

KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY,

KUMASI

COLLEGE OF ARCHITECTURE AND PLANNING

DEPARTMENT OF BUILDING TECHNOLOGY

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MALPRACTICES IN PUBLIC PROCUREMENT OF WORKS CONTRACT IN

GHANA

BY

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

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DECLARATION

I hereby declare that this submission is my own work towards the award of master of science in procurement management and that, to the best of my knowledge, it contains no material previously published by another person nor material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

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DEDICATION

My Family

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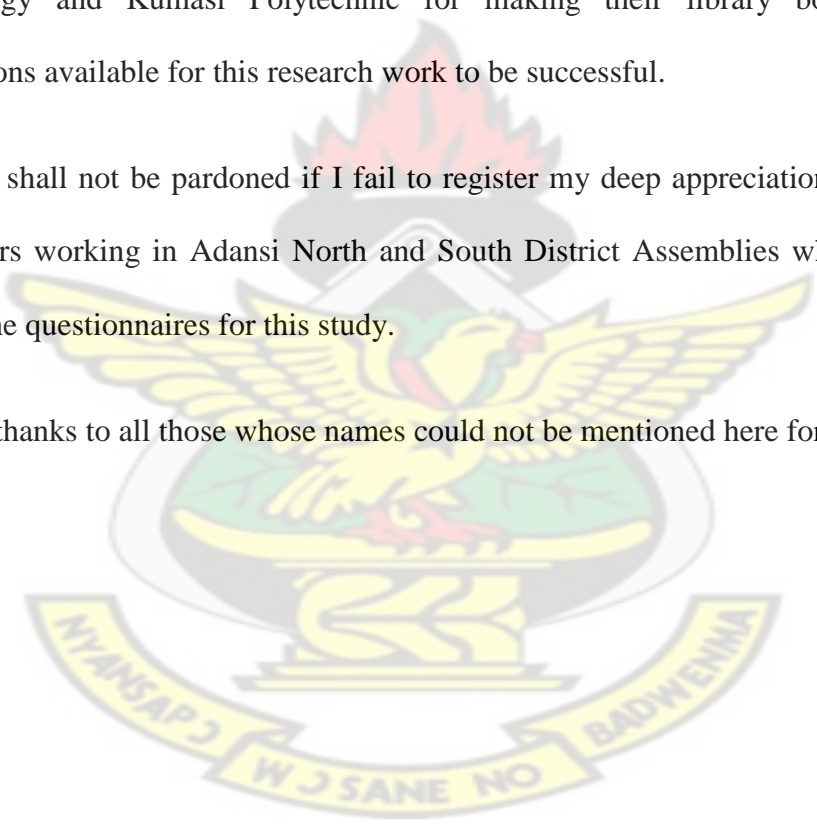
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ABSTRACT

The World Bank defines Public Procurement as a process by which governments and other publicly-funded entities acquire goods, works, and services needed to implement public projects. A study by the World Bank reported that about 50-70% of the national budget (after personal emoluments) is procurement related. Therefore an efficient public procurement system could ensure value for money in government expenditure, which is essential to a country facing enormous developmental challenges and to obtain value for money in government expenditure through procurement, the public procurement Act 663 was enacted in 2003. This was to regulate and ensure efficiency in public procurement. Because of huge amount of resources which go into the acquisition of infrastructural needs, that sector public procurement has been identified to top the list of sectors with high opportunities for corruption and with high significant cases of malpractices and irregularities. The end effect is that government is unable to satisfy its infrastructural needs. Hence, this study was conducted to identify the malpractices which often occur in public procurement process of works contracts with the view to suggesting ways to improving the integrity and transparency of the process as well as reduce the scope of malpractices in the procurement. A questionnaire survey was conducted. The purposive approach was adopted with sample size of 30 made up of officers who were involved in procurement processes and contractors working in District Assembly. Out of 30 questionnaires issued out, 28 were received and analyzed. The outcome of the findings revealed that, procurement entities do not prepare quarterly updates, deliberate limit competition, members of tender approval committee also serve on evaluation panel, issues of conflict of interest, unsuccessful tenders not communicated to, and bulk breaking of procurement orders and no approval of the board is sought for adopting non-competitive methods. Hence there is the need to develop a comprehensive and enforceable code of ethics for procurement officials, review the Act to limit the number of steps in tender processing to reduce the level of bureaucracy in the process as well as recruit well qualified professional to manage procurement. It is expected that the findings of the study could be used as the foundation for developing and improving the integrity of the procurement process.

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CHAPTER ONE

INTRODUCTION

This chapter presents the overview of the research work. The research train sets off with the background to the study, delves into the problem statement, and comes out with the aim and objectives. It then narrows it down to the scope and stops at the methodology

1.1 Background

The World Bank defines Public Procurement as a process by which governments and other publicly-funded entities acquire goods, works, and services needed to implement public projects.

The bank further states reducing bottlenecks, combatting corruption, and malpractices in public procurement help governments maximize their buying power, increase sustainable economic condition, encourage public competition leading to value for money as well as improve the quality of service delivery to their citizens.

A Competitive and transparent public procurement system is therefore a key element to achieving sustainable development and more prosperous societies in Africa (World Bank, 2013). Indeed, the United States Office of Government Ethics (2011) has observed that government gains much when procurement is devoid of corruption and malpractices. The benefits of having transparent, fair competition and equal treatment to all bidders in procurement process is very desirable and enormous.

The ever increasing demand for provision of socio-economic and infrastructure requirements makes procurement of goods, services and infrastructural works consumes a considerable amount of government resources (Agaba and Nigel, 2007), It accounts for at least 15% of the world's gross domestic product (GDP), and even more in African countries. In Ghana available statistics suggests that public procurement constitutes about 50%-70 % of total government expenditure representing 14% of the country's gross domestic product and 24% of the total imports (Ministry Of Finance and Economic Planning, 2003).

This makes the government to be biggest market for suppliers and contractors. With this huge amount of resources, Kenyan Anti-Corruption Commission (2009) has identified public procurement to top the list of sectors with high opportunities for corruption, and it is also the most vulnerable to corrupt manipulation and malpractice (Independent Commission Against Corruption, 2005).

Indeed, the Auditor General of Ghana (2008; 2009) reports of high significant cases of procurement malpractice and irregularities in the Metropolitan, Municipal and District Assemblies.

Malpractice in procurement process involves the behaviour of officials in the public and private sectors to improperly follow and adhere to the accepted laid down rules and procedures, by misusing the position for which they are placed (Asian Development Bank, 2003). Blackburn et al (2005) broadened the definition of malpractice in public procurement process as the abuse of authority by bureaucratic officials who exploit their powers of discretion- delegated to them by the state, to further their own interests by

engaging in illegal, unauthorized or rent-seeking activities. It also includes offering, giving, receiving or soliciting; directly or indirectly, of anything of value to influence the action of a public official in the procurement process or in contract execution (United States Office of Government Ethics) as well as high incidence of vested interests, interference and insider dealings, and occasional cases of retroactive approvals of contract awards (Agaba and Nigel, 2007).

Thai (2004) considers malpractice in procurement process as a global menace which affects corporate credibility and economic sustainability as well as personal and corporate integrity. Indeed, Independent Commission Against Corruption (2005) has observed high occurrence of malpractice in procurement process and contented it may not only bring financial losses upon a company or an organization but also adversely affect its reputation as a trustworthy partner for business.

It is against this background that this study seeks to identify malpractices that often occur in procurement of works contracts in the Ghana with the view to suggesting ways to improve the integrity of the procurement process.

1.2 Problem Statement

The object of public procurement is to ensure fair competition, transparent and equal treatment to all bidders as well as judicious use of state resources. Therefore when the sanctity and integrity of a procurement process is compromised as a result of malpractices, it may lead to: a bid protest or process being challenged, commencement of

investigations into process, undermining the public's confidence in procurement process, discourage public competition, damage corporate image and integrity, as well as administrative, civil or even criminal actions and payment of penalties.

1.3 Aim of the Study

Is to suggest ways with the view to improving the integrity and transparency of the procurement process and reduce the scope of malpractice in the procurement of works contract in Ghana.

1.4 Objectives

- To identify malpractices in procurement process
- Make recommendations to increase transparency in public procurement process

1.5 Research Questions

In embarking upon such study, certain questions should be answered before any credible conclusions can be drawn. The following questions were posed.

1. What were the procurement malpractices in works contract in Adansi South District Assemblies and Adansi North District Assemblies?

2. What effects did the malpractices in Procurement of works have on the scarce resources of the District Assemblies?

1.6 Significance of the Study

The findings of the study is intended to provide a case study and make generalization for all other District Assemblies in the country who have similar challenges to find ways of conducting their procurement in a manner free of malpractices and acts of corruption. This study is essential in the sense that it would not only contribute to knowledge and theory, but will also contribute to good policy practice in the management of finance in the public institutions in Ghana. Another rationale for the study lies in the significance of the passage of the Public Procurement Act, efficiency and more importantly reducing malpractices and acts of corruption. This will clearly show how Public Procurement Act 663, 2003 has contributed to the national development in terms of acquisition of infrastructural works.

Finally, the study will provide an in-depth knowledge in the use of the district scarce resources. It will ensure a total development in all part of the country if the findings and recommendations are applied by all District Assemblies

1.7 Scope of the Study

Geographically, the study was conducted in two District Assemblies in Ashanti Region. The District Assemblies are: Adansi South and Adansi North. The two Assemblies were selected mainly because an audit exercise conducted in Adansi south indicted the Assembly for high malpractices in procurement activities (Auditor General's Report, 2012). More so is the fact that proximity for easy accessibility of data to the study. It was therefore prudent to conduct this research into the procurement process undertaken by the assembly to establish if it conforms to the law and best practices.

1.8 Research Methodology

This study shall be carried out by an initial comprehensive review of related literatures in order to develop an understanding of public procurement contracts.

In addition, questionnaires shall be designed and sent to staff members of the District Assembly who are in charge of procurements, as well as contractors working in the District. The questionnaires were designed to obtain information on the following:

Profile of the Respondent: his/ her educational background, academic and professional qualifications, professional associations, level of working experience and knowledge in procurements and position.

Profile of the Firm: the firm financial Class, the type of project undertaken (Building or Civil Works), and the type of contract usually undertaken.

After collating the data from the questionnaires, it shall be followed by personal interviews to ascertain if what they answered in the questionnaires were what they actually practiced.

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CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter reviews related literature, journals, article and other publications to know what previous authors have done and to develop theoretical framework as well as to establish foundation and best practices for public procurement of works contract. The review has been divided into two sections. The first section deals with a review of the public procurement Acts 663, 2003 to enable the researcher establish proper methods and procedures in carrying out procurement process leading to awards of contract.

The second section also deals with publications, journals and other related literatures on the malpractices in the procurement process.

This enables the researcher to establish a firm ground to affectively analysis the data collected.

2.1 The Legal Frame Work

As part of the Public Financial Management Reform Programme (PUFMARP), the Government of Ghana enacted the Public Procurement Act 663 in December, 2003 pursuant to financial management reform. The Act and Manual provide legal frame work for all Public Procurement in Ghana. The Act provides the general rules governing Public Procurement and the Manual explains and provides guidelines and step-by-step

procedures to assist Procurement Entities to undertake public procurement in accordance with the Act. The Public Procurement Manual details the standards and procedures to be followed in the procurement of goods, works and services within the public sector, and also includes a section for guidance on Asset Disposal procedures. These standards, policies and procedures are designed to provide uniform procedures for the procurement of goods, works and services and for asset disposal; ensure transparency and accountability in all operations, and consistency with the guidelines of Development Partners where necessary; ensure the consistent application of the provisions of the Act and Regulations; and promote the consistent application of best procurement practices and international standards

2.2 Procurement Planning

Procurement planning is the process of deciding what to buy, when and from what source. It is at the planning stage that the procurement method is assigned and the expectations for fulfillment of procurement requirements determined (Lynch, 2013). Moreover, section 21 of the Act requires Procurement Entities to prepare a procurement plan for each fiscal year, and prepare quarterly updates for approval by the Tender Committee. The Regulations require that the procurement planning process is fully integrated with applicable budget processes and circulars issued by the Public Procurement Board and the budget preparation instructions of the Ministry of Finance. Adequate procurement planning and prioritization of needs by each Procurement Entity is an essential prerequisite to effective purchasing (Public Procurement Manual). Himmie

(2010) confirms that effective Procurement Planning is essential for all procuring entities in the implementation of the purchasing objectives for the following reasons: saves time and money, serves as a conduit to achieving entity's objectives, ensures compliance with regulatory policies and provides a framework to guide procurement officers in the achievement of their tasks and duties.

2.3 Contents of the Procurement Plan

The procurement plan for each Procurement Entity shall include, according to the Act, a detailed breakdown of the goods, works and services required; a schedule of the delivery, implementation or completion dates for all goods, works and services required; the source of funding; an indication of any items that can be aggregated for procurement as a single package, an estimate of the value of each package of goods, works and services required and the source of funding; and details of any committed or planned procurement expenditure under existing multi-year contracts. In determining the optimum packaging of planned contracts, it is required that a Procurement Entity aggregates procurement requirements, where appropriate, to achieve economies of scale. In deciding where aggregation is appropriate. The Procurement Entity must consider all relevant factors, including, which procurements are of a similar nature and likely to attract the same potential tenderers; shelf-life and storage constraints; when delivery, implementation or completion is required; the optimum size and type of contract to attract the greatest and most responsive competition, taking into account the market structure for the requirement; which procurements will be subject to the same tendering requirements and

conditions of contract; and the potential to realize savings in time or transaction costs or to facilitate contract administration by the Procurement Entity (Public Procurement Manual).

2.4 Procurement of Works Contract

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

2.4.1 Definition of Works Contract

Is a legally binding agreement between two or more parties for the purpose of construction, reconstruction, demolition, repair or renovation of a building or structure or surface and includes site preparation, excavation, erection, assembly, installation of plant, fixing of equipment and laying out of materials, decoration and finishing, and any incidental activity under a procurement contract (Asibey, 2012).

2.5 Procurement Methods and Procedures of Works

Lynch (2013) defines Procurement methods as the procedures used by a procuring entity to acquire goods, services and works. These methods can be competitive or non-competitive.

2.5.1 Competitive Tendering

This is also known as opening tendering. The Business Dictionary defines competitive tendering as tendering process which is opened to all qualified tenders and where the sealed tenders are opened in public for scrutiny and are chosen on the basis of price and quality. Indeed, section 35(1) of the Public Procurement Act provides that a procurement entity shall procure goods, services or works by competitive tendering except as provided. It further states a procurement entity shall use the competitive tendering method when selecting contractors unless the procurement entity determines that it is feasible to formulate detailed specifications and tendering proceedings, or other methods of procurement which are more appropriate taking into account the nature of the works to be procured. Lynch (2013) contends that using competitive methods of procurement promotes transparency, economy and efficiency, and limit acts of favoritism. Demsetz (1968) also maintains that the only way to enhance efficiency is to introduce competition. Perhaps that is why Osei-Tutu (2013) maintains that the competitive tendering is the default method of procurement.

2.5.2 Restricted Tendering

This method of procurement is also called Limited Bidding or Selective Tendering. Lynch (2013) defines restricted tendering is a procurement method that limits the request for tenders to a select number of suppliers, contractors or service providers. Although considered a competitive procurement method, the basic characteristic of this method is that competition is confined to the firms shortlisted or invited by the procuring entity.

This method is usually adopted when only a few firms are qualified to fulfill the specific type of requirement, or certain conditions warrant the use of a limited number of firms in order to reduce the time and cost of the selection process.

More so, the Act provides that a procurement entity may for reasons of economy and efficiency, and subject to the approval of the Board, engage in procurement by means of restricted tendering, if goods, works or services are available only from a limited number of suppliers or contractors; or if the time and cost required to examine and evaluate a large number of tenders is disproportionate to the value of the goods, works or services to be procured (Act 663, 2003).

2.5.2.1 Procedure for Restricted Tendering

Section 39 (1) of the Act provides that where a procurement entity engages in restricted tendering on the grounds the goods, works or services are available only from a limited number of suppliers or contractors; it shall invite tenders from the suppliers and contractors who can provide the goods, works or services and select in a non-discriminatory manner, a number of suppliers or contractors to ensure effective competition. Where the procurement entity engages in restricted tendering, it shall cause a notice of the selective-tendering award to be published in the Public Procurement Bulletin.

2.5.3 Single-Source Procurement

Lynch (2013) defines Single-Source procurement method as a process of acquiring goods, services and construction works from only one source. This is clearly a non-competitive procurement method, and it should be used only under exceptional circumstances. Section 40(1) of the public procurement Act states a procurement entity may engage in single-source procurement under the approval of the Procurement Authority, where goods, works or services are only available from a particular supplier, or contractor, or if a particular supplier or contractor has exclusive rights in respect of the goods, works or services, and no reasonable alternative or substitute exists; or where there is an urgent need for the goods, works or services and engaging in tender proceedings or any other method of procurement is impractical due to unforeseeable circumstances giving rise to the urgency which is not the result of dilatory conduct on the part of the procurement entity; or where owing to a catastrophic event, there is an urgent need for the goods, works or technical services, making it impractical to use other methods of procurement because of the time involved in using those methods; where a procurement entity which has procured goods, equipment, technology or services from a supplier or contractor, determines that additional supplies need to be procured from that supplier or contractor because of standardization; or there is a need for compatibility with existing goods, equipment, technology or services, taking into account the effectiveness of the original procurement in meeting the needs of the procurement entity; or where it concerns national security, and determines that single-source procurement is the most appropriate method of procurement. 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.

2.5.3.1 Procedure for Single-Source Procurement

The procurement entity may as per section 41 of the act procure the goods, works or technical services by inviting a proposal or price quotation from a single supplier or contractor under section 40.

2.5.4 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 stipulates that a procurement entity may engage in procurement by requesting quotations in accordance with section 43, (a) for readily available goods or technical services that are not specially produced or provided to the particular specifications of the procurement entity; and (b) for goods where there is an established market if the estimated value of the procurement contract is less than the amount in Schedule 3.

2.5.4.1 Procedure for Request for Quotation

Section 43 (1) of the Act states that procurement entity shall request quotations from as many suppliers or contractors as practicable, but from at least three different sources. (2) Each supplier or contractor from whom a quotation is requested shall be informed whether any elements, apart from 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) Each supplier or contractor shall only give one price quotation and shall not change its quotation; (4) No negotiations shall take place between the procurement entity and a supplier or contractor with respect to a quotation submitted by the supplier or contractor, prior to evaluation of bids.

2.6 Procurement Malpractices

This section looked at the professional definition and types of procurement malpractices

2.6.1 Definition of Procurement Malpractices

In the law of torts, malpractice is an "instance of negligence or incompetence on the part of a professional". However, for the purpose of this study the Chartered Institute of Procurement & Purchasing (CIPS) definition of malpractice will be relied on. The Institution defines procurement malpractices as "those deliberate actions and practices

that threaten or compromise the integrity of a process of procurement.” Malpractice can be deliberate or accidental, but has the same effect.

2.6.2 Procurement Malpractices

Public procurement is perceived to be susceptible to malpractices and corruption from project inception to completion (Gelléri & Csáki, 2003; Shakantu, 2006). A study conducted by Symons (2000) in South Africa, identified huge malpractice in public procurement sector. Some of the malpractice identified include the submission of fictitious and exorbitant invoices for materials and labour as well as gifts in return for work and prompt payment. In some cases procurement officials were found to have connived with contractors and/or consultants to indulge in unethical practices. Shakantu (2006) also reported that; trading of insider information and stealing other peoples’ drawings during the design stage; collusive bidding during the tendering stage; cash inducements (bribery) for over-valuing work performed during the site operations stage; negligence in the form of poor quality documents during production documentation stage; fraudulent conduct such as covering up poor workmanship during site inspection have been cited as some malpractices that take place during the process of procurement.

2.6.3 Types of Malpractices

This section looked at malpractices which are pervasive in public procurement process.

2.6.3.1 Gifts and Inducements from Contractors

The United States Office of Government Ethics defines gift as anything that has monetary value. Section 32 of the Public Procurement Act also provides that a procurement entity shall reject a tender, proposal, offer or quotation if the supplier, contractor or consultant that submitted it offers, gives or agrees to give, directly or indirectly, to any current or former officer or employee of the procurement entity or other governmental authority, a gratuity in any form; an offer of employment; or any other thing of service or value as an inducement with respect to anything connected with a procurement entity and procurement proceedings. The laws of United States prohibit public officials from soliciting or accepting gifts having more than nominal value where it could reasonably be inferred that the gift was intended to influence them or could reasonably be expected to influence them in the performance of their official duties or was intended as a reward for any official action on their part. (Public Officers Law Section 73 (5)(a)). For this reason Thai (2004) advises that officers involve in procurement undertakings should refuse gift or benefit offered to them by Vendors, because acceptance creates the perception of undue influence and compromises the appearance of impartiality in decision making. Lynch (2013) advises that any offer made with the expectation that a person or an organization will be treated favourably may be a criminal offence.

2.6.3.2 Conflicts of Interest

The business dictionary defines conflict of interest as a situation that has the potential to undermine the impartiality of a person because of the possibility of a clash between the person's self-interest and public interest. In other words conflict of interest arises when an officer's private interests conflict with his official duties. Indeed, it is another area of malpractice in procurement process. Where any member of the Tender Evaluation Panel encounters a conflict of interest in any tender evaluation, he must declare his interest in the tender, and possibly leave the process and not participate in the deliberations or decision-making process in relation to that evaluation. More seriously, a close relationship with a supplier may lead to allegations of a conflict of interest and bias. Actual, potential, or even perceived conflicts of interest can damage the reputation and performance of an organization (United States Office of Government Ethics).

2.6.3.3 Acts of Favouritism

Mogiliansky & Kosenok (2009) reports that favoritism generally facilitates collusion in procurement process and is another area of malpractice in procurement activities. To avoid the perception of partiality or favouritism and ensure that no one (bidder) is advantaged or disadvantaged in the procurement process, Oppong (2008) recommends that all tenders and tenderers must be treated consistently, evenly and fairly by adopting and applying common evaluation criteria in the evaluation process (Hemmie, 2010).

2.6.3.4 Release of Confidential Information

The security and integrity of commercially sensitive or confidential information related to the offer or offerees' bids is critical to the procurement process. Inappropriately releasing it to third parties (e.g. other suppliers) can lead to allegations of partiality and lack of competitive neutrality.

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2.6.3.5 Limit of Competition

One of the objects of the Act is to promote open fair competition in procurement undertakings. But Hemmie (2010) has observed that there seems to be a deliberate effort by some procurement entities to limit competition by refusing to provide equal opportunities for competitors in a given bid. The section 49 (1) of the public procurement law provides that tender documents should be supplied to all prospective bidders who may want to take part in a tendering. Crown Agents (1998) and Westring (1997) both reported that there are many instances of a single contractor buying and pricing all the bidding documents, and the contractor/supplier, processing the documents under different contracting proposals.

2.6.3.6 Non Enforcement of Laws

It is worth noting to identify that studies have shown that malpractice and corruption pervade developing countries because of weak institutional infrastructures and lack of

effective monitoring mechanisms (Lengwiler & Wolfstetter, 2006). Public procurement has been perceived as an area of malpractice and corruption (Thai, 2004) that is widespread (Jones, 2007). If procurement laws and regulations are not enforced to the letter, issues of corruption will continue to cover headlines in both the print and electronic media. Wilson (2004) argued that in a situation where there is huge system loopholes coupled with laxity in legal and administrative systems, compounded by non-transparency and extensive discretionary powers at the hands of politicians, there needs to be concerted effort to ensure strict enforcement of laws to achieve the purpose for which those laws were enacted. Studies in Uganda, Tanzania and Kenya reveal that corruption in public procurement has mainly been through hidden violation of laid down procurement rules (Transparency International, 2009). Low detection of breaches of the law (Kanaga, 1999), weak enforcement of rules (Larmour, 2006) and regulations will also strengthen the hands of wrongdoers to misapply the law with impunity.

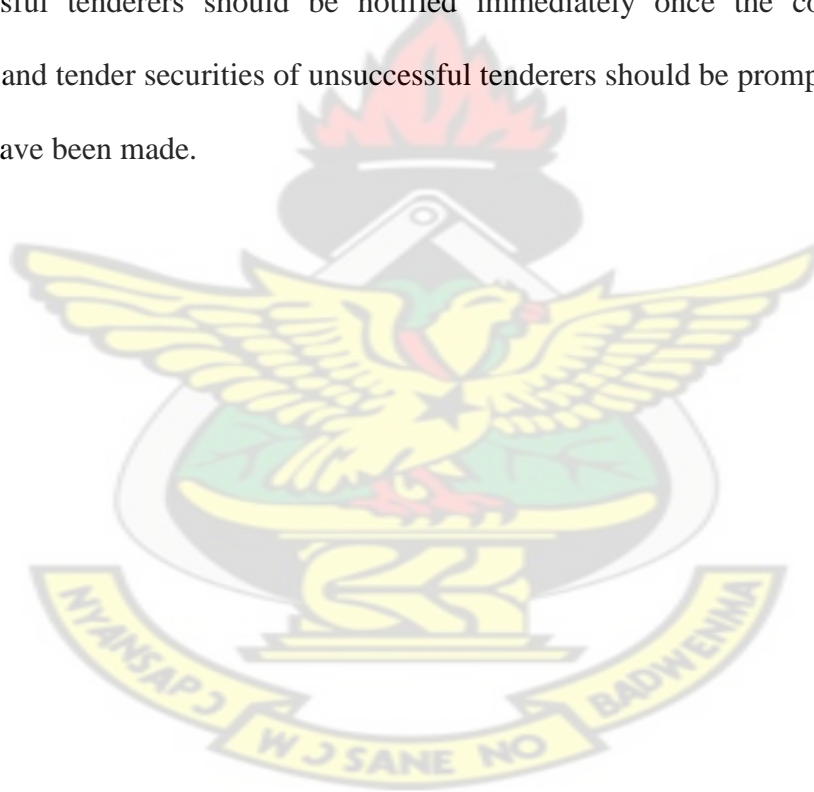
2.6.3.7 Bulk Breaking

This is a term used to describe deliberate dividing (breaking) a procurement order into small units in order to avoid a procurement order passing through the full procedure as prescribed by law. Osei-Tutu et al (2012) have observed that there is a deliberate effort by procurement officials to split procurement contracts into smaller packages. This approach is strictly floun upon by the Act. The section 21 (5) of the Act warns that a procurement entity shall not divide a procurement order into parts or lower the value of a

procurement order to avoid the application of the procedures for public procurement in this Act.

2.6.3.8 Notification to Unsuccessful Tenderers and Return of Tender Securities

One major breaches of the procurement law is non-notification of the results of tendering to unsuccessful tenderers. The Public Procurement Act 663, 2003 stipulates that all unsuccessful tenderers should be notified immediately once the contract has been awarded and tender securities of unsuccessful tenderers should be promptly returned after awards have been made.



CHAPTER THREE

MATERIALS AND METHODS

3.0 Introduction

The chapter begins with the design of the research instrument, the sampling technique and the sample size. It concludes with an overview of the statistics technique used in analyzing the data.

3.1 Design of Questionnaire

A questionnaire is a series of questions asked to individuals to obtain statistically useful information about a given topic. When properly constructed and responsibly administered, questionnaires become a vital instrument by which statements can be made about specific groups or people or entire populations. In designing the questionnaire, the objectives of the study were first established. This was done to help in determining what questions to ask and how to ask them. Again, very short and concise questions were fielded as questions as long and words may appear confusing to respondents. All these were done in order to ensure that the responses received would be reliable.

In designing the questionnaire, the aim of the study, which is to suggest ways to improve the integrity and transparency of the procurement process and reduce the scope of malpractice in the procurement of works contract in Ghana, was taken into consideration. This is to help in determining the kind of questions to ask and how to ask them. In this

regard, the methods and procedure as prescribed in the Public Procurement Act 663, 2003 were used as the basis for assessment.

Two sets of questionnaire were designed. One set of the questionnaire for officers of the District Assemblies involve in procurement processes, and another set to be answered by contractors working with the Assemblies.

Each set of questionnaire was divided into sections. The part dealt with the demographics of the respondents with respect to their professional background, the number of years they have been working in the industry. This background information was imperative in order to ascertain the likely reliability and credibility of the data.

The second part of the questionnaire provided the respondents to give their knowledge in the procurement methods and procedures as prescribed by the public procurement Act 663, 2003

3.2 Pre-Testing of Questionnaire

In the author's bid to pre-test the questionnaire, makes sure it was accurately capturing the intended information, a pre-testing was undertaken among a smaller subset of target respondents before the main survey. Using purposive sampling techniques, 10 were initially contacted at their office to brief them on the aim and objectives of the study and also to seek their readiness to be a part of the pre-testing of the study. These officers of the MMMDAS were selected due to their level of experience and involvement in the

procurement process at the various Assemblies. A period of one week was spent in pre-testing the questionnaires.

The pre-testing provided a platform to brainstorm with respondents to understand their problems with answering any of the questions, if they were able to understand the question correctly and how they felt about the questions. The pre-testing was undertaken via visits to the offices of the 2 District Assemblies and it must be mentioned that they were very co-operative.

3.3 Sampling Technique

The Purposive Sampling Technique was used for the data collection. This was because the study wanted to elicit views of persons who were involved in procurement process at the two District Assemblies. The target population was District Assemblies staff: District Co-ordinating Directors, Finance officers, Planning Officers, procurement Officers, Engineers and Budget Analysis and contractors working in the two District Assemblies

3.4 Sample Size

This defines the number of actual respondents who were under investigation. The sample size as determined by using the Kish Formula (1961) was 30, comprising 20 officers who are involved procurement processes and undertakings, and 10 contractors working in the two District Assemblies which were used as the case study.

3.5 Determination of the Sample Size

The determination of the sample size was there after based on the Kish formula, n

Where n = Sample size

$$n = \frac{S^2}{V^2}$$

N = Population = 150

V = The standard error of sampling distribution = 0.05

S = The maximum = 0.25

P = The proportion standard deviation in the population elements

(Total error = 0.1 at a confidence level of 95%

$S^2 = P(1 - P) = (0.5)(0.5)$ of population element that belong to the defined class.

Using the above parameters for the above equation give a sample size of 150 for the respondents. Assuming a return rate of 80%, then the sampling size=23, and this number was increased to 30. Thereafter, proportional representation was used to allot the questionnaires. The sample frame obtained is detailed in Table 3.1 below.

Table 3.1 shows sample frame

POSITION	RESPONDENTS
District Coordinating Director	2
District Finance Officer	2
District Planning Officer	2
District Budget Analyst	2
District Engineer	4
Quantity Surveyor	2
District Procurement Officers	2
District Community Officer	2
Contractors	10
Total	30

3.6 Questionnaire Administration

The administration of the questionnaire began in early days of August, 2013. In respect of the fact that the method employed in the pre-testing of the questionnaire was largely successful and reliable the same method was employed in the main survey. In view of this the questionnaires were personally sent to the offices of the selected respondents. A period of two weeks was allowed for the administration of the questionnaires and all completed questionnaires were to be retrieved by the end of the two weeks. In the author's bid to increase the rate of response an additional one week was allowed for the retrieval of the rest of the questionnaires. After the elapse of the additional one week allowed, all other questionnaires which had not been retrieved were considered non-responsive.

A total of 30 questionnaires were administered to officers and contractors working in Adansi North and South District Assemblies. A total of 28 questionnaires representing 93% of the total questionnaires administered were returned. Table 3.2 shows details of the questionnaires administered and the return rate. A questionnaire was said to be responsive where the relevant questions in relation to a procurement process were fully answered. Table 3.3 shows details of the responsiveness of the questionnaire.

Table 3.2 shows details of questionnaires administered and returned

Respondents	No. of Questionnaires distributed	No. of Questionnaires returned	Percentage returned
Total	30	28	93%

Table 3.3 shows responsiveness of questionnaires returned

Respondents	No. of Questionnaires returned	No. of Responsive Questionnaires	Percentage of Responsiveness
Total	28	28	100%

3.6 Statistical Procedure Employed

3.6.1 One Sample T-Test

One sample t-test is a statistical procedure that is used to determine the highest scores of the sample and the known value of the population mean.

CHAPTER FOUR

RESULTS AND DISCUSSION

4.0 Introduction

This chapter reviews various sections of the questionnaires answered by the respondents, i.e. procurement officers and contractors working in Adansi North and South District Assemblies where this research was carried out. It also makes observations from the interviews he had with the respondents on a visit at their various offices.

This section therefore touches on the following: Response Rate, The Legal Frame Work of Public Procurement, Procurement Planning, Procurement Methods and Procedures, Acceptance of Gifts from Bidders, Inducements/Influence from Contractors, Conflicts Of Interest, Acts of Favoritism, Release of Confidential Information, Limit of Competition, Non Enforcement of Laws, Bulk Breaking, and Notification to Unsuccessful Tenderers and Return of Tender Securities.

4.1 Response Rate

This section looks at the number of respondents who answered the questionnaires sent to them. Out of twenty (20) officers involved in procurement process in the two District Assemblies who were issued with questionnaires, eighteen (18) answered the questionnaires and returned. Only two could not be traced. All the ten (10) contractors who were issued with the questionnaires answered and returned them. This means that

out of 30 questionnaires issued, 28 were answered and returned, and gives the response rate of 93%. Table 4.1 illustrates it.

Table 4.1 Questionnaires response rate

RESPONDENTS	QUESTIONNAIRES ISSUED	QUESTIONNAIRES ANSWERED AND RETURNED	RESPONSE RATE %
District Assemblies Officers	20	18	90
Contractors	10	10	100
TOTAL	30	28	93

4.2 Demographic Characteristic

This section analyses the demographic characteristics of the 28 respondents, the key considerations are their position, academic and professional qualification, years of experience in the industry and specific training in procurement management.

4.3 Job Position

The prime objective is to look at the caliber of persons who administered the questionnaires. The essence of this is to know the category of respondents involved in the study. Moreover, the public procurement act requires specific office holders to be on the various procurement structures.

4.4 Respondents' Working Experience

From Table 4.2 below, it could be observed that the 29% of the responses received had been working in the industry between 5-10 years, 53% between 11-20 years and 7% of the responses received fell between the range of 10 years and above. This was because the public procurement Act 663, 2003, which gives the legal frame work for public procurement, was enacted barely ten years. So only few people had practiced for more than ten years.

Table 4.2 Respondents' Working Experience

	Years of Experience		
Professionals	1-5 years	6-10 years	Above 10 years
Respondents	8	15	5

4.5 Knowledge in Procurement Management

All the respondents indicated they had had some knowledge in procurement management. Indeed, 14% of the respondents said they had professional training in procurement management, 22% said their knowledge in procurement management was by academic training, while 43% indicated they had benefitted from workshops and seminars on procurements. Moreover 21% maintained they have professional and academic training. Fig. 4.1 below gives details illustrations. It could be seen that the respondents generally had a fair knowledge in procurement management.

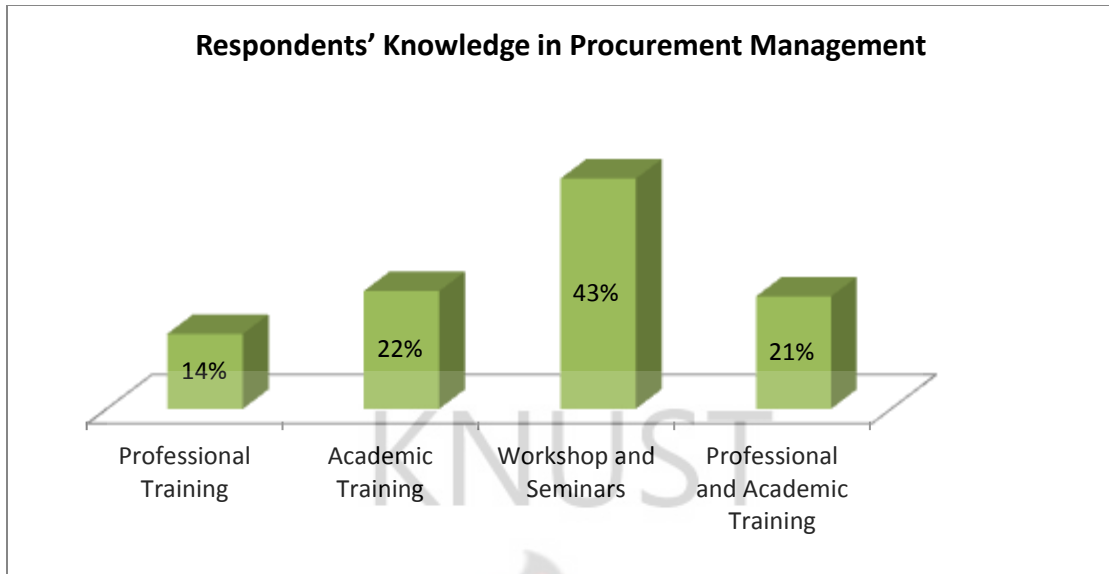


Fig. 4.1 Respondents' knowledge in procurement management

4.8 Academic Qualification

From Fig. 4.2 below, it could be observed that the 28% of the respondents possessed Master's degree, 47% were holders of First degree whiles 25% had diploma. None had other certificates. This shows that the respondents to the questionnaires had good academic knowledge.

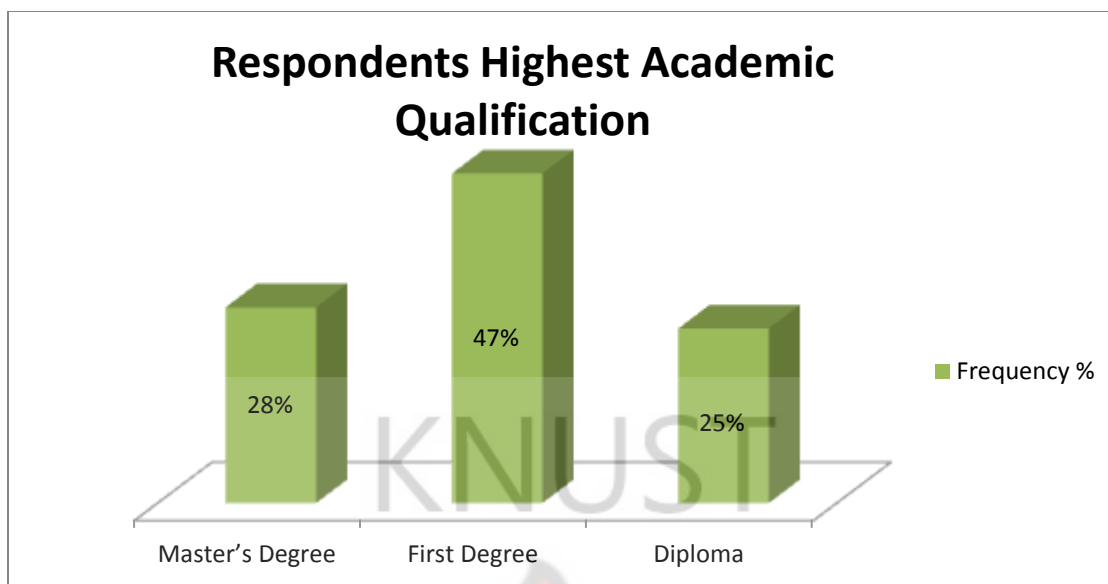


Fig. 4.2 Respondents' highest academic qualification

4.9 Members on Procurement Structures

The intention of this section was to identify the members of the respondents on the various procurement structures who answered the questionnaires.

From the table 4.3 below, 22% of the respondents indicated they were members of Entity Tender Committee Only, while 33% maintained they were serving on District Tender Review Board Only, 28% were on Evaluation Panel Only. However 11% respondents confirmed to be on Entity Tender committee & Evaluation panel, while 6% said they were members of District Review Board & Evaluation Panel. The serving of a member on both tender approval committee and evaluation panel constitutes a breach of the Procurement Act.

Table 4.3 Members on procurement structures

Respondents	No. of Respondents	Frequency	Percentage %
Entity Tender Committee Only	18	4	22
District Review Board Only		6	33
Evaluation Panel Only		5	28
Entity Tender committee & Evaluation panel		4	11
Dist. Review board & Evaluation panel		3	11

4.10 The Legal Frame Work for Public Procurement

The intention was to know which legal framework that the procurement processes was based on. All the respondents interviewed indicated that all their procurement activities were based on the Public Procurement Act 633, 2003.

4.11 Preparation and Approval of Procurement Plan

The intention here was to find out if procurement entities Prepare Annual Procurement Plan and Quarterly Updates for approval by the Entity Tender Committee as prescribed by the Act.663, 2003.

All the respondents confirmed that they prepare annual procurement plan. However, on the preparation of quarterly updates, 53% of the respondents indicated that they had been

doing it all the time, 27% said not all the time, while it is required by law to prepare quarterly updates, 20% of the respondents confirmed they do not quarterly updates. The Figure 4.3 below illustrates it in details. All the respondents indicated that the procurement plan was always submitted for approval.

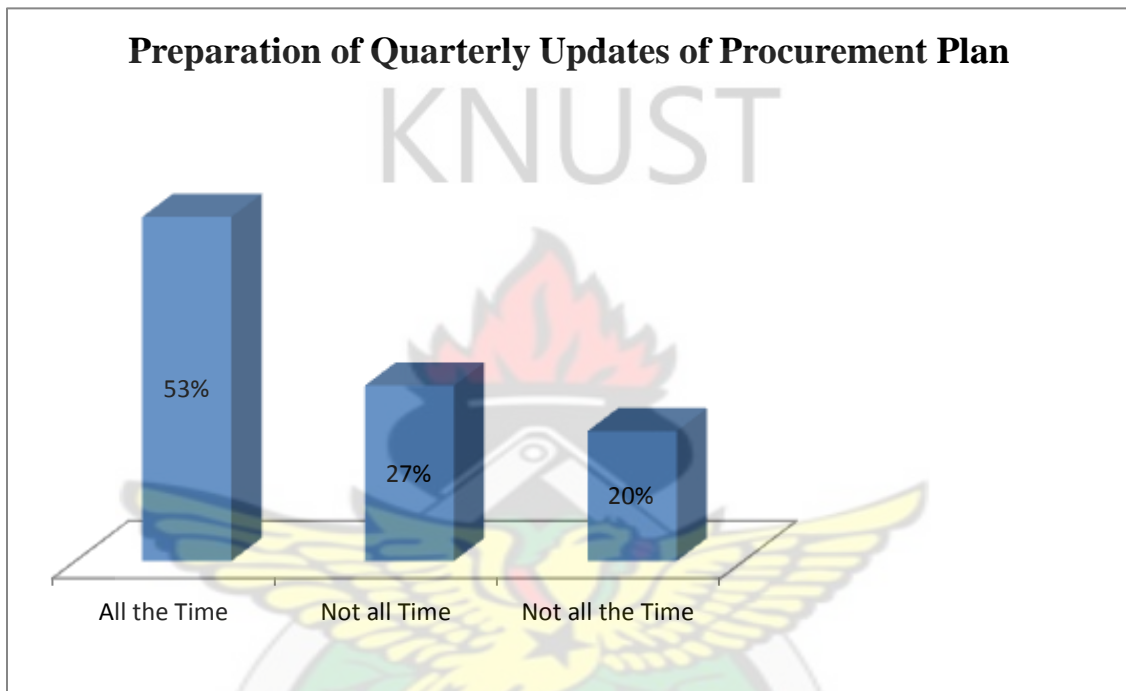


Fig. 4.3 preparation of quarterly updates

Moreover, the survey revealed that respondents had diverse opinion on the legitimate body to approve the procurement plan and quarterly updates. During interview, 44% of the respondents said it was Entity Tender Committee, 40% mentioned the Management Committee of the Central Administration while 16% maintained it was the General Assembly.

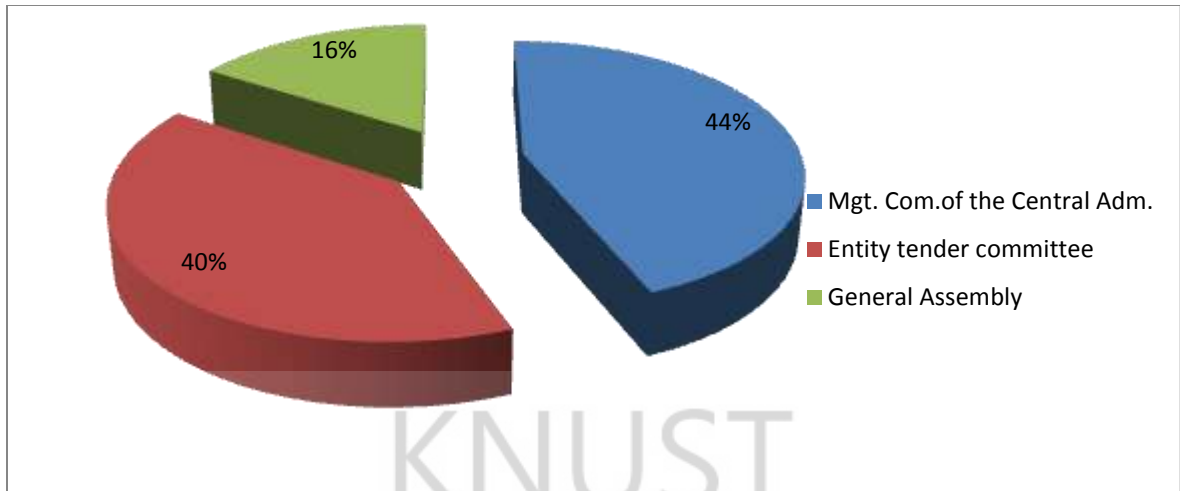


Fig 4.4 Legitimate body to approve procurement plan and quarterly updates

4.12 Procurement Advertisement / Notices

The objective here was to establish as to whether the procurement entities do publish an invitation to tenderers as required in the section 47 (1) of the public procurement Act 663, 2003.

When asked if all their procurement invitations were published, majority of the respondents, 72% intimated that they did it all the time, while 28 % said it was not all the time. Nevertheless all the respondents acknowledged that it was a mandatory requirement to publish an invitation to tender. Fig. 4.3 below gives details

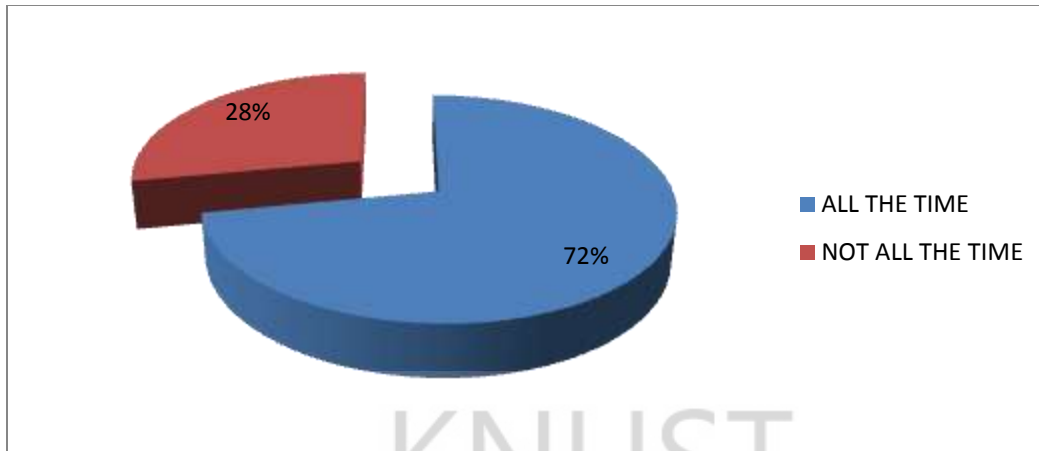


Fig. 4.5 How often invitations to tenders were published

All the respondents said they often publish their procurement invitations to tenders in the newspaper with national circulation. Though none of them said they have ever caused invitation to tenders in an international media or professional journal. This may be due to fact that most of the works contracts undertaken by the District Assemblies are often not major works which go beyond the threshold of advertising it in the national newspapers.

Indeed, this was also confirmed by the contractors interviewed. Out 10 contractors who answered the questionnaires 54% confirmed that the medium that they often receive or come across invitation to tenders was normally state owned newspapers especially *The Daily Graphic* and *The Ghanaian Times*. This may be due to the fact that these two newspapers are perceived to have a wider circulation in the country. Strangely enough 46% of the contractors intimated that they are often contacted through their electronic mails and addresses to participate in tendering for contracts. None said it has never received invitation to tender on a District Assembly website/notice board, radio station, public procurement website or international media. Perhaps this may be due to the fact that contractors working in District Assemblies are often those in lower financial class

according to Ministry of Works, Housing & Water Resources classification of contractors.

4.13 Procurement Methods and Procedures for Works Contracts

The intention of this section was to identify which procurement method is often adopted for works contracts.

The table 4.4 below gives the highest rating by the respondents on the procurement method often adopted for works contracts. The respondents rated the National Competitive Tendering as the most often used with 72%, 50% of the respondents maintained that the Restricted Tendering is often not used, while 62% and 58% said they have never adopted Single Source and Negotiation. All the respondents said Build Operate and Transfer (BOT) and Build Owned Operate and Transfer (BOOT) had never been used.

Table 4.4 The respondents ratings on procurement methods for works contracts

Procurement methods	Highest Rating	Frequency	Percent (%)
National competitive tendering	Very Often	13	72
Restricted Tendering	Not Often	9	50
Single Source	Not Often	8	44
BOT	Not Often	13	72
BOOT	Not Often	13	72
Negotiation	Not Often	10	54

4.14 Approval for the Use of Non-Competitive Procurement Methods

The quest was to know whether the procurement entities in adopting non-competitive methods of procurement do adhere to the procedures as prescribed in the public procurement Act 663, 2003. All the respondents said they had ever employed non-competitive methods of procurement for acquisition of works contracts before.

When asked if the entity did seek an approval for the use of non-competitive methods, 67% of those who answered the questionnaires responded that they did seek approval of the board all the time, however 33% confirmed that they it was not all the time.

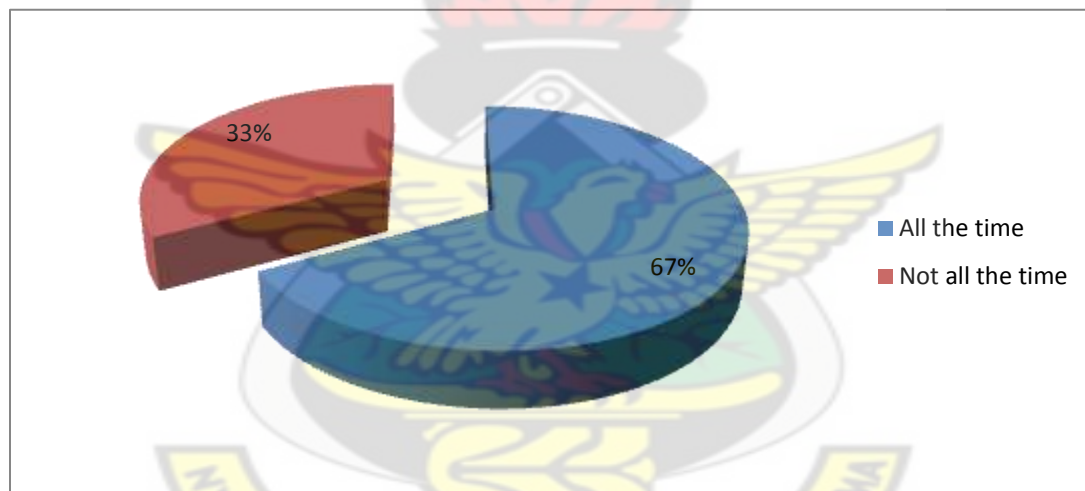


Fig.

4.7 How often the approval is sought for the use of non-competitive methods

When probed at what period in the procurement process that a procurement entity seeks an approval of Public Procurement Authority for an adoption of a non-competitive method, 54% of the respondents answered it is done before invitation to tenders, 36% said after contract award, only 10% said they were not certain. But when requested to

produce a written copy of an approval of Public Procurement Authority for adopting a non-competitive method to procure a works contract none was able to do so.

Table 4.5 the stage at which PE sought approval of the PPA

Respondents	When does the approval of the Board for using non-competitive procurement method	
	Frequency	Percentage %
Before invitation to tenders	10	56
After contract award	6	33
Uncertain	2	11
Total	18	100

4.15 Acceptance of Gifts or Anything of Value and Inducements from Contractors

When asked if acceptance of gifts or anything of value may have influence to favour a bidder or contractor, out of 28 respondents interviewed, 10 said the strongly agree, 1 respondents agreed, 11 respondents disagree while 4 respondents said they strongly disagree and 2 respondents were not certain. The fig. 4.5 gives details.

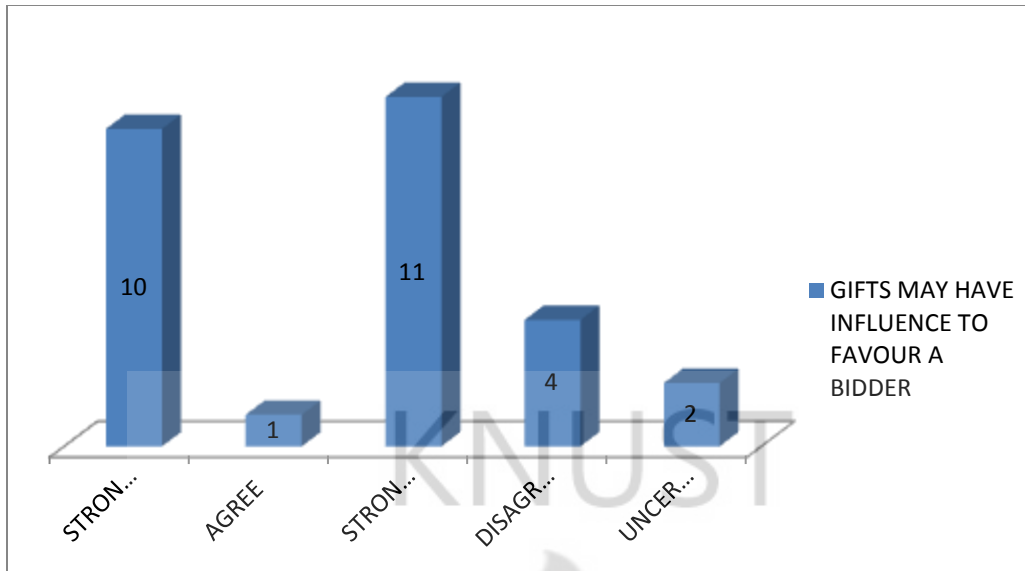


Fig. 4.8 Whether gifts can influence an officer to favour a bidder

In an attempt to solicit an opinion on whether it is wrong to accept a gift or anything of value from a bidder/contractor the response was that 10 (36%) of the respondents answered in affirmative while 15 (56%) disagreed and 2 (8%) intimated they were not certain. Interestingly, majority of the contractors who were interviewed maintained that they saw nothing wrong with officers involved in procurement accepting an offer of gifts. Almost all of them confessed that they have one way or the other offer and that often do it. The contractors confirmed that the gifts they normally offer to the procurement officials are often for launch and fuel. Though some admitted that sometimes some officials do make other form of demand which go beyond gifts. When asked what form of demand or condition aside free gifts that officials make, unfortunately none of the contractors was willing to disclose or talk to that issue.

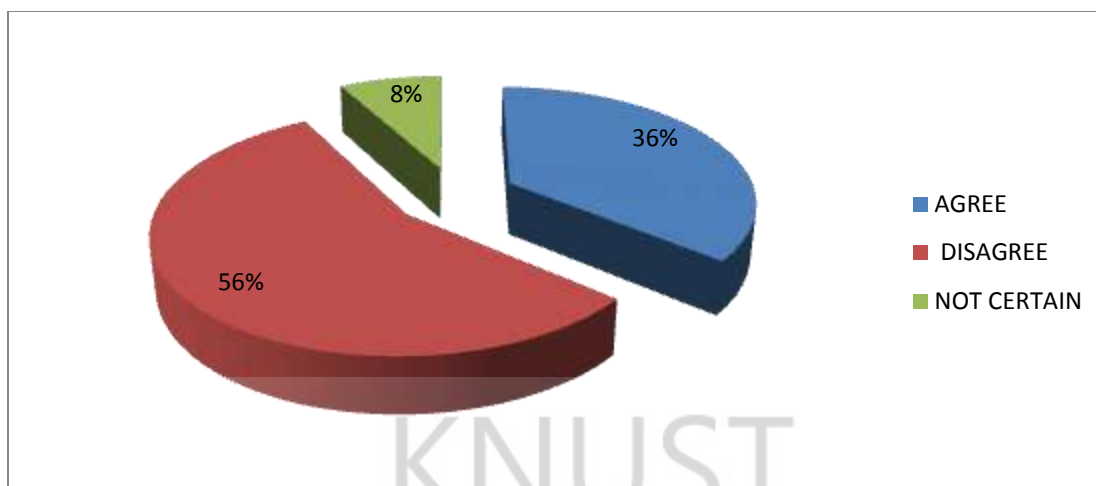


Fig. 4.9 Wrong to accept gifts from a bidder/contractor

Nevertheless, some intimated that sometimes one has to meet some form of conditions before a prospective tenderer is allowed to take part in tendering or payment certificate of work done issued in its favour.

4.16 Political Influence

On the question as to whether political authorities do have influence on who emerges as a successful bidder in procurement process, all the respondents confirmed that they strongly agree

4.17 Influence from family/other relations

Another question was whether the nature of relationship with a bidder/contractor may have influence to favour the bidder. From the table 4.6 below majority of the respondents

55% answered in affirmative by saying they strongly agree, 28% indicated they disagree while 17% were not certain. Those who disagreed argued that selection of a successful bidder is based on predetermined criteria make it difficult to favour a bidder which does not satisfy those criteria. Nevertheless, a good number did maintained influence from family relations and high top officers do play part in the selection process. This is an abuse of the process which not be encouraged.

Table 4.6 Whether external influence play part in a tender selection

	Respondents	Percentage %
Strongly agree	15	55
Disagree	8	28
Not certain	5	17
Total	28	100

When asked to rank the above mention factors influence on selection of a successful bidder, the political influence emerged as first with a score of 64%, followed by 26% for an offer of gifts or anything of value and family/close relations rating lowest with 20%.

4.18 Limit of Competition

The objective was if equal opportunity and accessibility is provided for prospective bidders who desire to participate in invitation to procurement contracts. Consequently questions were put to respondents to know the number of tender documents that are

normally printed and sold to prospective tenderers for a particular contract, 48% of the respondents confirmed 1-3 copies, 36% reported 1-6 copies but only 18% of the respondents said as many as the copies are demanded. It could be observed that some procurement entities deliberately limit the number of participants in tendering process which is a breach on the Act. Table 4.7 gives detail illustration

Table 4.7 No of copies of tender documents printed and sold to prospective tenderers

No of copies	Frequency	Percentage %
1-3 copies	9	48
1-6 copies	6	36
Above 6 copies	3	18

4.19 Notification to Unsuccessful Tenderers and Return of Tender Securities

The Public Procurement Act 663, 2003 stipulates that all unsuccessful tenderers should be notified immediately once the contract has been awarded and tender securities of unsuccessful tenderers should be promptly returned after awards have been made.

Therefore the intention was to know the level of compliance of this provision. When enquired how often the entity notify the unsuccessful tenders after an award of a contract, 48% of the respondents answered that they never write to unsuccessful bidder with the reason that it was not all that necessary, while 32% indicated they had never notified

them, only 20% confirmed that unsuccessful bidders were always informed on the outcome of a tender process. It can be seen that section entities do not notify unsuccessful tenderers and return of tender securities.

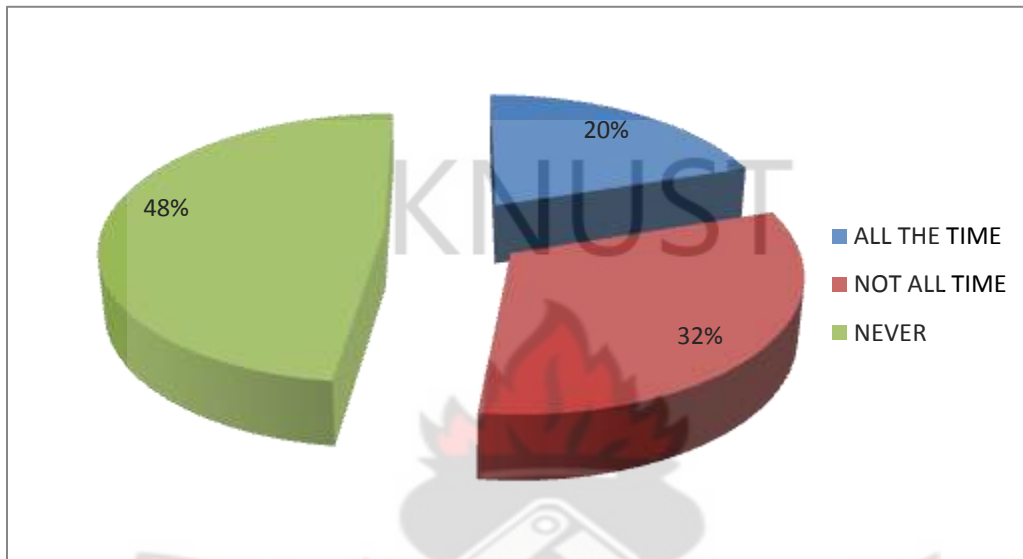


Fig. 4.10 How often unsuccessful tenderers are notified

However, all the respondents confirmed that not always the tender securities of unsuccessful tenderers are returned to them after the award of contract.

4.20 Non Enforcement of Laws

The prime intention of this section was to find out whether non enforcement of laws relating to offences of misconduct and corruption in procurement activities may contribute to increasing acts of malpractices in procurement processes

Hence respondents were asked if long cumbersome procedures to seek redress for procurement misconduct may contribute to malpractices in procurement process. On this 67% of the respondents maintained that they strongly agree, whiles only 11% thought otherwise by saying they disagree. Nevertheless a good number of the respondents of 23% indicated they were not certain.

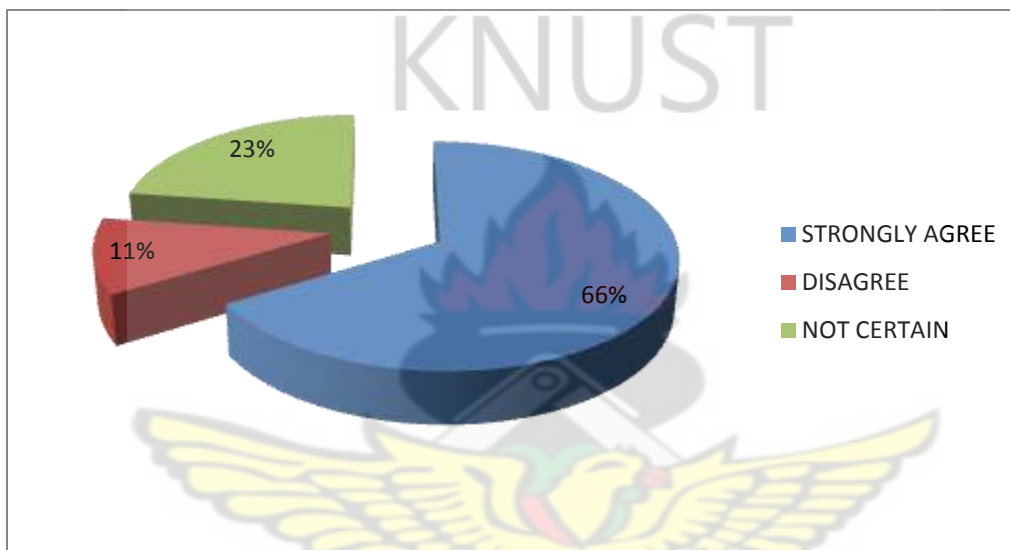


Fig. 4.11 Non enforcement of laws contributes to malpractices

4.21 Bulk Breaking

This section was intended to find out the factors by which a procurement order is packaged in order to avoid ball breaking and enjoy economics scale

On this issue all the respondents answered that a procurement order or package is dependent on many considerations. But one key consideration for packaging a procurement order is the availability of funds or budget line for that particular item.

4.22 Conflicts Of Interest

With this section the prime objective was to find out how often officers involved in the procurement process do encounter conflict of interest in the course of process of selecting a successful bidder and award of a contract.

When quizzed if they have ever encountered a situation of conflict of interest in the process selecting a bidder and awarding contract, all the respondents answered in affirmative.

On how often it does happen, 58% confirmed it is very often, 38% answered sometimes and 12% was of the view that it is very rare. Refer to table 4.8

When quizzed if they ever disclosed to the committee they were a member and possibly leave the process and not participate in the deliberations or decision-making process in relation to that tender, all the respondents replied that they never did.

Table 4.8 the rate at which procurement officers encounters conflict of interest

	No. of respondents	frequency	Percentage %
Very often	18	10	58
Sometimes		6	38
Very rare		2	12

4.23 SUMMARY OF FINDINGS

The objective of the study was to identify malpractices in procurement process of works contract. From the analysis of the data obtained from the survey, the following main findings were revealed and are presented below:

4.23.1 Members of the tender approval committee on the evaluation panel

It was found that some members of the tender approval committees were found be servicing on the evaluation panel contrary to the section 2.6 of the public procurement manual which states, “to ensure transparency, members of the Evaluation panel shall not be directly involved in the approval of any award of contract”.

4.23.2 Non Preparation of Quarterly Updates

It was established that Procurement Entities do not prepare the Quarterly Updates in breach of section 21 of the Public Procurement Act 663, 2003, which requires Procurement Entities to prepare a procurement plan for each fiscal year, and prepare quarterly updates for approval by the Tender Committee.

4.23.3 Approval for the Use of Non-Competitive Procurement Methods

The study revealed that Procurement Entities do engage in procurement by means of a non-competitive method without the approval of the Board.

4.23.4 Acceptance of Gift or Anything of Value from Bidders /Contractors

The research identified that procurement officers do solicit gift from prospective tenders and contractors.

4.23.5 Limit of Competition

It was identified that procurement entities deliberately limit the tender competition under a pretext the tender documents have been sold out

4.23.6 Notification to Unsuccessful Tenderers and Return of Tender Securities

The study established that Procurement Entities do not notify unsuccessful tenderers on the outcome of procurement process. Unsuccessful tenders' securities are also not returned to them once the contract has been awarded.

4.23.7 Conflicts of Interest

It also identified acts of conflict of interest and undue influence.

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CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

INTRODUCTION

This chapter concludes the entire work with conclusion, a summary of recommendations to improve the integrity of the process and as well as a recommendation for further research work.

5.1 CONCLUSIONS

The study has established that the procurement process have been engulfed with acts of misconduct, malpractices and corruption. This therefore confirms the Auditor General reports (2008; 2009) that there are high significant cases of malpractices and acts of corruption in the MMDAs. As an economic instrument for national development, procurement process should be well planned and implemented for efficient utilization and economic growth.

Any malpractice compromises the integrity of the process and has an adverse effect on the corporate image of the organization and the nation as a whole. This has a direct bearing on the cost of doing business. For this reason there is an urgent need to save the situation.

Indeed, the acts of misconducts and malpractices in procurements process cannot be down played if the desire to achieve value for money in procurement contracts is an

objective. It is therefore in the interest of the state to make the public procurement process free of malpractices and acts of corruption. This will reduce depletion of scared state resource and the hemorrhage to the public purse through procurement.

5.2 RECOMMENDATIONS

Based on the findings of the studies, the following recommendations are made:

- a. There is urgent need to develop a comprehensive and enforceable code of ethics for procurement officials to guild them in their operations in procurement undertakings.
- b. There should a provision of institutional or procedural frameworks that will protect officials in public procurement against undue influence from close relations, politicians or higher level officials.
- c. There should be a mechanism to ensure that potential suppliers have effective and timely access to review systems of procurement decisions and also prompt resolution of complaints.
- d. There should be adequate incentives to attract highly trained and qualified persons to manage procurements.
- e. Governments should resource the Public Procurement Authority to develop, promote and support training and professional development of persons engaged in public procurement, and ensure adherence by the trained persons to ethical standards;

- f. There should be effort to upgrade procurement officers' knowledge and skills on a regular basis to reflect regulatory, management and technological evolutions.
- a. Public officials should be aware of integrity standards and be able to identify potential conflict of interests.
- b. Punitive measures should also be put in place to deter officers who deliberately abuse the procurement process.
- c. Government should review the Act to reduce the level of bureaucracy in the procurement process.

5.3 FURTHER RESEARCH WORK

The study identified malpractices in procurement process and proposed some remedies to improve the integrity of the procurement process. It is therefore recommended that further research should be undertaken to ascertain the root causes of malpractices in procurement process. It is believed that procurement entities do obtain value for money when there is free and fair competition in the selection process.

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APPENDIX A

QUESTIONNAIRES

MALPRACTICES IN PUBLIC PROCUREMENT OF WORKS CONTRACT IN GHANA

INTRODUCTION:

This questionnaire forms part of an MSc. Procurement Management dissertation being undertaken by Mr. George Kwame Nyame, Department of Building Technology, KNUST. The essence of this questionnaire is to suggest ways to improve the integrity and transparency of the procurement process and reduce the scope of malpractice in the procurement of works contract in Ghana

AIM:

TO SUGGEST WAYS WITH THE VIEW OF IMPROVING THE INTEGRITY AND TRANSPARENCY OF THE PROCUREMENT PROCESS AND REDUCE THE SCOPE OF MALPRACTICE IN THE PROCUREMENT OF WORKS CONTRACT IN GHANA

OBJECTIVES OF STUDY

- To identify malpractices in procurement process
- Make proposal to increase transparency in public procurement process

INFORMATION TO RESPONDENTS

Please respond to the question by ticking in the appropriate column. Your assistance in responding to the questionnaire would be very much appreciated. The **confidentiality** of your response is guaranteed. Thank you.

George Kwame Nyame

Department of Building Technology, KNUST



PART 1

(This is to be answered by staff involved in procurement process at the District Assemblies)

Please respond to the question by ticking in the appropriate column

SECTION A

General Information

1. Can you share with me your position in the Assembly?

- a) Dist. Coordinating Director ☐
- b) Dist. Planning Officer ☐
- c) Dist. Finance Officer ☐
- d) Dist. Budget Analysis ☐
- e) Dist. Engineer ☐
- f) Dist. Procurement Officer ☐
- g) Others (please state).....

2. Which of the following committees are you a member?

- a) Tender committee ☐
- b) District Review committee ☐
- c) Evaluation panel ☐

3. Could you share with me your highest academic qualification?

- a) Master Degree ☐
- b) First Degree ☐
- ☐

- c) Diploma
- d) Others (please state).....

4. Which of the following training facility have you had in procurement management?

- a) Professional training ☐
- b) Academic training ☐
- c) PPA/Workshop training ☐

5. Please for how long have you been involved in procurement process?

- a) 1-5 years ☐
- b) 6-10 years ☐
- c) 11 years and above ☐

SECTION B

This section looks at Methods and Procedures employed in procurement of works contracts

6. How often does the Assembly prepare its annual procurement plan?

- a) Every year ☐
- b) Not every year ☐
- c) Not at all ☐

7. How often do you seek approval before the plan is implemented?

- d) All the time ☐
- e) Some times ☐
- f) Not at all ☐

8. Which body of the Assembly approves the annual procurement plan?

- a) Tender Committee ☐
- b) General Assembly ☐
- c) DPCU ☐
- d) Management Committee of Central Adm. ☐

9. How often do you advertise a procurement contract before award?

- a) All the time ☐
- b) Some times ☐
- c) Not at all ☐

10. On a five point Likert rating scale of 1-5, rank in your opinion the media which the District Assembly often use to advertise Procurement contracts.

(Very often = 5, Often = 4, Not Often= 3, Very Rare= 2 and Never= 1)

	Media	Rankings				
		1	2	3	4	5
	Newspapers with nationwide coverage					
	District website/notice board					
	Radio Stations					
	Local Newspapers/local Radio stations					
	Public procurement Website					
	International media					

11. On a five point Likert rating scale of 1-5, which of the following methods is often adopted by your District Assembly for procurement of works contracts?

(Very often = 5, Often = 4, Not Often = 3, Very Rare = 2 and Never = 1)

		1	2	3	4	5
	Open Competitive Tendering					
	Restricted Tendering					
	Single Source					
	Request for Quotation					
	Negotiation					
	Build, Owned, Operate and Transfer					
	Design and Build					

12. How often does the Assembly seek approval from PPA for using Single

Source/Restrictive Tendering contract?

- a) Sometimes ☐
- b) All the time ☐
- c) Never ☐

13. When does the Assembly seek approval from PPA for using Single

Source/Restrictive Tendering contract?

- a) Before procurement notice/advertisement ☐
- b) During Evaluation ☐
- c) After award of contract ☐
- d) Before Opening of tender ☐

14. How many copies of tender documents (per a lot) are often produced and sold to prospective tenderers?

- a) 1-3 Copies ☐
- b) 4-5 Copies ☐
- c) As many copies as possible ☐

15. How often do you notify unsuccessful tenderers after an award of a works contract?

- a) All the time ☐
- b) Some times ☐
- c) Not at all ☐
- d) Never ☐

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SECTION C

This section looks at Ethical Conduct in procurement process

16. On a five point Likert rating scale of 1-5, how will you rank your opinion that:

(I Strongly Agree = 5, I Agree = 4, I Disagree = 3, I Strongly Agree = 2 and Uncertain =

1)

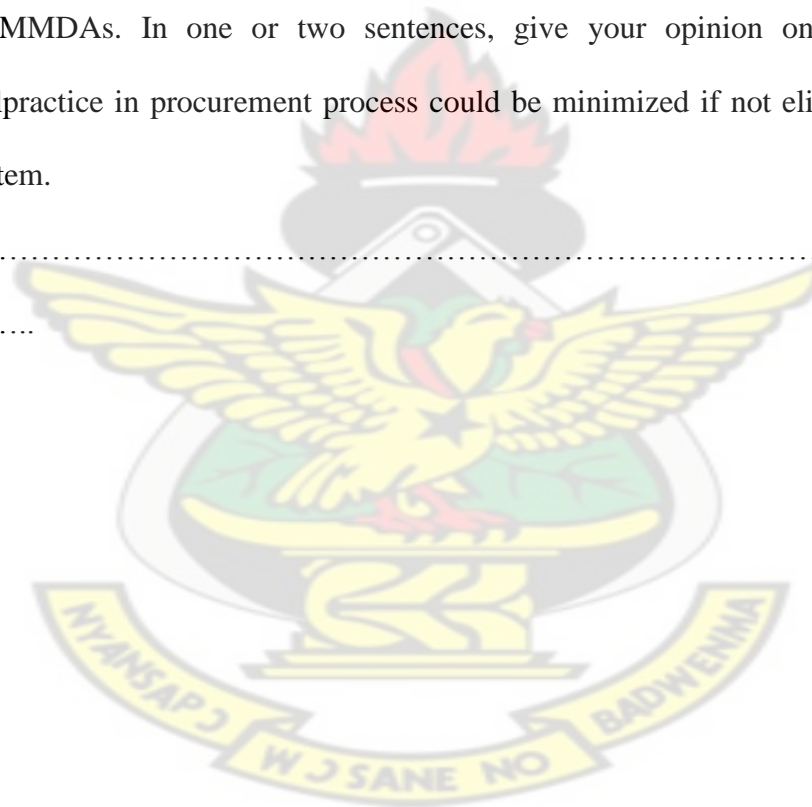
Opinions	Rankings				
	1	2	3	4	5
A gift from bidder /contractor to an officer involved in procurement processes may have influence on him to favour bidder/contractor					
It is not necessary to report a bidder or contractor who attempts to influence a procurement officer.					
A bidder / contractor who is found to be have misconducted himself in procurement activities should be ban for some period					
The long cumbersome procedures required to seek redress for procurement misconducts do contribute to malpractices in procurement process					
There is no need to inform or disclose to a committee you serve on if a close relation of yours (like your close-family member / friend) tenders for a contract in a procurement entity of which you serve and involved yourself in the procurement process					
It is wrong to accept gift or anything of value from a bidder /contractor.					

17. How often do bidders/contractors do attempt to influence you to favour them to win a works contract?

- a) All the time ☐
- b) Some times ☐
- c) Very rare ☐
- d) Never an occasion ☐

18. Auditor General (2008; 2009) has reported high cases of significance malpractices in MMDAs. In one or two sentences, give your opinion on how you think malpractice in procurement process could be minimized if not eliminated from the system.

.....
.....



PART 11

(This is to be answered by a contractor working in the District Assemblies)

Please respond to the question by ticking in the appropriate column

General Information

1. Please for how long have been in the construction industry?

1-5 years ☐

10-15 years ☐

16 years and above? ☐

2. Could you share with me your position in the firm?

a) Project Manager ☐

b) Quantity Surveyor ☐

c) Site Engineer ☐

d) Architect ☐

e) Others (please state).....

3. On a five point Likert rating scale of 1-5, rank the medium which the company often receive invitation for tendering?

(Very often = 5, Often = 4, Not Often= 3, Very Rare= 2 and Never= 1)

	Media	Rankings				
		1	2	3	4	5
	Newspapers					
	District website/notice board					
	News Stations					
	Local Newspapers/local Radio stations					
	Public procurement Website					
	International media					
	Phone Calls, Fax, e-mail					

4. On a five point Likert rating scale of 1-5, which of the following methods does your company often receive invitation to tender for works contract?

(Very often = 5, Often = 4, Not Often = 3, Very Rare = 2 and Never = 1)

	Procurement Methods	Rankings				
		1	2	3	4	5
	Open Competitive Tendering					
	Restricted Tendering					
	Single Source					
	Request for Quotation					
	Negotiation					

5. How often does your company offer gift to District Assembly Officers involve in contract processes?

- a) Very often ☐
- b) Sometimes ☐
- c) Very Rare ☐

d) Never

☐

6. On a five point Likert rating scale of 1-5, how often does your company offer gift for the following reasons?

(Very often = 5, Often = 4, Not Often = 3, Very Rare = 2 and Never = 1)

	Reasons	Rankings				
		1	2	3	4	5
	For Launch					
	For Free					
	For Fuel					
	For preparation / issuance payment certificate for work done					
	As Appreciation					
	For award of contract					
	To lobby for project/contract					

7. Do you see anything wrong with procurement officers accepting gifts from a tenderer /contractor?

Yes

☐

No

☐