ideas behind centralization and decentralization. Most of the findings above have been corroborated by existing literature in this domain. Eyaa and Oluka (2011), for instance share the views that the success of many reforms to public procurement practices

must take cognizance of the divergent views on centralizing and decentralizing procurement practices.

Vives et. al. (2009), Hunja (2003) and Azeem (2007) all share the views that strategic procurement management practices go a very long way to ensure that organizations achieve in all procurement endeavours. This way bribery and corruption associated with procurement practices would be reduce to the barest minimum. Acevedo et al (2010) support the findings that procurement provides an opportunity for firms and organizations to contribute to a position of competitive advantage by reducing the price and the transaction costs associated with purchasing goods and services. Developing economies like Ghana according to Boateng (2008) lose a fortune as a result of impropriety in their procurement administration.

On the other hand Cole (2007) held the view that if done properly procurement could provide an opportunity for firms and organizations to contribute to a position of competitive advantage by reducing the price and the transaction costs associated with purchasing goods and services.

4.5.2 Procurement management practices

Findings on views of procurement management practices have been presented in figure 4.1

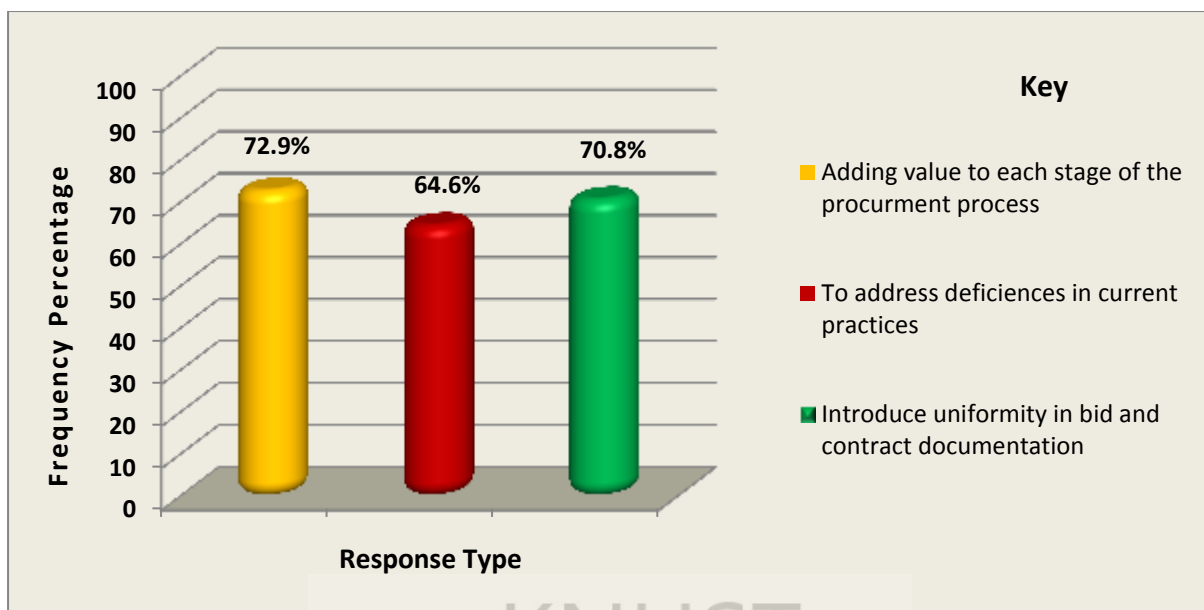


Figure 4.1: Bar chart showing views on aims of procurement management practices

Source: Field Data (2013)

In figure 4.1 – 70 (i.e. 72.9%) out of ninety-six respondents agreed with the suggestion that strategic procurement management (SPM) at Ga East Municipal Assembly (GEMA) aims at adding value to each stage of procurement process i.e. from the demand for goods or services to their acquisition, managing the logistics process and finally the use and disposal. Twenty-seven (i.e. 27.1%) respondents remained neutral over this objective of SPM.

Sixty-four (i.e. 64.6%) respondents agreed with the statement that the aim of SPM at GEMA as attempting to address deficiencies in current practice relating to procurement, contract management, inventory and asset control. Thirty-five (i.e. 35.4%) respondents did not comment on the statement. Seventy (i.e. 70.8%) respondents concurred the statement that SPM aims at ensuring uniformity in bid and contract documentation, options, bid and procedure standards. Twenty-eight (i.e. 29.2%) respondents had no idea on the statements and therefore did not comment.

Some of the aims of procurement management practices of GEMA catalogued above have been mentioned in existing literature. Bolton (2006) shares strategic procurement management practices should aim at adding values to the various procurement processes. This ensures that demand for the goods or services, approval for acquisition, actual acquisition, managing the logistical processes and the use well as the disposal of the procured item benefits the organization.

Arrowsmith (2010) supports the findings that strategic procurement management practices should be able to assist address deficiencies in existing practices relating to procurement, contract management, inventory and asset control within organization. Hawking and Stein (2004) corroborate the findings that strategic procurement management arrangements have the propensity of ensuring uniformity in bid and contract documentation and option bid as well as procedure standards within organizations.

4.5.3 Influence of Procurement law on practices

Findings on how existing procurement practices of GEMA are influenced by the National Procurement Law have been packaged in table 4.4.

Table 4.4: Frequency table on how national procurement law influences existing procurement management practices

Statement	Agree (%)	Neutral (%)	Disagree (%)
National procurement law (NPL) clearly defines the various elements of supply chain management (SCM) such as demand management, acquisition management, logistics management, disposal	89.6	10.4	-

management etc.			
NDL has mandated the creation of supply management unit in various district assemblies thereby streamlining procurement activities	100	-	-
NDL dictates the roles to be played by Accounting, engineering and procurement staff in the management of bidding process	100	-	-
NDL makes provision for process and procedures for addressing cases of abuse procurement management practices	100	-	-
NPL empowers district assemblies to bid specification, bid adjudication and bid award committees	100	-	-
Through the process of segregation of duties, i.e. three bid committees greater efficiency and risk management is promoted in procurement	60.4	39.6	-

Source: Field Data (2013)

In table 4.4 – 86 (i.e. 89.6%) out of the 96 respondents agreed with the suggestion that the National Procurement Law (NPL) influences procurement practices by clearly defining the various elements of supply chain management (SCM) such as demand management, acquisition management, logistics management, disposal management amongst others. Ten (i.e. 10.4%) respondents appeared undecided over the statement and therefore remained

neutral. All hundred (i.e. 100%) respondents agreed with the statement that the NPL lays down guidelines for the mandatory creation of supply management unit in various district assemblies and this has introduced sanity within the functionalities of the procurement process.

All hundred (i.e. 100%) respondents again agreed with the suggestion that NPL specifies the roles of accounting, engineering and procurement staff in the management of bidding process and this goes a very long way to minimize fraudulent practices in procurement administration. All respondents confirmed the statement that NPL makes provision for process and procedures for addressing cases of abuse of procurement management practices. It was further unanimously agreed by all respondents that NPL has empowered the district assemblies in designing bid specification, bid adjudication and bid award committees.

Sixty (i.e. 60.4%) respondents agreed with the statement that through the process of segregation of duties, as enshrined in the NPL, three bid committees greater efficiency and risk management is promoted in procurement. Thirty-nine (i.e. 39.6%) respondents remained neutral over the suggestion.

Boateng (2008) submissions on the functions of the national procurement law (NPL) of Ghana are highly consistent with the findings on how the NPL is revolutionizing procurement administration in Ghana. He maintains that if implemented to the letter the NPL will sanitize the various stages in procurement activities such as demand management, approval mechanisms, acquisition, logistical management and others. Acevedo et al (2010) also support the findings that well grounded procurement laws clearly spell out the definitive roles of procurement technocrats such as accountants, engineers and the actual procurement services staff.

Arrowsmith (2010) shares the view that the sound administration of the procurement laws has the propensity of addressing cases of fraudulent and other dishonest practices. Callender and Mathews (2002) corroborate the findings that modern procurement laws generally clearly state the mechanisms for conducting bid specification, bid adjudication as well as the functions of the bid award committees. Essentially procurement laws should outline the various processes that ought to be observed in order to ensure greater efficiency as well as promote risk management in procurement.

4.6 Strength and weakness of the supplier base of GEMA

The researcher deemed it appropriate to investigate the strengths of the supplier base of GEMA. Issues discussed included professional experience of the suppliers, political influence, and knowledge of the procurement law, international connections of suppliers as well as the credit worthiness and ability to meet procurement schedules.

4.6.1 Quality of GEMA Suppliers

Findings on the quality of GEMA suppliers have been presented in table 4.5.

Table 4.5 Frequency table on the calibre of suppliers who service GEMA

Statement on supplier base	Likely	Neutral	Unlikely
Suppliers are very experienced business people	68.70	20.80	10.5
Some suppliers wield political influence	89.5	10.5	-
Suppliers have adequate knowledge of the procurement law	58.6	20.8	20.8
Some suppliers are surrogates for some leading	20.8	79.2	-

officials within the municipal assembly			
Some suppliers are representatives of international companies and are therefore able to supply at highly competitive prices	79.2	-	20.8

Source: Field Data (2013)

In table 4.5 – sixty-eight (i.e. 68.7%) out of the ninety-six respondents appeared positive on the likelihood of the supplier base of GEMA being very experienced business people. Twenty (i.e. 20.8%) respondents did not comment on it while ten (i.e. 10.5%) felt it was unlikely that majority of GEMA's supplier base are well experience people.

Eighty-nine (i.e. 89.5%) respondents noted that it was likely for some of their suppliers to wield political influence. Ten (i.e. 10.5%) respondents had no comment on the issue. Fifty-eight (i.e. 58.6%) respondents agreed with the likelihood of most suppliers wielding some knowledge of the procurement law. Twenty (i.e. 20.8%) respondents did not comment on the issue while a further twenty (i.e.20.8%) respondents felt a good number of GEMA's suppliers were unlikely to have adequate knowledge of the procurement law.

Seventy-nine (i.e. 79.2%) respondents did not comment on the suggestion that some suppliers are surrogates for some leading officials within the municipal. Twenty (i.e. 20.8) however felt it was likely that some suppliers are 'fronting' for some higher executives of the organization. Seventy-nine (i.e. 79.2%) respondents indicated the likelihood of some suppliers being representatives of international companies and are therefore able to supply at highly competitive prices. Boateng (2008) findings corroborate the discovery that some suppliers of GEMA wield political influence and this could have both positive and negative tendencies.

Negative tendency arise from situations where goods or services rendered by these suppliers are of poor quality yet the Assembly cannot reject such suppliers thereby compromising on value for money principle. Again such political suppliers could short supply goods yet no amount of persuasion will pressurize them to fully discharge the terms of the procurement contract. The positive aspect lies in the fact that these category of suppliers could lobby for projects for the assembly using their political connections. This means that such badly needed projects would have been farfetched if the supplier had not pulled the necessary strings.

4.6.2 Reliability of GEMA's Suppliers

Findings on how reliable suppliers of GEMA handle their contracts with the organization have been presented in figure 4.2

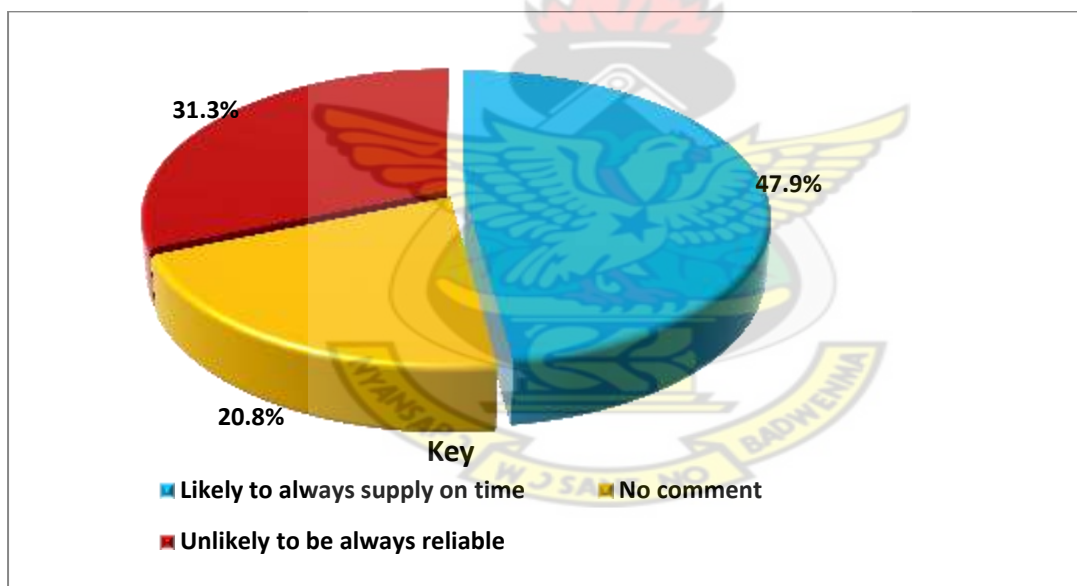


Figure 4.2: Pie chart showing views on the reliability of GEMA suppliers

Source: Field Data

In figure 4.2 – forty-seven (i.e. 47.9%) out of ninety-six respondents pointed out that it was very likely for suppliers of GEMA to always supply their commodities on time. Thirty-one

(i.e. 31.3%) respondents rather felt it was unlikely for the suppliers to be always punctual with their time schedule. Twenty (i.e. 20.8%) respondents did not comment on the issue of whether suppliers of GEMA are reliable or not. The analysis above shows that fifty-two (i.e. 52.1%) respondents either felt GEMA suppliers are not reliable or were not comforting in commenting on the issue. Boateng (2008) supports the findings that suppliers dealing with public organizations are often not reliable in terms of time delivery schedules owing to the fact that government payments for such contracts often delay thereby acting as dis-incentives for their suppliers to operate within time limits.

4.7 Constraints to Effective Procurement at GEMA

Findings on some challenges confronting procurement administration at GEMA have been presented in table 4.6.

Table 4.6: Frequency table on challenges confronting procurement administration at GEMA

Statement of constraints to procurement practices	Agree (%)	Neutral (%)	Disagree (%)
Lack of proper knowledge of national procurement law (NPL) by the officials of municipal assembly	30.2	0	69.8
Lack of knowledge of NPL and procurement process by some suppliers	89.6	0	10.4
Inadequate planning on the part of procurement officials leading to problems in arranging payment for work done	39.6	0	60.4

Demand for procurement activities are always linked to budget leading to abandoning of some vital projects	60.4	19.8	19.8
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Source: Field Data (2013)

In table 4.6 – thirty (i.e. 30.2%) out of 96 respondents agreed with the suggestion that one main constraint militating against the smooth implementation of procurement practices at GEMA has to do with the lack of proper knowledge of the procurement law by officials of municipal assembly. Sixty-nine (i.e. 69.8%) respondents agreed with the issue on the assembly's personnel not having proper grounding in new procurement law.

Eight-nine (i.e. 89.6%) respondents agreed with the statement that challenges to the smooth propagation of the procurement practices also stem from the fact that some suppliers have very little knowledge about both the National Procurement Law and the procurement processes. Ten (i.e. 10.4%) respondents disagreed with the submission that some suppliers wield very little ideas about the national procurement law as well as the processes involved in procurement practice. Sixty (i.e. 60.4%) respondents disagreed with the idea that inadequate planning on the part of procurement officials lead to problems in arranging payment for work done. Thirty (i.e. 30.2%) respondents agreed with the statement that inactions on the part of procurement officials lead to problems in arranging payment for work done. Ten (i.e. 10.4%) respondents did not comment over the issue. Sixty (i.e. 60.4%) respondents concurred with the suggestion that demand for procurement activities are always linked to budget leading to abandoning of some vital projects whiles nineteen (i.e. 19.8%) respondents disagreed. Some of the submissions above bear close resemblance to those mentioned in existing literature. Hauking and Stein (2004), corroborate the findings that poor knowledge of the procurement law and processes constitute a huge constraints to efforts at enhancing procurement practices. Eyaa and Oluka (2011) also supported lack of essential knowledge on national procurement

laws on the part of public officials often result in breaches in the procurement processes. The local government institute in Ghana periodically organizes capacity building workshops for public officials in various descriptions with the view to shoring up the competencies of such officials. Nevertheless there isn't much follow up by way of monitoring and evaluating (M & E) in the performance of such officials. An effective M&E system would ensure that civil and public servants really practice what they are taught to accomplish.

In Ghana, Boateng (2008) shares the findings that lack of procurement law and processes often lead to a good number of tender documents failing to scale through the bidding processes. He therefore called upon stakeholders to endeavour to organize periodic workshops for shoring up the capacity of suppliers as well as public procurement officials. Acevedo et. al. (2010), also corroborate the findings that most suppliers and contractors wield inadequate experience in procurement practices. One way of getting around this problem lies with organizing compulsory fee-paying seminar for these developing partners. Certainly registered suppliers will be too glad to attend such skills enhancement workshops. One serious setback to the procurement industry, according to Arrowsmith (2010), has to do with delay in paying contractors for work done and certified. Studies by Callender and Mathews (2002) revealed that this situation arise out of the inadequate planning on the part of procurement officials.

Bolton (2006) also share the view that adequate planning on the part of procurement officials goes a very long way to ensure that regular payment is effected to enhance supplier relationships. Boateng (2005) also concurs the revelation that fraudulent and corrupt practices lead to compromises on the principle of value for money. Consequently huge public funds are lost through the connivance of unscrupulous officials and suppliers. Cane (2004) re-echoes the seriousness of this problem in the developing economies and cites poor remuneration of public officers as some of the factors that precipitate such unfortunate eventuality.

4.8 Findings of the Study

In the light of the information gathered from the field study, the following findings can be registered:

4.8.1 Concept of Procurement Management

It came out from the study that respondent's understanding of procurement management practices include the fact that;

- Strategic procurement management practices ensure that value for money is always achieved in all procurement endeavours
- Procurement itself is a process of obtaining services, supplies and equipment in conformity with applicable law and regulations
- Procurement provides an opportunity for firms and organisations to contribute to a position of competitive advantage by reducing the price and the transaction costs associated with purchasing goods and services
- In both corporate and governmental procurement, the practice of purchasing has moved from a localised operational activity to one that is more consolidated and strategic both in nature and practice
- Public procurement operates in an environment of increasingly intense scrutiny driven by technology programme reviews, public and political expectations for improvements
- Efforts to strengthen or reform public procurement will often include centralization versus decentralisation or devolution consideration but have rarely reconciled or even recognised the tension between these basic constituents of the procurement environments

- Procurement management ensures that sufficient materials and services are available for the smooth operation of a company

4.8.2 The objectives of GEMA's procurement management practices

The study found out that, the objectives of GEMA's procurement management practices include:

- Strategic procurement management (SPM) at GEMA aims at adding value to each stage of procurement process i.e. from the demand for goods or services to their acquisition, managing the logistics process and finally the use and disposal
- SPM at GEMA addresses deficiencies in current practice relating to procurement, contract management, inventory and asset control
- SPM ensures uniformity in bid and contract documentation options, procedures and standards.

4.8.3 The influence National Procurement Law had on existing procurement management practices at GEMA

The study discovered that the new Ghana Public Procurement Act influences procurement management practices at GEMA in that:

- It defines the various elements of supply chain management (SCM) such as demand management, acquisition management, logistics management, disposal management etc
- It institutionalises the creation of supply management unit in various district assemblies
- It specifies the roles of Accounting, engineering and procurement staff in the management of bidding process

- It makes provision for process and procedures for addressing cases of abuse of procurement management practices
- It empowers municipal assemblies with bid specification, bid adjudication and bid award committees.
- Through the process of segregation of duties, i.e. through bid committees, greater efficiency and risk management is promoted in procurement

4.8.4 Characteristic of the supplier's base of GEMA

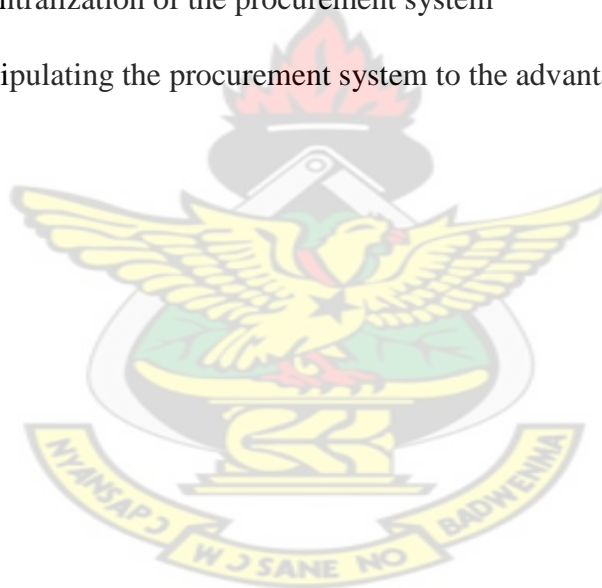
The study noted that the supplier base of GEMA wield such characteristic as being very experienced business people, some holding political influence, being fairly knowledgeable in procurement law and, some act as surrogates for some leading officials within the municipality. Some suppliers are also representatives of international companies, and this enables them to supply at highly competitive prices. Most of them supply on time and have very little problem in transporting their wares. Majority of suppliers endeavour to meet the quality of goods and services within the contract. GEMA suppliers are credit worthy and therefore require very little pre-financing.

4.8.5 Challenges of Procurement Management Practices at GEMA

It came out unequivocally that challenges confronting procurement practices at GEMA include:

- Lack of proper knowledge of the Public Procurement Act, Act 663, 2003 by officials of the municipal assembly.
- Lack of knowledge of both NPL and procurement processes by some suppliers

- Inadequate planning on the part of procurement officials leading to problems in arranging payment for work done
- Demand for procurement activities are always linked to budget leading to abandoning of some vital projects
- Fraudulent and corrupt practices leading to compromises on the principle of value for money
- Inadequate monitoring and evaluation of the procurement process leading to huge losses of revenue to the assembly
- Unethical behaviour and practices of procurement officers and their superior officers
- Too much decentralization of the procurement system
- Politicians manipulating the procurement system to the advantage of party faithful



CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This concluding chapter summarizes the study, draws appropriate conclusions and makes useful recommendations.

5.2 Summary of the Study

The study attempted to examine how procurement practices can be used as a strategic tool towards achieving organizational goal with the Ga East Municipal Assembly as the study area. Among other objectives, the study set out to understand the strategic procurement practices being employed by Ga East Municipal Assembly (GEMA) to achieve its organizational goals, investigate the effectiveness of the supplier base of GEMA which enables it to achieve its organizational goals as well as identify the constraints to the procurement function of GEMA that militate against meeting organizational goals,

The relevance of the study lies in the fact that, it has the propensity not only of contributing to the general body knowledge concerning the effective use of procurement practices to achieve organizational goals but also assist stakeholders in strategizing the direction of their procurement practices so as to achieve corporate objectives.

Scholars in the field of procurement management describe the subject as important strategic activities that ensure that sufficient materials and services are available for the smooth operation of a company. Also, procurement now plays a new role in corporate performance involving value generation, integration and networking, positioned as a core competency, a driver of business strategy, and enabler of additional business. Procurement management process has also been explained to include purchase and acquisition planning, contracting planning, seller response request, seller selection, contract administration, and contract

closure. Procurement management also covers relationship between sellers (or contractors, subcontractors, vendors, service provider, or suppliers) and buyers (client, customers, purchaser, service requestors).

On the international scene, the twentieth century had witnessed the start of a 'global revolution' in the regulation of public procurement. Actually, challenges in procurement reforms are beyond procurement regulations to include procurement process, methods, procurement organizational structure, and workforce. Procurement reforms occur constantly in all countries, developed as well as developing countries in that the scope of reforms varies, from reforming the whole procurement system if the system is completely dysfunctional such as the on-going procurement in Sierra Leone after a long civil war and the successful reform in Gambia, or fixing some narrow areas in a well-developed procurement system in developed countries.

In Ghana, procurement operates in an environment of increasingly intense scrutiny driven by technology, programmed reviews, and public and political expectations for service improvements. Currently, in Ghana, procurement is of particular significance in the public sector and has been used as a policy tool due to the discriminatory and unfair practices during apartheid. Ghanaian scholars in procurement management like Boateng (2008) explains that, procurement is central to the government service delivery system, and promotes aims which are, arguably, secondary to the primary aim of procurement such as using procurement to promote social, industrial or environmental policies. However, public procurement in Ghana has been granted constitutional status and is recognized as a means of addressing past discriminatory policies and practices.

Like all other management functions, procurement management practices also encounter some challenges such as lack of proper knowledge of provisions of procurement law, skills

and capacity, non-compliance with SCM policy and regulations, inadequate planning and the linking of demand to the budget, accountability, fraud and corruption, inadequate monitoring and evaluation of SCM, unethical behaviour, too much decentralization of the procurement system among others.

Research methodology adopted for the study, reflected both the qualitative and quantitative research design and both primary and secondary data were also employed in achieving the objectives of the study. Given the fact that information on procurement activities of Ga East Municipal Assembly (GEMA) cannot be obtained from any other official of the organisation but only privileged few, the researcher deemed it appropriate to adopt the purposive sampling or judgmental technique to solicit the requisite information from the officials and management members whose core functions entail executing various shades of procurement activities. The questionnaire technique constituted the main research instrument for the study in that the GEMA officials are all well educated people who had no problems honouring the dictates of the questionnaire. Moreover the questionnaire technique granted the respondents the necessary flexibility to answer the questions at their convenient period.

Findings of the study, the objectives of GEMA's procurement management practices include: strategic procurement management (SPM) at GEMA aims at adding value to each stage of procurement process i.e. from the demand for goods or services to their acquisition, managing the logistics process and finally the use and disposal, SPM at GEMA addresses deficiencies in current practice relating to procurement, contract management, inventory and asset control as well as SPM ensures uniformity in bid and contract documentation and options and bid and procedure standards. The study also discovered that the National Procurement Law has important influences on procurement activities at GEMA in that it defines the various elements of supply chain management (SCM) such as demand management, acquisition management, logistics management, disposal management etc,

institutionalizes the creation of supply management unit in various district assemblies, it specifies the roles of Accounting, engineering and procurement staff in the management of bidding process, makes provision for process and procedures for addressing cases of abuse of procurement management practices as well as empowers district assemblies to bid specification, bid adjudication and bid award committees.

Challenges confronting procurement management practices at GEMA include lack of proper knowledge of the procurement law by officials of the municipal assembly, lack of knowledge of both NPL and procurement processes by some suppliers, inadequate planning on the part of procurement officials leading to problems in arranging payment for work done and demand for procurement activities are always linked to budget leading to abandoning of some vital projects

5.3 Conclusion

The study concludes that procurement practices at GEMA are highly influenced by the National Procurement Law (NPL) in that the provisions of the law define the various elements in the supply chain management such as demand management, acquisition management, logistics management and disposal management. Procurement practices at the assembly also follow the (NPL) to specify the roles of accounting staff, engineering staff, and procurement officers in the bidding management processes. The NPL also empowers GEMA to maintain three distinct procurement management committees which separately take charge of bid specification bid adjudication and bid award. These independent procurement organs of GEMA ensure that great efficiency and risk management is promoted in the assembly's procurement practices.

It is conclusive from the study that suppliers of GEMA are not only experienced business people or fairly knowledgeable in procurement law but are also some wield political

influence while others act as surrogates for some ‘big men’ in authority. GEMA suppliers also endeavours to meet quality levels specified in the supply contract and are credit worthy enough to pre-empt the need to pre-finance them.

The study also concludes that lack of sound knowledge of the provisions of the National Procurement Law (NPL) by some officials and suppliers of the Assembly, inadequate planning on the part of procurement officials services as well as inadequate monitoring evaluation of supply chain activities leading to huge losses of revenue to the assembly are some of the constraints bedevilling procurement management practices at GEMA.

Generally the study gathered that procurement function of the district assemblies can be used to achieve organizational goal if both procurement officials and various shades of suppliers are knowledgeable in the provisions of the procurement laws and processes leading to the achievement of value for money in all procurement practices. Moreover, if political authorities could bury their parochial interests in procurement activities of state organizations, outfits such as GEMA could always capitalize on procurement practices to achieve corporate goals.

5.4 Recommendation

In the light of the findings from the study, the following recommendations are logical:

5.3.1 Educating Officials and Suppliers on Provision of National Procurement Law

The study uncovered the fact that lack of proper knowledge of the provisions of procurement laws on the part of some officials and suppliers of GEMA continues to be a challenge to procurement function of the assembly. It is hereby recommended that periodic training and sessions are organized for both procurement officers within the assembly and the outsourced suppliers so as shore up their competences and capacities for undertaking procurement

management responsibilities. Such seminar will essentially discuss the various provisions within the guidelines of the procurement law.

5.3.2 The Need for Adequate Planning to Facilitate Payment for Work Done

The study noted that inadequate planning on the part of procurement official often delay payment for work done. It is hereby recommended that procurement officers and other technocrats concerned with procurement should embark upon effective and regular monitoring of projects so as to pick up relevant information in good time to facilitate payment of work done. This way where the architect's certificate is required prior to honouring payment time would not be wasted for the project to progress on schedule.

5.3.3 Raising Adequate Internally Generated Fund (IGF) to support Vital Project

The study stumbled on the fact that some vital projects are often abandoned owing to inadequate budgetary support for such projects. The procurement plan should be prepared within the available budget so that projects are not abandoned owing to inadequate budget. Also, the revenue mobilization arm of the Assembly should intensify its efforts to rope in more income from property rate, market tolls, business permits, advertising permits and others so as to ease pressure on the sole use of subverted funds to implement developmental projects. Perhaps the traditional authorities should be invited to lead the crusade for mobilizing more resources to help actualize the Assembly's developmental agenda.

5.3.4 Strategies to Minimise Corrupt Practices in Procurement Activities

It came out unequivocally from the study that the principle of value for money is being disrupted as a result of corrupt practices emanating from some top executives and dishonest procurement officials. It is hereby recommended that the umbrella ministry periodically reshuffle procurement officials so as to minimize the incidence of over familiarity of top executives leading to collusion in the perpetuation of procurement crimes. Efforts should also

be made to ensure that the transparency aspects of the procurement processes are followed religiously. The procurement audit unit of GEMA should be well resourced with experienced and honest personnel to ensure that the Assembly receives value for every pesewa expended.

5.3.5 Holding Some Procurement Functions Back from the District Assemblies

The study noted that there seems to be too much decentralization within the procurement system and that gives room for some kind of abuse of the system. It is hereby recommended that projects with the contracts sum over and above GH¢500,000 are handled solely at the headquarters of the local government ministry and the sector ministry at national level. This should be carried out by incorporating an automatic adjustment formula in the thresh holds for procurement entities. This would ensure that more professional is introduced into the award, execution, monitoring, evaluation and payment for work certified.

5.3.6 Quality Control System to Appraise Projects of Long Duration

The study noted that adequate quality systems are not in place for appraise projects of longer duration and this compromises quality of work done at the district assembly. It is hereby recommended that conventional quality control systems for appraisal projects of all taste are established within the district assemblies to ensure that the concept of value for money is upheld in all procurement contracts discharged.

5.3.6 Strategies to Contain Political Interference and also Conduct Sound Budgeting of Assemblies Expenses

The study noted that procurement activities are being disturbed by ugly political interferences from powerful assembly executives and external political office holders. Moreover, not all expenses are properly articulated and incorporated in the assembly's budget. It is hereby recommended that technically minded people are appointed to serve as members rather than packing our District Assemblies with political party activists. The engagement of technocrats would ensure that conventional management in the award of

procurement contracts. Again, the finance department should liaise with all departments within the assembly to ensure that their expenses are fully noted and integrated in the sector's budget. This can then be harnessed together to arrive at the comprehensive budget statement for the Assembly thereby making provision for all vital expenses and projects.

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APPENDIX I – QUESTIONNAIRE

KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY (KNUST)

QUESTIONNAIRE

This questionnaire has been prepared to ascertain views for a study entitled “*procurement management practices as a strategic tool towards achieving organisational goal*”. It is purely for an academic purpose leading to the award of MSC degree in Procurement management by KNUST. Your honest response will determine the creditability of the findings. Please be assured that your responses will be treated as highly confidential and therefore be forthright with your answers. Kindly tick (✓) in the box ☐ provided where applicable.

Section A: Demographic Features of Respondent

Q1. Gender: ☐ Male ☐ Female

Q2. Age range

Years	21 - 30	31 – 40	41 – 50	51 – 60
Tick (✓)				

Q3. Marital status

☐ Married ☐ Unmarried ☐ Divorced ☐ Widow/Widower

Q4. What is your highest academic qualification?

☐ Diploma/HND ☐ First Degree ☐ Master Degree

☐ First Degree and Professional qualification

☐ Professional qualification please indicate

☐ Others please specify.....

Q5. How long have you worked with GEMA?

Section 'B': Issues relating to procurement practices put in place at GEMA

Q6. How do you agree/disagree with these statements concerning the concept of procurement management?

Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree
Strategic procurement management practices ensure that value for money is always achieved in all procurement endeavours					
Procurement itself is a process of obtaining services, supplies and equipment in conformity with applicable law and regulations					
Procurement provides an opportunity for firms and organisations to contribute to a position of competitive advantage by reducing the price and					

the transaction costs associated with purchasing goods and services					
In both corporate and governmental procurement, the practice of purchasing has moved from a localised operational activity to one that is more consolidated and strategic both in nature and practice					
Public procurement operates in an environment of increasingly intense scrutiny driven by technology programme reviews and public and political expectations for improvements					
Procurement management ensures that sufficient materials and services are available for the smooth operation of a company					

Q7. In your view, what are aims of procurement management practices at GEMA?

Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree
Strategic procurement management (SPM) at GEMA aims at adding value to each stage of procurement process i.e. from the demand for goods or services to their acquisition, managing the logistics process and finally the use and disposal					
SPM at GEMA addresses deficiencies in current practice relating to procurement, contract management, inventory and asset control					
SPM ensures uniformity in bid and contract documentation and options and bid and procedure standards					

Q8. Kindly indicate your views about how the national procurement law influence existing procurement management practices at GEMA?

Statements on existing procurement practices	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree
National procurement law (NPL)					

defines the various elements of supply chain management (SCM) such as demand management, acquisition management, logistics management, disposal management etc					
NPL institutionalises the creation of supply management unit in various district assemblies					
NPL makes provision for process and procedures for addressing cases of abuse of procurement management practices					

Section 'C' Issues relating to how strategic is the supplier base of GEMA

Q9. Which of the following are the likely situations of the supplier's base of GEMA?

Statement of supplier base	Very likely	Likely	Neutral	Unlikely	Very Likely
Some suppliers wield political influence					
Suppliers have adequate knowledge of the procurement law					
Some suppliers are surrogates for some					

leading officials within the municipal					
Some suppliers are representatives of international companies and are therefore able to supply at highly competitive prices					
Suppliers are always able to supply on time					
Suppliers endeavour to meet the quality of goods and services within the contract					
Our suppliers are credit worthy so we don't need to pre-finance them					

Section 'D' Issues relating to the quality of procurement management staff at GEMA

Q10. Kindly indicate your agreement or disagreement with the following statements concerning the calibre of personnel who manage procurement activities at the GEMA

Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree
Procurement officials are not firmly trained in procurement practices					
Officials do not fully understand the new procurement law					
Procurement officials periodically					

attend capacity building workshops					
Some procurement officers help suppliers to abuse the bid tendering systems					
Procurement officers are not well motivated and therefore easily compromise their professional positions					
Politicians and other superior officers often interfere with the duties of the procurement official					

Section 'E': Issues relating to constraints to procurement management functions of GEMA

Q11. A good number of district and municipal assemblies in Ghana are experiencing challenges with their procurement management function. How do the following relate to the situation at your end?

Statements on constraints to procurement practices	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree
Lack of proper knowledge of the procure law by officials of municipal					

assembly					
Lack of knowledge of both NPL and procurement processes by some suppliers					
Fraudulent and corrupt practices leading to compromises on the principle of value for money					
Unethical behaviour and practices of procurement officers and their superior officers					
Too much decentralization of the procurement system					
Politicians manipulating the procurement system to the advantage of party faithful					

Q12. What recommendations would you put forward towards ensuring that procurement management practices at GEMA are made more purposeful and directed towards achieving organisational goal?.....

.....

.....

Thank you