

**UNIVERSITY OF EDUCATION WINNEBA**

**COMPLIANCE WITH THE PUBLIC PROCUREMENT ACT 2003, (ACT 663): A CASE  
STUDY OF SELECTED SECOND CYCLE EDUCATIONAL INSTITUTIONS IN  
ASHANTI REGION OF GHANA**

**ANTHONY FRANK OBENG**



**MASTER OF BUSINESS ADMINISTRATION-ACCOUNTING**

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**UNIVERSITY OF EDUCATION WINNEBA**

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ASHANTI REGION OF GHANA**

**ANTHONY FRANK OBENG**

**A dissertation in the Department of Accounting Studies Education, Faculty of Business  
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requirement for the award of the degree of**

**Master of Business Administration**

**(Accounting)**

**in the University of Education, Winneba**

**August, 2016**

## DECLARATION

### STUDENT'S DECLARATION

I, ANTHONY FRANK OBENG declare that this thesis, with the exception of quotations and references contained in published works which have all been identified and duly acknowledged, is entirely my own original work, and it has not been submitted, either in part or whole, for another degree elsewhere.

SIGNATURE:.....

NAME: ANTHONY FRANK OBENG

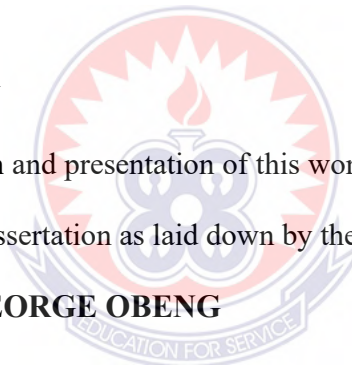
### SUPERVISOR'S DECLARATION

I hereby declare that the preparation and presentation of this work was supervised in accordance with the guidelines for supervision of Dissertation as laid down by the University of Education, Winneba.

SUPERVISOR'S NAME: **MR. GEORGE OBENG**

SIGNATURE:.....

DATE:.....



## **DEDICATION**

I dedicate this work to my beautiful and lovely wife, Mrs. Patricia Obeng, my boy child, my sisters, Mrs. Agartha Waye and Ms. Felicity Atta Araba obeng and my parents. Mr. & Mrs. Obeng for their support both financially and spiritually. God almighty bless them.



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## TABLE OF CONTENT

| CONTENT.....           | PAGE |
|------------------------|------|
| DECLARATION .....      | iii  |
| DEDICATION .....       | iv   |
| ACKNOWLEDGEMENT .....  | v    |
| TABLE OF CONTENT ..... | vi   |
| LIST OF TABLES .....   | ix   |
| LIST OF FIGURES .....  | x    |
| ABSTRACT.....          | xi   |

### CHAPTER ONE: INTRODUCTION

|                                      |   |
|--------------------------------------|---|
| 1.0 Background of the Study .....    | 1 |
| 1.1 Statement of the Problem.....    | 4 |
| 1.2 Objectives .....                 | 6 |
| 1.3 Research Questions.....          | 6 |
| 1.4 Significance of the Study .....  | 7 |
| 1.5 Limitations .....                | 7 |
| 1.6 Delimitations of the Study ..... | 8 |
| 1.7 Overview of Methodology.....     | 9 |
| 1.8 Organization of the Study.....   | 9 |

### CHAPTER TWO: REVIEW OF RELATED LITERATURE

|   |    |
|---|----|
| 2.0 Introduction.....   | 11 |
| 2.1 The Meaning of Public Procurement .....                       | 11 |
| 2.2 Legal and Regulatory Frameworks of Public Procurement.....    | 14 |
| 2.2.1 Overview of the Public Procurement Act, 2003 (Act 663)..... | 16 |
| 2.3 The Principle of Transparency in Procurement .....            | 17 |
| 2.4 Value for Money .....   | 22 |
| 2.5 Procurement in the Education Sector.....                      | 24 |
| 2.6 Procurement Challenges .....                                  | 25 |

### **CHAPTER THREE: METHODOLOGY**

|   |    |
|---|----|
| 3.1 Introduction.....                             | 29 |
| 3.2 Research Design.....                          | 29 |
| 3.3 Population .....                              | 30 |
| 3.4 Sampling and Sampling Technique .....         | 30 |
| 3.4.1 Sampling Technique .....                    | 31 |
| 3.4.2 Sampling Size .....                         | 31 |
| 3.5 Sources of Data .....                         | 32 |
| 3.5.1 Primary Sources.....                        | 33 |
| 3.5.2 Secondary Sources.....                      | 33 |
| 3.6 Data Collection Procedure and Techniques..... | 33 |
| 3.7 Validation and Reliability of the Study ..... | 34 |
| 3.8 Data Analysis.....                            | 35 |
| 3.9 Ethical Issues .....                          | 35 |

### **CHAPTER FOUR: PRESENTATION AND ANALYSIS OF DATA**

|  |    |
|--|----|
| 4.0 Introduction.....  | 36 |
| 4.1 Demographic Data of Respondents .....  | 36 |
| 4.1.1 Gender Distribution of Respondents.....  | 36 |
| 4.2 Level of Awareness of Public Procurement Act 2003, (Act 663) .....                                 | 39 |
| 4.2.1 Procurement Unit.....  | 40 |
| 4.2.2 Respondents Awareness of the Public Procurement Act 2003, (Act 663) .....                        | 40 |
| 4.2.3 The Public Procurement Act 2003, (Act 663) is Applicable to Public Educational Institutions..... | 41 |
| 4.2.4 Public Contracts must pass Through the Procurement Process.....                                  | 42 |
| 4.2.5 Preparation of Procurement Plans and its Approval.....   | 43 |
| 4.2.6 School Tender Committee .....  | 44 |
| 4.3 Compliance with the Public Procurement Act 2003, Act 663.....                                      | 45 |
| 4.3.1 Preparation of Procurement Plan for Approved Programmes .....                                    | 45 |
| 4.3.2 Maintaining Records of Procurement Proceedings.....  | 46 |
| 4.3.3 Public Second Cycle Schools Maintain Records of Tendering Proceedings.....                       | 48 |

|   |    |
|---|----|
| 4.3.4 Communications are Referred and Confirmed in Writing.....                     | 49 |
| 4.4 Challenges Affecting Compliance of Public Procurement Act 2003, (Act 663).....  | 50 |
| 4.4.1 Delay in Procurement due to Bureaucratic Manner.....                          | 50 |
| 4.4.2 Inexperience of Procurement Professionals.....                                | 51 |
| 4.4.3 Inaccurate Records/ Poor Record Keeping.....                                  | 53 |
| 4.4.4 Lack of Transparency and Accountability.....                                  | 54 |
| 4.5 Effects of Procurement Practices on Cost of Items in Senior High Schools.....   | 55 |
| 4.5.1 Effect of Lack of Transparency on Cost of Food.....                           | 55 |
| 4.5.2 Effects of Procurement Practices on Cost of Items in Senior High Schools..... | 56 |
| 4.5.3 Lack of Proper Procurement Leads to Shortage of Products and Items.....       | 57 |
| 4.5.4 High Cost of Advertisement Impacts Negatively on Cost of Items Purchased..... | 58 |

## **CHAPTER FIVE: SUMMARY CONCLUSION AND RECOMMENDATIONS**

|  |    |
|--|----|
| 5.0 Introduction.....  | 60 |
| 5.1 Summary of Findings.....   | 60 |
| 5.1.1 Level of Awareness of Staff on the Public Procurement Act 2003, (Act 663).....                                 | 60 |
| 5.1.2 Level of Compliance with the Provision in Act (Act 663) in Selected Second Cycle Educational Institutions..... | 61 |
| 5.1.3 Challenges Associated with the Compliance of the Provisions in Act 663.....                                    | 61 |
| 5.1.4 Effects of Procurement Practices on Cost of Products and Items.....  | 62 |
| 5.2 Conclusion.....  | 62 |
| 5.3 Recommendation.....  | 63 |

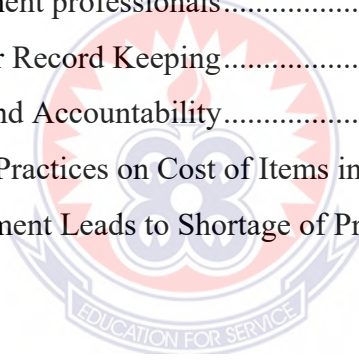
|                 |    |
|-----------------|----|
| REFERENCES..... | 65 |
|-----------------|----|

|               |    |
|---------------|----|
| APPENDIX..... | 72 |
|---------------|----|



## LIST OF TABLES

| CONTENT.....   | PAGE |
|--|------|
| Table 3.2 Distribution of Population and Respondents .....   | 32   |
| Table 1: Gender Distribution of Respondents .....  | 36   |
| Table 2: Number of Years at Post.....  | 37   |
| Table 3: Respondents Awareness of Public Procurement Act 2003, (Act 663). .....                        | 40   |
| Table 4: Public Procurement Act 2003, (Act 663) is Applicable to Public Educational Institutions ..... | 41   |
| Table 5: Public Contracts must pass through the Procurement Process .....                              | 42   |
| Table 6: Preparation of Procurement Plans and its Approval.....  | 43   |
| Table 7: School Tender Committee .....   | 44   |
| Table 8: Delay in Procurement due to Bureaucratic Manner .....   | 51   |
| Table 9: Inexperience of Procurement professionals.....  | 52   |
| Table 10: Inaccurate Records/Poor Record Keeping.....  | 53   |
| Table 11: Lack of Transparency and Accountability.....   | 54   |
| Table 12: Effects of Procurement Practices on Cost of Items in Senior High Schools.....                | 57   |
| Table 13: Lack of Proper Procurement Leads to Shortage of Products and Items. ....                     | 58   |



## LIST OF FIGURES

| CONTENT.....  | PAGE |
|---|------|
| Figure 1: Level of Education of Respondents.....  | 38   |
| Figure 2: Position of Respondents .....   | 39   |
| Figure 3: Preparation of Procurement Plan for Approved Programmes.....                  | 46   |
| Figure 4: Maintaining Records of Procurement Proceedings .....                          | 47   |
| Figure 5: Public Schools Maintaining Record of Tendering Proceedings.....               | 48   |
| Figure 6: Communications are Referred and Confirmed in Writing .....                    | 49   |
| Figure 7: Effects of Transparency on Cost of Food.....                                  | 56   |
| Figure 8: High Cost of Advertisement Impacts Negatively on Cost of Items Purchased..... | 59   |



## ABSTRACT

This study examined the compliance with Public Procurement Act 2003, (ACT 663) among selected second cycle educational institutions in the Ashanti Region of Ghana. The objective was to determine the level of awareness of management and procurement staff of selected schools with the Public Procurement Act and examined the level of compliance with the provisions in Act 663 by the selected senior high schools in the Ashanti Region of Ghana. It also aims at identifying factors affecting compliance with the transparency provisions of Act 663 and examined procurement practices on the cost of boarding fees. The simple random and purposive sampling techniques were used to select the sample which consisted of a population of ten (10) selected senior high schools with ten (10) respondents from each selected senior high school making a sampling size of one hundred (100) in the Ashanti Region.

The finding from the study revealed that the selected educational institutions and respondents were aware of the Public Procurement Act 2003, (ACT 663) as used in the country. Respondents were also aware that the Procurement Act is applicable in all government establishment including second cycle institutions. The results of the study on the effects of procurement practices on cost of feeding revealed that lack of transparency makes the cost of items especially food very expensive, further respondents disagreed that procurement practices had no effects or bearing on the cost of items purchased.

It came to light the policies and procurement procedures outlined in the Public Procurement Act do not totally apply to schools. This is because some of the products, works or services they acquire do not necessarily fall under the threshold of the procurement methods.

Among the recommendations are, senior high schools be provided with procurement units that are managed by quality personnel who have the requisite knowledge, training and competence in procurement.

## CHAPTER ONE

### INTRODUCTION

#### 1.0 Background of the Study

The educational sector is one of the largest public sectors of any country. According to the Ghana Guide, there are over 650 senior high schools in Ghana with the number being on the increase (Auditor General Report, 2015). However, because there is a linkage between corruption and procurement, this study looks at the issue of compliance and procurement practices in second cycle schools and links it to the public procurement law.

In the education systems, people who are involved in the educational process are confronted by corrupt practices at a point in time. Poisson (2010) claims that it is not a new phenomenon; however research began only a decade ago. The reasons for this was that corruption issues came up only recently on international agenda with the adoption of the Organization for Economic Cooperation and Developments 1999 Convention on Combating Bribery of Foreign Public Official in International Business Transaction and the adoption of the 2003 United Nations Convention Against Corruption (UNCAC). Secondly, the parties involved in education feared the fact that the image of the sector might be tarnished and accordingly resources allocated to the sector might reduce. This is due to the new challenges that emerged such as rapid growth in resources allocated to education, the decentralisation of education system funding and management just to mention a few. These challenges according to Poisson (2010) present new opportunities for large scale corruption and fraud.

According to the Auditor General Report in 2012, there have been recurrent reports on financial irregularities in Senior High Schools in Ghana simply because of laxity in controls and disregard for procurement rules and other financial rules and regulations. The Auditor General's Report

was issued to and discussed by the public account committee in parliament of Ghana. Specifically, the committee explored the procurement processes in the Senior High Schools, examined the effectiveness of the internal control systems and the measure to improve the financial control practices in the institution. According to the committee laxity and disregard for procurement and financial rules leads to waste and extra cost to government, schools, students and the country as a whole (Auditor General's Report 2012).

To improve accountability and transparency in the education sector, action must be taken on three main topics namely, the development of transparent regulation systems and standards, the building of management capacity and the promotion of greater ownership of administrative and financial processes. One way of doing this is by following procurement practices in the country (Anderson, 2010).

Public procurement in the Ghanaian educational sector has not been properly looked at even though it is faced with many challenges which go a long way to affect the educational sector. This is because the effectiveness of the procurement law is based on its transparency, and accountability. If these two words cannot be satisfied then it means that the schools operations are hindered (Dennis, 2014).

The Public Procurement Act, 2003 (Act 663) was introduced to improve financial management and judicious use of state resources (Arrowsmith, 2009). One of the objectives of Act 663 (Section 2 of the Act) is to ensure that public procurement is carried out in a transparent manner (Dennis, 2014). This objective runs through the components and objectives of public procurement management. Increasing transparency in the public procurement system has been an on-going concern of various governments, as well as of the international development community (Osei-Tutu et al., 2011).

Public procurement is broadly defined as the purchasing, hiring or obtaining by any other contractual means of goods, construction works and services by the public sector. Public procurement is alternatively defined as the purchase of commodities and contracting of construction works and services if such acquisition is effected with resources from state budgets, local authority budgets, state foundation funds, domestic loans or foreign loans guaranteed by the state. Public procurement thus means procurement by a procuring entity using public funds (World Bank, 2012).

In 1999, the Government of Ghana established the Public Procurement Oversight Group to steer the development of a comprehensive procurement reform program (World Bank, 2012). This led to the drafting of the Public Procurement Bill in 2002 and was passed into law on 31<sup>st</sup> December, 2003 as the Public Procurement Act of 2003, Act 663 (Ministry of Finance, 2004).

The Public Procurement Act provides highlights on roles, regulations, procedures, and processes in the public sector procurement and gives parameters that govern procurement activities which involve the use of public funds. The Act established the Public Procurement Authority (section 1 of Act 663) which that seeks to harmonizes the processes of public procurement in the Public Service to secure a judicious, economic and efficient use of state resources in public procurement and ensure that public procurement in a fair, transparent and non-discriminatory manner (section 2).

The essence of an efficient public sector procurement system no doubt is to create wealth and ensure good governance in all institutions and organizations. It is to reduce poverty, corruption and improve the entire public financial management system. Public procurement is the process of acquiring goods, works and services at the best possible total cost, in the right quantity, quality, time and place for the benefit of society. Since procurement is the means by which public

resources are protected, it is important to ensure efficiency and economy within the procurement system (Public Procurement Board, 2011). It requires reforms and stringent adherence to procurement laws. Effective evaluation and monitoring of a procurement process has had any impact on corporate economies of developing countries. Even though the adoption of procurement policies, rules and regulations are laudable, unfortunately such policies, principles, rules and regulations governing procurement are still faced with challenges especially in second cycle educational institutions in the country (Public Procurement Board, 2011).

### **1.1 Statement of the Problem**

In 2011, a report by the Public Procurement Authority (2012) identified that there were varying questions to answer in terms of cost items of similar products procured in second cycle schools in Ghana. The Public Procurement Authority in Ghana in its review identified the weakness in the public institutions that needed urgent attention. These weaknesses include lack of qualified procurement personnel, incorrect interpretation and application of some provisions of the Procurement Act, slow pace in regularizing the regulation, lack of clear procedure for emergency procurement, lack of training avenue, poor record management, poor procurement planning, poor contract management and high cost of advertisement, (Public Procurement and Disposal of Asset Authority, 2011). These unfortunate realities continue to play down the importance of the Public Procurement Act 2003, (Act 663) as a key function in reducing corruption, inefficiency and public sector wastage. The Public Accounts Committee of parliament in 2012 discovered that poor procurement practices and poor internal controls measures lead to extra costs on schools and government as a whole (AGR, 2012).

It has been realized that most second cycle educational institutions clearly face such challenges in the country and has raised eyebrows among stakeholders (Adu Sarfo, 2011). Due to poor procurement practice and its attended cost incurred, students and parents somewhat bear the cost. More so, the Auditor General's report covering the financial year ended 31 December, 2010-2012, revealed several malfeasances among senior high schools and training colleges in the country has been uncovered. The significant findings contained in the report include cash irregularities, procurement irregularities, stores, payroll and tax irregularities as well as the failure to submit financial statements for validation; the failure to collect outstanding debts and the failure to honour financial commitments to creditors. Although not the same in their total value each year, they are indications that not much had been done by the managements of the institutions and the Ghana Education Service to reduce and eventually eliminate these irregularities (Auditor General's Report, 2012).

Due to the unapproved and poor means of procurement in the purchase of items such as stationery, chemicals (disinfectants), electrical items, building materials, ICT equipment just to mention a few, cost are shifted to students and parents. This stems from the fact that government has approved fees for students but some selected schools charge more than the approved fees. A fee of GH¢ 385 for boarders and GH¢ 73 for day students is to be charged on third term of 2015/2016 academic year. However, it has been realized that some schools charge as high as GH¢400- GH¢ 550 that term for boarding students and GH¢ 100-GH¢150 for day students among the selected schools used for the study raising questions as to why this is so.

There is therefore the need for an efficient, non-corrupt and transparent public purchasing system that will comply with the rules and regulations as found in the public procurement act. In an attempt to improve public procurement law and help realize the challenges with effective



solutions, this study examined the compliance with Public Procurement Act 2003, (Act 663) among selected second cycle educational institutions in the Ashanti Region.

## **1.2 Objectives**

The general objective of the study is to examine the compliance with Public Procurement Act 2003, (Act 663) among selected second cycle educational institutions in the Ashanti Region of Ghana.

The specific objectives are to:

1. Determine the level of awareness of management and procurement staff of selected schools of the Public Procurement Act
2. Find out the level of compliance with the provisions in Act 663 by the selected senior high school in the Ashanti Region of Ghana
3. Identify factors affecting compliance with the transparency provisions of Act 663.
4. To examine the cost of procurement activities on selected senior high schools.

## **1.3 Research Questions**

1. What is the level of awareness of management and procurement staff of the public procurement Act 663?
2. What is the level of compliance with Act 663 by the selected ten senior high schools in the Ashanti Region of Ghana?
3. What are the challenges associated with the compliance of the transparency provisions in Act 663?

4. What is the effect of procurement activities on the cost of feeding of selected senior high schools?

#### **1.4 Significance of the Study**

This research will provide essential information to policy makers about the impact of the procurement law for public institutions in the country. The findings of the study will be an important source of information to the Public Procurement Authority, The Ghana Supply Company and the management and staff of second cycle educational institutions. The information from the study will give Public Procurement Authority a fair knowledge of the effects of the framework agreement and possible adjustments that need to be done to better the procurement processes.

The study will also give useful information to the Ministry of Education and the Ministry of Finance and Economic Planning to undertake interventions to promote efficient procurement processes that will help obtain value for money. Additionally, the findings could augment the pool of data required by other researchers in their bid to design interventions to solve procurement problems in the nation and also serve as a source of information for further research work on the topic.

The study would provide empirical data to facilitate proactive management action to improve the quality of procurement of goods and services being provided at various second cycle institutions.

#### **1.5 Limitations**

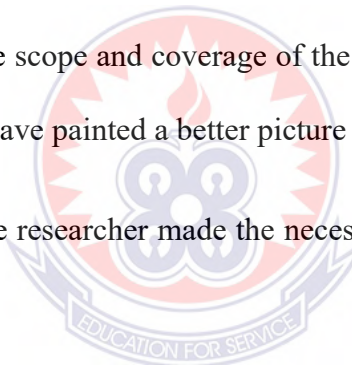
During the research a lot of limitations were expected to be encountered especially in the collection of data. Firstly, respondents were reluctant and refused to assist in the administration

of the questionnaire since most of them claimed that the questions were too lengthy while others thought that through their answers they could be victimized. Respondents were assured of confidentiality of the research work and that it is mainly for academic purposes and so all responses will be treated as confidential and that their identities will not be disclosed anywhere.

Another challenge faced by the researcher was in the area of questionnaire administration and retrieval. Respondents were always busy at work while headmasters and mistresses and accountant were difficult to meet for schedule interviews. Despite these constraints concerted efforts were made to ensure better response and retrieval of questionnaires while other respondents were encouraged to answer the questionnaires.

Finally, time constraint limited the scope and coverage of the study because it is the researcher's belief that a broader scope could have painted a better picture of the situation.

In spite of all these challenges, the researcher made the necessary effort to make the study come into fruition.



## **1.6 Delimitations of the Study**

The study is delimited to examine the compliance of Public Procurement Act (Act 633) among selected second cycle educational institutions in the Ashanti Region of Ghana because of availability and accessibility of information. The study looked at procurement and its challenges in second cycle institutions. This ensured a detailed investigation, which would yield more valid and reliable results.

The study is delimited to core employees, especially the procurement staff and management of the selected schools, since the policies and procedure adopted affect staff and the institutions as a whole. This facilitated mobility to target population as well as to cut down cost comparatively.

### **1.7 Overview of Methodology**

Primary and secondary sources of data were used in the research. Questionnaires and interviews were used in the collection of the primary data. Secondary data was sourced through the use of books, articles, journals and other written materials. Electronic search engines such as the internet and Encarta encyclopedia were used.

The population of the study was all staff of ten selected senior high schools in the Ashanti region. The schools included Opoku Ware Senior High School, Prempeh College, Yaa Asantewaa Girls Senior High School, T. I. Ahamadiyya Senior High School, Kumasi Secondary Technical School, Ejisuman Senior High School, Kumasi Girls Senior High School, St. Louis Senior High School, Anglican Senior High School and Osei Kyeretwie Senior High School. The study limited its sample size to one hundred (100). The simple random and purposive sampling techniques were adopted in the selection of the sample units or respondents for the study.

### **1.8 Organization of the Study**

This study is organized into five chapters. Chapter one is the introduction to the work and it states clearly states the research problem, objectives and significance of the study.

Chapter two reviews the relevant literature. In this section, a brief history of the Public Procurement Law, and the perception of Ghanaians of the Public Procurement Act 2003, (ACT 663)

Chapter three discusses the methodology to be used to answer the research objectives. This would include method of collection and analysis.

Chapter four would analyze and critique the data found.

Chapter five concludes the study and makes recommendations to the Public Procurement Authority.



## CHAPTER TWO

### REVIEW OF RELATED LITERATURE

#### 2.0 Introduction

This chapter provides information about aspects of previous works done by other researchers which relate to this study. The review, therefore, looks at theory, methods and techniques suitable for the research problem under investigations. Emphasis is placed on similar and different ways earlier researchers have carried out further research into procurement.

#### 2.1 The Meaning of Public Procurement

Procurement is the process of obtaining goods and services from preparation and processing of a requisition through to receipt and approval of the invoice for payment. It commonly involves purchase planning, standards determination, specifications development, supplier research and selection, value analysis, financing, price negotiation, making the purchase, supply contract administration, inventory control and stores, and disposals and other related functions (Kakwezi & Nyeko, 2010).

The definition as found in Ghana is quite broad in nature and includes the management or administration of the contractual framework. Procurement is the process of acquiring goods, works and services (Public Procurement Board, 2003). It is the buying, purchasing, renting, leasing or otherwise acquiring any information, material, service, construction or construction service (Lloyd and McCue, 2004). It is also the acquisition by purchase, rental, lease, hire-purchase, license, tenancy, franchise or any type of works, services or supplies or any combination up to the time a user consumes or utilizes a service as per his requirement and in

line with the procurement Act and regulations of the country (Public Procurement Development Agency, 2014).

Procurement is the acquisition of appropriate goods, works and services from an external source at the best possible cost to meet the needs of the purchaser in terms of quality, quantity, time and location (McGlinchey, 2014). It is the management of sustainable acquisition of goods, works and services to optimize value for money (Sarpong, 2007).

Public procurement is the process by which governments and organizations acquire goods, works and services from outside the performing organization using public, corporate or personal funds (Public Procurement Agency, 2007). It is the process by which government departments or agencies purchase goods and services from the private sector. It takes place at both the national and regional level, and the process is usually subject to specific rules and policies covering how the relevant decisions are made (Lister, 2014). Waara (2007) defines public procurement as any purchasing performed by any public authority within various sectors of the economy. It is the process whereby public sector organizations acquire goods, services and works from third parties (OGC, 2008). Public procurement is the procurement of goods and services on behalf of a procurement authority such as government agency (Brack, 2013).

From the foregoing, it may be concluded that public procurement is concerned with how goods, works and services are acquired at the lowest possible total cost in the right quality, quantity, time and place for the benefit or use of government, public institutions or corporations through contract (Public Procurement Act, 2007). It is the way in which public policies are implemented and, therefore, has an important effect on the economy and a direct impact on the daily lives of the people (Ghana Integrity Initiative, 2007). It is a comprehensive process that begins with

proper procurement planning, budget allocation, bids invitation, tender evaluation, contract award, contract management, and performance measurement, monitoring, auditing and reporting. It involves selecting a contractual framework and identifying the responsibilities of the parties involved (Public Procurement Act, 2007).

Public procurement may be referred to the designated legal authority to advice, plan, obtain, deliver and evaluate a government's expenditure on goods and services that are used to fulfill stated objectives, obligations and activities in pursuant of desired policy outcomes. It is a public policy tool used to translate development finance into particular economic and social outcomes (Ellmen, 2011).

For procurement to achieve its objectives, it should follow the following principles:

1. Professionalism which is the discipline whereby educated, experienced and responsible procurement officers make informed decisions regarding purchase operations (Adjei, 2006; PPA, 2008);
2. Competitiveness: the active encouragement of greater suppliers to participate in the tendering process through advertising, sourcing review, prequalification and transparent procedures (EBRD, 2013);
3. Ethical Approach: This principle deals with the need for an exemplary approach to all procurement processes that cannot be questioned or criticized (Transparency International, 2009);
4. Fairness: showing consideration and impartiality at all stages of the procurement process, especially demonstrating equality in tender evaluation (Adu Sarfo, 2011);
5. Transparency: The procurement process needs to be open enough to avoid giving competitive bidders advantage over one another (Sarpong, 2007); and



6. Value for money: It is the best or most favourable combination of whole-life cost and quality to meet the customers' requirements (World Bank, 2003).

These principles are in line with the World Bank's (2003) principles of procurement and it is essential to see these principles in all procurements. Any procurement which does not make use of these principles is not in the interest of the nation and should not be considered as a good procurement (Adu Sarfo, 2011). The principles of procurement are linked to transparency one way or the other. Transparency is a condition, which is necessary if value for money will be achieved (World Bank, 2003). The purpose of accountability is to strengthen the perception of transparency (PPB, 2007). Greater focus on external accountability can lead to improved governance. In this context transparency mechanisms, among others, have been emphasized (Ahmad, 2008). Transparency imposes predictability and, therefore, bringing the principle of efficiency in policy decisions in procurement (Adu Sarfo, 2011). Transparency makes it possible to create fair procedures and to promote competitiveness (PPA, 2007). All other principles of procurement such as professionalism and ethical approach can be acknowledged only when procurement activities are transparent (Greuning, 2005).

## **2.2 Legal and Regulatory Frameworks of Public Procurement**

The legal and regulatory frameworks of public procurement include the Public Procurement Act, 2003 (Act 663), the Public Procurement Regulations, Guidelines, Standard Tender Documents and Public Procurement Manual (PPB, 2003).

Act 663 was passed by the Parliament of Ghana to provide a comprehensive legal regime to harmonize and safeguard public procurement (Ayitey, 2012) and to bring sanity and conformity to public procurement by instituting bodies and principles that harmonize the public procurement

process and activities (Dabaga, 2013). It establishes the Public Procurement Board, now Public Procurement Authority, as a regulatory body and specifies the functions of the Tender Committees, the Tender Review Boards and the Procurement Entities (Parts I and II; Quaynor, 2009). It specifies or outlines rules for procurement methods, procedures for tendering, appeals by tenderers and disposal of stores (Parts III to VIII and Section 85). As Dabaga (2013) puts it, Act 663 establishes guidelines, principles and tender committees to take charge of its objects, and has establish the Public Procurement Board to harmonize the process of public procurement in the public sector. The Act defines offences under the Act and applicable penalties (Sections 89(4), 92, 93 and 97(3)). It also specifies thresholds which require regular updating in schedules to the Act (Section 94 and Schedule 3 to the Act) and authorizes the issue of Regulations that can be enforced just as under the Act (Section 97(1) and (2)).

The Public Procurement Authority is the central body for policy formulation on procurement with oversight responsibility for the process (Dabaga, 2013). Training is an important function of the Authority (Section 3). The Tender Review Boards are mostly technical people who have enough knowledge of what is being procured. They are also the advisory bodies which help the Committees to review management (Section 20 and Schedule 2) (World Bank, 2013). However, they only come in when the threshold is at its conclusion (Section 21 and Schedule 3).

The Public Procurement Regulations are issued by the Minister of Finance in consultation with the Public Procurement Authority under Section 97 of Act 663. They contain detailed rules and procedures for all aspects of the procurement system including the operations of the Public Procurement Authority and the Procurement Entities, as well as the conduct of procurement activities (PPA Regulation, 2006; Ayitey, 2012).

The Public Procurement Guidelines are issued by the Public Procurement Authority under Act 663 (Dabaga, 2013). They provide supplementary guidance on specific topics such as single source procurement, margins of preference, disposal of stores, plant and equipment, framework contract agreements, and sustainable public procurement, among others. Further guidelines are issued as and when they are required (PPB, 2003).

Standard Tender Documents (STDs) are issued by the Public Procurement Authority for the use by procurement entities in accordance with Schedule 4 to Act 663 (PPA STD, 2010). They contain standard invitation and contract documents for the procurement of all values (Ayitey, 2012) from tender documents to request for quotations. They include separate standard tender documents for goods, works and services (PPB, 2003).

Public Procurement Manual is issued by the Public Procurement Authority. It provides practical guidance and step-by-step procedures to assist procurement entities to undertake procurement in accordance with Act 663. It contains standard forms to assist with procurement record keeping (PPB Manual, 2006).

The regulatory framework (which is the Regulations, Guidelines, STDs and Manual) lends support to the legal framework (that is, the Act). The study considered the legal framework and left the supporting details provided by the regulatory framework.

### **2.2.1 Overview of the Public Procurement Act, 2003 (Act 663)**

Section 14(1) of Act 663 applies to procurement financed from public funds wholly or partly. It also applies to goods, works and services and contract administration. Furthermore, it applies to disposal of public stores and equipment and applies also to procurement financed by funds or loans taken by the government, including foreign aid funds (Ayitey, 2012).

The Act, however, does not apply where the Minister of Finance decides that alternative procedures are in the national interest (Section 14(1) (a)). It does not also apply where a loan or funding agreement specifies alternative procedure, for example, some aid agreement (Section 96). In addition, the Act does not apply to stores management or distribution (Part VIII, that is, Sections 83 and 84; Affotey-Walters, 2007).

The Act, per Section 14(2), applies to the central management agencies; government Ministries, Departments and Agencies (MDAs); subvented agencies; governance institutions; state owned enterprises when using public funds; public universities, schools, colleges and hospitals; the Bank of Ghana and financial institutions owned or majority owned by the government; and institutions established by the government for the general welfare of the public (Quaynor, 2009).

### **2.3 The Principle of Transparency in Procurement**

This section deals with the procurement principles relating to compliance in respect of transparency. The objective of this section is to find out the meaning and indicators of transparency.

“Transparency” means the quality of being easy to understand or know about or being clear and about which there is no doubt. Thus, transparency in procurement means the act of making activities within procurement very visible so that the activities are clear, understandable and without doubt (Encarta, 2010).

Transparency has, therefore, been defined by various scholars in the light of the above meaning. According to Osafo-Marfo (2003), transparency means information on decisions taken is freely available and directly accessible to those who will be affected by such decisions and their

enforcement. It also means that those decisions taken and their enforcement are done such that they follow rules and regulations. It, again, means that as much information as needed is provided and that it is provided in forms and media that are easy to understand.

Transparency has also been defined as a principle that allows those affected by administrative decisions, business transactions or charitable works to know the basic facts and figures and also the mechanisms and processes (OECD & World Bank, 2007).

Greuning (2005) also states firmly that transparency refers to the principle of creating an environment wherein information on existing actions, conditions and decisions are made accessible, understandable and visible to all individual participants. Transparency, again, means promoting accountability and better governance (Ahmad, 2008). The general public will be able to effectively monitor public sector institutions and, for that matter, poor decisions will not go unnoticed and/or unquestioned. It forces the public sector and institutions to make quality decision, especially if they know they will have to justify their actions, decisions and views afterwards, and leads to more efficiency in the public sector (Greuning, 2005; Adu Sarfo, 2011).

Transparency in decision making reduces the number of appeal cases and allows aggrieved citizens to discover the formal reasons for a decision (ARC, 2004). It enables decisions which are perceived to be flawed or unfair to be challenge. Incorporating mechanisms to promote procedural fairness and creating an appeals process for aggrieved participants will promote transparency in the decision-making processes (Streck & Lin, 2008).

Transparency has been explained to mean that the same rules apply to all those who supply goods, works and services and that these rules are published as the basis of procurement decisions prior to their use (Adu Sarfo, 2011). I hold a different view in respect of this definition in the sense that applying same rules does not mean information is freely available and directly

accessible or that the information is clearly understood and without doubt. This definition rather supports the principle of fairness which means showing impartiality at all stages of, and demonstrating equality in, the procurement process. Adu Sarfo (2011) would be better understood if he meant that transparency enables open and fair procedures whereby same rules apply to all.

In the context of this study, transparency means that information concerning procurement must be known and accessible to all who participate in the procurement process (Osafo Marfo, 2003). Procurement must be conducted in the most efficient manner upholding the principle of transparency and all transactions must be fully supported with written records (Greuning, 2005; Adu Sarfo, 2011). The rules governing public procurement must be readily available to all interested parties (Greuning, 2005; OECD & World Bank, 2007).

According to Shadrach and Ekeanyamwu (2003), key features of transparency include publicly available information on procurement policies; information dissemination on bidding programmes; standardized documentation and bid lodgment; progressive evaluation of tender documents and declaration of tender results. Government agencies can achieve transparency by skillful planning of procurement through effective and efficient advertisement; public opening of bid documents; effective evaluation of bid documents; the publication of award results; fair and speedy protest and dispute resolution handling processes and the disclosure of signed contracts (Barden, 2006). For Act 663 to achieve transparency, it must follow all the rules and regulations in public procurement.

Thus, indicators of transparency include keeping records on procurement (Osei-Tutu *et al.*, 2011), making those records available for public consumption (Adu Sarfo, 2011), advertisement, publicly opening tenders, public declaration and publication of tender results and award of

procurement contracts (Barden, 2006; Ayitey, 2012), and public dispute resolution handling processes (ARC, 2004). In effect, any activity that enables the public to have information and access to procurement processes and decisions could be considered as a transparent activity.

Procurement entities need to plan their procurement activities and record same. The plans are then published in the Public Procurement Bulletin (Ayitey, 2012). The publication of the plan allows procurement activities of various entities to be made freely available and directly accessible to all interested in the procurement (Greuning, 2005). However, entities do not seem to abide by this provision in the Act. According to the Public Procurement Authority's Procurement Bulletin (2010/2011), in 2010, only 164 entities out of over 1000 entities across the country submitted their annual procurement plan. As at October, 2011 only 199 entities had submitted their plan to the Public Procurement Authority.

Procurement planning is the process of determining the procurement needs of an entity and the timing or their acquisition and their funding such that the entity's operations are met as required in an efficient way (Mullins, 2003). Effective planning is fundamental to project success (Rani, 2011). Effective planning of procurement makes it easy to identify areas where it is performing well and where there is the need for improvement (Kakwezi & Nyeko, 2010). Planning of procurement is supposed to be part of budget preparation process which includes: a detailed breakdown of goods, works, and services required; a schedule of the delivery, implementation and/or completion dates for all goods, works and service procurement; an estimation of the value of each package of goods, works and services required; and the source of funding (Adu Sarfo, 2011).

It is essential that effective planning is carried out prior to procurement. The planning should include consultation with stakeholders about what is needed and the available budget to satisfy



the need; engaging with the market to understand available solutions and how to best meet the requirements; and the establishment of effective governance arrangements and resourcing plans (OGC, 2008). According to Odadirin (2013) entities need to plan speed, certainty of time and knowledge of how much to spend, flexibility in accommodating change, risk allocation and/or avoidance, price competition and dispute resolution. Ellmen (2011) states that procurement plan should cover records management, assessment of request for information, provisions of documents, and interpretation of Act. Planning of the procurement process by public entities needs to be transparent to enable the entities answer questions posed on the procurement issues (Hassim *et al.*, 2010).

Lack of data collection and records by procurement entities prevent the effective monitoring of the tendering process, which is aimed at encouraging transparency in the tendering process. In support of this view, it has been suggested that in order to allow proper accountability in the procurement process, details of procurements undertaking together with all necessary documentations should be available (Jones, 2007).

In Ghana the mass print media have been used in disseminating information. Publishing calls for tenders, notifying contract awards in the media including the successful bidder's name and final price, and bringing more transparency in the award criteria are some of the basic principles of transparency in government procurement which directly affect corrupt practices (Evenett *et al.*, 2005).

In this regard, Act 663 endorses the use of competitive tendering which encourages maximum competition in the procurement system. It involves the use of STDs, advertising procurement opportunities, opening tenders publicly, contract award publication, and creating windows of addressing appeals and complains, among others. Public Procurements using other uncompetitive



methods are vigorously monitored and evaluated by the Public Procurement Authority and Audit Agency to ensure transparency (Barden, 2006).

Again, accurate and readily accessible records of judicial rulings reduce the potential for illicit manipulation resulting from delays, corruption and inaccuracies (ARC, 2004). In Ghana, the Public Procurement Authority has established Appeals and Complaints Panel made up of seven (7) members comprising legal procurement experts and representatives from the private and public sectors. The Panel was inaugurated in 2007 and in that same year it successfully concluded fourteen (14) cases out of twenty (20) cases it had received (PPA, 2007). The appeal and complains procedures give bidding firms the chance to show their disapproval before the procurement process is completed, as well as thereafter (Streck & Lin, 2008).

One of the objectives of Act 663 is to ensure that public procurement is carried out in a transparent manner (Section 2). The literature reviewed so far in this section gives information about what transparency is and the indicators of transparency. However, none was able to come out with provisions in Act 663 which deals with the objective of transparency in the Act. This study fills that gap by identifying the transparency provisions in Act 663 in order to be more specific in checking whether or not this objective of Act 663 is being achieved.

## **2.4 Value for Money**

Value for money refers to the optimum combination of “whole life cost” and “quality” to meet customers or the end-users requirements of the procured goods or service under consideration.

Value for money is a way of comparing alternatives for the supply of goods and services.

Assessing value for money includes consideration of a number of factors. These include the contribution to the advancement of government priorities, cost related factors such as whole-of-

life and transaction costs as well as non-cost factors such as fitness for purpose, quality, service and support, and sustainability considerations.

The concept of Value for Money (VFM) in everyday life according to Glendinning, (1988) is easily understood as not paying more money for a good or service than ensuring that its quality or availability justifies the procurement.

In relation to public spending it implies having a concern for economy, efficiency and effectiveness. In procurement the concept of value for money refers to cost minimization, output maximization and full attainment of the intended results. The practical conclusion is that policy makers in procurements must frame precise aims so that at least there are some criteria with which to compare results. That is there should be laid down values and a means of measuring these values. VFM requires that steps must be taken to ensure that procurement activities of public sector organizations are in conformity with these values.

The concept of VFM also reflects in the price of the item procured. It is the responsibility of a Public Procurement Board according to Adjei (ibid) „to harmonize the processes of public procurement in the public service so as to secure a judicious, economic and efficient use of state resources in public procurement“. This principle of value for money in the procurement system is emphasized by the Act.

Competitiveness in procurement on the other hand refers to the active participation of the relevant private sector and or suppliers and contractors in the procurement process. As Glendinning mentions, competitiveness in procurement is achieved through advertising of tenders, sourcing reviews, prequalification and the adoption of transparent procedures in the procurement systems. He adds that the benefits of competitiveness in procurement cannot be over emphasized. It makes potential savings for the economy, increases in the supplier interest

and develops local industries within the economy. Barrows et al (2003) posits that competitiveness in procurement eventually leads to economic development and poverty reduction because corruption and frauds in procurements are avoided or at least minimized.

## **2.5 Procurement in the Education Sector**

In Ghana, procurement is still “undervalued compared to the other key areas of Public Sector Reforms” (Verhage et al, 2010). The Procurement Act, 2003 has been put in place to bring about efficiency, effectiveness and accountability. Although the government is making efforts to bring about efficiency, and effectiveness into the system or the procurement process; challenges are still out there. The Procurement Act, is supposed to create order in the procurement process of schools. However, that has not really materialized yet as most schools flout the procurement law. According to the auditor general report covering the financial year ended 31 December, 2010-2012, revealed several malfeasances among senior high schools and training colleges in the country. The significant findings contained in the report include cash irregularities, procurement irregularities, stores, payroll and tax irregularities as well as the failure to submit financial statements for validation; the failure to collect outstanding debts and the failure to honour financial commitments to creditors. Though not the same in their total value each year, they are an indication that not much had been done by the managements of the Institutions and the Ghana Education Service Headquarters to reduce and eventually eliminate these irregularities (Auditor General Report, 2012).

More so, it was realized that in terms of procurement, over forty senior high schools made purchases worth GH¢2,384,627.08 without obtaining alternative price quotations to provide assurance that the best available prices had been obtained. This according to the auditor general

impacted negatively on the selected schools as during the academic year such schools were faced with shortage of materials from food to stationery even though huge sums of money were paid to cover the price of such goods and items. The report firmly confirmed that poor procurement practices leads to high cost of operation in senior high schools as it goes a long way to affect purchases such as stationery, cost of feeding, chemicals, building materials ICT equipments among others (AGR, 2012).

From the above report, it is realized that procurement activities and processes are not strictly adhered to in senior high schools in the country.

## **2.6 Procurement Challenges**

Lots of reforms are being implemented to enhance public procurement (Hunja, 2003). This is intended to clean up the bad practices in the procurement sectors, ensuring accountability, and encouraging competition, efficiency and transparency. The reforms, however, come with certain challenges (Hunja, 2003). These challenges include the inability to spread wide the procurement law and implement same (Azeem, 2007) due to inadequate training for procurement managers (Forgor, 2007); and that cost of advertisement out-weighs the real cost of items (Dabaga, 2013).

In 2003, the Country Procurement Assessment Report (CPAR) of Ghana made it known that majority of the staff in charge of procurement at the Ministries, Departments and Agencies (MDAs), and district assemblies were not skilled in procurement despite the fact that they have been trained. According to the report, there is the need for refresher programmes and broad training to make successful the implementation of Act 663. However, financial difficulties make such programs unsustainable resulting in many procurement managers being ignorant in the

application of the Act (Osei-Tutu *et al.*, 2011). Poor record keeping (World Bank, 2003a) have been cited as one of the critical factors that challenge the procurement reforms implementation.

In its review in 2006, the Public Procurement Authority identified some weakness in the procurement system among public institutions that need urgent attention. These included poor record keeping and high cost of advertisement (PPA Annual Report, 2007). The major findings of the Country Portfolio Performance Review [CPPR] of World Bank projects in 2002 also revealed slow project implementation and disbursement due to, *inter alia*, lack of transparent procurement procedures as some identified procurement challenges (Osei-Tutu *et al.*, 2011). A large number of the internal customers act on their own and more frequently bypassed the procurement department (Schiele & McCue, 2006).

Communication between parties to the procurement process is vital to achieving best practice with regards to procurement (CIOB, 2010). Ameyaw *et al* (2012) say, however, that there is not enough interaction between most of the procurement agencies and the Public Procurement Authority and this permits breaches of the law including not communicating procurement to unsuccessful bidders. According to the Chartered Institute of Building [CIOB] (2010), lack of communication is the most significant problem arising during the procurement process.

Procurement challenges in the education sector include the non-involvement of end-users in drawing up specifications for goods contracts (OGC, 2008); poor communication between project implementers and end-users; poor specification for goods contract (CIOB, 2010); tender documents not prior-reviewed by the approval authority; poor or weak contract management; and irregular payment of Government of Ghana counterpart funds (Wilson, 2013). Other challenges identified were that most of the procurement undertaken by the schools dealt with the supply of low value procurement such as perishables like tomatoes and okra, among others. In most cases

procurement officers available were not procurement-proficient. In other cases, one time or another, heads and their accountants and matrons doubled as procurement officers. The procurement staff in most of the educational institutions complained of difficulty in following required procurement processes when dealing with such low value procurements (Osei-Tutu *et al.*, 2011).

The study by Ayitey (2012) revealed weak management and control systems, lack of management commitment, ineffective contract management, weak procurement structures, lack of qualified staff to effectively supervise the procurement operations of entities and, especially, that the education sector does not have functioning procurement units as some challenges affecting compliance with Act 663.

Thus, aside lack of knowledge of the provisions in Act 663 and their implementation by procurement officers (Azeem, 2007; Osei-Tutu *et al.*, 2011) who mostly have insufficient skill in procurement (Forgor, 2007; CPAR, 2003), poor record keeping (World Bank, 2003a) and high cost of advertisement (PPA Annual Report, 2007) have been identified as some of the factors affecting compliance with the transparency provisions of Act 663.

Suggestions about developing peculiar procurement guidelines for the educational institutions came up in most cases. Among these were: procurement practitioners must take cognizance of the amount of time and resources required so they can begin early enough and allow sufficient time to complete the procurement process (Ayitey, 2012); electronic procurement should be used to enhance transparency and procedural efficiency in the procurement process (Hill, 2005; Shadrach & Ekeanyamwu, 2003) and to increase contract compliance, transparency and lower processing cost (Staatscourant, 2008; Almeida, 2004); that specific procurement guidelines

tailored to suit the nature of procurement commonly carried out in the educational institutions should be developed to enable smooth compliance; frequent assessment of entities; engaging of professionals by all entities and encouraging entities to organize intensive and regular in-house procurement training for the personnel handling public procurement to specifically address their peculiar needs especially in the area of procurement process (Osei-Tutu *et. al.*, 2011; Ayitey, 2012).



## CHAPTER THREE

### METHODOLOGY

#### 3.1 Introduction

This chapter deals with the research design, the population, sample and sampling techniques, data collection procedure and the procedure for analyzing the data collected.

#### 3.2 Research Design

The study design used for the study was descriptive and analytical sample survey. It was chosen in view of the facts that, it is a small scale study of relatively short duration and it involves a systematic collection and presentation of data to give a clear picture of a particular situation. It was aimed at getting relevant information related to compliance with the Public Procurement Act 2003, (Act 663) in second cycle educational institutions.

Fowler (1988) as quoted by Creswell (1994) defines a survey design as that which provides a quantitative or numerical description of some fraction of the population, which is the sample, through the data collection process of asking people questions. This data collection in turn enables a researcher to generalize the findings from a sample of responses to a population. That is the researcher employed both quantitative and qualitative methods of research analysis and mainly used primary data in addition to secondary data.

Quantitative research methods are characterized by the collection of information which can be analyzed numerically, the results of which are typically presented using statistics, tables and graphs, they are generally generated through the use of questionnaires. Also, this type of research reaches people in a much quicker way than qualitative research. Under the qualitative method of



research, descriptive analysis was used. Descriptive analysis was done by examining the various forms of internal control practices at the case study area.

### **3.3 Population**

Population is defined as a collection of items of the same characteristics that are available for study or research. The population represents a group that you wish to generalize your research to. The target population of this study is second cycle educational institutions in the Kumasi Metropolis. The total number of Senior High or second cycle educational institutions in the Metropolis is twenty three (23) (Daily Graphic, August, 2015). With the large number and schools involved, it is highly impossible to use the whole population, a sample of the above population will be used for this study. The ten (10) schools included Opoku Ware Senior High School, Prempeh College, Yaa Asantewaa, T.I. Ahamadiyya, Kumasi Secondary Technical School, Ejisuman Senior High, Kumasi Girls Senior High, St Louis Senior High, Kumasi Anglican and Osei Kyeretwie Senior High School.

### **3.4 Sampling and Sampling Technique**

Sampling is a proportion or subset of a larger group (Fink, 2003). It can also be defined as a finite part of a statistical population whose properties are studied to gain information about the whole.

### **3.4.1 Sampling Technique**

Sampling technique is the identification of the specific process by which the entities of the selected group have been identified. Sampling methods are classified as either probability or non-probability. In taking a sample to obtain the representation two main techniques, probability and non-probability sampling method are employed. Probability sampling is where each member of the population has an equal chance of being selected from the population. Non-probability sampling method focuses on selecting members from a population in a non-random manner on the basis of common sense or ease and examples of such method include convenience sampling, quota sampling and snowball sampling.

Purposive and simple random sampling techniques were adopted for this study and were used to select respondents for data collection because it seeks to get all possible cases that fit a particular criterion (Lind et al., 2005). Therefore these techniques were used to make the study purposeful. Purposive sampling was appropriate in this situation because it enabled the selection of schools that are especially informative.

These techniques were used during data collection. The primary consideration of this method was using the judgment of the researcher as to who can provide the best information to achieve the objectives of the study.

### **3.4.2 Sampling Size**

Sample is a small or selected group used to represent the whole. According to Punch (1998), one cannot study everyone, everywhere, doing everything and so sampling decisions are required not only about which people to interview or which events to observe, but also about settings and processes.

In view of this the researcher randomly selected ten (10) senior high schools in the Ashanti Region and purposely chose the respondents from each school for the study. A sample size of one hundred (100) respondents was selected for the study. There were ten (10) respondents from each school. The purposive sampling technique was used to select the respondents for the study. Those selected were mainly headmasters/mistress, staff from the accounts and stores departments of the ten (10) selected senior high schools. The table below explains further.

**Table 3.2 Distribution of Population and Respondents**

| Second Cycle School | Respondents |
|---------------------|-------------|
| Headmaster/mistress | 10          |
| Assistant Heads     | 10          |
| Accountants         | 20          |
| Administration      | 40          |
| Storekeepers        | 20          |
| Total               | 100         |



### 3.5 Sources of Data

The study made an extensive use of both primary and secondary sources of information.

### **3.5.1 Primary Sources**

The primary source of data is the first hand information or data that is generated by witnesses or participants in the past. (Maryland University libraries). Primary sources are characterize not by their format but rather by the information they convey and their relationship to the research question. Primary sources are the first hand evidence left behind by the participants or observers at the time of events. ( California State University, 2012.) This included information from questionnaires that were administered to respondents and interviews conducted. An advantage of using primary data is that they are more reliable since they come from the original sources.

### **3.5.2 Secondary Sources**

Secondary source refers to information that has been gathered and often interpreted by other researchers and recorded in books, articles, and other publications. Natalie L. Sproull (2002). In her handbook of research methods, points out that secondary source are not necessarily worse than primary sources and can be quite valuable. Secondary sources are materials that digest, analyze, evaluate and interpret information contained within primary sources or other secondary sources. (California State University, 2012.) The secondary sources of data included publications, journals, articles and manuals. A number of both published and unpublished materials on public procurement were also used.

### **3.6 Data Collection Procedure and Techniques**

The study was largely based on primary data. Information was collected through questionnaire. The questionnaire was structured with open and closed-ended questions. Most of the questions in the questionnaire were closed-ended questions. The closed-ended questions enabled the researcher to obtain the exact information being sought for while the few open-ended questions

were used to elicit information on opinions, attitudes and beliefs of the respondents towards a particular question. Other information that was brought up by the respondents themselves were critically examined by the researcher.

### **3.7 Validation and Reliability of the Study**

Validity according Saunders et al (2012) is the extent to which the tests measure the characters in question to show consistency of measurement. That is if the same method is employed and used again on the same respondent under the same conditions, the same conditions or results would be achieved.

Reliability according to the author is the extent to which data collection techniques will produce consistent findings, similar results or observations would be made or conclusions reached by other researchers.

The researcher understood the data needed for the study and therefore designed questionnaires and questions that produced such data. Simple statements were used for easier understanding. Respondents made meaning of the questions in the way the researcher expected and this helped in the decoding process.

In testing for reliability, thus the consistency of finding produced at different times and at different conditions such as with different samples whereby responses to questions in the questionnaire were correlated to each other (Mitchel, 1996).

### **3.8 Data Analysis**

The data was organized into tables and figures based on the questionnaire given to respondents. The result was analyzed and converted into percentages and other charts. Quantitative and qualitative methods were employed in the analysis of the data. The results were subsequently computed into percentages. Percentage (%) values, which were not round figures, were approximated to the nearest whole numbers. Diagrammatic representations of the statistical summaries of the result will be presented in the form of pie charts, graphs frequency tables.

Computer data analysis such as SPSS version 20 and relevant software such as Microsoft excel were the main tools to analyses the data in order to help interpret results. The Statistical Program for Social Scientist (SPSS) was used to analyze the pre-coded questions. This package was used to compute the percentages because it is easier to use. It can also be used to make tables needed for discussions of results. Also Microsoft Excel was used to draw the graphs for the computed data. Other questions that were open-ended were analyzed by listing all the vital response given by the respondents. They were considered based on their relevance to the research.

### **3.9 Ethical Issues**

Permission was sought from the heads of the selected schools to undertake the research. The respondents were informed of the purpose of the research to seek their consent to participate in the research process. The respondents were assured that the use of the responses will be purely for academic purposes only.

## CHAPTER FOUR

### PRESENTATION AND ANALYSIS OF DATA

#### 4.0 Introduction

This chapter explains data gathered from the field through the use of questionnaires. The analysis was done using different forms of tables and graphical presentations. This chapter is divided into sections with various sub headings to throw more light on questions asked on the field in relation to the objectives of the study.

#### 4.1 Demographic Data of Respondents

Demographic data is presented upon asking information on sex, number of years at post, level of education and position occupied by respondents.

##### 4.1.1 Gender Distribution of Respondents

Out of 100 respondents, 63 representing 63% of respondents were males while 37 representing 37% of respondents were females. Table 1 explains further.

**Table 1: Gender Distribution of Respondents**

| Gender | Frequency | Percentage % |
|--------|-----------|--------------|
| Male   | 63        | 63           |
| Female | 37        | 37           |
| Total  | 100       | 100          |

Source: field survey 2016.

Table 1 shows that 63% of respondents were males while 37% were females. This clearly shows that there were more male respondents than females and this could be as a result of the selected institution having more males than females.

The study sought to find out the number of years respondents had been at post. Responses are tabulated in Table 2.

**Table 2: Number of Years at Post**

| Number of years | Frequency | Percentage% |
|-----------------|-----------|-------------|
| Below 3 yrs     | 19        | 19          |
| 4-7 yrs         | 33        | 33          |
| 8-11 yrs        | 23        | 23          |
| 12-15 yrs       | 13        | 13          |
| Above 15 yrs    | 12        | 12          |
| Total           | 100       | 100         |

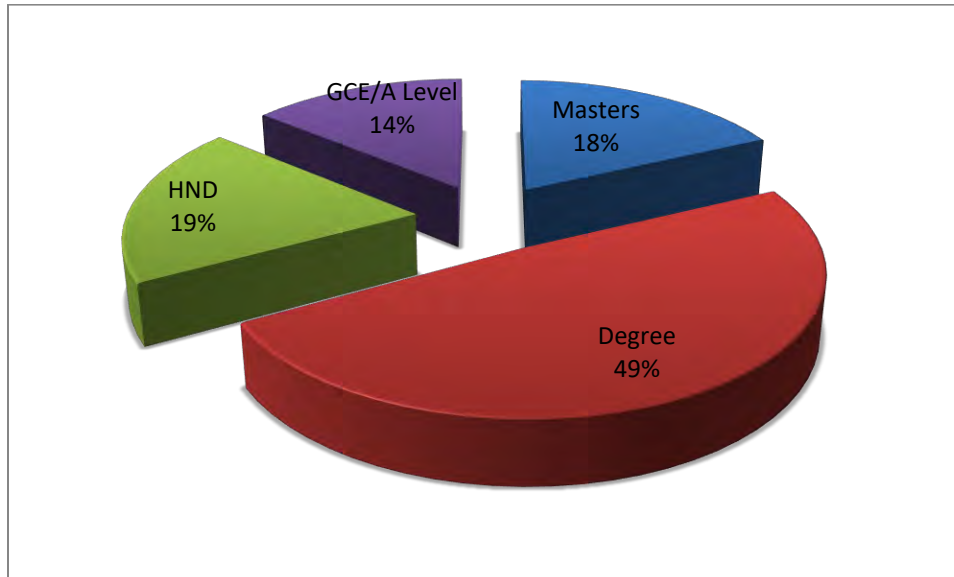
Source: field survey 2016.

Table 2 above shows that 33 representing 33% of respondents had been in the service between 4-7 years while 12 respondents representing 12% had been at post between 12-15 years.

The study sought to find out the level of education of respondents. Responses are illustrated in Figure 1.



**Figure 1: Level of Education of Respondents**

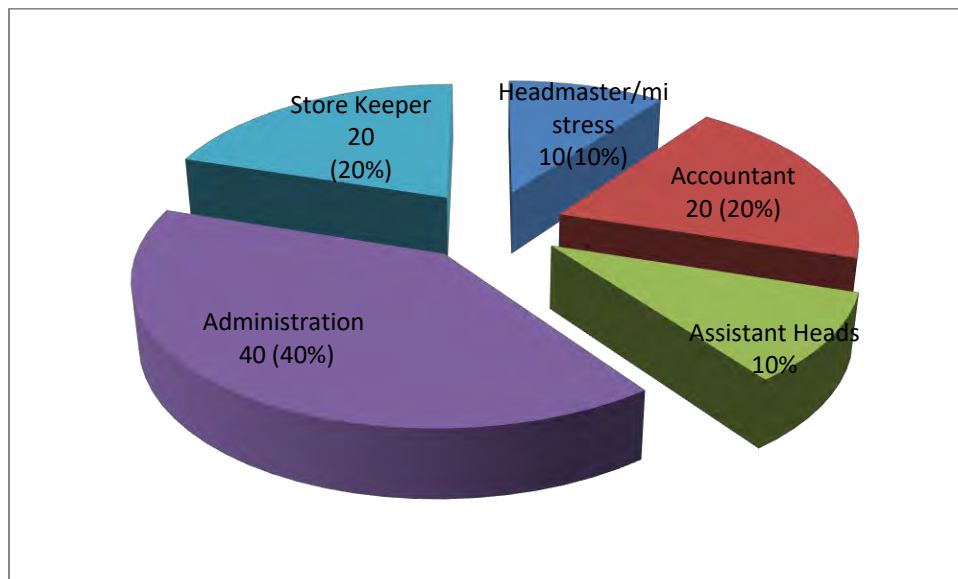


Source: field survey 2016.

It is realized from Figure 1 above that 49 representing 49% of respondents had Degree, 18 respondents representing 18% had Masters, 19 representing 19% of respondents also had HND and 14 representing 14% of respondents had GCE/A level.

The study sought to find out the position of respondents. Responses are illustrated in Figure 2 below.

**Figure 2: Position of Respondents**



Source: field survey 2016

From Figure 2 above, 20 respondents, representing 20% were store keepers, 10 forming 10% of respondents were headmasters/mistresses, 10 making 10% of respondents were assistant heads and 20 representing 20% of respondents were accountants with 40% from administration.

#### **4.2 Level of Awareness of Public Procurement Act 2003, (Act 663)**

This section was to find out from respondents their level of awareness of the Public Procurement Act 2003, (ACT 663). Several statements were provided to find out from respondents' level of awareness of the procurement act. Respondents were to choose between strongly agree, agree, not sure, disagree and strongly disagree in relation to the statements provided.

#### 4.2.1 Procurement Unit

This was to find out from respondents whether selected second cycle schools had procurement units incharge of procurement activities in the schools.

All the respondents agreed that selected second cycle institutions did not have procurement units. Respondents however explained that stores in selected schools are mostly regarded as procurement blocks as most purchases are sent there with the exception of food stuffs.

#### 4.2.2 Respondents Awareness of the Public Procurement Act 2003, (Act 663)

This was to find out from respondents whether they were aware of the Public Procurement Act 2003, (Act 663). Out of 100 respondents, 21 forming 21% of respondents strongly agreed that they were aware of the Public Procurement Act 2003, (Act 663), 79 making 79% of respondents agreed with the statement. Results are disclosed in Table 3 below.

**Table 3: Respondents Awareness of Public Procurement Act 2003, (Act 663).**

| Responses      | Frequency | Percentage % |
|----------------|-----------|--------------|
| Strongly Agree | 21        | 21           |
| Agree          | 79        | 79           |
| Total          | 100       | 100          |

Source: field survey 2016.

Table 3 above shows that 21 representing 21% of respondents strongly agreed that they were aware of the Public Procurement Act (663) while 79 representing 79% of respondents agreed

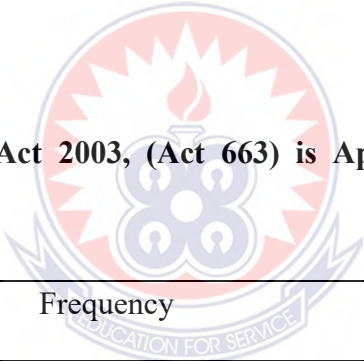
with the statement. It could therefore be said from the responses that all respondents were aware of the Public Procurement Act (Act 663).

#### **4.2.3 The Public Procurement Act 2003, (Act 663) is Applicable to Public Educational Institutions**

This was to find out from respondents whether the Public Procurement Act 2003, (Act 663) is applicable to all public educational institutions in the country.

From 100 respondents, 38 forming 38% of respondents strongly agreed that the Public Procurement Act 2003 (Act 663) is applicable to all public educational institutions in Ghana while 62 forming 62% of respondents agreed with the statement. Table 4 gives further explanation.

**Table 4: Public Procurement Act 2003, (Act 663) is Applicable to Public Educational Institutions**



| Responses      | Frequency | Percentage% |
|----------------|-----------|-------------|
| Strongly Agree | 38        | 38          |
| Agree          | 62        | 62          |
| Total          | 100       | 100         |

Source: field survey 2016

Table 4 above illustrates that 38 representing 38% of respondents strongly agreed that the Public Procurement Act 2003, (Act 663) is applicable to all public educational institutions in Ghana while 62 representing 62% of respondents agreed with the statement. Responses clearly show

that all respondents agreed with the statement that the Public Procurement Act 663 is applicable to all public educational institutions in Ghana. Responses agree with Ayitey (2012) who states that public procurement applies to goods, works and services and contract administration. Furthermore, it applies to disposal of public stores and equipment and also applies to procurement financed by funds or loans taken by the government, including foreign aid funds (Ayitey, 2012).

#### 4.2.4 Public Contracts Through the Procurement Process

This was to find out from respondents whether public contracts must pass through the procurement process.

Out of 100 respondents, 36 forming 36% of respondents strongly agreed that all contracts must pass through the procurement process while 64 representing 64% of respondents agreed with the statement. Table 5 explains further.

**Table 5: Public Contracts must pass through the Procurement Process**

| Responses      | Frequency | Percentage% |
|----------------|-----------|-------------|
| Strongly Agree | 36        | 36          |
| Agree          | 64        | 64          |
| Total          | 100       | 100         |

Source: field survey 2016

From Table 5 above, it is realized that 36 forming 36% of respondents strongly agreed to the statement that all contracts must pass through the procurement process while 64 making 64% of

respondents agreed with the statement. It could therefore be said that all respondents agree to the statement that all contracts must pass through the procurement process. This assertion by respondents collaborates that of Adu-Sarfo (2003) who reiterates that all contracts must go through the procurement cycle. According to him the cycle or process establishes the key activities required at every stage of the procurement process. Not only does it give direction and step-by-step approach to the implementation of the procurement activity, it also provides useful benchmark for procurements monitors and evaluators to carry out their duties effectively. The cycle begins with planning, sourcing, contracting, evaluation and contract administration.

#### 4.2.5 Preparation of Procurement and Approval

This was to find out from respondents if procurement plans of the school must be prepared and approved.

From 100 respondents, 30 representing 30% of respondents strongly agreed that Procurement plans of the school must be prepared and approved while 70 representing 70% of respondents agreed with the statement. Table 6 below explains further.

**Table 6: Preparation of Procurement and Approval**

| Responses      | Frequency | Percentage% |
|----------------|-----------|-------------|
| Strongly agree | 30        | 30          |
| Agree          | 70        | 70          |
| Total          | 100       | 100         |

Source: field survey, 2016.

Table 6 above illustrates that 30 forming 30% of respondents strongly agreed that Procurement plans of the school must be prepared and approved while 70 forming 70% of respondents agreed with the statement. It can therefore be said that all respondents agree that procurement plans of the school must be prepared and approved.

#### 4.2.6 School Tender Committee

This was to find out from respondents whether or not the school tender committee is properly constituted.

Out of 100 respondents, 36 representing 36% of respondents strongly agreed with the statement that the school tender committee is properly constituted while 64 representing 64% of respondents agreed with the statement. Table 7 below gives further explanation.

**Table 7: School Constitute Tender Committee**

| Responses      | Frequency | Percentage% |
|----------------|-----------|-------------|
| Strongly agree | 36        | 36          |
| Agree          | 64        | 64          |
| Total          | 100       | 100         |

Source: field survey 2016

From Table 7 above, it was found that 36 representing 36% of respondents strongly agreed that the school tender committee is properly constituted while 64 representing 64% of respondents agreed with the statement. It can therefore be said that all respondents agree with the statement that the school tender committee is properly constituted.

### **4.3 Compliance with the Public Procurement Act 2003, Act 663.**

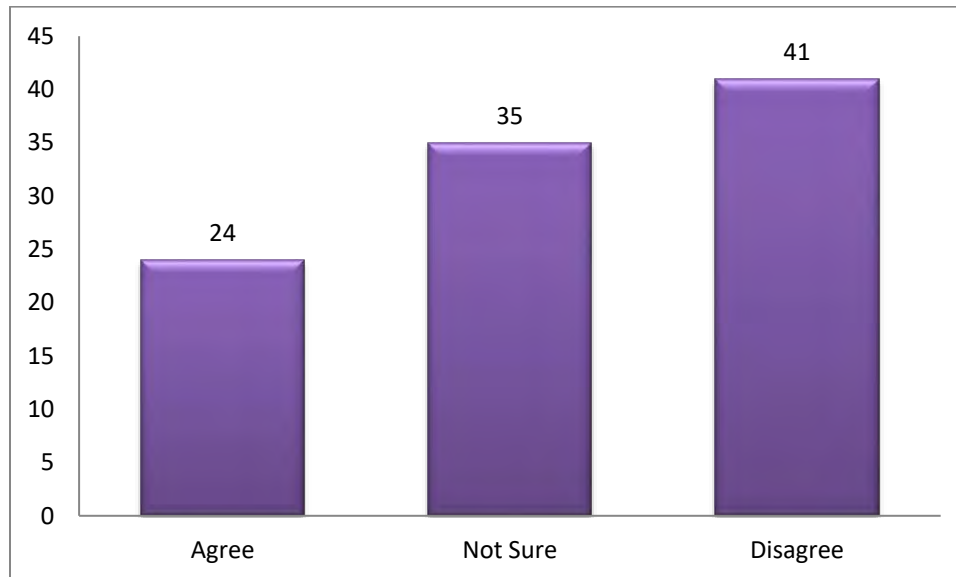
This section is to find out from respondents if second cycle educational institutions comply with the provisions in the Procurement Act 663. Several statements were provided to find out from respondents whether second cycle institutions comply with the provisions in the Procurement Act 663. Respondents were to choose between strongly agree, agree, not sure, disagree and strongly disagree.

#### **4.3.1 Preparation of Procurement Plan for Approved Programmes**

This was to find out from respondents whether second cycle educational institutions prepare procurement plans to support approved programmes.

Out of 100 respondents, 24 representing 24% of respondents agreed with the statement that second cycle institutions prepare procurement plans to support approved programmes, 35 representing 35% of respondents were not sure of the statement, however, 41 representing 41% of respondents disagreed with the statement that second cycle institutions prepare procurement plans to support approved programmes. Figure 3 illustrates further.



**Figure 3: Preparation of Procurement Plan for Approved Programmes.**

Source: field survey 2016

Figure 3 above shows that 24 representing 24% of respondents agreed with the statement that second cycle educational institutions comply with the provisions in the Procurement Law (Act 663), 35 representing 35% of respondents were not sure of the statement and 41 representing 41% of respondents disagreed with the statement. From the responses, it can be said that some selected second cycle educational institutions are not complying with the provisions in the Act 663 by not preparing procurement plans to support approved programmes.

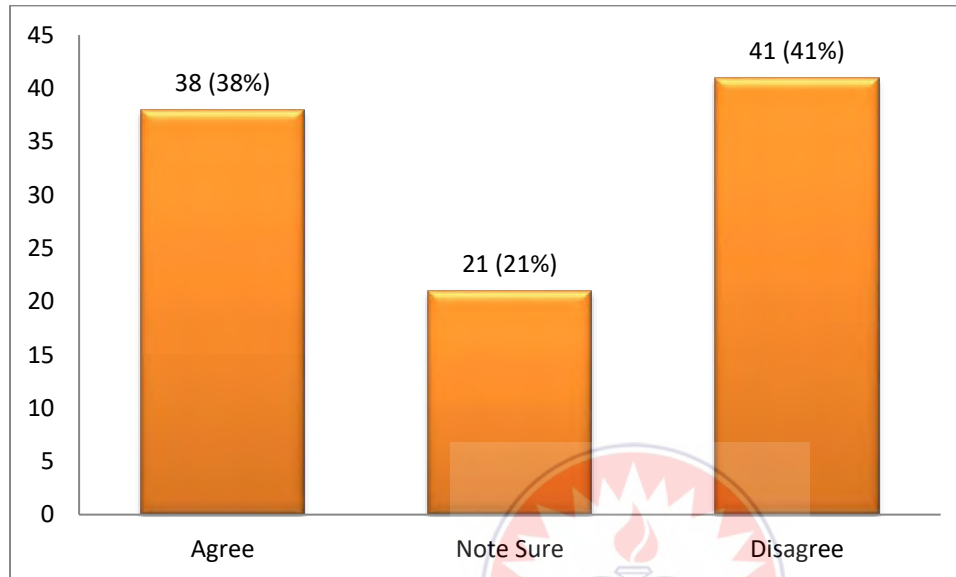
#### **4.3.2 Maintaining Records of Procurement Proceedings**

The study sought to find out from respondents whether selected second cycle educational institutions maintain records of procurement proceedings.

Out of 100 respondents, 38 forming 38% of respondents agreed that selected second cycle educational institutions maintain record of procurement proceedings, 21 forming 21% of respondents were not sure of the statement and 41 forming 41% of respondents disagreed with

the statement that selected second cycle educational institutions maintain record of procurement proceedings. Figure 4 illustrates further.

**Figure 4: Maintaining Records of Procurement Proceedings**



Source: field survey 2016

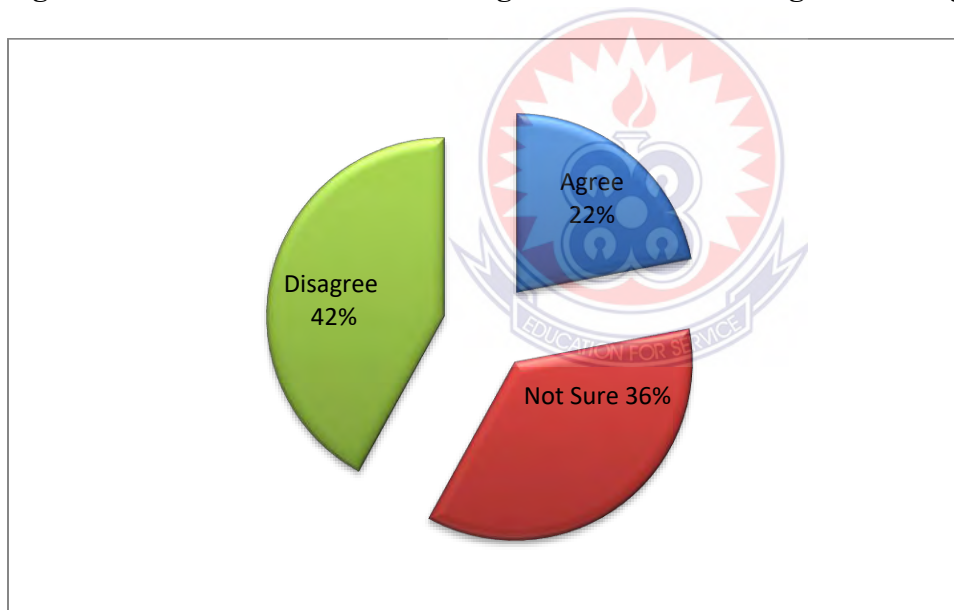
Figure 4 above shows that, 38 representing 38% of respondents agreed with the statement that selected second cycle educational institutions maintain records of procurement proceedings, while 41 representing 41% of respondents disagreed with the statement that selected second cycle educational institutions maintain record of procurement proceedings. From the responses it can be said that some selected second cycle educational institutions do not maintain records of procurement proceedings.

### 4.3.3 Public Second Cycle Schools Maintain Records of Tendering Proceedings

This was to find out if selected second cycle educational institutions maintain record of Tendering Proceedings.

From 100 respondents, 22 forming 22% of respondents agreed with the statement that selected second cycle educational institutions maintain records of tendering proceedings, 36 forming 36% of respondents were not sure of the statement and 42 forming 42% of respondents disagreed with the statement that selected second cycle educational institutions maintain record of tendering proceedings. Figure 5 below gives further explanation.

**Figure 5: Public Schools Maintaining Record of Tendering Proceedings**



Source: field survey 2016

Figure 5 shows that 22 forming 22% of respondents agreed with the statement that selected second cycle educational institutions maintain records of tendering proceedings, while 42 representing 42% of respondents disagreed with the statement that selected second cycle educational institutions maintain records of tendering proceedings. The remaining 36 forming

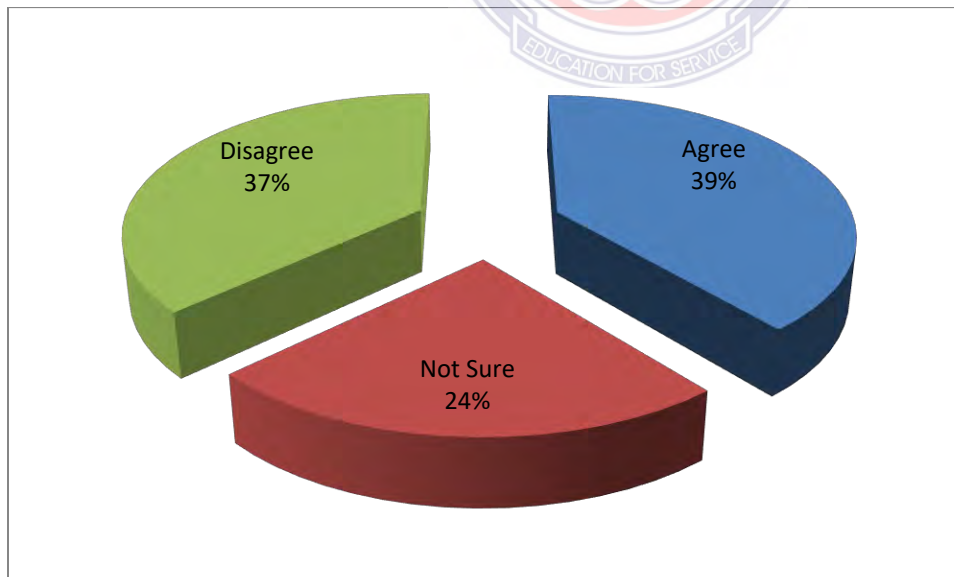
36% were not sure. It can be said from the responses that some selected second cycle educational institutions do not maintain records of tendering proceedings.

#### 4.3.4 Communications are Referred and Confirmed in Writing

This was to find out whether communication in selected second cycle educational institutions are referred and confirmed in writing in accordance with the provisions in the Procurement Act.

From 100 respondents, 39 forming 39% of respondents agreed with the statement that communications in selected second cycle educational institutions are referred and confirmed in writing in accordance with the provisions in the procurement act, 24 forming 24% of respondents were not sure of the statement and 37 forming 37% of respondents disagreed with the statement that communications in selected second cycle educational institutions are referred and confirmed in writing in accordance with the provisions in the procurement act. Figure 6 illustrates further.

**Figure 6: Communications are Referred and Confirmed in Writing**



Source: field survey 2016

Figure 6 above illustrates that 39 representing 38% of respondents agreed with the statement that communications in selected second cycle educational institutions are referred and confirmed in writing in accordance with the provisions in the procurement act, while 37 representing 34% of respondents disagreed with the statement that communications in selected second cycle educational institutions are referred and confirmed in writing in accordance with the provisions in the procurement act. It can therefore be said from the responses that communications in some selected second cycle educational institutions are referred and confirmed in writing in accordance with the provisions in the procurement act.

#### **4.4 Challenges Affecting Compliance of Public Procurement Act 2003, (Act 663)**

This section was to find out from respondents the challenges affecting compliance with the Public Procurement Act 663. Several statements were provided to find out the challenges affecting compliance with the Public Procurement Act 663. Respondents were to choose between strongly agree, agree, not sure, disagree and strongly disagree.

##### **4.4.1 Delay in Procurement due to Bureaucratic Manner**

This was to find out from respondents whether delay in procurement due to bureaucratic manner was a challenge affecting compliance with the Public Procurement Act 663.

From 100 respondents 26 representing 26% of respondents strongly agreed that delay in procurement due to bureaucratic manner was a challenge affecting compliance with Public Procurement Act 663 while 74 representing 74% of respondents agreed with the statement. Table 8 discloses further.

**Table 8: Delay in Procurement due to Bureaucratic Manner**

| Responses      | Frequency | Percentage% |
|----------------|-----------|-------------|
| Strongly Agree | 26        | 26          |
| Agree          | 74        | 74          |
| Total          | 100       | 100         |

Source: field survey 2016

Table 8 shows that 26 representing 26% of respondents strongly agreed that delay in procurement due to bureaucratic manner is a challenge affecting compliance with the Public Procurement Act 663 while 74 representing 74% of respondents agreed with the statement. It can be said from the responses that delay in procurement due to bureaucratic manner is a challenge affecting compliance with Public Procurement Act 663. This is also confirmed by Ayitey (2012) who opines that due to bureaucratic tendencies, delays are caused affecting the purchase and sometimes the prices of goods to be bought which in effect has great ramifications on the institution involved.

#### **4.4.2 Inexperience of Procurement Professionals**

This was to find out from respondents if the inexperience of procurement professionals was a challenge affecting compliance with the public procurement act 663.

From 100 respondents 17 representing 17% of respondents strongly agreed with the statement that the inexperience of procurement professionals was a challenge affecting compliance of public procurement act 663, 49 representing 49% of respondents agreed with the statement, 21 representing 21% of respondents were not sure of the statement and 13 representing 13% of

respondents disagreed with the statement that the inexperience of procurement professional was a challenge affecting compliance with the Public Procurement Act 663. Table 9 explains further.

**Table 9: Inexperience of Procurement professionals**

| Responses      | Frequency | Percentage% |
|----------------|-----------|-------------|
| Strongly Agree | 17        | 17          |
| Agree          | 49        | 49          |
| Not Sure       | 21        | 21          |
| Disagree       | 13        | 13          |
| Total          | 100       | 100         |

Source: field survey 2016

Table 9 shows that, 49 forming 49% of respondents agreed to the statement that the inexperience of procurement professionals was a challenge affecting compliance of Public Procurement Act 663 while 13 forming 13% of respondents disagreed with the statement. It can therefore be said from the responses that the inexperience of procurement professionals is a challenge affecting compliance of Public Procurement Act 663 in second cycle educational institutions. This assertion by respondents agrees with Osei Tutu et al (2011) and Ayitey (2012) who states that procurement staff in most of the educational institutions are inexperienced complained of difficulty in following required procurement processes when dealing with such low value procurements, more so lack of qualified and experienced staff to effectively supervise the procurement operations of entities and, especially, that the education sector are not available.

#### 4.4.3 Inaccurate Records/ Poor Record Keeping

This was to find out from respondents if inaccurate records or poor records keeping were a challenge affecting compliance of Public Procurement Act 663 in selected second cycle educational institutions.

Out of 100 respondents, 34 forming 34% of respondents strongly agreed with the statement that inaccurate records or poor records keeping were a challenge affecting compliance of the procurement act (663), 40 representing 40% of respondents strongly agreed with the statement while 26 constituting 26% of respondents disagreed with the statement that inaccurate records or poor record keeping is a challenge affecting compliance of the Procurement Act (663). Table 10 explains further.

**Table 10: Inaccurate Records/Poor Record Keeping**

| Responses      | Frequency | Percentage % |
|----------------|-----------|--------------|
| Strongly Agree | 34        | 34           |
| Agree          | 40        | 40           |
| Disagree       | 26        | 26           |
| Total          | 100       | 100          |

Source: field survey, 2016

It is realized from Table 10 that 40% of respondents agreed with the statement that inaccurate records or poor record keeping is a challenge affecting the second cycle educational institutions in complying with the Procurement Act (663) while 26% disagreed with the statement. responses



from respondents collaborates the assertion by the World Bank (2003) that poor record keeping is a great challenge facing procurement practices in Ghana.

#### 4.4.4 Lack of Transparency and Accountability

This was to find out from respondents whether a challenge to the Procurement Act (663) included lack of transparency and accountability.

From 100 respondents, 46 representing 46% of respondents agreed with the statement that lack of transparency and accountability is a challenge to compliance of the procurement act, 16 forming 16% of respondents were not sure of the statement while 38 constituting 38% of respondents disagreed with the statement. Table 11 further explains.

**Table 11: Lack of Transparency and Accountability**

| Responses | Frequency | Percentage % |
|-----------|-----------|--------------|
| Agree     | 46        | 52           |
| Not Sure  | 16        | 12           |
| Disagree  | 38        | 36           |
| Total     | 100       | 100          |

Source: field survey, 2016

Table 11 shows that 46% of respondents agreed with the statement that lack of transparency and accountability is a challenge to compliance of the Procurement Act while 38% disagreed with the statement. Transparency is defined as a principle that allows those affected by administrative decisions, business transactions or charitable works to know the basic facts and figures and also

the mechanisms and processes (OECD & World Bank, 2007). According to the OECD and World Bank, transparency is a challenge in procurement practices in African countries.

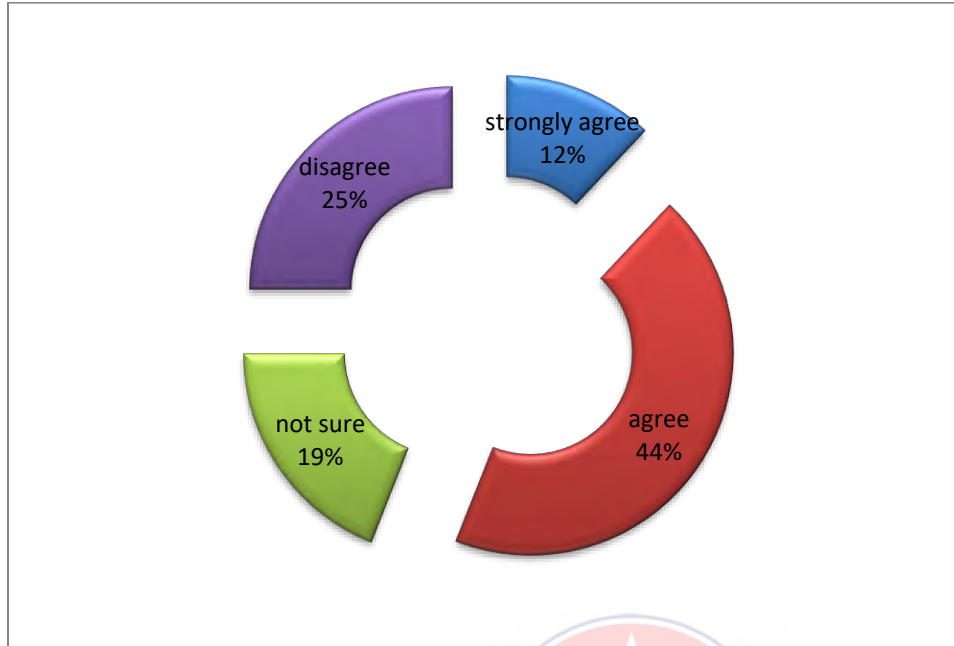
#### **4.5 Effects of Procurement Practices on Cost of Items in Senior High Schools**

This section was to find out from respondents the effects of procurement practices on cost of items in second cycle educational institutions. Several statements were provided to find out what these effects are. Respondents were to choose between strongly agree, agree, not sure, disagree and strongly disagree in relation to each statement.

##### **4.5.1 Effect of Lack of Transparency on Cost of Food**

This was to find out from respondents whether lack of transparency in the procurement process makes the cost of food very expensive.

From 100 respondents, 12 forming 12% of respondents strongly agreed with the statement that lack of transparency in the procurement process makes the cost of food very expensive, the majority of 44 forming 44% of respondents agreed with the statement, 19 forming 19% of respondents were not sure of the statement while 25 making 25% of respondents disagreed with the statement that lack of transparency in the procurement process makes the cost of items especially food very expensive. Figure 7 illustrates further.

**Figure 7: Effects of Transparency on Cost of Food**

Source: field survey, 2016

It is realized from Figure 7 that 48% of respondents agreed with the statement while 30% of respondents disagreed with the statement that lack of transparency in the procurement process makes the cost of food very expensive. Osei Tutu et al (2011) shared similar opinion that due to low value procurement characterized by lack of transparency food items becomes expensive which goes to affect students in second cycle educational institutions in terms of quality and quantity.

#### **4.5.2 Effects of Procurement Practices on Cost of Items in Senior High Schools**

Out of 100 respondents, 21 representing 21% of respondents agreed that procurement practices have no bearing or effect on the cost of items in senior high schools, 20 constituting 20% of respondents were not sure of the statement while the majority of 59 representing 59% of

respondents disagreed with the statement that procurement practices have no effects on cost of items purchased in senior high schools. Table 12 explains further.

**Table 12: Effects of Procurement Practices on Cost of Items in Senior High Schools.**

| Responses | Frequency | Percentage % |
|-----------|-----------|--------------|
| Agree     | 21        | 21           |
| Not sure  | 20        | 20           |
| Disagree  | 59        | 59           |
| Total     | 100       | 100          |

Source: field survey, 2016

Table 12 shows that 59% of respondents disagreed with the statement while 21% agreed with the statement that procurement practices have no effects on cost of items. 20% were also not sure.

#### **4.5.3 Lack of Proper Procurement Leads to Shortage of Products and Items**

This was to find out from respondents whether lack of proper procurement plan and budget sometimes leads to shortage of products thus stationery, food products, building materials etc.

From 100 respondents, 58 forming 58% of respondents agreed that lack of proper procurement plan and budget sometimes leads to shortage of items and products, 19 representing 19% of respondents were not sure of the statement while 23 constituting 23% of respondents disagreed with the statement. Table 13 explains further.

**Table 13: Lack of Proper Procurement Leads to Shortage of Products and Items.**

| Responses | Frequency | Percentage % |
|-----------|-----------|--------------|
| Agree     | 58        | 58           |
| Not sure  | 19        | 19           |
| Disagree  | 23        | 23           |
| Total     | 100       | 100          |

Source: field survey, 2016

Table 13 shows that 58% of respondents agreed with the statement that lack of proper procurement plan and budget sometimes leads to shortage of items and products while 23% of respondents disagreed with the statement. Responses by respondents tallies with the assertion by Osei-Tutu et al (2011) that the lack of proper procurement plan and budget procurement undertaken by senior high schools is becoming a challenge which sometimes affect the supply of some products and items.

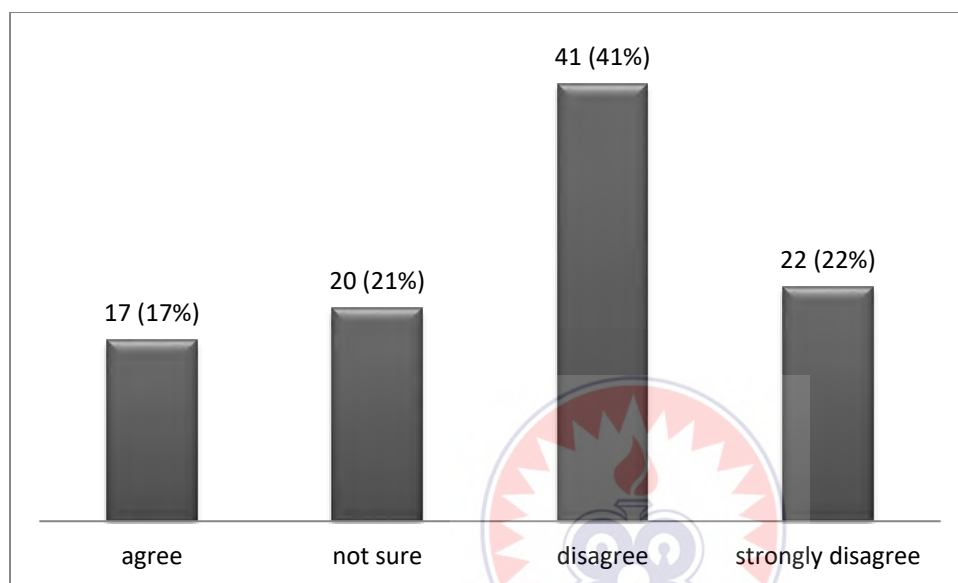
#### **4.5.4 High Cost of Advertisement Impacts Negatively on Cost of Items Purchased**

This was to find out from respondents whether the high cost of advertisement coupled with poor training of staff impacts on the cost of items purchased.

From 100 respondents, 17 representing 17% of respondents agreed with the statement that high cost of advertisement coupled with poor training of staff impacts on the cost of items purchased in senior high schools, 20 making 20% of respondents were not sure of the statement, the majority of 41 constituting 41% of respondents disagreed with the statement while 22 forming

22% of respondents strongly disagreed with the statement that high cost of advertisement coupled with poor training of staff impacts on the cost of items in senior high schools. Figure 8 further illustrates.

**Figure 8: High Cost of Advertisement Impacts Negatively on Cost of Items Purchased**



Source: field survey, 2016.

Figure 8 shows that 41% of respondents disagreed with the statement that the high cost of advertisement coupled poor training of staff impact negatively on the cost of items purchased by senior high schools.

## CHAPTER FIVE

### SUMMARY CONCLUSION AND RECOMMENDATIONS

#### 5.0 Introduction

This chapter outlines the summary of findings, conclusion and recommendations. The conclusions are made from the analysis and objectives of the study.

#### 5.1 Summary of Findings

The study was about examining compliance of Public Procurement Act (663) among selected second cycle institutions in the Ashanti Region. The issues studied included determining the level of awareness of management and procurement staff of selected second cycle institutions in the Ashanti Region, finding out the level of compliance with the provisions of Act 663 by the selected senior high school in the Ashanti Region of Ghana, identifying factors affecting compliance with the Procurement Act and examining procurement on the cost of items purchased at the senior high school level. The study was based on the use of questionnaires. Primary and secondary data were used for the study. The purposive and simple random sampling techniques were used in selecting respondents for the study. Fifty (50) respondents were selected for the study.

From the analysis of data obtained from the study, the following main findings were revealed and are presented below.

##### 5.1.1 Level of Awareness of Staff on the Public Procurement Act 2003, (Act 663)

The study showed that respondents were aware of the Public Procurement Act 2003, (Act 663) as used in the country. It was revealed that respondents were aware that the Procurement Act is applicable in all government establishments including second cycle educational institutions.

Furthermore respondents agreed that all contracts should pass through the procurement process before execution, more so it was revealed that the schools tender committees are properly constituted. Finally, respondents were also aware that all procurement plans in second cycle educational institutions must be prepared and approved. Despite the awareness of respondents with regards to the Procurement Act, none of the selected schools have procurement units.

### **5.1.2 Level of Compliance with the Provision in Act (Act 663) in Selected Second Cycle Educational Institutions.**

The results of the level of compliance assessment revealed varying levels of compliance among the five selected second cycle institutions. The findings indicated high levels of non-compliance with procurement methods such as preparing of a procurement plan to support approved programmes, maintaining records of tender proceedings and maintaining record of procurement proceedings. From the compliance assessment it was evident that record keeping in procuring entities remains a major challenge. The record and the filing systems were poor.

It was realized that the majority of schools were complying with the Procurement Act. One area that indicated some form of compliance was communication confirmed in writing between selected parties.

### **5.1.3 Challenges Associated with the Compliance of the Provisions in Act 663**

From the study the following were indicated as being the challenges associated with the compliance with the Public Procurement Act 2003, (Act 663).

- Delay in procurement due to bureaucratic measures
- Inexperienced procurement professionals
- Inaccurate/poor record keeping
- Lack of transparency and accountability



#### **5.1.4 Effects of Procurement Practices on Cost of Products and Items**

The results of the study on the effects of procurement practices on cost in senior high schools revealed that lack of transparency makes the cost of items especially food very expensive, further respondents disagreed that procurement practices had no effects or bearing on the cost of items purchased. It was also realized from the analysis that lack of proper procurement plan and budget sometimes leads to shortage of products and items. It came to light the policies and procurement procedures outlined in the Public Procurement Act do not totally apply to schools. This is because some of the goods, work or services they acquire do not necessarily fall under the threshold of the procurement methods. Examples of such goods are perishable food and stationery. It also came to light that procurement authorities have attempted solving the issue by introducing a policy known as the low value procurement and minor procurement. These two policies have been useful however, need revision. Finally, respondents disagreed with the statement that high cost of advertisement coupled with poor training impacts negatively on cost of items purchased at the senior high school.

#### **5.2 Conclusion**

Compliance with the Public Procurement Act 2003, (Act 663) by government agencies and other procurement institutions remain the biggest challenge to realize the objective of transparency, fairness, value for money and accountability in public procurement in the country. The study concluded that majority of respondents in the selected institution were aware of Public Procurement and its provisions in Act (663), but the major challenge faced was compliance to the provisions in the Act. Even though there were some form with compliance in some selected second cycle schools, majority were not complying with the provisions in Act (663) in areas

including maintaining record of procurement proceedings and preparing procurement plan to support approved programmes among others.

Among the challenges affecting compliance with the Public Procurement Act 2003, (Act 663) in second cycle educational institutions included delay in procurement due to bureaucratic tendencies, inexperienced procurement officials, inaccurate or poor record keeping and lack of transparency and accountability.

It was also realized that procurement practices adopted by selected second cycle educational institutions impacts on cost of feeding. It was realized that lack of transparency makes the cost of items especially food expensive while lack of proper procurement plan and budget sometimes leads to shortage of products and other items.

The drive to maximize benefits from the Public Procurement Act 2003, (Act 663) requires tackling the issue of compliance and challenges faced by procurement entities. These findings from the study are therefore valuable in the process of identifying any interventions to facilitate speedy implementation of Act 663.

### **5.3 Recommendation**

The objective of the study was to examine the compliance with Public Procurement Act (633) among selected second cycle educational institutions in the Ashanti Region of Ghana. The following recommendations were made to improve procurement activities in order to achieve its purpose as a tool for bringing in efficiency, effectiveness, transparency, accountability and value for money.

The procurement law was implemented to improve efficiency, effectiveness, transparency and accountability. Based on the study, the law is working and improving and useful to the schools.

Information gathered during the study revealed that the schools do not have procurement units. It is therefore recommended that the schools be provided with procurement units that are managed by quality personnel who have the requisite knowledge, training and competence in procurement. This can be done, by providing either the bursars or store keepers in charge of procurement, training and opportunities to gain professional procurement qualifications. This would help achieve more value for money, and transparency.

Items purchased by schools regularly are food items, and stationery. The procurement methods set out in the act, namely national competitive tendering, request for quotation and single source, and restricted tendering do not apply to the school, because their purchases hardly amounted to the threshold of procurement process. A framework should be implemented aimed at bringing together the needs of institutions that individually cannot attain the thresholds of the other procurement methods so that together they can make use of the procurement methods set out in the procurement act. This way, a standard price would be guaranteed for the specific goods, services or works needed.

Finally, the Public Procurement Authority has to step up its monitoring and compliance assurance role particularly for second cycle educational institutions. The periodic assessment that is supposed to be carried out by the Monitoring and Compliance Directorate is not being followed to the letter. The period of monitoring should be regular, at least quarterly to ensure that lapses do not occur.

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**APPENDIX**  
**QUESTIONNAIRE**

**(HEADMSTERS/MISTRESS, ACCOUNTS AND STORES/PROCUREMENT UNITS)**

This questionnaire is designed to examine compliance of public procurement Act (633) among selected second cycle institutions. Kindly complete this questionnaire as objectively as possible.

The information given out is solely for academic purpose and would be treated as confidential.

Thank you.

**Section A: Personal Information**

Write or tick (✓) the appropriate response to each of them

1. Sex: Male  Female
2. Number of years at post: below 3 yrs  4-7yrs  8-11  12-15  above 15yrs
3. Level of education: Masters  Degree  HND  GCE/A Level  Others.....
4. Position: Headmaster/Headmistress  Accountant  Procurement Officer
- Supply Office  Store Keeper

**Section B: Level of Awareness of Level of Public Procurement Act 2003, (ACT 663)**

Indicate your level of agreement or disagreement with the statements by making a tick (✓).

| Statement                                       | Strongly Agree | Agree | Not Sure | Disagree | Strongly Disagree |
|---|----------------|-------|----------|----------|-------------------|
| 5. I am aware of the public procurement act 633 |                |       |          |          |                   |
| 6. The Act is applicable to all                 |                |       |          |          |                   |

|  |  |  |  |  |  |
|--|--|--|--|--|--|
| educational institutions in Ghana                                    |  |  |  |  |  |
| 7. All contracts must pass through the procurement process           |  |  |  |  |  |
| 8. All procurement plans of the school must be prepared and approved |  |  |  |  |  |
| 9. The schools tender committee is properly constituted              |  |  |  |  |  |

### Section C: Second Cycle Education Level of Compliance with the Provision in Act 663

Indicate your level of agreement or disagreement with the statements by making a tick (√).

| Statements   | Strongly Agree | Agree | Not Sure | Disagree | Strongly Disagree |
|--|----------------|-------|----------|----------|-------------------|
| 10. the school prepares procurement plan to support approved programme       |                |       |          |          |                   |
| 11. Maintains record of procurement proceedings                              |                |       |          |          |                   |
| 12. Maintains record of tendering proceedings                                |                |       |          |          |                   |
| 13. Communication between entity and tenderers are in writing                |                |       |          |          |                   |
| 14. Communication in any other form are referred to and confirmed in writing |                |       |          |          |                   |
| 15. The price or the basis for   |                |       |          |          |                   |

|   |  |  |  |  |  |
|---|--|--|--|--|--|
| determining the price and summary of other principal terms and conditions are made available on request to suppliers that submitted tenders |  |  |  |  |  |
| 16. Information about the names and addresses of suppliers that submitted tenders are made available upon request to any person             |  |  |  |  |  |

#### Section D: Challenges Affecting Compliance with Public Procurement Act 2003, (ACT 663)

Indicate your level of agreement or disagreement with the statements by making a tick (√).

| Statements   | Strongly Agree | Agree | Not Sure | Disagree | Strongly Disagree |
|--|----------------|-------|----------|----------|-------------------|
| 17. Delay in procurement due to bureaucratically manner.     |                |       |          |          |                   |
| 18. Inexperience of procurement professionals                |                |       |          |          |                   |
| 19. Award of contract without approval from right authority. |                |       |          |          |                   |
| 20. Inaccurate records/incompetent records                   |                |       |          |          |                   |
| 21. Corruption and fraudulent act                            |                |       |          |          |                   |
| 22. Lack of proper procurement plan                          |                |       |          |          |                   |

|   |  |  |  |  |  |
|---|--|--|--|--|--|
| and budget                                  |  |  |  |  |  |
| 23. Lack of transparency and accountability |  |  |  |  |  |

### Section E: Effects of Procurement Practices on Cost of Feeding

Indicate your level of agreement or disagreement with the statements by making a tick (✓).

| Statement   | Strongly Agree | Agree | Not Sure | Disagree | Strongly Disagree |
|---|----------------|-------|----------|----------|-------------------|
| 24. The prices offered under the framework agreement contract are cheaper than the existing local prices offered to the schools |                |       |          |          |                   |
| 25. Lack of transparency makes the cost of items especially food, stationery, building material etc expensive.                  |                |       |          |          |                   |
| 26. Procurement practices have no bearing on the cost of items.   |                |       |          |          |                   |
| 27. Lack of proper procurement plan and budget sometimes leads to shortage of items.  |                |       |          |          |                   |
| 28. high cost of advertisement coupled with poor training impacts negatively on cost of products                                |                |       |          |          |                   |

**Section F: How to Overcome Public Procurement Challenges**

Indicate your level of agreement or disagreement with the statements by making a tick (√).

| Statement   | Strongly Agree | Agree | Not sure | Disagree | Strongly Disagree |
|---|----------------|-------|----------|----------|-------------------|
| 29. Preparation of standard procurement documents |                |       |          |          |                   |
| 30. Efficient system of monitoring the process    |                |       |          |          |                   |
| 31. Training of procurement practitioners         |                |       |          |          |                   |
| 32. proper record keeping                         |                |       |          |          |                   |

