

**KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY,  
KUMASI  
COLLEGE OF ART AND BUILT ENVIRONMENT**

**ASSESSING PROCUREMENT PRACTICES IN THE NGO SECTOR: A CASE  
STUDY OF THE AFRICAN WOMEN'S DEVELOPMENT FUND**

**A Postgraduate dissertation submitted to the Department of Construction  
Technology and Management of the Kwame Nkrumah University of Science and  
Technology in partial fulfilment of the requirements for the award of Master of  
Science (MSc.) Honors Degree in Procurement Management.**

**By  
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**NOVEMBER 2018**

## DECLARATION

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

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## **ABSTRACT**

As development actors, NGOs have become the main service providers in countries where the government is unable to fulfil its traditional role. Non-governmental Organisations (NGOs) play a vital role in the socio-economic development of Ghana especially in the rural areas. They complement government's efforts in providing sustainable development by filling development gaps where government falls short. Despite these important roles local NGOs play in the development process they are faced with a number of challenges which raises concern about their sustainability. The aim of this research was to critically assess the procurement practices applied by Non-Governmental Organizations, case study of African Women's Development Fund (AWDF). The following objectives were set to help achieve the aim of this study: to determine procurement process or practices used by African Women's Development Fund, to analyse factors that influence procurement process or practice use by AWDF, to assess challenges in the procurement process or practices used by AWDF. The study adopted a qualitative method of enquiry with a semi-structured interview guide to gather data from the employees at AWDF. Findings from the study revealed that the factors that influence the AWDF procurement process were equity, effectiveness and efficiency, smooth and efficient process. The challenges that are faced by AWDF were Inadequate Understanding of Procurement, Poor responsiveness of suppliers, Differences in the Brand Quoted by the Suppliers, Suppliers have bad business relationship, bureaucracy and delay on the part of suppliers. The study therefore recommended that there should be a procurement unit or department for all procurement activities to be channeled and also the need to employ procurement professional as a procurement assistant. The procurement review committee should

also be empowered in order to perform their tasks to the standards required of them or a more effective review committee should be formed.

**Keywords: Procurement practices, Non-Governmental Organisations**

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## **DEDICATION**

To the glory of God, a task is duly accomplished. I dedicated this work to my mother Grace Eva Acquah and my daughters Golda and Lisa Noelle with their support and encouragement. Thank you all for your support.

God Bless you all

## **ABBREVIATIONS AND ACRONYMS**

AWDF	– African Women’s Development Fund
CIPS	– Chartered Institute of Purchasing and Supply
DFID	-Department for International Development
JICA	– Japan International Cooperation Agency
NGOs	– Non Governmental Organisations
ODA	– Overseas Development Assistance
OECD	– Organisation for Economic Cooperation and Development
UNDP	– United Nations Development Programme
UNICEF	– The United Nations Children’s Fund
UNICEF	– United Nations High Commissioner for Refugees
USAID	– United States Agency for International Development
USG	– United States Government
WFP	– World Food Programme

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 BACKGROUND OF STUDY**

Procurement can be defined as the buying of goods and services that enables an organisation to operate (CIPS, 2013). This involves procuring of marketing, advertising or IT related services and other goods and services. In procurement, NGOs are referred to as third sectors. A non-governmental organisation can spend more than two thirds of its revenue on purchasing goods and services. To this effect, a minute reduction in purchasing costs can have a major effect on the profitability and savings. According to NGO Connect (2010); NGO procurement is the process of acquiring goods, services and or consultants in support of program activities. Simply put the purchase of goods and services is key for the smooth operation of the company.

The objective of the internal control system for purchasing of goods and services is to ensure that orders are handled by individuals having the requisite skills in evaluating bids from a list of potential suppliers. Procurement practices refers to various ways used to source for goods and services (CIPS and NIGP, 2012). Kippra (2006) defines procurement as the process of acquiring property, services and works by an organization upon the identification of a need. This process comprises structures and processes during development of procurement manual, prequalification of suppliers, development of evaluation criteria, ethical procurement, outsourcing process, performance management, transparency award of contracts, and application for tax exemptions among others. Methods of procurement include open tendering, restricted tendering, competitive tendering procedures amongst others. All these procurement techniques have unique procedures. The choice of a particular method depends on the

procurement need of an organization within a particular period of time. Sourcing for qualified suppliers or consultants could be through single sourcing, multiple sourcing or outsourcing.

## **1.2 PROBLEM STATEMENT**

According to Juma (2010), procurement process efficiency is the backbone of a firm's success since it contributes to competitive purchase and acquisition. Poor procurement performance has caused financial loss due to delivery of poor quality work materials and loss of value for money due to inflated prices of items or materials. Funding issues have become particularly challenging, following the economic crisis and downturns across the world and donors will always want to know how their money will be used and what will be achieved from it. Procurement contributes more than two thirds of the used thus very critical. IRIN (2011) argues that donors can no longer afford to provide funding for disasters as there were already so many other threats posed globally. Macharia (2014) and UNESCO report (2014) noted that donors were shifting funding from the initial programmes to new ones. Galeitse (2011) noted on a case study of Botswana that government was competing for funds with NGOs as donors had reduced funding due to the country's stability. In this competition, the government has always won thus forcing the NGOs to form alliances so as to source for funds; this is also the case of Ghana. Reduction of funding by some donors has been associated to number of reasons by researchers. Norris (2012) attributed it to serious corporate misconduct, mismanagement and lack of internal controls as said by USAID administrator; Chege (1999) attributed it to corruption in governments; Macharia (2014) attributed it to changed priorities thus shifting to other programmes; Global Policy Forum (2012) attributed it to the economic crisis especially in Europe and America while Ouma (2012) attributed

project's ineffectiveness majorly to procurement practices and government bureaucracy. Most of these factors have forced donors to come up with operational guidelines (majorly procurement) which should be closely followed by NGOs and other institutions that they fund. This study seeks to bring out procurement practices lapses and irregularities and misappropriations which are key considerations for many donors during project evaluation. Thus, the need for clarification on the current status of aid and its relation to procurement practices on NGOs in Ghana.

### **1.3 RESEARCH QUESTIONS**

1. What are the procurement practices used by AWDF?
2. What are the factors that influence the procurement practices used by AWDF?
3. What are the challenges in the procurement practices/process used by AWDF?

### **1.4 RESEARCH AIM AND OBJECTIVES**

#### **1.4.1 Aim of the study**

The aim of the research is to critically assess the procurement practices applied by Non-Governmental Organizations, case study on African Women's Development Fund (AWDF).

#### **1.4.2 Objectives of the study**

1. To determine procurement process or practices used by African Women's Development Fund (AWDF).
2. To analyse factors that influence procurement process or practice use by AWDF.
3. To assess challenges in the procurement process or practices used by AWDF.

## **1.5 SIGNIFICANCE OF THE STUDY**

This study is important because it will contribute to knowledge and development of literature in the subject area under investigation and serve also as a basis for further research for all those interested in the topic. It will also provide a framework for ensuring effective procurement practices in AWDF so as to enhance good corporate governance through transparency and accountability. Procurement is a significant function in the NGO sector. The study wishes to focus on the existence of knowledge of Non-Governmental Organisations compliance in relation to the procurement practices little has been specifically linked with the procurement processes in the NGOs in Ghana and across the world. Generally, NGOs will benefit from below stated reasons: The developments in funding and the evaluation of projects for refunding and the contribution of the procurement processes to funding will help NGOs to know what is really important during projects implementation in the funding uncertainty. The good positioning from implementation as well as knowledge of the market will attract more funding as well as maintain the old donors especially during tough economic times. These findings will assist policy makers to make regulations and policies that highly consider having procurement departments and skilled employees who can lead to high performance

The academia is also another important beneficiary. This research will contribute to the existing knowledge which is usually a guide to future research for NGOs procurement units to become more effective in procurement to develop trust to the donor agencies by ensuring value for money. Lastly this study will help NGOs to put in place guidelines, processes and practices for procuring goods and services.



## **1.6 METHODOLOGY**

The focus of the study was to gain insights and familiarity with the processes and practices of the NGO sector with focus on International NGO's especially African Women's Development Fund. The study adopted an exploratory survey design based on the qualitative approach. The study employed a descriptive research design to determine what was used to give a clear picture o the area being studied. The case study was used as the research strategy. The population was drawn from 31 employees of AWDF, the population size of 13 program officers and specialist who are directly involved in the procurement practices from their respective departments were interviewed. An interview guide was used to solicit data from respondents.

## **1.7THE SCOPE OF THE STUDY**

This study is focused on the procurement practices and procedures in NGOs and the challenges in the procurement practices used by AWDF. The study is limited to the procurement practices in African Women's Development Fund.

## **1.8 ORGANIZATION OF THE STUDY**

Generally, the study is organized into five chapters. Chapter one starts with the general introduction with background of the study, followed by the statement of problem, and continue with research objectives, research questions, significance of the study, methodology, the scope of study and the organization of the study. The next chapter is chapter two. This chapter deals with the literature review on procurement practices or processes used by AWDF. Chapter three focused on the research design, study area, data collection instruments and data collection procedures. Chapter four presents the results and analysis of the study. Finally, the chapter represents the study summary, conclusions and recommendations.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 INTRODUCTION**

The previous section discussed the general background, research problems and objectives. This section of the study presents literature relevant to the study. The chapter reviews some theoretical underpinnings of the study and a conceptual framework of the study. The main reason for covering this chapter is to enhance the understanding of the main theories involved in the study and to answer the research questions.

#### **2.2 NON-GOVERNMENTAL ORGANISATIONS**

Non-governmental Organisations (NGOs) play a vital role in the socio-economic development of Ghana especially in the rural areas (Acquah, 2010). The activities of NGOs serve a great deal of rescue or relief for most developing countries especially Ghana. NGOs have endeared themselves to many rural folks due to their socio-cultural acclaimed status providing several amenities for their beneficiaries (Bob-Miller, 2005). They complement government's efforts in providing sustainable development by filling development gaps where government is short. Despite these important roles local NGOs play in the development process they are faced with a number of challenges which raises concern about their sustainability. Non-Governmental Organizations (NGOs) today form a prominent part of the "development machine", in the developing world and are generally seen to be playing an increasingly important role in development (Hankin,et , 2014). They are recognized as an indispensable part of society and the economy. In fact, they are sometimes referred to as the "third sector" (Issa, 2005). As part of the measures aimed

at addressing the conditions of the people, and as a means to redress the imbalances between rural and urban areas in terms of development, NGOs are playing a vital role. Many NGOs are undertaking a number of activities in Agriculture, Health, Education, Research and most importantly, gender development. International aid agencies put in place development and relief assistance programmes to fight disease, reduce poverty, foster economic and social development, and promote respect for human rights and protecting the environment (Taupiac, 2001). To achieve this, they procure an estimated US\$50 billion worth of goods and services from companies around the world. Today, changing procurement trends by these agencies are opening up more opportunities for developing country enterprises. The worldwide aid environment has transformed greatly over the last 10 years. New and private players have emerged as key actors, and new methods to providing aid are being tried (Fengler and Kharas, 2011). Non-governmental Organisations (NGO) sector is very active in Ghana with a wide range of operations in infrastructure, health, education, and policy development (Acquah, 2010). Multilaterals such as the World Bank group, the African Development Bank and the European Union generally operate through and in conjunction with the Government of Ghana. Bilaterals such as USAID, DFID and JICA operate in conjunction with the government and government agencies and have diverse procurement methods, usually project-based. UN Agencies generally have their own procurement network, as do large NGOs while UNICEF, UNHCR and HABITAT all have large procurement offices in Accra. Larger local NGOs usually function with funds received from donors and procurement is done according to the donor's stipulations (Oanda and Ajwang, 2008). Taupiac (2001) notes that several important trends are shaping the way international aid agencies operate procurement. Firstly, the World Disasters Report of the International Federation of Red Cross and

Red Crescent Societies cites an overall decline in Overseas Development Assistance (ODA). This is forcing NGO agencies to come out with strategies to make reducing budgets meet growing demands. Also, the development community's emphasis is increasingly on supporting local "participatory" initiatives in order to bring about sustainable development.

Finally, due to calls from non-governmental organizations (NGOs) and institutions such as the Organisation of Economic Co-operation and Development (OECD) to end the policy of "aid tying" (when the procurement of the goods or services involved in ODA is limited to the donor country or to a group of countries), donor governments are reconsidering the practice. NGO Connect (2010) states that the U.S. Government's (USG) procurement regulations exist to ensure that a recipient of USG funding uses it to advance the purpose of the award, spends it wisely and does not procure anything in conflict with the public's interest. To achieve this, recipients are required to carefully document the company procurements and make sure that this process is in line with USG requirements. They further noted that it was very key for organizations to adopt procurement guidelines to ensure that all goods, services and/or consultants it procures will be permissible under their purpose. Several non-governmental organisations play vital and several varying roles in their respective scope of work but they seem to achieve a common or similar goal; helping a greater number of people (the public) with some social amenities to improve their standard of living. They provide various goods and services to the public without any profit motive.

The United Nations (2003) presents the eight common features for non-profit or non-governmental organization;

- The prohibition of the distribution of profits from their operations;
- Their involvement in the production of public goods;

- A revenue structure that generally includes substantial voluntary contributions of time and money;
- The use of volunteer as well as paid staff;
- Limited access to equity capital because of the prohibition on their distribution of profits;
- Eligibility for special tax advantages;
- Special legal provisions pertaining to governance, reporting requirements, political participation, and related matters;
- The lack of sovereign governmental powers despite their involvement in public goods provision.

A study conducted by Salamon and Anheier (1998) revealed that non-governmental organisations are private entities or organisations that carry out various activities for the absolute benefit of the public with no intention of making profits. They are therefore not supposed to finance or provide any form of support political parties.

### **2.3 SOURCE OF FUNDING FOR NGOs**

Donor funding is a loan or a grant administered with the objective of promoting sustainable social and economic development and welfare of the recipient country. It comprises of both bilateral aid that flows directly from donor to recipient governments and multilateral aid that is channelled through an intermediary lending institution like the World Bank (Abuzeid, 2009). Donor aid has fluctuated over the years with different studies attributing the trend to different factors. Norris (2012) attributed it to serious corporate misconduct, mismanagement and lack of internal controls as said by USAID administrator; Global Policy Forum (2012) attributed it to the economic crisis especially in Europe and America; Chege (1999) attributed it to corruption in governments; Macharia (2014) attributed it to changed priorities thus shifting to other programmes; while Ouma (2012) attributed projects ineffectiveness majorly to procurement practices and government bureaucracy. Consequently, donors

as much as possible specify what funds should be used for irrespective of the numerous challenges the receiving country may face within a stipulated period. According to Abuzeid (2011), a loan or a grant given to an NGO with the aim of ensuring sustainable social and economic development and welfare of developing countries is known as donor funding. This includes both bilateral aid directly from donor to recipient governments and multilateral aid that is channelled through an intermediary lending institution like the World Bank. NGOs rely on money from a variety of sources which include; individual donors, foundations, corporations, and governments. Often what an NGO can and cannot do is tied to where the money comes from, dramatically affecting the effectiveness and neutrality of NGOs. While some NGOs refuse to accept government or corporate funding to stay independent in their decision making, many NGOs' need depend on these funding sources in order to operate. Funding Issues have become particularly challenging, following the economic crisis and donors will always want to know how their money will be used and what will be achieved from it. Procurement contributes more than two thirds of the used thus very critical. Procurement manuals have clearly been laid out by many donors and other partners and their organizations have to strictly follow them. Procurement policies vary from organisation to organization as well as the organisational rules and regulations governing the procurement function. The policies govern how different aspects of procurement will be carried out in the organisation and how people working in procurement should behave (Logistics Cluster, 2001). Garandeau and Ruche (2000) equally noted that procurement procedures were very different in terms of the devolution of decision-making power to the local agencies, procurement thresholds and specific award and payment methods.

## **2.4 THEORITICAL REVIEW**

Several scholars are concerned with the funding of various projects undertaken by Non-Governmental Organisations. Resource dependency theory and the Agency theory are some theories to be discussed in this section of the study.

### **2.4.1 Resource Dependency Theory**

The resource dependency theory is an open system approach that states that organisations are embedded in networks and relations that can understand that organisations are not self-sufficient internally and will do everything possible to make reasonable exchanges to promote their growth and survival and also give them the competitive edge to do business to higher heights (Pfeffer, 2010). Several organisations want to get crucial and inimitable resources by reducing several uncertainties to minimise their levels of dependence on other organisations but rather maximise their relevance to other organisations to feed them with the resources they need for survival in the world of competition. Sheppard (1999) defines resource as any inducement it can provide to others in order to get them to contribute to the organization". Aside financial resources, an organization depends on a variety of resources for their survival, success, or high performance. These include reputation of individuals or groups, information, political support, legitimacy, and technology. Saidel (2005) presents six kinds of resources for state agencies and non-profit organizations: revenues, information (technology), legitimacy, access, service delivery capacity, and political support. The Resource Dependency Theory argues that organisations' resources to smoothly run its operations are scarce in supply due to challenges in obtaining the resources as and when needed. Organisations take resources from the society and transform into finished products to feed the society.

The society or the external environment has absolute control over the resources needed by various organisations and hence, exert heavy demands on these organisations. The more organisations depend on these resources for survival, the more power the society has on the said resources (Thompson, 2010; Scott, 1998; and Pfeffer, 2011). There is then conflict of interest between the demand for resources and the organisation's goal. There is equally the need to meet external demands and at the same time, do well to fulfil its stated objectives. This difficulty becomes paramount when organisations fail to plan constructively to get the right decisions made (Pfeffer and Salancik, 2009). Due to this dilemma faced by most organisations as far as their quest for resources is concerned, renowned scholars have developed dimensions that assess the level of organisational dependence on resources. Cho and Gillespie, 2006 developed three dimensions which included criticality, concentration and discretion.

#### **2.4.1.1 Criticality**

This refers to the relevance of the resources needed by the organisation. Tangible and intangible resources are the basis for industrial survival. The level of quality of raw materials has a great deal of effect on the final product the organisation can produce. The scarcer the resource is, the more important and efficient it becomes. It becomes really important due to the urgency in demand for such resource. The importance of resources influences the growth and survival of the organisation.

#### **2.4.1.2 Concentration**

The concentration of resources is one of the most important dimensions of the resource dependency theory. This focuses on how centralised the resources available in the external environment are for the efficient use by organisations who duly need



them. When there are several alternatives to getting resources in the external environment, there is loose control over the resources which ensures much flexibility.

#### **2.4.1.3 Discretion**

This dimension is concerned with the proper allocation and efficient use of the resources. Due to the scarce nature of resources, organisations ensure that the available resources will be distributed to the units or departments that need them most to help achieve the organisation's stated objectives.

Resource Dependence Patterns speculates that the relationship between the various stakeholders of every resource an organisation needs is closely related to the future of the organisation. There are five different dimensions from which resource dependence pattern can be seen; resource dependence, resource diversity, resource certainty, resource abundance and resource competitiveness (Lan, 1998).

Resources owned by non-governmental are insufficient and hence, affect managerial functions and organisational performance which put the sustainability and development of such organisations on the line (Pfeffer and Salancik, 2009). Management of NGOs make sure to find conducive environments to build negotiating environments to obtain the needed resources for organisational development.

#### **2.4.2 Agency Theory**

This theory focuses on interactions between parties. This is a point where a superior engages the services of another, known as an agent to perform or undertake some activities on his (the principal) behalf. This dwells on the principles of delegation. With operations of non-governmental organisation, a donor can represent the Principal and the NGO is the agent. The Principal (the donor) assigns duties to its

agent through donations under some terms and conditions (Jensen and Meckling, 2011). Donors set standards for NGOs in order to keep track of all activities in order to help make a more constructive decision. The donor analyses all outcomes based on a structured monitoring and evaluation system and chooses the funding level to influence the choice of action by NGOs and hence outcomes. The level of funding maximizes the donors' preferences, whereas NGOs set their preferences to show actions the latter would choose for each funding level (Odedukun, 2007). There are always issues of trust between donors and agents due to conflict of interest and different amounts of information. Agents may want to keep some information from the Principal thereby putting the Principal in the unknown. NGOs may begin to undertake actions in their interests and ignore the interests of donors since they (NGOs) always work in the best interest of their Principals. Donors then find several means to deal with this issue of conflict of interest. This comes at a cost known as agency cost.

## **2.5 PROCUREMENT PRACTICES**

According to UNDP (2005), the term "procurement" refers to the process of acquiring goods, works and services. The process spans the whole cycle from identification of needs through to the end of a services contract or the useful life of an asset. They also note that procurement forms nearly 80% of the project amount.

Kidd (2005) defines procurement as the business management function that ensures identification, sourcing, access and management of the external resources that an organisation needs or may need to fulfil its strategic objectives. He further noted that procurement exists to explore supply market opportunities and to implement resourcing strategies that deliver the best possible supply outcome to the organisation,

its stakeholders and customers. The benefits associated with procurement includes: security of supply, lower costs, reduced risk, improved quality, greater added value, increased efficiency and innovation. Procurement practice is a complex function guided by numerous policies and statutes. A comprehensive procurement policy manual, one that lays out these policies and applicable laws, is critical to ensuring that procurement, agency staff, and all stakeholders follow the proper procedures and rules so all will have a clear and consistent understanding of the required regulations. In the absence of such guidance, a lack of consistency in how procurement work is carried out becomes likely. This inconsistency results in frustration within and outside the procurement organization and the possibility that procurement actions may appear to be arbitrary and unfair. It is therefore critical for procurement to have a comprehensive procurement policy manual in place (CIPS and NIGP, 2012).

## **2.6 TYPES OF PROCUREMENT**

Basically procurement includes purchase and supply of goods. Outlined below are the types of procurement;

### **2.6.1 Single Procurement**

This type of procurement is triggered by a specific customer order and initiates the supply process of production.

### **2.6.2 Stock Procurement**

In stock procurement, goods are shipped to stock in periodically defined terms without any specific order of customer. The important aspect is that the demand can be forecasted. The goods are stocked until the next order is received when finishing the production process. One step of applying stock procurement by the customer is to outline the minimum stock level. The stock level falls below the defined limit; the

procurement process is initiated. This type of procurement initiates high flexibility to the customers and the procurement cost tends to be higher.

### **2.6.3 Vendor Managed Inventory (VMI)**

With the vendor managed inventory, the supplier is responsible for the stock at the customer's company. A crucial premise to achieve optimized processes, lower costs and high flexibility is a close network with the supplier.

### **2.6.4 Just in Time Procurement**

The just in time procurement is characterised by low stock levels at the customer's company. This leads to a reduction in cost and to lean and balanced processes. The entrepreneurial appliance of just in time delivery only makes sense, if the suppliers place in maximum radius around 100km to the customer's place. For the just in time procurement system to be successfully implemented, it is needful to build and install an operating close network. Therefore, processes with the suppliers, communication, transport and logistics as well as quality management needs to be perfectly coordinated.

### **2.6.5 Just in Sequence Procurement**

This concept is based on the just in time concept. It extended by the supply of goods in the required sequence at a defined time. This leads a very efficient and lean way of procurement.

### **2.6.6 Sip to line**

The goods are directly delivered from last value added process of the supplier to the first value added process of the customer. Only few logistically steps are needed in this type of procurement. (Arnold et al, 2009).

## 2.7 PROCUREMENT PRACTICES BY NGOS

The concept of procurement is a cherished field of study which has drawn the attention of scholars lately. Several individuals think procurement is simply about buying and selling of goods. It goes just beyond that. It is first important to identify the needs of the organisations before obtaining goods, services or works for them (Lysons & Farrington, 2016). According to Lysons & Farrington (2016), after identifying the needs of the organisation, it is equally important to source for suppliers who will help to meet the organisation's needs. Procurement does not end with purchasing (Cluster, 2001). Procurement continues through the delivery, management and finally the disposal of the goods, if any. The United Nations Development Programme (UNDP) (2005) added procurement is the process of acquiring goods, works and services. The procurement process journeys through the whole cycle from identification of needs through to the end of a services contract or the useful life of the asset. According to UNDP (2005), procurement forms about eighty percent of the total project cost. The life of an organisation heavily depends on its procurement unit or department. Some procurement officers arrange with selected suppliers to enable them get a share of the contract amount. This in effect, puts the life of the company at stake (Cluster, 2001). According to Cluster (2001), *'Procurement works like a pivot in the internal supply chain process turning around requests into actual products/commodities or services to fulfil the needs. It serves three levels of users: The internal customer, Programs in response to emergencies and on-going programs, Prepositioning of stocks, for both internal customers and program needs'*. Due to this, organisations adopt a procurement manual to guide the activities of the procurement department. The procurement manual sets out laid down procedures and policies to be adhered to. The failure on the part of management to adopt a

procurement manual will lead to mismanagement and misappropriation of resources which will impede the growth and sustainability of NGOs. A procurement manual is hence, a necessary document for every organisation (CIPS, 2012). There are several objectives or principles of procurement. Some of these include transparency, accountability, fairness, efficiency and effectiveness, etc. These principles help to ensure the guidelines for procurement are strictly adhered to by inculcating rules and regulations or standards of performance for all stakeholders (CIPS, 2012). Despite the fact that, procurement has a lot of goods to offer every organisation, some scholars believe it is time-consuming (Abrams, 2013). Abrams (2013) speculates that engaging in some procurement activity demands a lot of time especially to plan every activity in the procurement process. He further argues that the procurement process is cumbersome since it includes a tall list of activities to perform within one simple contract. These activities include: pre-qualification, advertising, negotiation of price with the winning bid, bid security, tax exemptions, post-qualification, non-price criteria in bidding, international bidding, and procurement review committee among others vary on usage. A sound procurement structure is needed by NGOs in order to help to ensure that every good or service procured will be done strictly against the various principles of procurement to ensure a fair level competition for all suppliers and promote accountability for the use of every fund (Hong Kong's Corruption Prevention Department, 2001). NGOs are to ensure that the following procurement principles are adhered to; transparency, fairness and fraud prevention; equal opportunity; economy and efficiency; effectiveness and certainty of the ability of the supplier or contractor to provide the supplies and services. This will help to put the public funds to a more economic use and to ensure that all ethical standards set by CIPS and other procurement professional bodies have been adhered to. Increased

amount of cash contributions received from donors over recent years have made procurement activities increasingly important in the world (World Food Programme). ‘Many donors impose conditions on their donations for example, the money must be spent in a certain country or the aid must go to a certain country’ (WFP, 2010). *WFP purchases more than 2 million metric tons of food every year and at least three quarters of it comes from developing countries. This is because it is WFP's policy to buy food as close to where it is needed as possible. By buying locally the agency can save time as well as money on transport costs and also help sustain local economies* (WFP, 2010). *The objective of procurement activities within the UN system is the timely acquisition of goods, services and works while addressing: the objectives of the UN organizations concerned; fairness, integrity and transparency, through competition; economy and effectiveness and best value for money* (UN Procurement Practitioner’s Handbook, 2016). This postulates that every individual involved in a procurement activity is to be held accountable in the event of any practices against the set standards for procurement practices. According to Hong Kong’s Corruption Prevention Department (2001) a sound procurement system is important to NGOs because it helps to ensure that the goods and services are purchased in an open, fair and competitive manner and that they represent value for money. It also helps to minimize opportunities for abuse. They further noted that NGOs should ensure that the procurement system adopted has adequate checks and balance to prevent possible malpractice or corruption as well as to enhance accountability in the use of public funds.

## **2.8 BACKGROUND OF THE AFRICAN WOMEN DEVELOPMENT FUND**

African Women Development Fund was founded by three women namely Bisi Adeleye-Fayemi, Joana Foster and Hilda Tadria. The AWDF was founded as a philanthropic organisation with the aim of improving the lives of African Women. It was created as an independent resource for gender equality and development across Africa. The AWDF is a grant making Foundation that provides funds for individuals or organisations committed to empowering African women and educating women on their rights. The grants offered by AWDF support the initiatives of women's organisation who might not have access to mainstream funding practices due to capacity, language, location and marginalization. The AWDF has served as a major donor to 60% of grantees who had some challenges in securing funds from other sources. Also AWDF has been able to mobilize resources for over 1,300 women organisations in 45 countries in Africa and Middle East.

### **2.8.1 Vision and Mission**

The vision of AWDF is to have a world where all African women live in peace, with dignity and justice and where there is equality and respect for women's rights. AWDF's mission is to mobilise financial, human and material resources to support initiatives for transformation led by African women, women's rights organisations and African women's movements.

### **2.8.2 Values**

**Respect:** AWDF believe in the personhood of African women, and that AWDF rights are an inalienable, indivisible and integral part of universal human rights. *AWDF listen to women and respect their knowledge, perspectives and diverse experiences. AWDF believe in acknowledging, valuing and rewarding women paid and unpaid*



*labour in private and public. AWDF believe in women's bodily integrity and full autonomy.*

**Diversity:** AWDF believe in non-discrimination, proactive inclusiveness and diversity in all areas of AWDF's operations and programmes. *AWDF believe in unleashing a full range of women's creativity and promoting holistic/total confidence in all women, and particularly with young women and women who are discriminated against in multiple and intersecting ways.*

**Feminist Leadership:** AWDF believe in nurturing feminist principles and promoting feminist leadership. *AWDF believe in investing in young women's leadership and promoting inter-generational transfers of skills and knowledge. AWDF believe in creating and sustaining spaces where women can thrive and achieve their full potential, and where their voices can be amplified.*

**Professionalism, Accountability and Stewardship:** AWDF believe in the growth and long-term sustainability of organisations led and managed by women in transparent and progressive ways. *As fundraisers and grant makers AWDF believe in prudent, ethical and responsible stewardship of all funds and resources their care. AWDF encourage positive approaches to individual and collective physical, emotional and intellectual wellbeing and all staff, board and volunteers of AWDF act with integrity and professionalism, promoting respectful relationships in all their dealings.*

**Solidarity and Partnerships:** AWDF believe that change happens through collective action. AWDF are committed to building African women's and feminist movements, and recognise that this organising is linked to movements for justice and equality across the world. *AWDF work is linked to that of global Women's Movements which have worked hard for gains for women, and are sustained by the voices, hands and*

*work of women from all over the world. AWDF work in solidarity and through multiple partnerships to dismantle discriminatory and patriarchal systems and push for transformation toward equality.*

### **2.8.3 CAPACITY BUILDING PROGRAMME**

AWDF's capacity building programmes provide technical skills and trainings aimed at developing and strengthening grantees' organisations and their work. AWDF believe in helping build their grantees in various capacities and resourcing them through finances. Building stronger grantees builds a stronger AWDF. Below are some of the programmes we offer: result based programming, resource mobilization, financial management, leadership and governance, thematic convening's and other training

## **2.9 CONCEPTUAL FRAMEWORK**

The conceptual framework for this study focuses on the following variables in assessing procurement practices in African Women's Development Fund: the independent variable (procurement practices) and the dependent variables (the procurement process, factors that influence the procurement process and challenges in the procurement process). The procurement process basically focuses first on need requirement of the organisation, sourcing of suppliers, the selection of procurement strategy, preparation and issuance of solicitation documents, receipt and opening of offers, evaluation of tenders, award of contract and contract management (CIPS, 2012). Several factors affect the procurement process. Some of which include accountability, ethical standards, transparency and current requirement. These principles help to ensure that public funds are put to efficient use to enhance the

socio-economic well-being of the receiving entities. Procurement like any discipline has challenges which include exposure to risk, conflict of interest, funding, etc.

## **2.10 CHAPTER SUMMARY**

Procurement is complex in nature and hence need to be guided with some principles in order to ensure uniformity of conduct in order to achieve value for money. Donors in this regard seek to ensure that all funds are put to judicious use.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 INTRODUCTION**

This chapter presents the methods and procedures used to carry out the empirical work. This chapter involves the narration of the processes, techniques and actions that were employed in the conduct of this research. It submits the description of research design, population and sample size, sampling method, data collection instruments, data administration procedures and data analytical techniques. To meet the objectives of this research, the overall plan for collection and handling of data was based on a qualitative approach. This chapter basically explains the basic research methods employed to undertake this study using appropriate statistical tools to achieve a more appropriate result.

#### **3.2 RESEARCH APPROACH**

According to Sekaran & Bougie (2016), a research design is a framework for the collection and analysis of data. Creswell (2014) revealed that research designs are types of enquiry within qualitative, quantitative and mixed methods that determines particular directions in conducting a research. According to Saunders et al. (2012) and Bryman and Bell (2015), research approach can be categorized into three separate approaches namely; deductive, abductive and inductive. Deductive research approach is more centered on hypothesis development that is grounded on other theories, then after tested using a designed research strategy (Wilson, 2010). Thus, this research approach is the most popular in the natural sciences according to Collis and Hussey (2003). The inductive research approach involves the case where the researcher gathers information for the purpose of developing a theory (Saunders et al., 2012). As

a result, this approach involves theory development by empirically observing reality as well as inferring broad interpretations from precise occurrences (Neuman, 2002). According to Easterby-Smith et al. (2002), researchers are more likely to use qualitative data with inductive approach and employ various methods in gathering data so as to ascertain different opinions of phenomena. The abductive research approach is basically used to address the weaknesses accompanying deductive and inductive research approaches.

### **3.3 RESEARCH DESIGN**

Kallet (2004) defines research design as the extent to which research variables can be controlled so as to make available answers to the research questions. Research design can be divided into three main categories: exploratory, descriptive and causal. Each has its advantages and disadvantages; each has its optimal use in certain types of situation. As the spectrum of research category is traversed from exploratory, through descriptive, to causal, there tends to be an increasing degree of formality, and a decreasing degree of flexibility, in the way in which the research can be carried out (Creswell, 2014). This study adopted descriptive research design so as to give a clearer picture of the area being studied. In descriptive research, the respondents profile, situations or events are the basic elements.

### **3.4 RESEARCH STRATEGY**

Research strategy is an overall design of how to respond the research questions that have been set (Saunders et al., 2007). According to Yin (2003), the selection of strategy for a research should satisfy three conditions which are the type of research question, the extent of control that the researcher exercises over actual behavioral

events, and the degree of attention on existing or past events. Case study, experiment, survey, action research, grounded theory, ethnography, and archival research are examples of the research strategies (Fellows and Liu, 2008; Saunders et al., 2009). Denscombe (2007) defined case studies as studies with emphasis on a particular phenomenon with the ultimate aim of providing in-depth account of events, experiences or processes occurring in that particular instances. The selected strategy for this study was a case study.

### **3.5 RESEARCH METHODS**

The three-advance methods of research are: qualitative, quantitative and triangulation/mixed methods. Malhotra (2007) defined quantitative research as measuring the data and characteristically applying some form of statistical analysis. Ghauri and Gronhaug (2002) defined qualitative methods as seeking information with the purpose of interpreting, examine and understanding the phenomena by means of an inside perspective. Denzin and Lincoln (2003) defined qualitative research to involve an interpretative, naturalistic approach to its subject matter, efforts and put sense in making or to interpret phenomena in terms of the meaning brought by people. Malhotra (2007) defined quantitative research as measuring the data and characteristically applying some form of statistical analysis. This study adopted a qualitative study.

### **3.6 DESIGN OF RESEARCH INSTRUMENT**

Research instrument refers to tools used for the collection of data during a study. A semi-structured interview guide was used to solicit data from respondents. Semi-structured interview guide with a list of questions were outlined to direct the interview

in a focused but flexible manner (Minichiello, 1990). The interview guide consisted of two sections, that is, Part 'A' and 'B'. The first section (i.e. Part 'A') captured the profile of respondents and Part B was used to ask questions related to the aim and objectives of the study.

### **3.6.1 Interviews**

The interviews were conducted with the employees of African Women's Development Fund. These interviews were conducted face to face and lasted for 30 minutes. These interviews were conducted by following the semi-structured interview guide in which the interviewer asked questions and the interviewees responded. The interview sessions were recorded with an audio recorder and hand-written notes were also taken which was subsequently transcribed using the MS word 2016.

### **3.7 POPULATION**

Khan (2011) describes a population to mean the entire aggregation of cases that meets a designated set of criteria. In this case, whatever the basic unit, the population always comprises the entire aggregation of elements in which the research is interested. The population of this research was employees in African Women's Development Fund. The number of employees in the African Women's Development Fund were 31 during the period of conducting the interviews. The population size for this study is thirteen (13).

### **3.8 SAMPLING TECHNIQUES**

Palinkas et al. (2015) postulate that a sample is a small proportion of a population selected for observation and analysis. Samples are expected to be chosen by means of

sound methodological principles” (Fraley and Hudson, 2014). Sampling techniques are divided into probability sampling and non-probability sampling. Probability sampling is considered as the best because it mitigates the possibility of unrepresentative sample. Non-probability sampling techniques has the likelihood of each case being selected as unknown (Saunders et al., 2009). Probability sampling are simple random, stratified random sampling, systematic sampling and cluster sample (Fellows and Lui, 2008; Saunders et al., 2009). Non-Probability sampling techniques are quota, snowball, purposive, and convenience sampling. The sampling for this research was purposive sampling. According to Jewell and Hardie (2009), purposive sampling is when one’s own judgment is used to select respondents who will best enable the answering of the research questions. Table 3.1 shows the criteria used in selecting the interviewees.

**Table 3. 1 Selection Criteria**

S/N	Criterion
1	Employees who are involved in procurement activities in AWDF
2	They have to be willing and available to be interviewed.

### **3.9 SAMPLE SIZE**

The sample size for this study was 13 out of the 31 employees in the African Women’s Development Fund. The interviewees were made of the Human Resource Manager, the Special Programs Manager, Finance Officer, Special Initiative Officer, Capacity Building Officer, Capacity Building Specialist, Monitoring, Evaluation & Learning Specialist, Monitoring Evaluation & Learning Assistant, Administrative Assistant, Knowledge Management Specialist, and Procurement Intern.



It is very important to get the permission of the people in authority to provide access to participants in a study in any organisations (Creswell and Creswell, 2017). The nature of the research or study was also explained to the respondents prior to interviews. Interviewees were given the opportunity to decide freely whether they would want to partake in the interview or not. No interviewee was coerced into responding to the request to be interviewed.

### **3.11 DATA ANALYSIS**

According to Merriam (2009), transcribing interviews verbatim provide a complete database for analysis. Deductive coding was used by identifying parts of the transcripts that resonated with the procurement process or practises practiced in African Women's Development Fund (AWDF), the factors that influences procurement process or practices in AWDF and the challenges in the procurement practices/processes used in AWDF.

## **CHAPTER FOUR**

### **DATA PRESENTATION, ANALYSIS AND DISCUSSION**

#### **4.1 INTRODUCTION**

The chapter four presents the results, analysis, discussions and findings of the data collected. This chapter is dedicated to the analysis of the data obtained from the field. The discussion was done presenting the demographic information of the respondents and also according to the objectives of this study.

#### **4.2 DEMOGRAPHIC DATA OF RESPONDENTS**

This section describes the profile of the interviewees. The subsequent section highlights on the responses from the interviews which are discussed according to each objective.

**Table 4. 2 Demographic Data of Respondents**

<b>Interviewees</b>	<b>Job Position</b>	<b>Academic Qualification</b>	<b>Years Of Working Experience</b>	<b>Mode Of Interview</b>
Interviewee 1	Human Resource Manger	Fellow of Chartered Institute of Administrators and Secretaries	15 years	Face-to-Face
Interviewee 2	Special Programs Manager	MA in International Relations	17 years	Face-to-Face
Interviewee 3	Communication Specialist	Masters in International Development	2 years	Face-to-Face
Interviewee 4	Finance Officer	Member of Association of Chartered Certified Accountant	11 years	Face-to-Face
Interviewee 5	Program Officer (Special Initiative)	Master's in Public Administration	1 years	Face-to-Face
Interviewee 6	Capacity Building Officer	MBA in Marketing	4 years	Face-to-Face
Interviewee 7	Capacity Building Specialist	Master's Degree in Environmental Development and Policy	1 year	Face-to-Face
Interviewee 8	Monitoring, Evaluation and Learning Specialist	Masters in Economics and Statistics	11 years	Face-to-Face
Interviewee 9	Monitoring, Evaluation and Learning Assistant	MPhil in Actuarial Science	1Years	Face-to-Face
Interviewee 10	Administrative Assistant	BSC Degree in Management (HR Option)	6 years	Face-to-Face
Interviewee 11	Knowledge Management Specialist	Master's Degree in Women and Gender Studies	1 year	Face-to-Face
Interviewee 12	Communication and Fundraising Assistant	BSc in Administration (Management)	1 year	Face-to-Face
Interviewee 13	Procurement Intern	HND in Supply Chain and Logistics	1 year	Face-to-Face

#### **4.3 PROCUREMENT PROCESS/PRACTISED USED BY AWDF**

Hugo et al (2006) defined procurement as the process of acquiring goods and services. The concept of procurement is a cherished field of study which has drawn the attention of scholars lately. Respondents were asked to identify any procurement practises that they have ever used in procuring goods and services.

*We get quotes from at least 3 vendors, we compare and justify why we are choosing a particular vendor and then get approval from managers (Interviewee 5, Interviewee 11)*

Therefore, receiving quotes from at least 3 different suppliers makes it very competitive and enhance the chances of AWDF getting value for money. According to Burt et al (2010), in procurement, the lowest supplier with the lowest price quote is normally selected.

*Three invoices are solicited from vendors and selection is not only based upon lowest cost but on quality as well and other factors. When we use single sourcing, it must be approved by a manger (Interviewee 6, Interviewee 12)*

*Advertising, procurement review committee, international competitive bidding, procurement plans (Interviewee 8, Interviewee 1, Interviewee 2)*

Among the interviewees, they asserted that AWDF has a procurement manual that is followed in every procurement process in the organisation. The guidelines in the manual are supposed to be strictly followed. Most organisations design their procurement manual to suit international standards to allow other foreign companies to compete especially when the intended goods and services to be procured are not available in the country.

*AWDF has a policy on procurement practices in line with international standards and best practice. This is updated as and when necessary and strictly adhered to (Interviewee 4, Interviewee 13)*

In ensuring equity and fairness, most organisations call out for bids for particular services and goods by advertising in a national newspaper, website and on social media that can be easily accessible to everyone.

*Advertising, Procurement Review Committee, Procurement Plans (Interviewee 3, Interviewee 10)*

#### **4.4. FACTORS THAT INFLUENCE PROCUREMENT PROCESS/PRACTICES USED BY AWDF**

##### **4.4.1 Equity**

Le Roux de la Harpe (2009) defines equity as giving equal opportunities to all suppliers to compete without any favor or biases. This is in agreement with one of the factors that AWDF considers in procurement.

*The factors that we consider in procurement are equity meaning we give equal opportunities to potential suppliers and service providers (Interviewee 4, Interviewee)*

##### **4.4.2 Effectiveness and Efficiency**

During procurement process at AWDF, we consider the effectiveness of potential suppliers as part of the factors. Suppliers would have to be reliable and not disappoint us when they would have to deliver goods and services at the expected time. According to Handfield (2009), modern procurement falls under two categories namely effectiveness and efficiency. Effectiveness refers to when by selecting a supplier, the goal of that procurement process would be met while efficiency refers to the relationship between planned and actual sacrifices to realise a previously agreed upon goal. According to Hugo and Badenhorst-Weiss (2011), the efficiency of procurement process impacts on three key organisational areas. The profit leverage, the turnover/total cost balance and the return on investment. At AWDF, efficiency is considered in their procurement process and this was confirmed by the interviewees.

*Effectiveness is also considered in procurement we ensure that quality goods or services would be provided by the potential suppliers (Interviewee 5, Interviewee 6)*

*In assessing the bid from potential goods and services suppliers, we also look at their efficiency in terms of meeting delivery timelines (Interviewee 4, Interviewee 3)*

*At AWDF we have a Procurement manual which indicates the guidelines that need to be followed when procuring goods and services (Interviewee 1, Interviewee 2)*

#### **4.4.3 Smooth and Transparent Process**

Transparency is a key in the procurement process in AWDF. Transparency is essential in every procurement process.

*We have a very smooth and transparent procurement process at AWDF (Interviewee 11, Interviewee 13)*

#### **4.4.4 Value for money**

The interviewees noted that they consider factors like value for money which Le Roux de la Harpe (2009) asserted that the objective of every procurement must be to obtain goods and services that give value for money.

*At AWDF we consider factors like quality, value for money, efficiency and transparency so as to ensure that the best items or services are procured and also getting value for money (Interviewee 4, Interviewee 2)*

*We also consider economy where we consider the value for money pricing and accountability (Interviewee 7, Interviewee 10)*

#### **4.4.5 Cost**

The ability to get value for money for goods or services you are procuring at a minimum cost is important in every organisation. Aside from the cost, the potential supplier must be reliable by demonstrating that they have the goods and services that

are being procured. According to D'amini (2016), at the selection stage of a supplier in the procurement process, a supplier with the lowest price is selected.

*We also look out for the cost that the suppliers are bringing on board, the dependency of the suppliers that is whether they can be reliable or not (Interviewee 8, Interviewee 9)*

#### **4.4.5 Durability**

Though cost is essential to the procurement of goods and services, the durability of these goods and services must not be overlooked. All the respondents asserted that durability of the goods and services is taken into consideration during procurement.

*We consider the durability as a factor in addition to the cost (All respondents)*

### **4.5 CHALLENGES IN PROCUREMENT PROCESS USED BY THE AWDF**

#### **4.5.1 Inadequate Understanding of Procurement**

The analysis of the interviewee's responses revealed that some of the staff do not fully understand procurement of goods and services which could affect the organisation in diverse ways

*Most of the staff do not have a full understanding of the procurement process (Interviewee 4)*

#### **4.5.2 Poor responsiveness of supplier**

According to Masiko (2013), in dealing with potential suppliers, there is the need to look out for the quality offered, on-time delivery requested and confirmed, supplier rating score and contract compliance. These determine the attitude of businesses

*There is this challenge of potential suppliers not putting in their bid if they have been rejected several times by us. This is a problem because instances that they fail to bid, they might have been the right suppliers (Interviewee 5, Interviewee 3)*

*Some of the suppliers' delay in furnishing us with a proforma invoice or proposals for equipment or services (Interviewee 1, Interviewee 7)*

#### **4.5.3 Differences in the Brand Quoted by the Suppliers**

Some of the respondents asserted that when procuring goods especially, most of the suppliers provide quotes from the same specification but different brands. This becomes a challenge in selecting the right one. Sometimes too others provide different quotes from different source where the least quote from a supplier may not be from a reliable brand thereby forcing procurement unit to go in for the most reliable brand but at a higher cost.

*Suppliers mostly provide different brands but with the same required specifications for equipment and this makes it a problem in deciding which one to choose (Interviewee 6, Interviewee 8)*

#### **4.5.4 Suppliers have bad business relationship**

According to Carr and Pearrrson (2002), the relationship with suppliers begins before the first order is placed and when the relationship between potential suppliers and organisations are not healthy, it can affect the procurement of goods and services.

*Some suppliers have bad business attitude and sometimes fail to honor invitations (Interviewee 5)*

*The suppliers lack adequate skills in stock management and are unable to be strategic in the market (Interviewee 11)*

#### **4.5.5 Bureaucracy**

The processes that have to be followed before a supplier is selected can be long and tiring which drags the duration of the procurement process thereby creating more



problems if that particular goods or services are needed to solve a particular problem. Also each bid submitted must be scrutinized effectively in order to help selecting the right supplier for AWDF. According to Bailey et al. (2008), the procurement unit would have to understand the market place to source from, know their suppliers well, organize supplier visits in order to be well acquainted with suppliers' costs, wages and distribution costs. All these take time thereby delaying the procurement process.

*Bureaucracy in AWDF where before a proposal is selected from those supplied by the potential suppliers, it would have to go through a lot of channels in the organisation. This delays the procurement process (Interviewee 10)*

*The demands of AWDF in procuring takes long because you would need at least 3 invoices and some of the potential suppliers may not be willing to give in their invoices (Interviewee 2)*

#### **4.5.6 Delay on the part of suppliers**

The delay of the selected supplier in supplying the goods or services is a challenge because in a case like this, the whole procurement process must be started all over again to select another supplier.

*Most of the suppliers' delay in giving us invoices because whenever they submit an invoice, we do not select them (Interviewee 13)*

*Per the procurement requirements of AWDF, at least 3 quotations are needed before a decision can be made. However, getting all the 3 is mostly challenging (Interviewee 12)*

## **CHAPTER FIVE**

### **SUMMARY CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 INTRODUCTION**

This chapter presents the summary and major findings of the study, the conclusions drawn from the study and the recommendations made. The findings that were made from this study were summarized under each respective objective.

#### **5.2 SUMMARY AND CONCLUSION**

##### **5.2.1 Objective 1: To determine the procurement process or practices used by African Women's Development Fund (AWDF)**

Interviewees were asked to state the procurement processes or practises that are used by African Women Development Fund. They stated that competitive tendering is used in AWDF where potential suppliers are required to submit their quotes or proforma invoices which would be used in selecting a supplier that can offer value for money at a lower cost. Also, in AWDF single sourcing is sometimes used as a form of procurement however, it must be approved by the management of the organisation. Furthermore, AWDF has designed their own procurement manual with the World Bank Procurement Procedures which allows other foreign companies to also submit their quotes to goods and services.

##### **5.2.2 Objective 2: To analyse factors that influence procurement process/practice use by AWDF.**

In procurement, the AWDF assesses the quotes submitted by potential suppliers by using some factors which influence their decisions; Equity, Effectiveness, Smooth and Transparent Process, Value for money, Cost and Durability. All these factors

considered help AWDF to make the right decision in selecting the right supplier who can supply them with goods or services at a very competitive price.

### **5.2.3 Objective 3: To assess challenges in the procurement practices/process used by AWDF**

Inadequate Understanding of Procurement, Poor responsiveness of suppliers, Differences in the Brand Quoted by the Suppliers, Suppliers have bad business skills, Bureaucracy and delays on the part of suppliers were the challenges that emanated from the interview concerning the procurement practices or processes that are used by AWDF

## **5.3 CONCLUSION**

This research sought to determine the procurement process or practices used by African Women's Development Fund (AWDF), to analyse factors that influence procurement process/practice used by AWDF and to assess challenges in the procurement practices/process used by AWDF. The study was able to determine the procurement process at African Women Development Fund; the factors they consider when selecting potential suppliers of which some are Equity, Effectiveness and Cost and Durability. The study provided insight into the concept of procurement practices in Non-governmental organizations. The study concludes that most of the respondents have little or no information about the procurement activities that the AWDF engages in. Generally, program officers and specialist are involved in the procurement activities. In AWDF, personnel in charge of procurement are the Departmental Heads whereby the selection is based on the department requiring the services of the consultant with the approval of the Departmental Heads. AWDF Senior Management

Team doubles as the Procurement Review Committee to evaluate the purchase of capital items above \$5,000.00 and the Board approves above \$50,000.00

#### **5.4 RECOMMENDATIONS**

Based on the challenges and problems identified in this research in the procurement process of African Women Development Fund, it is recommended that

The specialist and program officers involved in procurement process will channel all procurement activities to assigned procurement officer.

There is the need to establish a procurement unit since the life of every organisation heavily depends on its procurement unit or department for all procurement activities to be channeled.

There is the need to employ a procurement professional as a procurement assistant with an HND in Purchasing and Supply from the Polytechnic to start with

Procurement activities should be published in the newspapers, noticeboards, website, and all Social media platforms of the organisations.

Studies reveals that experienced staff carry out duties in a professional manner and reduces wastage of resources. Management should therefore ensure that procurement practices in AWDF conform to the ethical standards of CIPS. The procurement review committee should also be empowered in order to perform their tasks to the standards required of them or a more effective review committee should be formed.

Procurement practices in AWDF should continually be reviewed and updated to reflect the changing dynamics. There should also be a standardization of procurement practices across donors to ensure consistency in the application of this practices. This will ensure that all procurement practices by International Non-Governmental

Organisations adhere to uniformity just like the case of the public bodies which adhere to the Public Procurement Act.

### **5.5 LIMITATIONS OF STUDY**

This research was a case study conducted in African Women Development Fund the findings from this research cannot be generalized for every organization. The respondents had busy working schedules which derailed the process of data collection. However, this limitation was tackled by emphasizing that the data was needed urgently academic research.

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## **APPENDIX**

**KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY,  
KUMASI**

**DEPARTMENT OF CONSTRUCTION TECHNOLOGY AND  
MANAGEMENT**

**TOPIC: ASSESSING PROCUREMENT PRACTICES IN THE NGO SECTOR:  
A CASE STUDY OF THE AFRICAN WOMEN'S DEVELOPMENT FUND**

### **INTERVIEW GUIDE**

This study is being conducted as part of an academic requirement for the award of MSc. Procurement Management. It is to assess the procurement practices in the NGO sector. A case study on the African Women's Development Fund (AWDF)

The objectives of the study are:

- To determine the procurement process or practices used by AWDF
  - To analyse the factors that influence the procurement practices used by AWDF
  - To assess the challenges in the procurement practices used by AWDF
- The information obtained from this survey shall be kept anonymous completely confidential.

Your participation in this interview is much needed and would be highly appreciated for the success of the research.

#### **STUDENT:**

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## **INTERVIEW QUESTIONS**

1. What is your Name?
2. What is your Level of education?
3. What position do you hold in the organization and for how long have you worked with AWDF?
4. What sector do you fall within?
5. Is your NGO self-sustainable and how has funding been in the past five years?
6. Do your organization have a procurement Manual and is it a standard one or dependent on donor funding?
8. Comment on the impact the Public Procurement Act has on how procurement is conducted in your organization
9. How do you manage project which are funded by more than one donor?
10. What specific challenges do you see in procurement of goods and services?
11. What are the procurement process and practices used by AWDF?
12. What are the factors that influence the procurement process/practices?