

KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY,

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COLLEGE OF ART AND BUILT ENVIRONMENT

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**The Factors Influencing the Decision of Financial Institutions in the
Procurement of Works in Ghana.**

By

BENEDICTA AMI LUMOR

PG (Dip) Architecture

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requirements for the Award of a Master of Science (MSc) degree in
Procurement Management**

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DECLARATION

This is to certify that this thesis has not been previously submitted in any form to any University or to any other body whether for the purpose of assessment, publication or for any other purpose. To the best of my knowledge and belief, I confirm that except for any express acknowledgement, reference cited in this thesis, the original work is the result of my efforts. I declare that I wholly undertook this research under supervision and where other scholarly works have been used were duly acknowledged as such.

Benedicta Ami Lumor
(PG 1740214) Signature Date

I declare that I have supervised the student in undertaking the research reported herein and I confirm that the student has effected all corrections suggested.

Certified By:
Dr. Bernard. K. Baiden
(Supervisor) Signature Date

I confirm that the student has duly effected all corrections suggested by the examiners in conformity of the Department requirements.

Certified By:
Dr. Bernard. K. Baiden
(Head of Department) Signature Date

ABSTRACT

Successful infrastructural development through construction is best attained by structured financial support. Domestic construction firms have limited access to formal financial services. The aim of this study is to assess the factors influencing the decision of financial institutions in the procurement of works in Ghana. The principal tools for this study were questionnaires for a targeted population for collection of data with the procurement professionals in public financial institutions. Statistical Package for Social Scientist (SPSS Version 20) employing mean score ranking for analysis. Type of works undertaken, time (contract duration), exchange rate fluctuations, technical skills and variations were revealed as the prime factors influencing the procurement of works in Ghana. Innovative ways of supporting contractors, professional indemnity insurance and lower interest rates were the factors suggested for improving procurement of works. Finally, further areas of research into the procurement of works on private financed institutions were identified.

Keywords: Financial Institution, Public Procurement, Procurement of Work

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DEDICATION

This work is dedicated to the loving memory of my grandmother; Madam Theresa Awo Amegbe.

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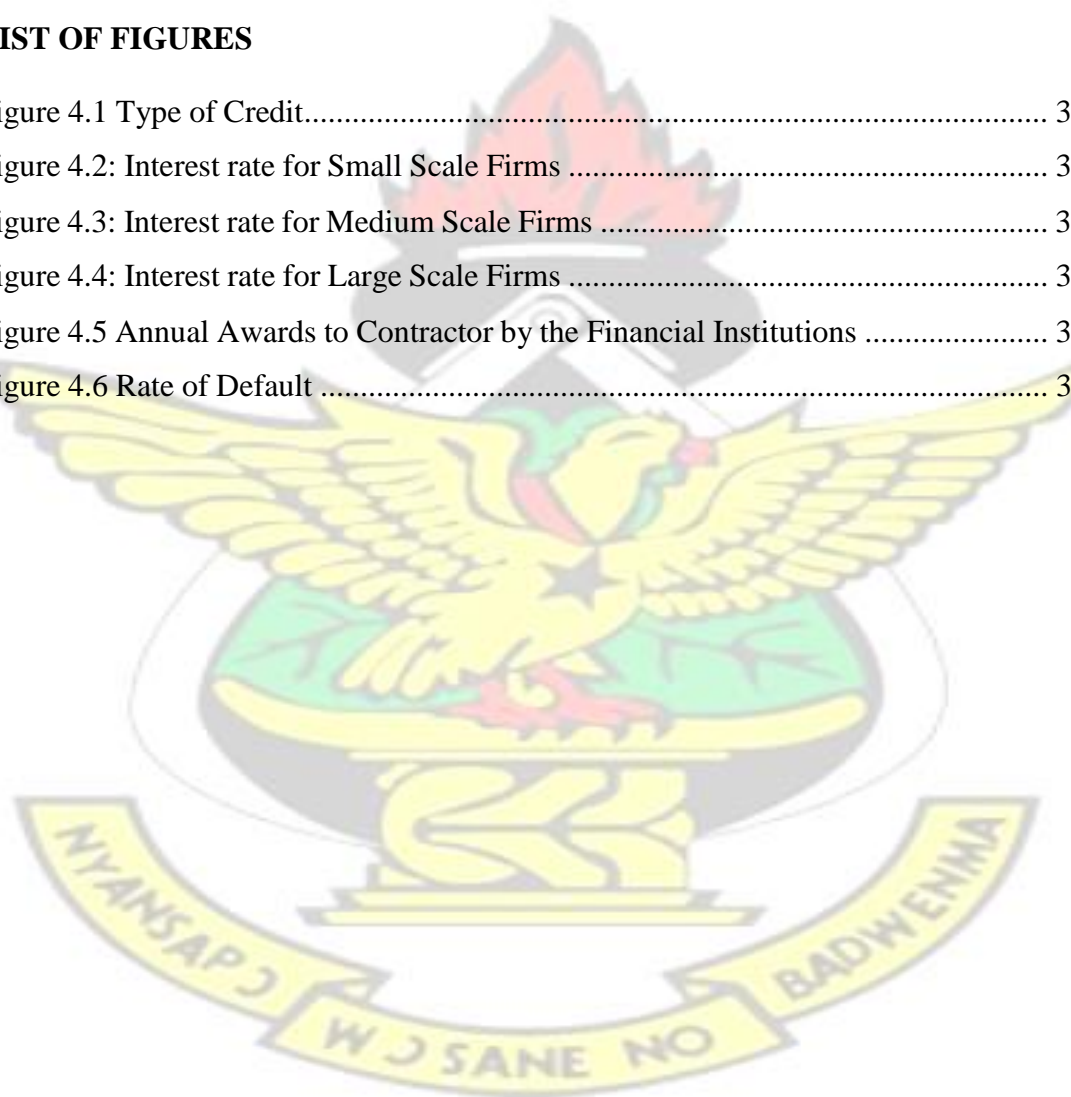
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CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

According to Ellram (2003) in executing their goals and objective, each organization needs to procure goods and works. In today's raising complex environment, businesses are continuously searching for new ways to remain competitive. Procurement appears to have played an ever important role over the few decades in firm's strategy (Ellram, 1994; Carter and Narasimhan, 1996; Weele and Rozemeijer, 2006).

Procurement decision for works is often complex and challenging. Often the benchmarking of previous project is used as guide for choosing of successful procurement methods (Lam et al., 2004). The same authors claim that the project-related characteristics such as work atmosphere, environment, and management procedures and strategy are factors which determine the success of a project.

Successful construction and development both require banks capability of mobilizing resources, in particular domestic savings, and channelling them into high return investments. Contractors in the construction sector are faced with the difficulty to find appropriate financing for the smoothly undergoing and on time completion of the project activities. Domestic construction firms working in different infrastructure development projects have limited access to formal financial services. In most developing countries interest rate ceilings and collateral requirements for loan generate a gap between contractors and banks; hence informal and ad-hoc type of financial services are been relied on by banks (Mamo, 2006).

Most of the existing literatures on contribution of financial institution in procurement of works have been reviewed (Twumasi- Boakye, 1997; Osei, 2012; Lynch, 2013).

Procurement reforms have been widely recognized as an important player in procurement management in many countries (Twumasi- Boakye, 1997; Osei, 2012; Lynch, 2013). In that regard Saint-Martin (1998) investigated the influence of procurement management on public reforms policies in both UK and Canada.

In the procurement of works in Ghana, it is clear that little is known about the role of financial institutions. Regulations in the procurement process restrict the selection based on informal approach and officials involved in the process need to formulate selection requirement based on the terms of objective criteria in the choice evaluation information stemming from official or non-official source and evidence presented by the construction firm (Sporrong, 2011).

In Ghana, as in many other countries legislation that regulate the methods and practices of procurement bounds public officials. Statistical evidence suggests that the contribution of financial institutions to the construction industry has been rising steadily over recent years. This calls for further exploration of factors influencing procurement of public works by financial institutions.

1.2 PROBLEM STATEMENT

In Ghana, procurement among public entities are governed by the laws and regulations that regulate procurement in the public sector. However, many construction firms find it difficult to acquire financial supports for their projects in Ghana (Twumasi- Boakye, 1997; Osei, 2012). Statistics show that many construction firms find it difficult to obtain securities (Grant Thornton, 2005; ENR, 2005; Ramsey, 2007a)

Crucially, many find identifying and selecting the firms best suited for the project as the most difficult and important aspect of the procurement of works process. The

procurement of works by public financial institutions has been rising steadily over recent years. Thus the restriction and competitive nature of the procurement process have been strengthened with laws and regulations for the public sector and ensuring efficiency and value for money in the procurement process through procurement management is seen as an important process in this study. The study therefore focuses on highlighting the procedures and factors of influence for financial institutions in the procurement of works.

1.3 RESEARCH AIM

The main aim of the study is to evaluate the factors influencing decision of financial institutions in the procurement of works in Ghana.

1.4 RESEARCH QUESTION

In helping achieve the objectives, the following questions established to direct the research;

1. How is procurement of works done by financial institution?
2. Is the procurement of work processes in line with the Public Procurement Act, Act 663?
3. 4. What are the roles of financial institution in the procurement of works?

1.5 RESEARCH OBJECTIVES

In achieving the aim, the following specific objectives were set;

1. To identify the factors that influence financial institutions in the procurement of works.

2. To identify roles of public financial institutions in the procurement of works.
3. To identify the challenge of limited assistance provided by financial institutions.
4. To give suitable recommendations to address the challenges identified in the procurement of works of public financial institution.

1.6 BRIEF METHODOLOGY

A research approach involving a combination of the two main approaches hence quantitative and qualitative was chosen for the study. An extensive review of literature grounded on the objectives of ascertaining the role and contribution of financial institutions in procurement of works, in order to characterize the context of the study and help establish the participant to the study. The population sample consisting of procurement professional engaged in the procurement of works were purposive sampled. Questionnaire was designed taking into cognizance the objective of the research and the information gathered from the preliminary survey. The analysis of the raw data was coded using Statistical Packages for Social Sciences (SPSS version 20) and Microsoft Excel. Mean Score and Standard Deviation were the statistical tools considered for the analysis of the data collected.

1.7 SCOPE OF STUDY

The research was geographically focused on public financial institutions in the Greater Accra region of Ghana. It conceptually focuses on establishing the procedure for procurement of works and the role of financially institutions in the procurement of works. Data collection was limited to the procurement professional at the various public financial institution. Greater Accra region was chosen since majority of the institution

have their head office in the said location and development activities skewed towards the capital city.

1.8 SIGNIFICANCE OF STUDY

The researcher envisaged that procedures and contribution of financial institution to public procurement cannot be underestimated. The recommendations from the study equip the various stakeholders in the procurement of works with the knowledge of the contribution of financial institutions in procurement of works. Understanding the procedures and challenges in the procurement of works processes influence the selection of procurement method.

Lastly, the role of financial institutions in the procurement of work is new in the Ghanaian context and its challenges and success are not well known, therefore the study shows the way forward for further study to improve and strengthen the procedures in the procurement of works.

1.9 ORGANIZATION OF CHAPTERS

The study's outline is classified into five major chapters as discussed below;

A background of the study, problem statement thus reason for undertaking the study, principal aims and objectives with the questions to guide the study is presented in the chapter one. Also research methodology, scope and significance of study are all included in this chapter. The chapter two will focus on the procurement processes and procedures for works and the contribution of financial institutions in the procurement process. The third chapter gives detail discussion of the research method, approach, methodology and strategy chosen for this study. The sampling, data collection and

analysis are discussed. The fourth chapter focuses on analysis, discussion and presentation of data collected. The fifth chapter provides the summary of conclusion and recommendations made from the study. Also future direction for further study and limitation of the study is presented here.

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CHAPTER TWO

LITERATURE REVIEW

2.1 CHAPTER INTRODUCTION

Fundamental definitions pertinent to the study giving insight into Public Procurement in Ghana covering the era before and after the passing of the Public Procurement Act of Ghana (Act 663, 2003) have been given was discussed in the chapter. Additionally, the Works Procurement Methods as enshrined in Act 663, 2003 for achieving Efficiency, Economy, Transparency, Competition and Value for Money are also given together with an overview of the Banking Sector in Ghana with some challenges in the Procurement of works.

2.2 KEY DEFINITIONS

2.2.1 Procurement

The term Procurement is defined as the process of acquiring any of the following: goods, works and services under the objective of achieving equity, competition and value for money.

2.2.2 Procurement Methodology

Procurement Methodology is defined as the overall approach adopted for procurement of works, goods and services; it includes Procurement Strategy and Procurement System (Miller et al, 2009). Specifically, the Business Dictionary defines it as a “procedure used in converting requirements or requisitions into purchase orders or contracts”. It includes Competitive Tendering, Direct Negotiations and Single-Source Acquisitions.

2.2.3 Procurement Strategy

Procurement strategy on the other hand refers to the means by which the project objectives are achieved by the contracting arrangements for design, construction, maintenance or operation activities and subcontract arrangements among others (Miller et al, 2009).

2.2.4 Procurement System

This is a structure within an organisation or institution whereby roles and responsibilities assigned individuals or teams under the various methods and the rules that govern them. Also, Miller et.al (2009) acknowledges that an organization structure is defined by the Procurement System that ascribes detail responsibilities and assigns authorities to people within the procurement process. It further defines the various elements in an organization structure.

Procurement system has the ultimate aim of acquiring goods, services and works at the right five's thus right quality, at the right price, right time and right place through the right source in a transparent competitive process. [Manuals - Public Procurement Act, 2003 (Act 663, 2003)]

2.3 OVERVIEW OF PUBLIC PROCUREMENT IN GHANA

2.3.1 Definition of Procurement

The *Procurement and Contract management training guidelines for Area Councils of the District Assemblies page 11*, defined procurement as the acquisition of works, goods and services through consultants, contractors and Suppliers (i.e. the process of getting or obtaining works, goods and service). Procurement as stated in *Physical works and*

professional services procurement procedures-Consultation document April 2007 page 18, Procurement process is critical to Project Implementation and perception of fairness. The same document acknowledged that, best procurement practice does not contribute independently to delivering value formoney – they are an integral part of the value chain.

Hibberd *et al.*, (1991) defined Procurement as actions taken in obtaining by care, acquiring building and civil engineering works, by involving all the important processes from the design, financing, construction and up to the operation when the project is handed over to the client.

2.3.2 Public Procurement definition

Public Procurement is mostly defined as the use of public funds by public organizations in acquiring goods, works and services. This involves the under listed cycle requirement, requisition, solicitation, award and contract administration under well laid down guidelines.

2.3.3 Public Procurement Concept

The Ghana Integrity Initiative (2007), states its view on Public Procurement as acquiring goods, services and works at the right five“s thus right quality, at the right price, right time and right place through the right source in a transparent competitive process for governments, corporations, or individuals, direct benefit generally through the award of contract.

It also acknowledges that public procurement advantages include both economic and social advantages, with social benefits in public procurement indirectly positively imparting improvement in economies and environmental, health and safety (Wickenberg, 2004).

Procurement therefore is a prospective element for incorporating sustainable social and economically benefits that go a long way to stimulate employment. Besides, it has a significant effect on the daily lives of people through the implementation of the public policies (Ghana Integrity Initiative, 2007).

Procurement, according to Sarpong (2007) is considered good when it exhibits the following characteristics:

1. **Efficiency and Effectiveness:** The biggest goal of any procurement system is to achieve the right amount and quality at minimal cost.
2. **Competition:** The procurement process should either ensure the best product providers for works, goods or services wins, except in exceptional cases. The providers who offer the best conditions capable of delivering value for money.
3. **Ethical Approach:** The process should prevent conflict of interest and or any malpractices.
4. **Equity:** all procurement should aim to achieve fairness and ensure that all bidders enjoy the same opportunities; no bidder has undue advantage over the rest.
5. **Transparency:** Any procurement without the above principles and standards lacks credibility and should not be encouraged.

From the above, Public Procurement is said to be the acquisition of any goods, service and works by public organizations with the goal of providing benefit to specific groups people or general public as a whole. In order to achieve the benefits listed above, the procurement practitioner should aim for value for money.

2.4 PUBLIC PROCUREMENT IN GHANA BEFORE THE ENACTMENT OF

ACT 663, 2003

Prior to the promulgation of the Act 663, 2003; Price major determinant in almost all evaluation criteria based for the Award of Contracts. The rule of thumb was that the tenderers with the lowest Tender Price invariably were recommended and awarded. Ghana and all developing countries adopted such a weak system that was taken advantage of and abused by unscrupulous people. Most often the tendering process was usually shrouded in mystery and the “Engineers Estimate”, the Estimated Contract Sum as Determined by the Consultant became an object of contest among tenderers. One only needed to have an idea of the “Engineers Estimate” to brighten one’s chances of winning the tender. Usually no consideration was given to the Financial Capacity of the Tenderers, Specific experience in the works of a similar nature, availability of Competent Staff and the availability of the required plant and equipment to execute the works.

The political atmosphere after independence and before the implementation of the 1992 Constitution was very unstable and identified with military takeovers. The transition of one Government to the other was identified with the suspension of works projects for procurement audits and infrastructural works initiatives commenced by the previous governments were discarded.

All the above cited reasons meant that works projects were either abandoned because of the lack of technical expertise or military injunctions, the quality of workmanship was poor, cost and time overruns were prevalent, the facilities were unfit for the intended use and consequently value for money was not achieved.

Studies undertaken by Word Bank (World Bank, 2003) revealed that the annual value of Public Procurement for Goods, Works and Consultancy Services in Ghana amounted

to about USD 600 Million, representing 14% of the Nations GDP. Anglomasa (2008) also identified that the bulk of the expenditures were run by Ministries, Departments, Agencies (MDAs), District Assemblies, Public Hospitals, Colleges, Universities and Schools in the Procurement of Goods, Works and Services. It was therefore thought that defining and implementing a framework to harmonize, regulate and check the expenditure involved in the Public Procurement Process would impact positively on the growing economy of Ghana.

Prior to the enactment there were the following; Constitutional, Legislative and Administrative Instruments such as the Contracts Act in 1960, Ghana Supply Commission Act which were reviewed in 1990 by PNDC law 245. The Ghana National Procurement Agency Decree in 1979 and that of the 1979 Financial Administration Decree were all instituted at various times during the history of Ghana's procurement to reduce malfescence. Subsequent reviews of the Procurement processes revealed substantial cost overruns, the unavailability of a comprehensive legal framework, corrupt and fraudulent Acts, Inefficiencies, lack of fairness and lack of transparency in the administration of public funds in the procurement process (Anglomasa, 2008).

With the same nagging challenges recurring, the Government of Ghana established the Public Financial Reform Program in 1993 which was implemented in 1995 and subsequently reviewed by a committee set up by the Ministry of Finance and Economic Planning in 1999. The committee drafted the Public Procurement Bill in 2002 which was enacted into law by the Parliament of Ghana in 2003 as the Public Procurement Act, 2003 (Act 663, 2003). It became operational on the August 27, 2004.

2.4.1 Procurement Reform in Ghana

The Ghana government has introduced the public financial management reform program (PUFMARP) in 1996. With the objective of improving the overall level of financial management of public fund in Ghana.

PUFMARP identified below weaknesses of the procurement system:

- Policy on public procurement not comprehensive
- There was no expert with single authority to monitor / regulate to ensure sound procurement
- Roles, responsibilities and authorities of procurement offices not clearly defined.
- Public contracts secured had no comprehensive legal regulation.
- No rules and regulations to directly train and supervise public procurement officers.
With no independent appeal process for dealing with bidders complaints
- No power of public property disposal.
- No independent audit of the supply

A comprehensive reform program of public control markets was develop by the Ghana government in 1999 established the Procurement Monitoring Group. In 2002, the Public Procurement Bill was drafted in 2002 and it was adopted in the Act of 31 December 2003, the Law on Procurement in 2003 663, 2003 Act.

2.5 PROCUREMENT OF WORKS CONTRACT

This section looked the meaning of works contract and methods and procedures used.

2.5.1 Definition of Works Contract

Is a legally binding agreement between two or more parties. In the construction industry, contracts are entered mainly for the purpose of constructing projects, reconstruction, demolition, repair or renovation. This projects will include several activities towards their realization. These activities include but not limited to preparation of site, excavation, erection, assembly, plant installation, fixing of equipment, laying of materials, decoration and finishing and other activity under the contract (Asibey, 2012).

Whiles the Manuals for Public Procurement Act, 2003 (Act 663, 2003) defines Works to mean works that are related to construction and the activities aforementioned.

[Manuals – Public Procurement Act, 2003 (Act 663, 2003)].

2.6 PROCUREMENT PROCEDURES AND METHODS OF WORKS

Procurement method is defined by Lynch (2012) as the processes that are used by procurement entities in acquiring goods, services and works. Which can be competitive or non-competitive depending on the chosen method.

2.6.1 Competitive Tendering

This is also known as opening tendering. The Business Dictionary defines competitive tendering as tendering process which is opened to qualified tenders and with the tenders opened for public scrutiny and selection made based on price and quality. Indeed, section 35(1) of the Public Procurement Act stated competitive tendering as the means by which procurement entities in the public sector must use to procure works, goods and services.

It further states a procurement entity shall use the competitive tendering method in selecting contractors unless the nature of the work require the formulation of detailed specifications or the use of other means to procure. This decision is the responsibility of a procurement entity. Lynch (2012) contends that using competitive methods of procurement promotes transparency, economy and efficiency, and limit acts of favouritism. Demsetz (1968) also maintains that the only way to enhance efficiency is to introduce competition.

Possibly that is why Osei-Tutu (2013) maintains that the competitive tendering is the default method of procurement.

2.6.2 Restricted Tendering

This tendering is also called Limited Tendering or Selective Tendering. Lynch (2012) defines selective tendering as a method of procurement that puts a limitation on the number of tenders to be provided by contractors, suppliers and service providers. Although considered a competitive procurement method, this method of procurement is characterized by limited completion to the shortlisted firms or firms invited by the procuring entity.

Restricted tendering method by firms when the qualified firms to tender for the project are limited or when there are limited firms that qualify to fulfil the specific type of requirement. It is also adopted when a specific condition warrant use of that method in order to reduce time and cost. More so, Act 663, 2003, provides procurement entities reasons of economy and efficiency, which is subject to Procurement Board approval. This method of tendering are available only from a limited number of contractors and;

or if the time and cost involved to evaluate several tenders is at variance with the actual cost of the project (Act 663, 2003).

2.6.2.1 Procedure for Restricted Tendering

In Section 39 (1) of the Procurement Act, provides that when it is realized that the project to be undertaken require the use of restricted tendering, the selection of the contractors and suppliers should be done in a non-discriminatory manner. It also provides that the award should be published in the Public Procurement Bulletin.

2.6.3 Single-Source Procurement

Lynch (2012) defines Single-Source procurement method as the acquisition of services from only one source. It is desirable to use this method in exceptional circumstances due the non-competitiveness of the method. Section 40 (1) of the public procurement Act provided that the use of this method for procurement should be subject to the approval of the Procurement Authority in extreme circumstances where the required works, goods and services can be sourced from only one supplier or contractor or in cases where the exclusive rights of the works, goods and services and there is no reasonable substitutes. The method is applicable when time is of essence.

Organizing a tender process or any other method is not practicable because of circumstances that are unforeseen that requires that the need for urgency or due to a catastrophic or emergency situation urgency is require for the works, goods and services that renders it difficult to adopt any other method of procurement due to the elaborate nature of those methods; where upon the procurement of works goods and services, the procurement entity sees the need to procure further supplies form the same contractor

or supplier due to standardization. The Act also provides that in cases where the procurement borders on national security, the single source method of procurement can be adopted. Whilst the act in section 40(1) detailed the grounds and circumstances under which single source are to be adopted, the reality is that those conditions are often not complied by procuring entities (Auditor General Report, 2008, 2009). According to the Auditor General Report (2009) the single source procurement method is the most abused.

2.6.3.1 Procedure for Single-Source Procurement

According to the Public Procurement Act, in adopting the single source procurement method as provided in section 41 of the act, proposals are invited from qualified suppliers and contractors under section 40 of the Act.

2.6.4 Request for quotations

This is another form restricted competitive tendering method used in acquiring goods, services and construction works usually for small and non-complex contracts. Section 42 of the Act provides that quotations can be solicited from suppliers as provided for in the Act in Section 43.

2.6.4.1 Procedure for Request for Quotation

Section 43 (1) of the Act allows for the request for quotation form several suppliers and contractors but that the sources must be at least from three different sources. (2) Every contractor or supplier from which the request is solicited shall be made to be aware if any element, save the charges for the goods or services themselves, such as

transportation and insurance charges, customs duties and taxes, are to be included in the price. (3) It is mandatory for each contractor or supplier to provide a single quote and that quote shall not change; (4) apart from the evaluation process, there shall be no negotiation between the suppliers or contractors regarding the quotations.

2.7 FINANCIAL INSTITUTIONS IN GHANA

The financial services sector has recently experienced tremendous growth in all spheres with the commercial banking sector being the busiest, faster and most dynamic. According to the Survey of the Bank of Ghana (2011), the financial sector is well capitalized, highly liquid, profitable and recording a strong asset growth. The stability of the financial sector is paramount for the Bank of Ghana. The financial soundness indicators have improved in recent years due to judicious policies. Indeed, despite the rapid growth of the banking system led by the growth in deposit mobilization and credit (much lower); the system is sounder, because of the particular regulation, the sector in important technological advances, and more prudent risk management by banks. These trends offer good prospects amid persistent challenges such as the high cost of borrowing, credit risk, market risk, operational risk and liquidity risk to a greater extent. Interest income continues to be the largest component of income from operations in the past few years, interest margins are gradually tightened as competition becomes intense. The Central Bank; Bank of Ghana regulates and supervises all banks in the sector of the commercial bank of Ghana with the number standing at twenty-seven (27) at the end of December 2012.

The financial system operates on the principles of universal banking in which the banking services are offered by the bank if some of them have started specialized banks. The regulatory and supervisory power lies with the Bank of in all matters relating to

non-banking and financial activities of the responsibility to ensure that the financial system is stable to ensure that it serves as a facilitator for the creation wealth, economic growth and development.

The banking sector serves as one of the three facets of the financial services industry in Ghana, which offers several financial services such as accepting deposits, granting credit facilities and loan management, among others. In addition, banks in Ghana are classified as follows.

Commercial Banks: Examples of commercial banks presently in Ghana are; Standard Chartered Bank (Gh) Ltd., Barclays Bank (Gh) Ltd., SG-SSB Limited, Metropolitan Allied Commercial Bank, Trust Bank, Zenith Bank, Intercontinental Bank, Standard Trust Bank, Fidelity Bank, Guaranty Trust Bank (Ghana) Limited, the Ghana Commercial Bank.

Development Banks: The National Investment Bank, Agricultural Development Bank, Bank of International Trade, Trust Bank, Prudential Bank, Amalgamated Bank Ghana Commercial Bank, ARB Apex Bank.

Investment banks: These include Merchant Bank of Ghana Limited, Ecobank Ghana Ltd, Continental Acceptances Ltd. and First Atlantic Merchant Bank, CAL Bank, HFC Bank.

2.8 REFORMS IN PROCUREMENT METHODS AND STRATEGY

A recent study on the procurement challenges facing the Application of Competitive Tendering in the Public Procurement of Works in Chad by Douh et al (2013), revealed that since their reforms in 2003, Competitive Tendering was seen has low rate of Project Execution (25%) due to excessive delays in completion of projects, unprofessional

means of contract awards and contract administration (60%), several contracts (28%) are executed by few Contractors and Project Cost overrun, (40%). Further investigations attributed the above challenges to delays, ignorance and complexity of the procedures, rigidity and incompleteness of regulations, in adequate qualified personnel, lack of adequate equipment, poor funding of activities and entities, institutional weaknesses, corruption and political interferences.

As a recommendation, Douh et al (2013) recommended that the challenges must be resolve by developing detailed strategies that can withstand the test of time. Miller et al (2009), in a research to provide focus on Australian Infrastructure, revealed that Competitive Tendering was an ideal method of procurement for “ simple” buildings where there is little or no opportunity for design innovation, as the likely cost is known in advance. He however indicated that some circumstances would require alternative procurement methods to competitive Tendering as the latter can waste a considerable amount of time and resources in certain circumstances. It follows therefore that the ability to determine which procurement method to use for which project under which circumstance was equally key to avoiding delays, lessening cost and achieving value for money.

Miller et al (2009) further suggested that Innovative Procurement was essential in providing value for money. The authors also suggested that while government regulation could inhibit innovation, it could also provide an incentive to innovate since it was largely about how the regulation is implemented or possibly interpreted. Further they suggested that moving from Prescriptive to Performance based regulation can improve the relationship between innovation and regulation.

The procurement reforms in Chad since 2003 are not different from that of Ghana. The common denominator is that the objectives of ensuring competition, promote fairness, efficiency, economy and value for money have not been achieved due to various acts of corruption and fraudulent acts, among others.

Research undertaken by the Australian Bureau of statistics and the survey of Miller et al (2009) confirms the fact that Nations outside Africa and the world at large are recommending more innovative methods and procedures in Public works procurement. Equally commonplace is the fact that the influence of Government or political influence could be an inimical factor.

For an African country like Ghana whose bulk of national expenditure is spent on public procurement, the achievement of value for money should be a priority.

2.9 PROCUREMENT CHALLENGES IN THE GHANAIAN PUBLIC SECTOR

Currently, procurement has gained significance in the public sector is being as the bases for procurement in order to avoid discrimination and unfair practices (Bolton, 2006). It has become the primary means by which the government delivers service to its people (Cane, 2004).

The use of procurement has moved from a clerical nonstrategic unit to an effective socio-economic unit capable of influencing decisions and the addition of value in most developing countries (Knight et al, 2007). There is an effort by developing countries to reform the rules used for public procurement. This effort to reform is not limited to the rules of procurement but also includes the methods and processes to be followed by procurement entities in practicing procurement. The reforms have also been made possible as a result of the joint efforts with partners such as the World Bank,

International Trade Center, WTO, and UNCTAD that varies from nation to nation. Additionally, there are several environmental factors that account for the challenges faced in public procurement. These factors includes, market, legal environment, political environment, organizational and socio-economic factors irrespective of the efforts of the government, there are still several internal customers and agencies that ignore the procurement department in procuring goods and services.

The challenges that renders the effort to reform unsuccessful are because of the collective influence of inadequate strategies, political resistance, unsustainability of the efforts over long periods, and lack of knowledge about the suitable tools to establish systematic change. (World Bank, 1994). This section looked at some challenges in the implementation of procurement act as identified.

2.9.1 Access to a Trained Procurement Officer

The challenge is that the attractiveness of the financial reward in the private sector have driven the qualified personnel to that sector (Director of Public Procurement for Malawi, 2007). Some public institutions also do not consider the markets as a profession established as such, there is no way to certification or standard clear career (World Bank Ghana CPAR- 2003). Though there are entities that attract qualified personnel, most of them still lacks qualified personnel for recruitment (Agbesi 2010).

It is well supported by (Osei-Tutu and Kumi Adjei-2000) that markets the decision must be made by professionals who have been trained in the methodology, in particular, building and technologist Quantity Surveyors. The implementing officials of procurement activities form with little or no knowledge. (AmbeBadenhorst and Weiss, 2012).

2.9.2 Experience and Expertise of Key Players

Public procurement entities lack trained procurement officers who have the ability to establish realistic and clearly defined procurement plans and its follow up or updating (Douh 2009). New and emerging procurement systems must become integral component of Continuous Professional Development Programmes of the Professional Associations in Ghana (Osei-Tutu and Adjei-Kumi 2000).

2.9.3 Effective Participation of Key Players

In preparing a procurement plan by MMDAs, it is instructive to public entities that key offices such as Head of entity, Procurement unit, Store unit and Heads of Department plays effective role (PPA manual 2003). However this exercise is left in the hands of individuals who are not trained to handle hence reliable inputs into the plan becomes a problem.

2.9.4 Establishment of Functional Procurement Units

There are no procurement units responsible for procurement activities in the MMDAs (Agbesi 2010), this therefore meant that procurement functions are diffused in other administration functions which do not guarantee effective procurement outputs. Effective monitoring and evaluation is not conducted properly to requirements (Stemele, 2009). It is worthy to note that to formulate effective policies, governments require adequate information to ascertain whether or not things are being done properly and whether the required results are achieved (Acevedo et al, 2010). Effective monitoring and evaluation is needed to obtain the required to formulate the policies (Acevedo et al, 2010).

2.9.5 Timing of Resource Mobilization

MMDAs are handicapped by the irregularities with the manner that the central bank honours statutory funds are transferred to them for instance whiles in second quarter of a particular year they were yet to receive the fourth quarter allocation of the previous year, the situation therefore makes the execution of their procurement plans ineffective.

2.9.6 Delays in Payment of Works Executed

Service providers have often times complained about delays in payment for works, goods or services rendered (Azeem, 2007). MMDAs in that regards are worse offenders, service providers therefore tends to execute their works having no regards to contract durations hence affecting the implementation of procurement plans.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 INTRODUCTION

The focus of this chapter is how the data for the study was collected and analyzed. It focuses on how the questionnaires were developed and distributed, how the sample size was determined and also the constraints and limitations which were encountered during the data collection process. The proposed methodology also provides an understanding of how the study was conducted and organized in order to get info that could be useful.

3.2 THE STUDY AREA

The financial services business has in recent eras witnessed tremendous expansion in various divisions with the commercial banking division remained the eventful, wildest as well as the greatest lively. From the Ghana Banking Survey (2011), the financial division is thriving capitalized, very liquid, profitable plus recording a resilient growth

of asset. The financial division stability remains imperative to the Central Bank as result of its prudent policies. These inclinations bargain upright prospects amidst continuous difficulties as extensive borrowing cost, credit possibility, market possibility, liquidity risk as well as operations risk to a greater degree. Interest on income lingers to constitute substantial constituent of income resulting from processes however in recent existences, interest precincts are gradually shrinking as competition develops intense. The Central Bank, Bank of Ghana regulates and oversees all the banks in the Ghanaian commercial banking sector with the number standing at twenty-seven (27) as at the end of December, 2012.

The financial system is based on the concept of universal banking where banks offer all banking services though some of them began as specialized banks. The Bank of Ghana has the complete managerial as well as governing power in subjects connecting to financial commercial through the concern of confirming that the monetary structure is established to warrant that it attends as implementer for means formation, advancement as well as financial development. Moreover, the banks in Ghana are categorized as Commercial Banks, Development Banks and Merchant Banks.

The objective of these banks is to bump into the financial essentials of particular divisions of the country as well as stimulate the growth wants of various divisions. For example, banks are recognized to encourage savings, building as well as agricultural expansion in Ghana.

3.3 POPULATION

Stakeholders involved in procurement of works were the main population target in the public financial institution in the Greater Accra Region. For the reason being that, their

undertakings openly or secondarily have department on procurement of works in the public financial institution.

The target population for the reading comprises all the public banks licensed by the Central Bank (Bank of Ghana). In all, three banks are listed as Public Financial Institutions (Banks) Ghana Stock Exchange. Listed banks Ghana Agriculture Development Bank and Commercial Bank National Investment Bank were chosen because the aim was to bump into the economic wants of particular divisions of the country as well as stimulate the improvement of these sectors.

3.4 SAMPLE AND SAMPLING TECHNIQUES

As adopted by several researchers, the term 'sample' denotes a portion of an entire (population) drawn to show what the rest is like (Naoum, 1998). Sampling includes selecting part of a population of concentration for a study. It is aimed at giving concrete means of supporting the data gathering and processing element of research to be voted for at the same time as certifying that the trial establishes satisfactory image of the populace (Fellow and Liu, 2003). It is argued that, it is effectively difficult to exam every member of a population. This means that, it is impracticable to reach every member of a population when gathering data.

Mugenda and Mugenda (1999), defines purposive sampling is sampling technique that permits the researcher to adopt samples that have the prerequisite info with reverence to his/her study goal. Therefore, purposive sampling was adopted to identify and select the public financial institutions. Ghana Commercial Bank, Agriculture Development Bank and National Investment Bank were purposively selected for the study.

Purpose of the size of sample in research is precisely imperative. The respondents were limited to ten members respectively of the individual banks involved in the procurement of works. The kind of info required can be delivered by staff with understanding on procurement of works process.

3.5 DATA COLLECTION AND PROCESSING

The information gathering techniques made a significant measure of this study. From Patton (2002) adopting further or additional information gathering tool reinforces in addition provides credibility to the reading. As a result, data was gathered from two (2) diverse bases. This method was adopted since it exposed subjects that cannot be elevated in expending a single information gathering tool. The research adopted from primary as well as secondary data sources to collect germane evidence for the study. Pickett [1998] advocated that, „present as well as upcoming achievement of an organization is a replication of the efficiency of the senior team, their dream as well as direction plus mutual understanding then abilities of the organization“.

From this identified respondent and contributors to the study were taken from a population of individuals who are professed to have required understanding as well as concern in the area under study besides perform significant function in procurement of works in financial institutions.

3.5.1 Primary Data

The researcher employed the adopted primary sources of data. The main purpose of the study is to gather info that can be analysed, to enable interpretation, and aided the

investigator to grow unique information such as eye witness accounts, and personal observations.

The preliminary survey was employed to gather primary info to support in organizing the questionnaires. The questionnaire survey was also modified to get response on views of respondents about procurement of works and the contribution of financial institutions in Ghana.

3.6 QUESTIONNAIRE DESIGN

The study questions were settled by the investigator then were revised by various professionals in academia as well as in procurement practice. Consequently, a preliminary examination of the questionnaire as well as interview was directed to ascertain in addition eradicate possible vagueness in the questionnaire. In general, the questionnaire is planned to gather broad information from procurement generals. These questions were composed in groups to gather data on procedures in the procurement of works and contribution of financial institutions in the procurement of works.

Respondents ranked the questionnaire on a five-point Likert scale. With the questions scaled from 1-5 with the statement: Strongly Agree, Agree, Neutral, Disagree, and Strongly Disagree respectively. Questions in this manner solicit data on section B and C of the questionnaire. The tool involved of the subsequent divisions: Section A, implored individual as well as general info from the respondents by objective examination. Section B: beseeched info on the factors influencing financial institutions in the procurement of works. Whiles section C looks at the challenges of limited assistance provided by financial institution in procurement of works.

3.6.1 Questionnaire Administration

A complete set of questionnaire with a covering introductory letter from the Department of Architecture at Kwame Nkrumah University of Science and Technology, Kumasi stayed administered in person as well as by electronic means at locations that the investigator will not be able to make the expedition personally. The known potential respondent will be assumed sufficient period to expediently and conformably reply to the questionnaires as well as completed them. The primary data gathered was analysed by the researcher to confirm all-out correctness, legibility, extensiveness, consistency and to reduce ambiguity.

3.7 THE RESEARCH DESIGN

According to Frazer and Lawley, (2000) research design as a strategy of info prerequisite to response the study questions or problems as well as the necessary perception, pattern plus tool for the gathering of the required info for the study. The specific pattern accepted will aid in the select of a suitable study approach. Furthermore, it is probable that by selecting just a single type, an investigator can contribute meaningfully to concept advancement [Saunders, et al., 2007]. This research employs the quantitative research design known the nature of the plan as well as the features of the extent. Besides, as recounted in the literature review, case study which is a quantitative research strategy is the most suitable strategy to adopt in measurement of the contribution and this is most consistently adopted design.

3.8 DATA ANALYSIS

A quantitative method to data analysis was adopted for the study with completed questionnaire been edited, sorted and coded to ensure completeness, consistency and

readability of data collected. Statistical Package for Social Scientists (SPSS Version 20) and Microsoft excel will be employed to analyze the data. The mean score ranking and standard deviation was used to establish the deviations from the common trends running through the responses.

CHAPTER FOUR

FINDINGS AND DISCUSSIONS

4.1 CHAPTER INTRODUCTION

Data analysis and discussion of findings from collected data was presented in this chapter. Two sections were used in the presentation and discussion of results from the findings. The demography of the respondent and analysis of questionnaire data to achieve the various objectives were the two sections of this chapter. Descriptive statistical, together with mean score ranking was used in the analysis of data collected which was centered on the objective of the study in subsection 1.5 of chapter one.

4.2 DATA COLLECTION RESPONSES

Assessment of respondent background in any data collection survey ensure the validity and reliability of the finding in drawing valid conclusion and generalization of data collected (Cresswell, 2009). The respondents as indicated in chapter three are professional involved in the procurement activities of the various financial institutions. In all a population target of 30 was selected through „purposive sampling“, with data collected through the administering of questionnaires in June, 2015. A sum of 20 questionnaires was received out of the 30 respondents constituting a response rate of 66.7% of the various procurement officers in the various financial institutions.

4.3 DATA ANALYSIS

Data analysis was done in two sections. The first part focused on the background information of the respondent, with the second on the factors influencing financial institutions in the procurement of works and measures for improving procurement of works in financial institutions.

4.3.1 Biographical Data Analysis

The section part of the questionnaire was analysis using descriptive statistics such as frequency and percentage. With, questions in this sections involving the ownership category of financial institutions, section of work, category of finance and number of contractors finance. This was done in order to assess the reliability of collected data and increase precision of data. Table 4.1 summarized the data result

Table 4.1: Demographic Data Analysis

VARIABLES		FREQUENCY	PERCENT AGE
Category of Ownership	Public (owned by the government)	20	100%
Section of Work	Marketing Department	1	5%
	Project & Procurement Department	14	70%
	Credit Department	2	10%
	Legal & Compliance Department	2	10%
	Administration	1	5%
Category of Finance	Real Estate	8	40%
	Road	12	60%
	Information Technology and Infrastructure	-	-
Number of Contractors	0-5	6	30%
	16-20	10	50%
	31-45	3	15%
	More than 40	1	5%

From Table 4.1, on the category of ownership of the various financial institutions; the results indicate that all the public financial institutions were owned by government. With seventy (70%) of the respondent at the Project and Procurement Section, 10% each at the Credit Department and Legal & Compliance Department while the remaining 5% each were with the Administrative and Marketing section of the financial institutions. Respondent's involvement is necessary as the knowledge gain by the respondent will be of importance to the subject matter. On category of finance in the procurement of works; 60% of finance was on the road infrastructure while 40% of the finance was on real estate projects. Meanwhile, majority represented by 50 percent of finance was assigned to 16-20 contractors annually, 30% to less than five contractors annually; with 15% to less than 31-45; while more than 40 of contractors were assigned 5% financial facilities.

4.3.2 Procurement Procedure

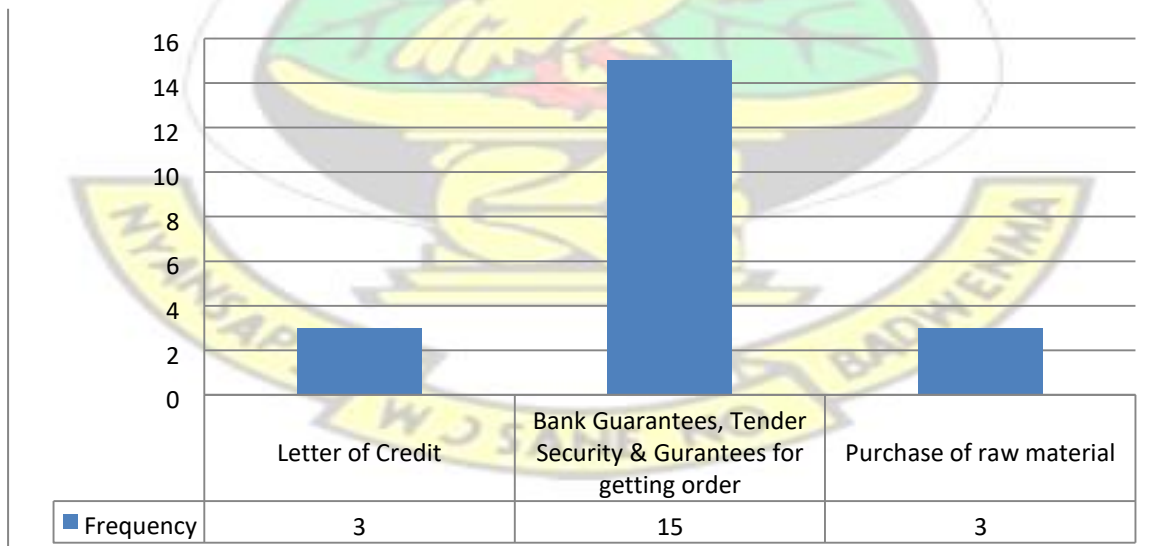


Figure 4.1 Type of Credit

From Figure 4.1 on the procurement procedures of public financial institutions; 75% of financial service are through „Bank Guarantees, Tender Security & Guarantee for getting orders“; while 15% are through „Letter of Credit“ with the remaining 10% for purchase of raw material“ are the type of credit assessed in the procurement of works.

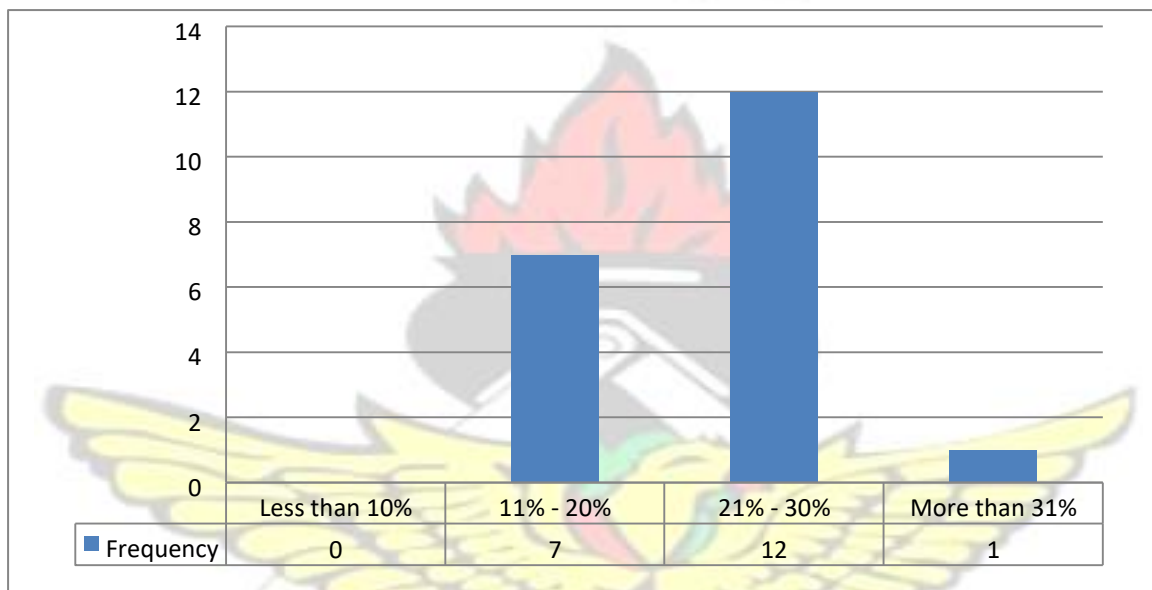


Figure 4.2: Interest rate for Small Scale Firms

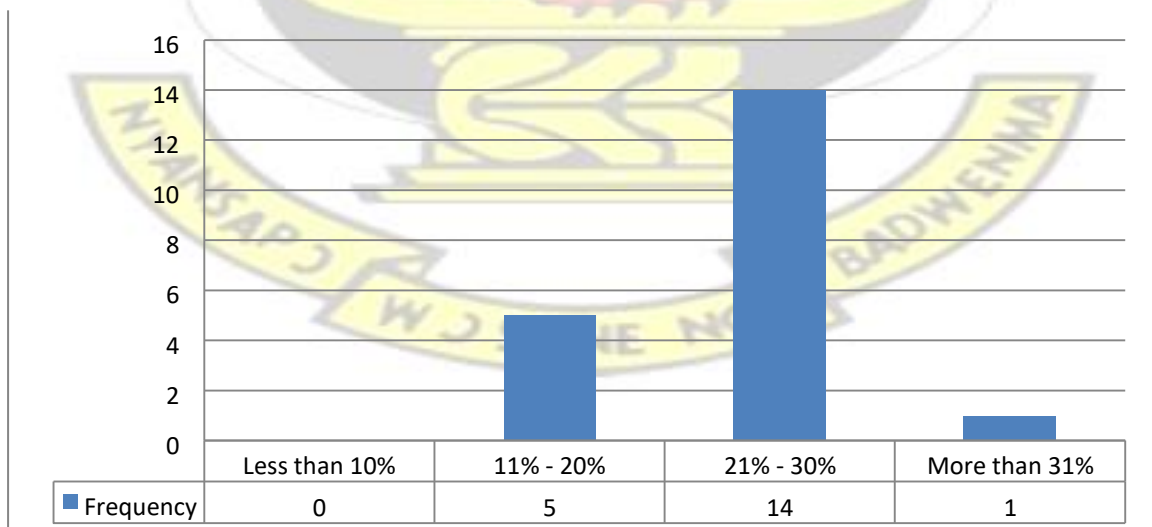


Figure 4.3: Interest rate for Medium Scale Firms

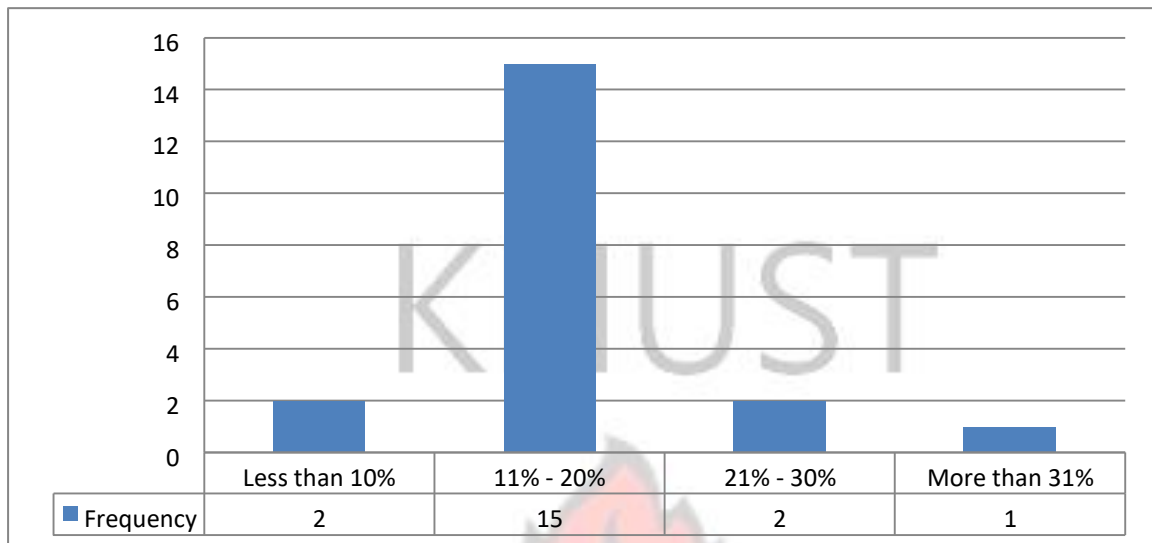


Figure 4.4: Interest rate for Large Scale Firms

Figure 4.2 to Figure 4.4 reveals the interest rate charges on the various categories of firms by the various public financial institutions. From figure 4.2 on the small scale firms; 60% of interest rate is within 21-30%. Whiles for medium scale firm drawing from figure 4.3; 70% of interest lies between 21%-30%; with large scale firm having majority of the interest rate is between 11-20% with a 75%.

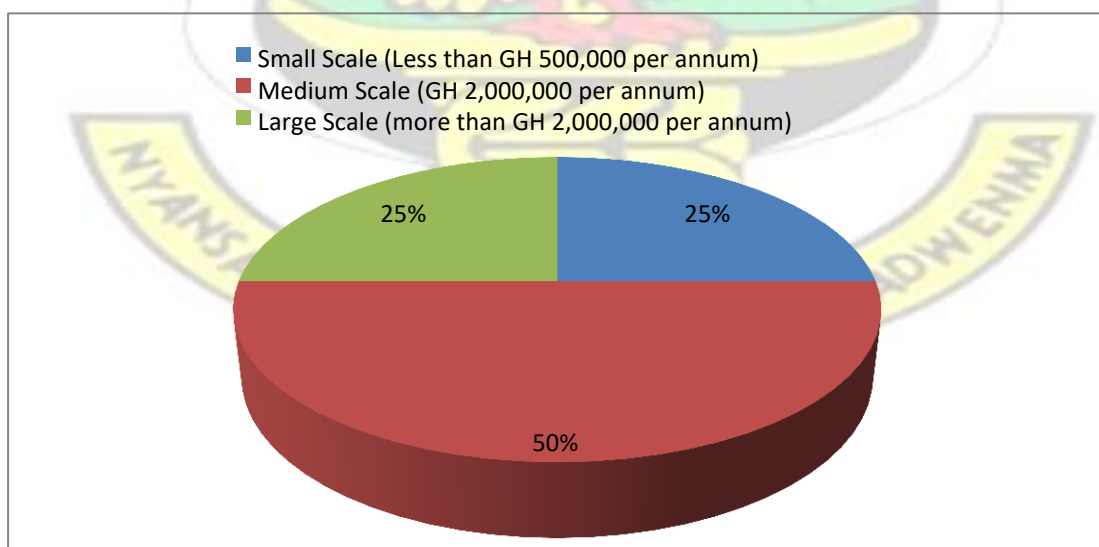


Figure 4.5 Annual Awards to Contractor by the Financial Institutions

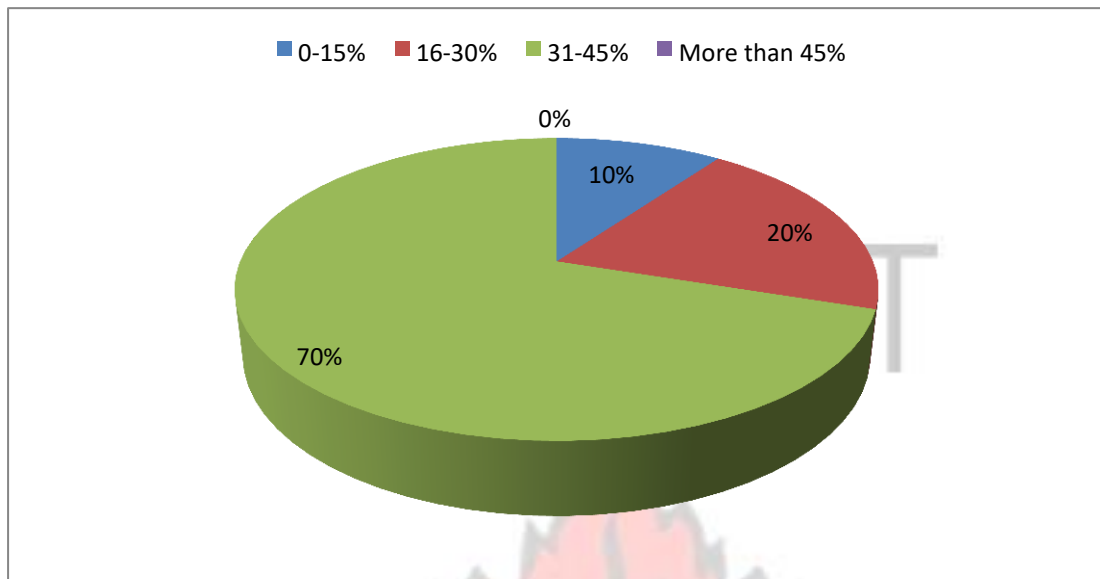


Figure 4.6 Rate of Default

From figure 4.5; fifty (50) percent of credit is awarded to „Medium Scale Firms; with both „Small Scale Firms and „Large Scale Firms” awarded 25% credit each. Also in Figure 4.6, on rate for default in the procurement of works by public financial institution was seventy percent for 31%-45% rate, thirty percent rate for 16-30% and ten percent for 0-5% rate.

4.3.3 ANALYSIS OF DEPENDENT VARIABLES

Mean score and Standard Deviation were the statistical tools used for the analysis of the variables. The respondent rank the various factors influencing financial institutions in the procurement of works and the measures in improving challenges in procurement of works by the said institution. A five-scale Likert rating was adopted for the study which according to Ahadzie (2007) a criterion is deemed significant with a mean value of 3.5 or more and 2.8 using a five-scale Likert rating. According to the same author, the mean

with lowest standard deviation is apportion the highest ranking if a two criteria's are assigned the same mean score. Also, there is consistency in agreement among the respondent with a standard deviation of less than 1.0. Data analysis of the finding and relevant discussion is presented as follows:

4.3.3.1 Factors Influencing Financial Institution in the Procurement of Works

Table 4.2: Factors Influencing Financial Institution in the Procurement of Works

Variables	N	Mean Score	Standard Deviation	Ranking
Type of Works to be undertaken	20	4.3667	.4305	1 st
Time (contract duration)	20	4.3333	.4450	2 nd
Exchange Rate fluctuation	20	4.2333	.5078	3 rd
Technical skills required	20	4.033	.5042	4 th
Variations	20	3.933	.4787	5 th
Risk allocation/reduction	20	3.800	.4685	6 th
Cost	20	3.833	.3728	7 th
Risk Impact (probability & occurrence)	20	3.533	.3895	8 th
Government policies	20	3.466	.4895	9 th
Funding arrangements	20	3.400	.4827	10 th
Security consideration	20	3.300	.4822	11 th
Political consideration.	20	3.275	.4065	12 th
Corruption/self-enrichment.	20	3.035	.6123	13 th
New trends in technology	20	2.435	.6456	14 th

The result revealed that „Type of Works to be undertaken“, „Time (contract duration)“, „Exchange Rate fluctuation“, „Technical skills required“, and „Variations“ were the five major factors influencing financial institution in the procurement of works. Also the other important factors were „Risk allocation/reduction“, „Cost“ and „Risk Impact (probability & occurrence)“ with mean value above 3.5. Table 4.2 further shows

agreement among the respondent on the various factors with a standard deviation of less than one.

4.3.3.2: Improving Procurement of Works in Financial Institutions

Table 4.3 Improving Procurement of Works in Financial Institutions

Variables	N	Mean Score	Standard Deviation	Ranking
Innovative ways of supporting contractors i.e. Leasing of equipment	20	3.850	.4168	1 st
Professional indemnity Insurance	20	3.750	.4761	2 nd
Lower Interest Rates	20	3.667	.3890	3 rd
Establishment of Banks solely for works	20	3.5667	.3895	4 th
Financial literacy programmes	20	3.430	.30513	5 th
Resolving of conflict	20	3.430	.30513	6 th
Tax breaks	20	3.3667	.43018	7 th
Sustainability of Procurement	20	3.2333	.43018	8 th
Rewards for health, safety and environmental consideration	20	3.100	.30513	9 th

On measures to improve upon financial institutions in procurement of works, the mean value and standard deviation of nine (9) measures were assessed with their ranking presented in table 4.3.

Mean scores of all the measures to enhance value for money in procurement are greater than the neutral value of 3.0, indicating that they are all importance.

From table 4.3 below, the highest ranked measure was „Innovative ways of supporting contractors; leasing of equipment with a mean score of 3.850 and a Standard deviation of .4168. „Professional indemnity Insurance“ was the second ranked measure with a mean score of 3.750 and a standard deviation of .4761. On the other measures in

improve improving procurement of works by public financial institutions; „Lower Interest Rates“ and „Establishment of Banks solely for works“ were the 3rd and 4th ranked measures with a mean value of 3.66 and 3.5667 respectively.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATION

5.1 INTRODUCTION

The study sought to evaluate the role of financial institutions in the procurement of works. The research objectives presented in Section 1.5 were developed to help assist the aim of the study. Conclusions, recommendations, implications of the study as well as contribution of the study to existing knowledge are all highlighted in this chapter.

5.2 OBJECTIVES REVIEW

The study's aim was to evaluate the role of financial institutions in the procurement of works. To following specific objectives were set to achieve this novel aim:

5.2.1 Objective 1: To identify the factors that influence financial institutions in the procurement of works;

The results from the study showed that type of works to be undertaken, time (contract duration), exchange rate fluctuation, technical skills required, and variations were the major factors influencing financial institution in the procurement of works.

5.2.2 Objective 2: Identify roles of public financial institutions in the procurement of works;

In case of the second objective, showed that Bank Guarantees, Tender Security and Guarantee for getting order and Letter of Credit were the major credit access by contractors in the procurement of works. The study also revealed that middle class firms receive the largest amount of credit facility from financial institutions.

5.2.3 Objective 3: Challenges of limited assistance provided by financial institutions;

The study revealed that innovative ways of supporting contractors i.e. leasing of equipment, professional indemnity insurance, lower interest rates and establishment of banks solely for works where the major measures in improving financial institutions support for the procurement of works.

5.3 CONCLUSIONS

In addressing the objective of the study has stated in section 1.4 of chapter one, the following conclusions were drawn;

Most Public Financial institution were influence by type of works to be undertaken, time (contract duration), exchange rate fluctuation, technical skills required, and variations in the procurement of works.

Leasing of equipment, professional indemnity insurance, lower interest rates and establishment of banks solely for works were the measures suggested by procurement professionals for the improvement of procurement of works.

5.4 RECOMMENDATIONS

The section proposed recommendations arising from this research;

- Interest rate and default rates of credit facility should be reduce by financial institutions to a lower margin to enable contractor access such facility.
- The Government through the Ministry of Water Resource Works and Housing must ensure that construction firms are equipped with the appropriate capital and equipment before been registered into their various classes.
- Construction firms should be given financial management literacy training to improve their cash flow.

5.5 LIMITATIONS OF THE STUDY

The following are limitations which provides basis for further research;

- The study was limited to public financial institution in the Greater Accra region which provided a limited sample size.

5.6 DIRECTION FOR FUTURE RESEARCH

The following directions for future studies are therefore suggested to enhance research into procurement of work:

- Research into the procurement of works by private financial institutions is help identify challenges in their work is needed.
- Further research study to identify the type of credit facilities accessible by construction firm from both private and financial instructions
- Also similarly, future studies into procurement of works by private financial institution to determine the challenges faced in such institution is needed.

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APPENDIX 1

QUESTIONNAIRE

QUESTIONNAIRE FOR HEADS OF PUBLIC BANKS

**RESEARCH TOPIC The Role Of Financial Institutions In The
Procurement Of Works In Ghana**

INTRODUCTION

The researcher is a final year student of Kwame Nkrumah University of Science and Technology- KNUST from the Department of Building Technology. She intends to under a research on the above topic as part of the requirement to complete an MSc. Procurement Management with the College of Arts and Built Environment; Department of Building Technology.

Your objective response to this questionnaire is an invaluable aid to this research work.
All information provided would be treated as confidential and for academic purposes only. There are no rights or wrong answers.

In case of any doubt/s or need for clarification, please contact any of addresses given below.

Thank You.

Supervisor

Student

Dr. B. K. Baiden

Benedicta Ami Lumor

Tel: 0322060311 / Mob: 0242229492

Mob: 0201580430 / 0244715251

Email: bkb.knust@gmail.com

Email: benedictalumor@gmail.com

1. Which category does your institution belong?

Public (*solely owned by the government*),

☐

2. Which department does you belong?

Marketing Department,

☐

Project & Procurement Department,

☐

Credit Department,

☐

Legal & Compliance Department

☐

Administration

☐

3. What category in the procurement of works do you finance?

Real Estate

Roads

Information Technology & Infrastructure]

All the Above

4. How many contractors (firms) do you give facility in a year ?

0-15 16-30 31-45 More than 45

5. What is interest rate for Small Scale firms?

Less than 10% 11% - 20% 21% - 30% More than 31%

6. What is the interest rate for Medium Scale firms?

Less than 10% 11% - 20% 21% - 30% More than 31%

7. What is the interest rate for Large Scale Firms?

Less than 10% 11% - 20% 21% - 30% More than 31%

8. Allot percentages to various categories of contractors you award annually

Small Scale (*Less than Ghs 500,000 per annum*)

Medium Scale (*Ghs 2,000,000 per annum*)

Large Scale (*more than 2,000,000 per annum*)

9. What is the rate of default of loans?

0%-15% 16%-30% 31%- 45% More than 45%

**SECTION B – SELECTION OF A PARTICULAR FACILITY AND IT
REASON.**

What type of Loan do the contractors apply for?

Letters of credit

Bank Guarantees, Tender Security & Guarantee for getting orders

Purchase of Raw Matereials

In your opinion, state the reason for selecting this type of financing.

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**SECTION C – FACTORS INFLUENCING FINANCIAL INSTITUTIONS IN THE
PROCURMENT OF WORKS**

The under listed are the general factors influencing the procurement of works in Ghana.
Select the most appropriate in each category from the range given

General factors influencing financial institutions in the procurement of works	Very Important	Important	Fairly Important	Not Sure	Not Important
1 Type of Works to be undertaken					
2. Time (contract duration)					
3. Technical skills required					
4. Exchange Rate fluctuation					
5. Variations					
6. Risk Impact (probability & occurrence)_					
7. Cost					
8. Security consideration					
9. Political consideration.					
10. Corruption/self enrichment.					

11. Funding arrangements					
12. Government policies					
13. Risk allocation/reduction					
14. New trends in technology					
Others please specify and rate them.					

SECTION D – WAYS OF IMPROVING UPON FINANCIAL INSTITUTION SUPPORTING THE PROCUREMENT OF WORKS

Below are some identified ways of improving **procurement selection system**. Please express your opinion on (**how works procurement management system can be improved**) by ticking the appropriate cell?

.General Ways Of Improving Upon Financial Institutions Supporting The Procurement Of Work	strongly Agree	Agree	Fairly Agree	Not Sure	Donot Agree
1. Establishment of Banks solely for works					
2. Lower Interest Rates					
3. Tax breaks					
4. Innovative ways of supporting contractors i.e Leasing of equipment					
5. Financial literacy programmes					
6. Resolving of conflict					
7. Professional indemnity Insurance					
8. Sustainability of Procurement					

9.Rewards for health, safety and environmental consideration					
Others please specify and rate them.					

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