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**COLLEGE OF ARCHITECTURE AND PLANNING**

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*INVESTIGATING THE LEVEL OF COMPLIANCE WITH THE PUBLIC PROCUREMENT*

*ACT, 2003(ACT 663) IN THE ASHAIMAN MUNICIPAL ASSEMBLY.*

**By**

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**20339925 / PG9160813**

**November, 2014**

# **TOPIC**

*INVESTIGATING THE LEVEL OF COMPLIANCE WITH THE PUBLIC PROCUREMENT  
ACT, 2003(ACT 663) IN THE ASHAIMAN MUNICIPAL ASSEMBLY.*

# KNUST

**A thesis submitted to the Department of Building Technology, College of Architecture and  
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**University of Science and Technology in partial fulfillment of the requirements for the  
degree of**

**MASTER OF SCIENCE IN PROCUREMENT MANAGEMENT**

**November, 2014**

## DECLARATION

I , Sualah Isma-il Laari, hereby declare to the best of my knowledge and ability that this submission is my own work and that, 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 acknowledgment has been made in the text.

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## **ABSTRACT**

This research aims at investigating the compliance level of the Ashaiman Municipal Assembly with the Public Procurement Act, 2003 (Act 663) of the Republic of Ghana.

The research employed a case study survey approach where the methodology used for the assessment of national procurement systems jointly developed by the Organization for Economic Co-operation and Development (OECD)/Development Assistance Committee and World Bank was adopted. In this methodology, four main procurement compliance areas were considered: These are Management System, Procurement Process, Contract Management as well as Information and Communication. Data was collected and collated from nine (9) departments and units who were involved in procurement directly or indirectly in the Assembly using a structured questionnaire.

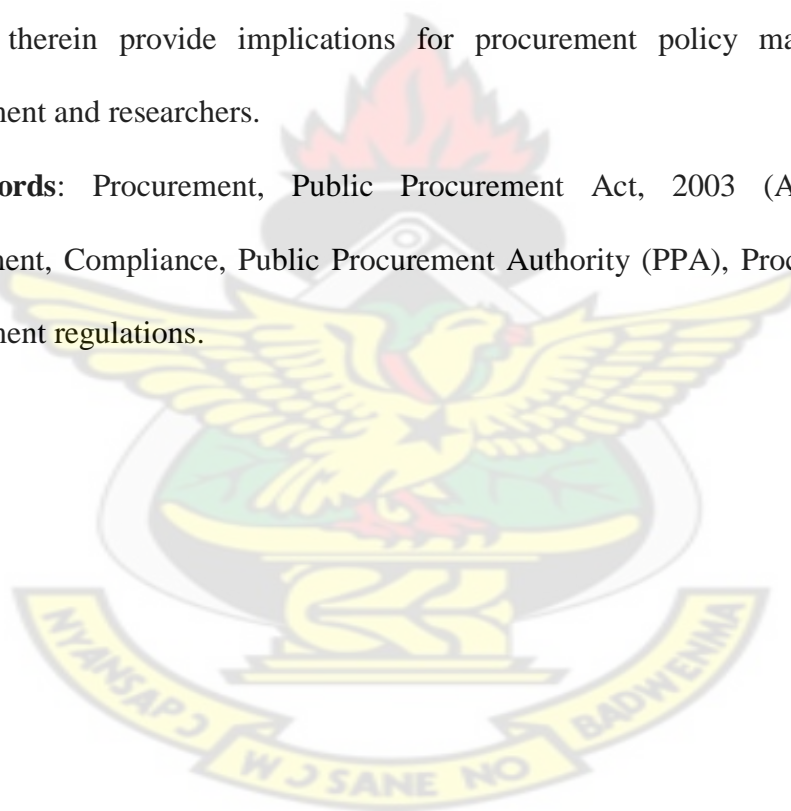
The findings indicate that of the four main compliance areas the hierarchy of compliance by the Assembly in order of importance is Procurement Process, Contract Management, Management System and Information & Communication. This, in effect, implies that the Assembly is strongest in Procurement Process, but weakest in Information & Communication. The model had an overall findings (thus putting all the main compliance areas together) that there was 33% High Compliance when all the indicators were aggregated. 27% average compliance, 22% Very High Compliance, 12% Low Compliance and finally 6% Very Low Compliance.

Initially respondents likened the assessment to that of the Functional Organizational Assessment Tool (FOAT) and were tempted to be biased. Time required for submission of final report was not enough. The researcher faced problems of unresponsive respondents. Respondents also did not want anybody to know their identity because they feared the answers they provided might be used against them.

It was concluded that the Assembly complies with the Act 663 at an overall average of 27.33%. Public Procurement Act, 2003 (Act 663) is a document that is held in high esteem by the Assembly, but it needs to improve upon its compliance level particularly the Information & Communication aspect of the procurement regulation.

Notwithstanding the fact that studies have been undertaken elsewhere including Ghana, to investigate compliance level with the public procurement Act and its regulations, limited research had been carried out in the MMDA's. This study therefore makes its contribution by providing information that is relevant for filling this gap that exists. The findings therein provide implications for procurement policy makers, the Public Procurement and researchers.

**Key Words:** Procurement, Public Procurement Act, 2003 (Act 663), Public procurement, Compliance, Public Procurement Authority (PPA), Procurement Entities, Procurement regulations.



## DEDICATION

I am dedicating this thesis report first to the Almighty Allah without whom my life would have been meaningless. And to my beloved father Sualah Abubakar Laari and my late mother Dahana Abdul-Karim who have laid for me a solid academic foundation that had taken me this far. Also, to my lovely wife Samira Osman and two affectionate children-Maisura and Ikraam. And lastly to all my siblings and friends for their motivation and developmental ideas.



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Also, the respondents who took part in this study especially the staff of the Ashaiman Municipal Assembly, I salute them for their enterprising, commitment and pioneering spirit. This includes everyone who assisted me through this study process, in particular Mr Dagadu Gabriel, who happens to be a colleague of mine, for the statistical processing. Above all, to the Almighty Allah, whose blessings afforded me the ability and privilege of completing this study on schedule. For, without His compassion, generosity and love, I could not have done anything.



## TABLE OF CONTENT

DECLARATION .....	i
ABSTRACT .....	ii
ACKNOWLEDGEMENT .....	v
TABLE OF CONTENT .....	vi
LIST OF TABLES .....	x
LIST OF FIGURES .....	xi
ABBREVIATIONS .....	xii
CHAPTER ONE .....	1
INTRODUCTION .....	1
1.1 BACKGROUND OF THE STUDY .....	1
1.3 AIM OF THE STUDY .....	4
1.4 SPECIFIC OBJECTIVES .....	4
1.5 JUSTIFICATION .....	4
1.6 RESEARCH QUESTIONS .....	5
1.7 SCOPE OF THE STUDY .....	5
CHAPTER TWO .....	6
LITERATURE REVIEW .....	6
2.1 INTRODUCTION .....	6
2.2 PROCUREMENT DEFINED .....	6
2.3 IMPORTANCE AND BENEFITS OF PUBLIC PROCUREMENT PRACTICES .....	8



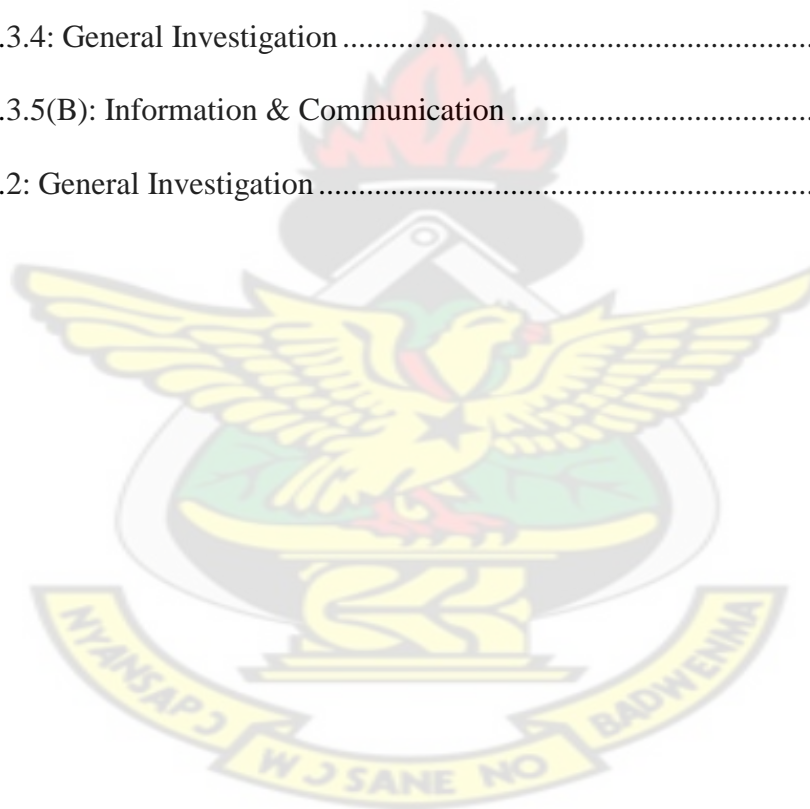
2.4 THE PUBLIC PROCUREMENT REFORMS IN GHANA AND THE PUBLIC PROCUREMENT ACT (ACT, 663).....	8
2.4.1 What is the Extent of Application.....	11
2.4.2 Legal and institutional framework.....	12
2.5 PROCESSES , METHODS AND PROCEDURES OF PROCUREMENT .....	12
2.5.1 Pre-qualification.....	12
2.5.2 International Competitive Bidding (ICB) .....	12
2.5.3 National Competitive Bidding.....	13
2.5.4 Restricted tendering .....	13
2.5.5 Price quotation .....	13
2.5.6 Single source procurement.....	13
2.5.7 Two-stage tendering .....	13
2.6 PROCUREMENT STRUCTURE.....	14
2.6.1 What are the Requirements of an Effective Procurement System in Ghana ...	14
2.6.2 The Procurement Entity .....	14
2.6.3 The Entity tender committee.....	14
2.6.4 The Tender Evaluation Panel.....	15
2.6.5 The Tender Review Board.....	15
2.7 COMPLIANCE .....	15
METHODOLOGY .....	18
3.1 INTRODUCTION .....	18

3.2 RESEARCH DESIGN.....	18
3.3 STUDY AREA.....	18
3.4 STUDY POPULATION AND SAMPLING SIZE .....	19
3.5 DATA COLLECTION INSTRUMENT .....	22
3.6 QUESTIONNAIRE METHOD.....	22
3.7 INTERVIEW SCHEDULES.....	23
3.8 MEASUREMENT OF VARIABLES .....	23
3.9 DATA PROCESSING, ANALYSIS AND PRESENTATION .....	24
CHAPTER FOUR.....	25
RESULTS AND DISCUSSIONS .....	25
4.1 INTRODUCTION .....	25
4.2 CHARACTERISTICS OF RESPONDENTS .....	25
4.2.1 Educational Level .....	26
4.2.2 Age grouping .....	27
4.2.3 Gender of Respondents.....	28
4.2.4: Service Duration .....	29
4.2.5: Response Rate.....	30
4.2.6 Procurement involvement .....	33
4.3 LEVEL OF COMPLIANCE WITH THE ACT 663 BY THE ASHAIMAN .....	34
4.3.1: Introduction.....	34
4.3.2: Study Results .....	35

4.3.3: Aggregation of Scores .....	37
4.3.4: General Investigation.....	39
4.3.5: Investigation Based on Main Compliance (Pillars) Areas.....	40
CHAPTER FIVE.....	52
SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS .....	52
5.1 INTRODUCTION.....	52
5.2 SUMMARY OF FINDINGS.....	52
5.3 CONCLUSION .....	56
5.4 RECOMMENDATIONS .....	57
5.4.1 Improvement of Compliance Level. ....	57
5.4.2 Continued Assessment.....	58
5.4.3 Workshops and Training.....	58
5.4.4 Awareness creation.....	58
5.4.5 Further Studies.....	58
5.5 LIMITATIONS .....	59
REFERENCES .....	60
APPENDICES.....	65

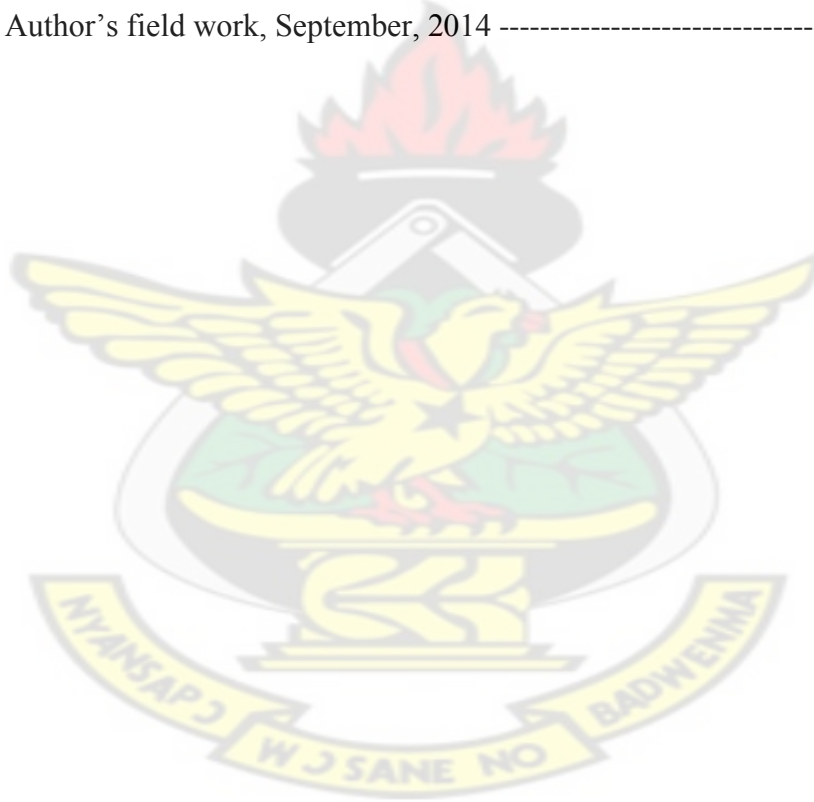
## LIST OF TABLES

Table 3.1: Targeted Population and the corresponding sample size .....	21
Table 4.2.3: Gender of Respondents .....	28
Table 4.2.4: Service Duration of Respondents.....	30
Table 4.2.5a: Targeted Population, Sample Size and Response Rate .....	31
Table 4.2.5b: Response Rate .....	33
Figure 4.2.6: Procurement involvement.....	34
Table 4.3.2: Ranking of Main Compliance Areas using the RII system.....	37
Table 4.3.4: General Investigation .....	40
Table 4.3.5(B): Information & Communication .....	44
Table 5.2: General Investigation .....	56



## LIST OF FIGURES

Source: Author's field work, September, 2014 -----	26
Figure 4.2.1: Level of Education of Respondents -----	27
Figure 4.2.2: Age Grouping of Respondents -----	28
Figure 4.2.3: Gender of Respondents -----	29
Figure 4.2.4: Service Duration of Respondents -----	30
Figure 4.2.5: Response Rate -----	31
Figure 4.3.3: Graphic representation of Compliance Level -----	39
Source: Author's field work, September, 2014 -----	47



## ABBREVIATIONS

BLIs	Baseline Indicators
CPIs	Compliance Indicators
CPAR	Country's Procurement Assessment Report
DAC	Development Assistants Committee
DACF	District Assemblies Common Fund
GNPA	Ghana National Procurement Agency
GDP	Gross Domestic Product
ICB	International Competitive Bidding
GSC	Ghana Supply Commission
KPC	Key Performance Criteria
MDAs	Ministries, Departments and Agencies
MMDAs	Metropolitan, Municipal and District Assemblies
NCB	National Competitive Bidding
OECD	Organisation for Economic Cooperation and Development
PE	Procurement Entity
PPDA	Public Procurement and Disposal Authority
PPME	Public Procurement of Excellence Model
PPA	Public Procurement Authority
PU	Procurement Unit
PUFMARF	Public Financial Management Reform Program
s.	Section
STD	Standard Tender Document

## **CHAPTER ONE**

### **INTRODUCTION**

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

Ghana, like many African countries, has instituted reforms aimed at making the procurement system more transparent, efficient and increasing the accountability of public officials. In the past decade, the public procurement system in Ghana has undergone significant developments. Before and after independence, there was suspicion of and the actual incidence of corrupt practices and other challenges in the public procurement systems. Government in 1996 identified shortfalls in the public financial management of the country. To address these shortfalls, series of financial management and budget reforms were started under the Public Financial Management Reform Program (PUFMARP). The PUFMARP aimed at improving financial management through assurance of fiscal sustainability, discipline in public spending and the maximum utilisation of resources towards sustainability and financial discipline (Quist, 2010). It was also to ensure transparency and accountability in public financial management and the public procurement reform was one of its major components (Alhassan, 2006).

Public procurement is the means by which a country's policy objectives get implemented. Public procurement in most developing countries was largely treated as a process-oriented, support function often implemented by non-professional staff of the procurement entities. A well-organized procurement system contributes to good governance by increasing confidence that public funds are well spent (Hunja, 2003). Ghana's public procurement is a major activity of government that generates important financial resources and makes the state one of the largest economic actors in many developing countries (Chêne, 2009).

Public procurement has both social and economic impact on the country (World Bank, 2003). A research carried out in Ghana revealed that public procurement accounts for about 50%-70% of



the national budgets after personal emoluments, 14% of GDP and 24% of imports. The International Trade Centre's experience in developing countries shows that public procurement can account for up to 50%-70% of imports. This means that a chunk amount of the state resources is being channeled into procurement which therefore requires a better and strict management in order to protect the public purse.

Following the enactment of the Public Procurement Act, 2003 (Act 663), there had been a general perception that a lot of agencies and institutions find it extremely difficult implementing it to the letter. The level of compliance to procurement regulations can determine whether a government meets its goals and objectives or not as well as affect many internal and external stakeholders (Eyaa and Oluka, 2011). Compliance occurs when the target performs a requested action, but is apathetic about it, rather than enthusiastic, and puts in only a minimal or average effort (Gelderman *et al.*, 2006). Since the implementation of the Act, compliance has been an issue with the difficulty of establishing the structures especially the procurement unit, inadequate capacity and limited availability of procurement professionals (Agbesi, 2009). Non-compliance problem affects not only the third world countries but also countries in the European Union (De Boer and Telgen, 1998). Gelderman *et al.*, (2006) contend that compliance in public procurement is still a major issue. The type of goods and services procured sometimes influences the degree of compliance with the procurement regulations (Sewanyana, 2009.)

It is worth noting that the enactment of the public procurement act will not yield any good result unless it is related to a full compliance by the various procurement entities where public funds are utilized for the benefit of the tax payer. It is against this backdrop that the researcher deems it necessary to investigate the level of compliance with the enacted act, Act 663, in the Ashaiman Municipality to ensure the attainment of value for money for every penny spent.

## **1.2 STATEMENT OF THE PROBLEM**

The Public Procurement Act provides highlights on roles, regulations, procedures, and processes in the public sector procurement and gives parameters that govern procurement activities which involve the use of public funds (Odhiambo and Kamau, 2003). Several developing countries have taken steps to reform their public procurement system. In spite of these reforms, procurement is still shrouded in secrecy, inefficiency, corruption and undercutting resulting in wastage of huge amounts of resources (Odhiambo and Kamau, 2003).

Even though the Public Procurement Regulations was to promote fairness, transparency and nondiscrimination in procurement in public institutions with the main aim of ensuring efficient use of public funds, studies have attributed losses of public funds to public procurement. Public procurement in Ghana is characterized by anomalies such as poor contract management, contract variations, undue delay in payment for work done and failure to adhere to the Act 663 (Lamilly, 2013).

Complying with Act 663 by procurement entities remains the biggest challenge to realize the objectives of transparency, competition, economy, fairness and accountability.

Non-compliance with procurement laws is considered as a major hindrance to the effectiveness of the laws (Gelderman et al, 2006). A research conducted by the Public Procurement Authority (PPA), revealed that there was a low advertisement of tender opportunities and low awareness of publication of contract award which indicates a level of non-compliance of the law (Adjei, 2006). Another study by Kissi et al (2014) revealed varying levels of compliance among the procurement entities of selected government institutions in the Eastern Region.

Due to the colossal amount of money involved in government procurement and the fact that such money comes from the public, noncompliance means that the state loses a lot of money through

shoddy deals and that adequate value will not be obtained in return for the expenditure of public funds.

### **1.3 AIM OF THE STUDY**

The aim of this study is to investigate the level of compliance with the Public Procurement Act, 2003 (Act 663) at the Ashaiman Municipal Assembly.

### **1.4 SPECIFIC OBJECTIVES**

The specific objectives are:

1. To find out the extent of compliance with Contract Management.
2. To find out the extent of compliance with Procurement Processes.
3. To find out the extent of compliance with Information and Communication.
4. To find out the extent of compliance with Procurement Management.

### **1.5 JUSTIFICATION**

In Ghana, public procurement represents 24 per cent of national imports and accounts for between 50 to 70 per cent of the national budget, excluding personnel emoluments, and represents about 14 per cent of Gross Domestic Product (GDP) (Daily Graphic, Monday, June 12, 2006, pp35). Investigating the level of compliance at the Ashaiman municipal Assembly is necessary in order to ensure that public funds are used in the most efficient and economic way and that the system delivers the best value for money.

## 1.6 RESEARCH QUESTIONS

- Does the Ashaiman Municipal Assembly comply with the Act 663?
- What is the level of compliance with the Public Procurement Act, 2003 (Act 663) by the Ashaiman Municipal Assembly.
- What systems can be put in place to encourage Procurement practitioners to comply with the Act.

## 1.7 SCOPE OF THE STUDY

The proportion of the research covered the conceptual scope, geographical scope, and the time scope.

### **Conceptual Scope**

The study focused on the level of compliance with the public procurement act, Act 663 by the various departments involved directly or indirectly with the procurement process.

### **Geographical Scope**

The research was carried out at the Ashaiman Municipal Assembly.

### **Time Scope**

The study covered a period of four months. That is from May to September.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 INTRODUCTION**

In this chapter discussions of the opinions and findings from different authors, publications, magazines, websites, and all possible sources as a basis of foundation for this research study are carried out.

#### **2.2 PROCUREMENT DEFINED**

Procurement may be defined as the process or the art of acquiring goods, works and services. It includes not only purchasing or buying of goods and works but also hiring of contractors or consultants to carry out designated services. The Aqua Group (1999) , defines procurement as the process of obtaining or acquiring goods and services from another for some consideration. According to the Public Procurement Authority (PPA, 2003), Procurement is the process of acquiring goods, works and services, covering both acquisitions from third parties. It includes the appraisal of option available and the critical “make or buy” decision which may result in the provision of goods and services in appropriate circumstances. According to Tassabehji and Moorhouse (2008), procurement is of a strategic nature and may be considered a core component of most organizations. Adequate amount of High quality standards are required in procurement as well as high quality service, economy, efficiency, and fairness by way of competition. This simply means that a well-designed procedure must be followed and is applicable to all contracts for goods, services and works.

Procurement however, can be grouped into private sector or public sector procurement. Public procurement unlike private procurement is a business process within a political system and has significant consideration of integrity, accountability, national interest and effectiveness (Wittig, 1998). It also has both economic and social benefits, but the social benefits of public



procurement are primarily seen as indirect positive effects from economic savings and environmental improvements (BjörnWickenberg 2004).

Public procurement could also be described as the acquisition by purchase, rental, lease, hire purchase, license, tenancy franchise or any other contractual means of goods or services by the government (Telgen 1998). It includes planning, inviting offers, awarding contracts and managing contracts. For procurement to achieve its goals, it should follow the principles of Professionalism and Value for Money.

The Ghana Integrity Initiative (2007) explains public procurement as follows: “The acquisition of goods and services at the best possible total cost of ownership, in the right quantity and quality, at the right time, in the right place for the direct benefit or use of governments, corporations, or individuals, generally via a contract”. In other words it can be said to be the purchase of goods, services and public works by government and public institutions. It has a very important dual effect on the economy and a direct impact on the daily lives of people as it is a means by which public policies are implemented (Ghana Integrity Initiative, 2007).

Public Procurement, according to the Public Procurement Act, 2003 (Act 663), is ‘the acquisition of goods, works and services at the best possible total cost of ownership, in the right quantity and quality, at the right time, in the right place for the direct benefit or use of governments, corporations, or individuals, generally via a contract’ (PPA, 2007). In other words, Public Procurement is the process by which organizations acquire goods, works and services using public funds. It is a comprehensive process that runs from proper procurement planning, budget allocation, bids invitation, bids evaluation, award of contract, contract management, performance measurement, monitoring, auditing and reporting.

Public procurement therefore, is an important economic tool as well as a very pertinent tool that could be used to influence some public policy goals and public agenda.

## **2.3 IMPORTANCE AND BENEFITS OF PUBLIC PROCUREMENT PRACTICES**

Sound management of public expenditures can be improved upon by ensuring efficient, effective and professional way of applying the public procurement law (Hunja, 2003). The efficacy of public procurement planning leads to the identification of major investment expenditures. This in turn facilitates budgetary as well as allocation decision-making of procurement practitioners and public procurement practitioners. Public procurement is important in that it helps deal with corruption and ensures that appropriate entrusted power for private gain by public officials are curbed (Evernett et al, 2005). It has increased donor trust in procurement systems and has helped improve in donor funding, grants and loans and foreign direct investment in Ghana. It helps in the reduction of poverty, attainment of good health, education, and other objectives among the citizenry when the limited public funds available for public procurement of goods, services, and works are managed properly.

## **2.4 THE PUBLIC PROCUREMENT REFORMS IN GHANA AND THE PUBLIC PROCUREMENT ACT (ACT, 663)**

The reformation of public procurement is the systematic restructuring and re-organization of the administrative and institutional processes for acquiring works, goods and services for the public sector using public policy, the law and regulation. The major focus is organizational, institutional and legal structures with the emphasis on changing from tradition to more efficient, effective, modernized and simplified processes, organizations, institutions and legal structures for doing the procurement business (Basheka, 2009). Reform simply means changing the general features of the systems.

In 1996, the Government of Ghana launched the Public Financial Management Reform Programme (PUFMARP) to promote efficiency, transparency and accountability in the public financial management system. The Ministry of Finance and Economic Planning in 1999



established the Public Procurement Oversight Group (PPOG) to assist in the design of a comprehensive public procurement reform programme. The aim of the exercise was to improve the overall public financial management in the country. The reform exercise identified weaknesses in the country's procurement system. These included the absence of a central body with the requisite capability, technical expertise and competence to develop a sound and coherent public procurement policy, absence of a comprehensive public procurement policy and the lack of a comprehensive legal regime to safeguard the integrity of the public procurement system, no rules and regulation to guide, direct, train and monitor public procurement, no independent appeals system to address complaints from tenderers, no authority to dispose of public assets; and no independent procurement auditing function.

An alternative and comprehensive procurement law therefore, was considered desirable in order to eliminate the weaknesses in the public procurement process. The Public Procurement Bill was drafted in 2002 and passed into Law in 2003 as the Public Procurement Act of 2003, Act 663. The ultimate aim of the Act was to promote the use of public procurement as a tool for national development. The Public Procurement act, 2003, (Act 663) established the Public Procurement Authority (PPA) to oversee and enforce effective implementation of the Act. The objective of the PPA is to secure a judicious, economic, and efficient use of public funds in a fair, transparent and non-discriminatory manner while promoting a competitive Local industry. The PPA performs a lot of functions among which are: policy formulation, monitoring and regulation of standards, capacity building, professional development and the dissemination of relevant information to all stakeholders.

The Public Procurement Act 2003(Act 663), was enacted by parliament to harmonize public procurement processes in the public sector to ensure judicious, economic and efficient use of public resources and to ensure that public procurement functions undertaken within the public

sector are fair, transparent and non-discriminatory. The Act sets out the legal, institutional and regulatory framework to secure fiscal, transparent and public accountability in Ghana's procurement system. The Act was put together after years of lots of mis-procurement and abuse of fund for procurement purposes in the country. This brought about a thorough review of the existing procurements regulations. The promulgation of the law in 2003 also took into account the inclusion of modern trends in procurement which was adopted to bring about the much needed sanity to local procurement system which had been flawed by bad procurement practices such as corruption and other malfeasances (Osei-Tutu et al., 2010).

The Public Procurement Act, 2003(Act 663), consists of ninety-nine (99)sections which are classified under nine major parts which are outlined as follows:

- Part one (1): Establishment of the board
- Part two (2): Procurement structures
- Part three (3): Procurement rules
- Part four (4): Methods of procurement
- Part five (5): Tendering procedures ( which is further classified into three sub parts)
- Part six (6): Methods and procedures to engage the services of consultants
- Part seven (7): Review
- Part eight (8): Disposal of stores, plant and equipment
- Part nine (9): Miscellaneous provisions
- Appendix : Schedules & explanations

The Public Procurement Act, 2003 (Act 663) could be described as a summarized document and its detailed explanation is found in the procurement manual.

In summary, the Public Procurement Authority (PPA) has established the five basic pillars of public procurement (World Bank 2003) as follows:

1. Independent control system;
2. Anti-corruption measures.
3. Proficient procurement staff;

1. Independent control system;
2. Anti-corruption measures.
3. Proficient procurement staff;

4. Comprehensive, transparent, legal and institutional framework;
5. Clear and standardized procurement procedures and standard tender documents.

The Public Procurement Act 663 establishes the Public Procurement Board (PPB) now PPA, Entity Tender Committees (ETCs) and Tender Review Boards (TRBs). It specifies in clear terms the laws for procurement methods and thresholds, procedures, appeals and complaints resolution procedures and disposal of stores. It authorizes the issuance of enforceable regulations, Guidelines, Standard Tender Documents (STDs) and Manual under the Act.

#### **2.4.1 What is the Extent of Application**

The application of the Public Procurement Act, 2003 (Act 663) is to all procurement financed in whole or in part from public funds, except where the Minister decides that a different procedure be used for the sake of national interest (s.14).

Notwithstanding this provision, section 86(s.86) of Act 663 has it that procurement with international obligations arising from any grant or concessionary loan to the government shall be in accordance with the terms of the grant or loan. It has been suggested however, that the World Bank/ FIDIC procurement procedures are used on World Bank-administered projects because MDAs have no set of comprehensive guidelines for procurement (Westring, 1997; World Bank, 1996).

## **2.4.2 Legal and institutional framework**

Section 1 of Act 663 provides for the establishment of a Public Procurement Board (simply known as *the Board*) which shall be recognized as a legal corporate entity capable of suing and being sued. Procurement entities are defined as comprising MDAs and all state establishments that utilize public funds (s.14). A tender committee in each procurement entity provides for concurrent approvals, awards and management of contracts to predefined value thresholds (s.17). It has the powers to make use of external consultants in the performance of its functions if it so requires. The tender committee shall refer any procurement exceeding its value threshold to the relevant and appropriate tender review board at the district, regional, ministerial or central government level. The tender review board reviews all procurement activities for compliance with the PPA, provides concurrent approval or otherwise of procurement referrals, hears complaints and escalates unresolved issues to the Board (s.20).

## **2.5 PROCESSES , METHODS AND PROCEDURES OF PROCUREMENT**

The following are methods and procedures outlined in act. They are Sections (35, 36, 37, 38, 39, 40, 41and 43) of the Public Procurement Act. The amount involved and the circumstance surrounding the procurement informs the choice of method.

**2.5.1 Pre-qualification:** involves public advertisement to select qualified tenderers for large and / or complex works and technical services contracts. Equal contracts must be tendered on an open competitive basis, except otherwise provided for in the Act (s.35).

**2.5.2 International Competitive Bidding (ICB):** This method shall be employed when effective competition cannot be achieved without the inclusion of foreign firms (s.45). ICB tenders shall be openly advertised in a national newspaper of wide circulations and eligible bidders shall be allowed to submit bids. Advertisements in the international press shall be placed at least six weeks prior to the deadline of submission of bids (Public Procurement Act, 2003

(Act 663), s.45). The bidding period shall not be less than six weeks from the first date of advertisement or the date of availability of the tender document whichever one comes later.

**2.5.3 National Competitive Bidding:** This method shall be used when the procurement entity so decides (s.44) and subject to contract value thresholds specified in Schedule 3. Invitations to tender shall be advertised in at least one widely circulated national daily newspaper and the Public Procurement Bulletin.

**2.5.4 Restricted tendering:** This type of tendering is justifiable only on the grounds of providing greater economy and efficiency and is subject to the approval of the Board (s.38).

**2.5.5 Price quotation:** Quotations shall be solicited from at least three foreign or local suppliers for goods/works that are small in value. Invitation of quotations shall be in writing and be opened and evaluated at the same time as indicated in the request for quotations. The request will indicate the description and quantity of the goods as well as desired delivery time, and place of delivery, including date, time and place of submission of quotations. The request for quotations should indicate that quotations submitted later than the time and date specified in the request would be rejected (Public Procurement Act, 2003 (Act 663), s. 42).

**2.5.6 Single source procurement:** This system of procurement is justifiable only on urgent items. This system involves procurement from a supplier without any competition. To use the single-source procurement method, a prior approval should be sought from the Public Procurement Board (Public Procurement Act, 2003 (Act 663), s. 39 and s.40).

**2.5.7 Two-stage tendering:** This method of procurement is only allowed where detailed specifications cannot be made available before going to tender (s.36) or the optimal solution is unknown and tenders are solicited to provide these details.



It is mandatory that all procurement use the appropriate standard tender/contract document provided in Schedule 4 and modifications can only be introduced through tender/ contract data sheets or special conditions of contract (s.50).

## **2.6 PROCUREMENT STRUCTURE**

The structures required to carry out procurement in the Public Service is outlined in Part II of Act 663. Each of these structures is set up in accordance with the appropriate composition outlined in Schedule 1 and 2 of Act 663.

The following are the main structures outlined in Part II which are very useful and relevant to any procurement entity:

### **2.6.1 What are the Requirements of an Effective Procurement System in Ghana**

Before any activity can be well planned there is the need for good structures to be in place and procurement planning is no exception. Part II of the Act 663 defines the main procurement structures as follows:

#### **2.6.2 The Procurement Entity**

A Procurement Entity is an establishment (or entity) conducting public procurement under Act 663. It is responsible for all procurement activity of the entity in compliance with the law and any regulations or administrative instructions issued by the Ministry of Finance in consultation with the Authority (s.15(1), Act 663). This entity is uniquely identifiable, has an account holder as head of entity, has own budget, can undertake own procurement and can enter into contracts.

#### **2.6.3 The Entity tender committee**

Each procurement entity establishes entity tender committee which, ensures that at every stage of the procurement activity procedures prescribed in the Act 663 are followed, exercise sound judgment in making procurement decisions, seeks concurrent approval from the appropriate Tender Review Board, facilitates contract administration, ensures that reporting schedules are

complied with and finally ensures that stores are disposed of in compliance with the act.

#### **2.6.4 The Tender Evaluation Panel**

Tender evaluation panel is a group of experts within the procurement structures put together by the head of entity to review, analyze and adjudicate tenders and make recommendations for contract award using specified and previously published criteria in the tender documents for evaluation as indicated in section 19 of Act 663. The panel includes members with skills, knowledge and experience relevant to procurement requirements.

#### **2.6.5 The Tender Review Board**

Tender Review Boards as indicated in section 20 of the act are set up to review the activities at each step of the procurement cycle, and give concurrent approval for onward continuation of procurement processes .

### **2.7 COMPLIANCE**

Compliance simply means the act of being compliant (Concise Oxford Dictionary). In other words, compliance occurs when the target performs a requested action, but is apathetic about it, rather than enthusiastic, and puts in only a minimal or average effort (Yukl, 1989). As an organizational outcome, compliance has traditionally been understood as conformity or obedience to regulations and legislation (Snell, 2004) cited in Lisa (2010). Compliance defined as; ‘acting in accordance with an influence attempt from source (Payan and McFarland, 2005). The concept of compliance looks at the conduct of the regulated actor in comparison to the corresponding obligation that the actor is supposed to obey.

Indeed, compliance is a problem not only in the third world countries but also evident in the European Union and other countries (De Boer and Telgen, 1998). Gelderman et al, (2006) further advanced reasons for non- compliance is explained by the tendency to avoid red tape involved in the procurement process. Sewanyana (2009) asserts that the type of goods and



services procured sometimes influences the degree of compliance with the procurement regulations. It is usually said that compliance has a negative connotation, because it is usually associated with enforced behaviour. In the marketing-channel literature compliance is considered as giving in to “the wishes of a more powerful channel member” (Hunt et al, 1987). Kelman, (1958) p. 53) points at the negative sides of compliance: an individual accepts influence not because he believes in its content but because he expects to gain specific rewards or approval and avoid specific punishments or disapproval by conforming.”

Complying with the law helps determine if the procurement of goods, services and works are done efficiently and economically, assess if the procurement process is being undertaken in accordance with the rules and regulations of the public procurement act, helps in identifying weaknesses within the procurement system and how to take corrective measures so as to correct deficiencies within the system head-on.

Compliance with the public procurement Act, 2003 (Act 663) however, can be achieved if procurement professionals and suppliers are familiar with the procurement rules, when suppliers are knowledgeable and courageous to resist any abuse in the procurement process, when public sector agents behave in a manner that is consistent with the objectives and goals with their principal (the state).

## **2.8 METHODOLOGY FOR PROCUREMENT ASSESSMENT BY THE WORLD BANK (WB) AND OECD DEVELOPMENT ASSISTANCE COMMITTEE(DAC)**

The methodology for assessment of national procurement systems prepared by the WB and OECD was intended to provide a common ground and tool for use by developing countries. This will give the donors a fair basis upon which to assess the quality and effectiveness of national procurement systems. In addition, the assessment will provide a basis upon which a country can formulate a capacity development plan to enhance and improve its procurement system.

In building up these methods, there are Main compliance areas, Indicators and Sub-indicators developed by the OECD/DAC–World Bank which were targeted on strengthening Procurement Capacities in Developing Countries. Even though the indicators are designed for use in the assessment of the central government or national procurement system in a country, they can be adapted for use in sub national or agency level assessments as far as procurement is concerned. The methodology for application of the indicators has been designed to enable a country to conduct a self-assessment of its procurement system to determine strengths and weaknesses, or to help development agencies carry out joint or external assessment of a country's procurement system.

### **The Indicators**

In this methodology, the Working Group developed two types of indicators, the Base-Line Indicators (BLIs) and the Compliance/Performance Indicators (CPIs). The BLIs present a “snapshot” comparison of the actual system against the international standards that the BLIs represent. They address four pillars: a) the existing legal framework that regulates procurement in the country; b) the institutional architecture of the system; c) the operation of the system and competitiveness of the national market; and d) the integrity of the procurement system. Each pillar has a number of indicators and sub-indicators to be assessed.

### **Planning and Preparing the Assessment**

Advanced planning is needed to arrange for the collection of the information required and to identify stakeholders to be interviewed or surveyed. Advance planning is especially important if the assessment will be jointly sponsored by the government and interested donors to enable coordination of the work and agreement to be reached on critical aspects of the assessment such as the extent to which specific data for CPIs will be collected and if surveys and interviews will be employed.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.1 INTRODUCTION**

This chapter shows a description of research design, study population, sampling design which will include the sampling method, sampling procedure and sample size, sources of data collection, data collection methods, data processing, analysis, and presentation, as well as the limitations encountered by the researcher.

#### **3.2 RESEARCH DESIGN**

A research design could be quantitative, qualitative or a mixed system (quantitative and qualitative). The quantitative method uses standardized instruments, so that the varying perspectives and experiences of people can fit a limited number of predetermined response categories, to which numbers, pie chart, bar chart etc are assigned and measured statistically. For the qualitative method, data are often expressed verbally in order to understand a social or human problem through pictures and words in a natural setting, (Cresswell, 1994).

This research adopted the quantitative and the qualitative system of research method so as to describe observations and examine the findings to come up with conclusions and recommendations for implementation.

Structured questionnaires, observations were also used to collect data.

#### **3.3 STUDY AREA**

Ashaiman is located about four kilometres to the north of Tema and about 30 kilometres from Accra, the capital of Ghana and shares boundaries on the north and east with the Katamanso Zonal Council of the TMA, on the south with the Tema Township, and on the west with Adjei

Kojo, a community which forms part of Tema Zonal Council. Its geographical coordinates are 5° 42' 0" North, 0° 20' 0" West and its original name (with diacritics) is Ashaiman.

The Ghana Year 2000 Population Census Report estimated the population of Ashaiman to be 150,312 with a growth rate of 4.6 per cent, which is higher than the 2.6 per cent national growth rate (Ghana Statistical service, 2000). The Ashaiman Municipal Assembly (ASHMA) estimated the current population of the Municipality to be 217,717 with an average household size of five. The Census Report further estimated that 75,183 of the population are males while 75,129 are females with the majority of the population falling within the ages of 15 years and 34 years. The main occupations in Ashaiman are farming, especially crop farming, livestock and poultry raising as well as fishing; manufacturing; food processing; quarrying and construction; commerce and kente weaving. Ashaiman has 17 public basic schools and 286 private basic schools consisting of nursery, primary and Junior High Schools. Ashaiman Senior High School (SHS) is the only public second cycle school. There are seven private SHS.

The study area consisted of the major departments who are involved directly or indirectly in carrying out procurement activities in the Ashaiman Municipal Assembly. The study involved staff of the Administration, Procurement, Works (Engineering), Budget , Accounts, planning, Human Resource, Internal Audit and stores departments.

### **3.4 STUDY POPULATION AND SAMPLING SIZE**

According to Fraenkel and Wallen (2000), population refers to the complete set of individuals (subject or events) having common characteristics.

The overall population of the Ashaiman Municipal Assembly as at the end of 2013 is Two Hundred and Forty-Five (245){Human Resource(ASHMA), 2013}. However, the targeted population for this study comprised of all the staff involved in public procurement of works,

goods and services within the Ashaiman Municipal Assembly either directly or indirectly. Using the Taro's formula as indicated below, a sample size of Forty-One (41) was arrived at. In order that the study will be more realistic a factor of safety of 42% was added to increase the sample size to Fifty-Eight (58) respondents out of a targeted population of Sixty-Nine (69). Respondents were selected and approached by the use of purposive sampling method and interviewed at different levels, where necessary. Figure 3.1 indicates the targeted population and the corresponding sample size.

The study involved staff of the Administration, Procurement, Works (Engineering), Budget, Accounts, Human Resource, Internal Audit, Planning and stores departments.

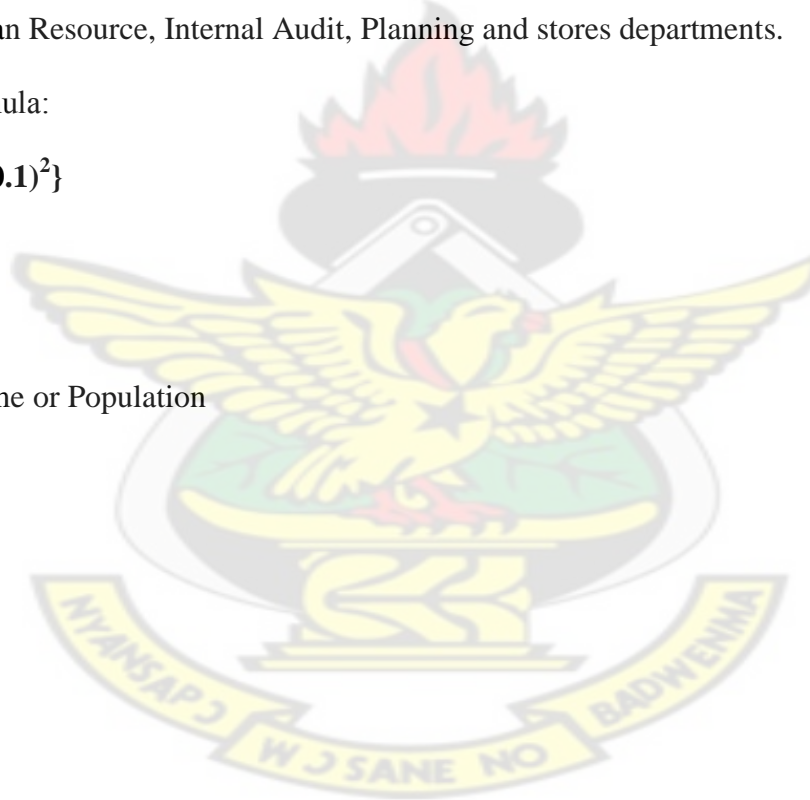
The Taro's formula:

$$n = N / \{1 + (N * (0.1)^2)\}$$

Where :

n= Sample size

N= Sample Frame or Population



<b>Category of respondents</b>	<b>Targeted Population</b>	<b>Sample size</b>
Works (Engineering)	28	21
Budget	9	8
Planning	3	3
Stores	1	1
Internal Audit	7	6
Procurement	3	3
Administration	6	6
Human Resource	2	2
Finance	10	8
<b>Total</b>	<b>69</b>	<b>58</b>

**Table 3.1: Targeted Population and the corresponding sample size**



### **3.5 DATA COLLECTION INSTRUMENT**

According to Warwick et al (1975), methods chosen for data collection should provide high accuracy and convenience of obtaining data from the respondents . Primary and secondary data sources were used in order to achieve the objectives of the study.

#### **Primary Data**

The Primary data was collected by using questionnaires and interviews in the field. The analysis of the study was substantially based on this data.

#### **Secondary Data**

The secondary data were collected from available published records such as textbooks, journals, magazines, manuals, internet and reports obtained from libraries among others.

### **3.6 QUESTIONNAIRE METHOD**

Questionnaire is a quicker way of collecting data and is quite valid and reliable if well structured (Sarantakos, 2006). The researcher used close ended questions and Likert scale statement to obtain the required data. The questionnaire was categorised into sections to collect general data from the staff of the Administration, Procurement, Works (Engineering), Budget, Accounts and stores departments. The questions centred on the background characteristics of the respondents, the state of compliance with the Act as well as nature of public procurement structures and procedures in the Municipality.

The researcher used closed ended questions to obtain the required data. The questionnaire was designed to collect general data from the staff of the Administration, Procurement, Works (Engineering), Budget, Accounts and stores departments. These questions were grouped in categories to collect data on the state of compliance with the Act as well as nature of public procurement structures and procedures in the Municipality.



The questionnaires were administered to the respondents through electronic mail and on one-to-one basis. The respondents were given adequate time to respond for later collection by the researcher.

The primary data collected was reviewed by the researcher to ensure maximum accuracy, legibility and completeness, consistency and to reduce ambiguity.

### **3.7 INTERVIEW SCHEDULES**

According to Mugenda & Mugenda (1999) an interview schedule is a set of questions that the interviewer asks when interviewing. Open-ended interviews were briefly carried out to supplement the questionnaires. Interview schedules involved face to face meetings with the interviewees.

### **3.8 MEASUREMENT OF VARIABLES**

The study used a 5-point likert scale to measure the variables which are; management systems, contract management, information and communication as well as procurement processes to come up with findings. This ranged from very low compliance to very high compliance (very low compliance, low compliance, average compliance, high compliance, and very high compliance). This research also adopted the methodology used for the assessment of national procurement systems jointly developed by the Organization for Economic Co-operation and Development (OECD)/Development Assistance Committee and World Bank (World Bank, 2004). In this methodology, four main procurement compliance areas were considered: They include Management System, Procurement Process, Contract Management as well as Information and Communication. The compliance levels were assessed based on certain indicators, which were used as sub-criteria for assessing the four main compliance areas adopted (World Bank, 2004).

Specific information were included in the questionnaire to aid in the assessment of the indicators. There are two parts of the indicators. That is baseline indicators (BLI's) that deal with the formal and functional features of the existing system; and compliance/performance indicators (CPI's), that deal with monitoring performance data to determine level of compliance with the formal system. The CPI's associated with the baseline indicators have been adopted since the author intends to determine the level of compliance with the Procurement Law. The researcher adopted four main Compliance Areas in the study.

### **3.9 DATA PROCESSING, ANALYSIS AND PRESENTATION**

The responses that were received from the questionnaires and interview schedules conducted were processed and analyzed using Relative Importance Index (RII) and Statistical Package for the Social Sciences (SPSS). Micro soft word and excel were used to present the results in the form of tables and charts.

## **CHAPTER FOUR**

### **RESULTS AND DISCUSSIONS**

#### **4.1 INTRODUCTION**

This chapter seeks to analyze and discuss the issues of compliance with the Public Procurement Act, 2003(Act 663) with respect to the study area.

The result of the study focuses on two major sections. Section one focuses on the demographic data of the respondents- level of experience that respondents have got with respect to their profession, the level of education of respondents, age group, service duration, gender, the stage of procurement within which the respondent is involved. Section two focuses on the major aspect of the study which strictly looks at the issues of compliance with the Act 663. This is broken down into four major classification of compliance as recommended by the Organization for Economic Co-operation and Development (OECD)/Development Assistance Committee and World Bank. These are: Management Systems, Information and Communication, Procurement Processes and Contract Management. The responses obtained from the Procurement, Finance, Budget, Stores, Planning, Works (Engineering), Human Resource and Administrative officers were discussed and analyzed logically.

#### **4.2 CHARACTERISTICS OF RESPONDENTS**

This section looks at the demographic characteristics of respondents. The data collated and analyzed considered variables such as experience, education, gender as well as age grouping of respondents. Also considered was the number of years respondents have spent at their workplaces. This is because in applying concepts, directives and procedures they are normally

influenced by the period of time people spend dealing with such concepts or situations (Rofstam, 2008).

#### **4.2.1 Educational Level**

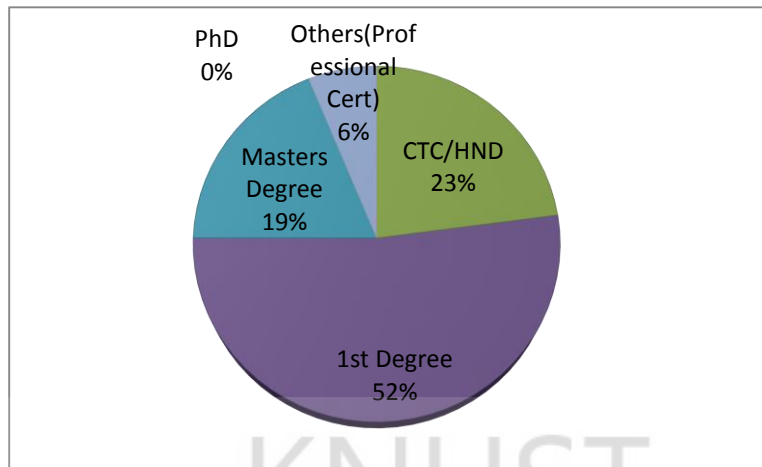
One of the most important variables that is worth considering in this chapter is education. This is because one's level of education helps in their understanding and application of basic principles, concepts, and regulations. This will help to assess the level to which they can appreciate key issues in the Act and the level to which they comply with the act. The study has revealed that all the respondents have some level of formal education. From table 4.1.1 and figure 4.1.1 below, 52.1% of the respondents have attained first degree from various institutions. Out of the remaining respondents, 22.9% are HND graduates, 18.8% have Masters' Degree, while 6.3% of all the respondents had other professional qualifications such Institute of Chartered Accountants (ICA) etc.

This means that majority of the respondents have some academic training and makes their responses well informed.

**Table 4.2.1: Level of Education of Respondents**

<b>Educational Qualification</b>	<b>Percentage (%)</b>
GCE A Level/SSSCE	0
CTC/HND	22.9
1st Degree	52.1
Master's Degree	18.8
PhD	0.0
Others(Professional Cert)	6.3

**Source: Author's field work, September, 2014**



**Figure 4.2.1: Level of Education of Respondents**

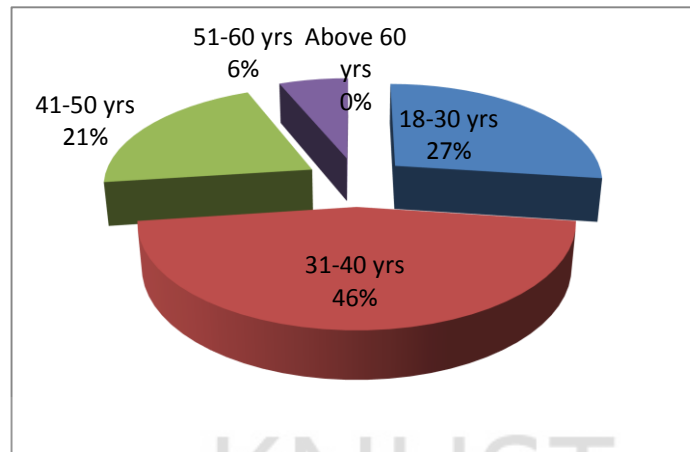
**Source: Author's field work, August, 2014**

#### **4.2.2 Age grouping**

The age grouping was included in this study to determine the level of maturity of the respondents. From the results of the study, it was revealed that 46% of the respondents were between the ages of 31 to 40 years. 27% of the respondents fall between 18 to 30 years, 21% of the respondents were between 51 to 60 years and 6% fell between 51 to 60 years. None of the respondents in this study was above the age of 60.

**Table 4.2.2: Age Grouping of Respondents**

Age Group	Percentage (%)
18-30 yrs	27
31-40 yrs	46
41-50 yrs	21
51-60 yrs	6
Above 60yrs	0



**Figure 4.2.2: Age Grouping of Respondents**

**Source: Author's field work, September, 2014**

#### **4.2.3 Gender of Respondents**

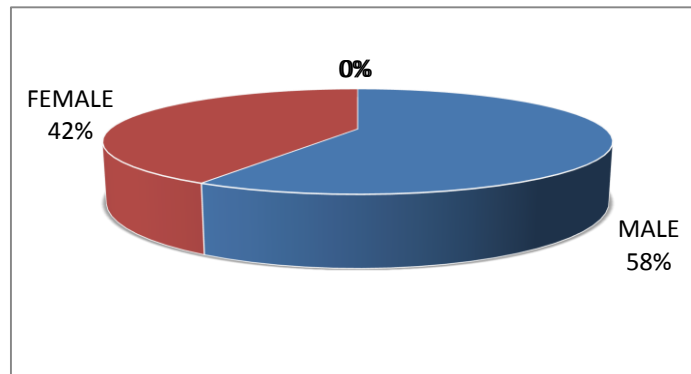
The overall number of responses obtained out of the total of 54 number of questionnaires distributed was forty-eight (48) representing 88.89% response rate. Out of this number, Twenty-eight (28) were obtained from the male respondents representing 58.3% and twenty (20) from the female respondents representing 41.7%. This, to some extent, shows that there exists some appreciable level of gender balance in respect of the responses obtained.

**Table 4.2.3: Gender of Respondents**

Gender	Percentage
MALE	58
FEMALE	42

**Source: Author's field work, September, 2014**





**Figure 4.2.3: Gender of Respondents**

**Source: Author's field work, September, 2014**

#### **4.2.4: Service Duration**

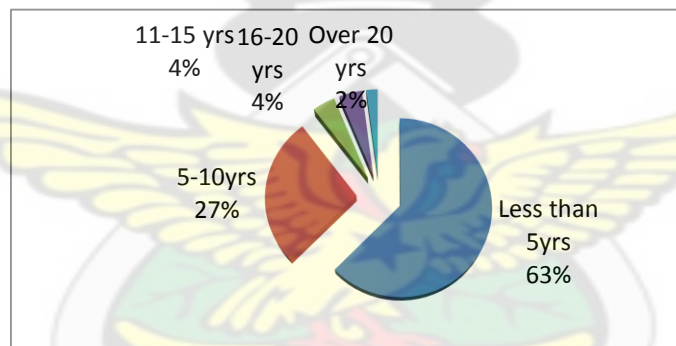
The duration of service of the respondents was also considered in the study, as this can determine the familiarity of the respondents with the Act and the extent to which they will comply with the Act. The study revealed that 63% of the respondents worked in their various departments for not more than five (5) years. Also, 27% worked between five (5) to ten (10) years in their various departments, 4% each between eleven (11) to fifteen (15) years and sixteen (16) to twenty (20) years, and 2% have over twenty (20) years of experience, as depicted in the figure 4.1.4 and table 4.1.4 below.

According to Aglomesa (2010), officers who have spent between 20 years or more dealing with procurement issues are better able to comply with it as they become experienced in the application of the act. From the findings, majority of the respondents have spent less than five years and those who have spent more years at their work places are the least.

**Table 4.2.4: Service Duration of Respondents**

Length of Service	Percentage
Less than 5yrs	63
5-10yrs	27
11-15 yrs	4
16-20 yrs	4
Over 20 yrs	2

**Source: Author's field work, September, 2014**

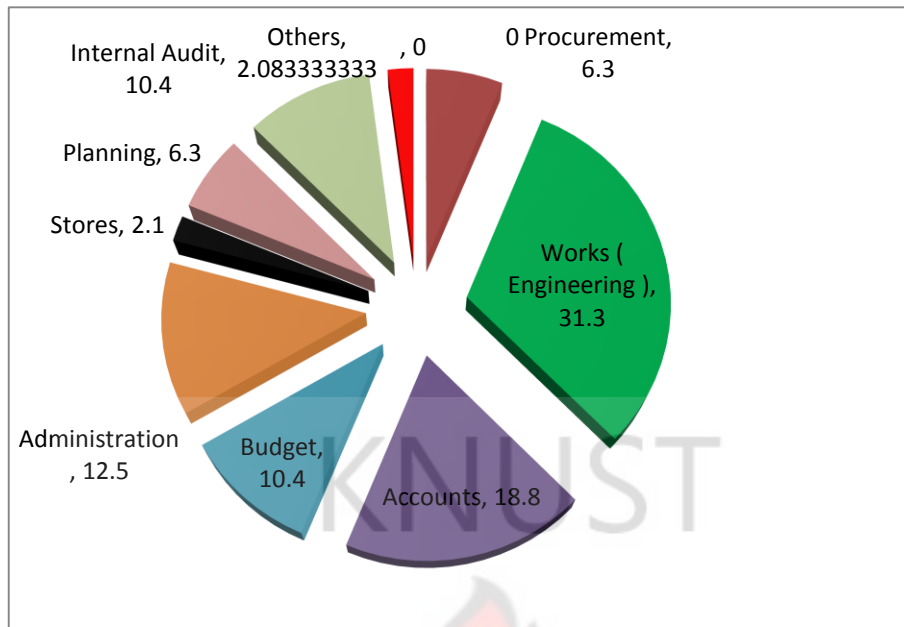


**Figure 4.2.4: Service Duration of Respondents**

**Source: Author's field work, September, 2014**

#### **4.2.5: Response Rate**

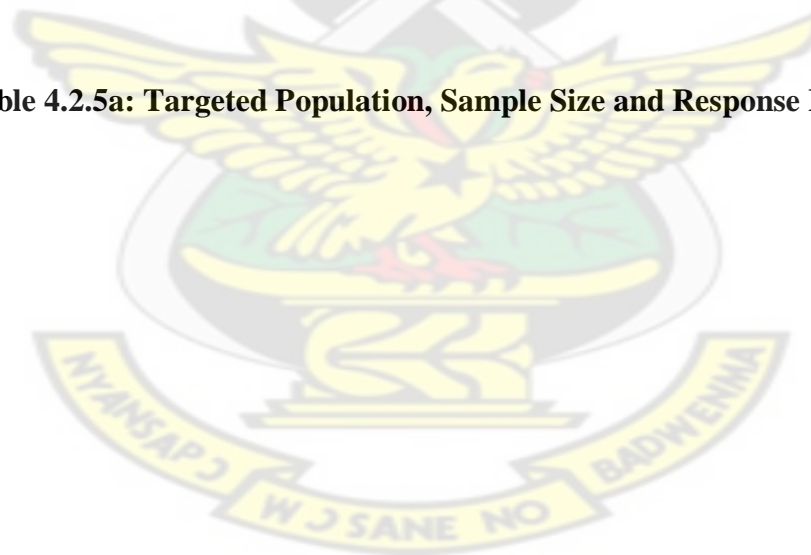
The overall number of responses obtained out of the total of Fifty-Eight (58) number of questionnaires distributed was forty-eight (48) representing 83% response rate. From the study as depicted in figure 4.1.5 and tables 4.1.5a & 4.1.5b, a 31.30% response was obtained from the works department. 18.8% from the accounts department, 12.5% from the Administration, 10.4% from the Budget, 10.40% from the Internal Audit, 6.30% from the procurement, 6.30% from the planning, 2.10 from the stores department and 2.00% from the Human Resource departments.



**Figure 4.2.5: Response Rate**

**Source: Author's field work, September, 2014**

**Table 4.2.5a: Targeted Population, Sample Size and Response Rate**



<b>Category of Respondents</b>	<b>Targeted Population</b>	<b>Sample Size</b>	<b>Response</b>
Works(Engineering)	28	21	16
Budget	9	8	5
Planning	3	3	3
Stores	1	1	1
Internal Audit	7	6	5
Procurement	3	3	3
Administration	6	6	6
Human Resource	2	2	1
Accounts	10	8	8
<b>Total</b>	<b>69</b>	<b>58</b>	<b>48</b>

**Table 4.2.5a: Targeted Population, Sample Size and Response Rate**

**Table 4.2.5b: Response Rate**

Departments & Units	Percentage
Procurement	6.3
Works ( Engineering )	31.3
Accounts	18.8
Budget	10.4
Administration	12.5
Stores	2.1
Planning	6.3
Internal Audit	10.4
Human Resource	2.0

**Source: Author's field work, September, 2014**

#### **4.2.6 Procurement involvement**

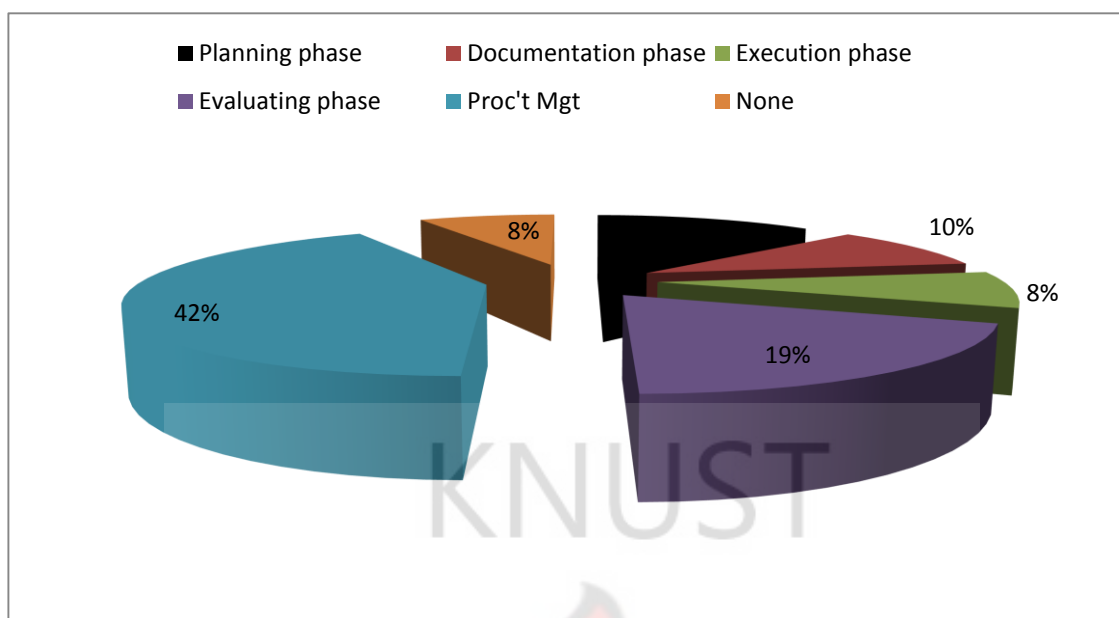
The study considered the stage of procurement activities within which respondents were involved. It was revealed that 41.9% of the respondents were involved in procurement management, 19.4% in the evaluation phase, 12.9% in the Planning phase, 9.7% in the documentation, 8.1% in the execution phase and 8.1% were not involved in any of the phases.

Table 4.2.6 and figure 4.2.6 below depict the above information.

**Table 4.2.6: Procurement Involvement**

Phases of procurement	Percentage
Planning	12.9
Documentation	9.7
Execution	8.1
Evaluating	19.4
Procurement Management	41.9
None	8.1

**Source: Author's field work, September, 2014**



**Figure 4.2.6: Procurement involvement**

**Source: Author's field work, August, 2014**

### **4.3 LEVEL OF COMPLIANCE WITH THE ACT 663 BY THE ASHAIMAN MUNICIPAL ASSEMBLY**

#### **4.3.1: Introduction**

According to sections 3(d) 13(e) and 3(h) of the Public Procurement Act, 2003 (ACT 663) the Public Procurement Authority (PPA) is mandated to assess the performance of public entities to ensure compliance with the provisions of Act 663. In this study the researcher intends to investigate whether or not the Ashaiman Municipal Assembly complies with the regulatory framework of the procurement reform.



#### 4.3.2: Study Results

In the bid to establish the compliance level, a method recommended by the Organization for Economic Co-operation and Development (OECD)/Development Assistance Committee and World Bank for country assessment was adopted in the study. This method categorized the main compliance areas into four major parts. These are: Management Systems, Information and Communication, Procurement Processes and Contract Management. Table 4.3.2 below indicates the summary of results for the investigations carried out using the Relative Importance Index (RII).

$$\text{Relative importance index, } \mathbf{RII} = \frac{\sum \mathbf{W}}{\mathbf{A \times N}}$$

W- the weight given to each factor by the respondents, and it ranges from 1-5.

A- the highest response integer, N- the total number of respondents.

In this chapter, the main issues under discussion are the main compliance areas which include Management Systems, Information and Communication, Procurement Processes and Contract Management.

It is said that to investigate public procurement management, performance must be defined in terms of compliance with the set procurement rules ( Schapper et.al, 2006). In response to this assertion Table 4.3.2 presents the summary of the compliance level of the Ashaiman Municipal Assembly using the four (4) main performance indicators as well as their respective sub-indicators for the study. Details of this can be found in Appendix A.

It is clear from table 4.3.2 below that, the Assembly is strong in the area of **Procurement Process**. This compliance area has the highest average absolute score of 0.74 Relative Importance Index. The second compliance area as indicated in the same table was **Contract Management** with an absolute score of 0.71. The third compliance was **Management Systems** with an absolute score of 0.68, and the weakest amongst the four was **Information & Communication compliance** with an absolute score of 0.63.

The above analysis showed that Information and Communication, management control systems and Contract Management in the Assembly had been poorly handled. These findings can be supported by the findings of Kannan et al (2003) who argues that one of the ways to ensure effective contract management is through information, interaction and communication. Furthermore, this accession was supported by Amaral, (2004) who argues that the lack of information, interaction and communication between buyers and suppliers in the USA had lead to an obstacle of stable and long-term relationship development.

**Table 4.3.2: Ranking of Main Compliance Areas using the RII system**

**Source: Author's field work, September, 2014**

		FREQUENCY OF RANKED INFORMATION							
ITEM	MAIN COMPLIAN CE AREAS	1	2	3	4	5	Weighting	RII	Rank
1	MANAGEMENT SYSTEMS	39	104	250	235	116	2517	<b>0.68</b>	3
2	INFORMATION & COMMUNICATION	16	27	67	49	18	557	<b>0.63</b>	4
3	PROCUREMENT PROCESSES	58	68	157	237	240	2813	<b>0.74</b>	1
4	CONTRACT MANAGEMENT	26	64	124	193	103	1813	<b>0.71</b>	2

### 4.3.3: Aggregation of Scores

The main (baseline) indicators are designed such that they have sub-indicators which are scored by the respondents. The researcher conducted an aggregation of the scores at the indicator level or pillar level to obtain a profile of strengths and weaknesses of the system at that level. Since this system of aggregation is a decision left to the discretion of the researcher, the researcher

employed the RII system to come out with the rankings of the main indicators. Table 4.2.2 indicates the rankings of the findings.

In addition to table 4.3.2 above, a graph was drawn to give a graphic representation of the scoring under each pillar or main indicator. This could be done by aggregating the scores using a simple arithmetical average of sub-indicators under the pillar. In this study the scores obtained using the RII system was prorated in relation to the maximum score of 3. The average scores for each pillar were then compared to the maximum score of 3 (maximum compliance) as shown in the graph below. Details of the values could be found in figure 4.3.3 and Appendix 2.

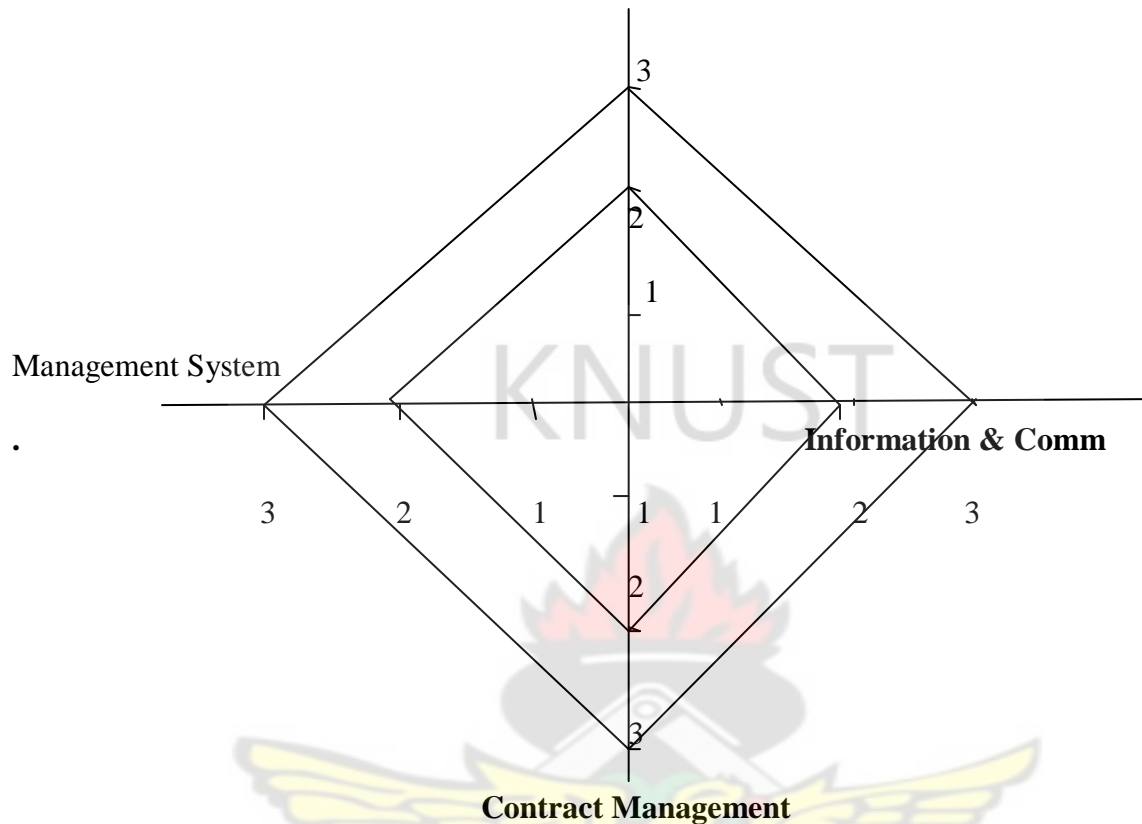
**Table 4.3.3 Compliance Level**

ITEM	MAIN COMPLIANCE AREAS	RII	CORRESPONDING VALUE ON GRAPH
1	MANAGEMENT SYSTEMS	0.68	2.04
2	INFORMATION & COMMUNICATION	0.63	1.89
3	PROCUREMENT PROCESSES	0.74	2.22
4	CONTRACT MANAGEMENT	0.71	2.13

**Source: Author's field work, September, 2014**

The chart had been designed such that it enables the viewer to quickly see that the entity under investigation is strongest in a given Pillar, but has weaknesses in the other. This study therefore indicates that the Assembly under study is strongest in Procurement Process, and weakest in the Information and Communication.

## Procurement Process



**Figure 4.3.3: Graphic representation of Compliance Level**

**Source: Adopted from the OECD/DAC & World Bank System**

### Legend

Outer enclosed lines = Maximum score (Compliance)

Inner enclosed lines = Entity score (Ashaiman Municipal)

### **4.3.4: General Investigation**

The table below indicates the results of the general investigation carried out with respect to the aggregation of the compliance level for all the four (4) main indicators. The study revealed that 33% of the respondents agreed that there is High Compliance when all the indicators are aggregated. Also, 27% agreed that there is average compliance, 22% are for Very High

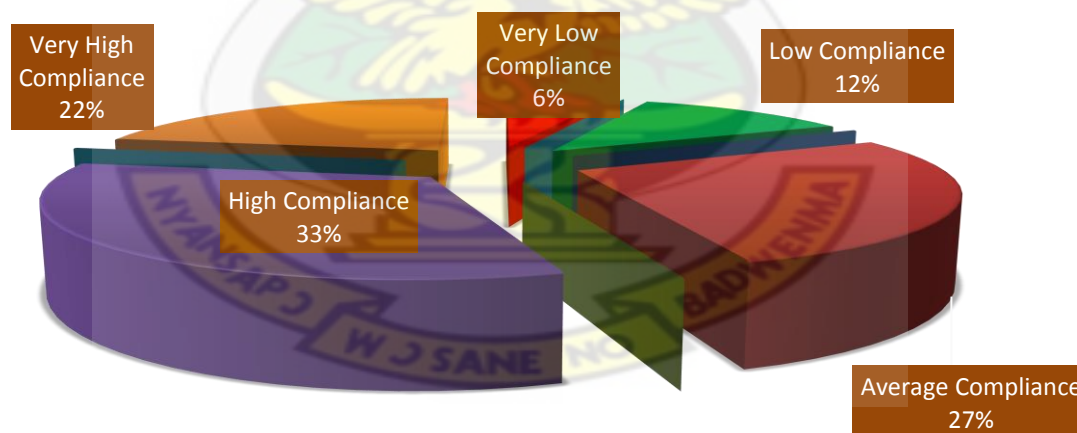
Compliance, 12% are for Low Compliance and finally 6% agreed that there was Very Low Compliance.

From the above discussion, the ranking that stood tall in the general investigation was the High Compliance.

ITEM	GENERAL RANKINGS	PERCENTAGES (%)
1	Very Low Compliance	6
2	Low Compliance	12
3	Average Compliance	27
4	High Compliance	33
5	Very High Compliance	22

**Table 4.3.4: General Investigation**

**Source: Author's field work, September, 2014**



**Figure 4.3.4: General Investigation, Source: Author's field work, September, 2014**

#### **4.3.5: Investigation Based on Main Compliance (Pillars) Areas**



## Management Systems

The study carried out on the main indicators such as the management system had the following outcome as depicted in table 4.2.5(A) and figure 4.2.5(A). The Sub-indicators for the management system included the following:

1. Effectiveness of leadership. The information that were ranked were:
  - Training programme(s) in place
  - Seeking technical support from the body with oversight role
  - Carrying out internal procurement auditing, and
  - Good record keeping.
2. Human Resource Development. The ranked information were:
  - Having staff with professional procurement qualification
  - Putting internal auditors in place and giving them procurement training, and
  - Evaluation of performance of procurement staff.
3. Monitoring and Control. The ranked information were:
  - Putting proper payment systems in place for every contract
  - Capturing procurement transactions in cash budgets
  - Putting in place quality control mechanisms for contracts, and
  - Effective use of available procurement information dissemination systems.
4. Compliance with ethics and regulatory framework. The ranked information were:
  - Appropriate use of procurement plans and contract documents
  - Use of Standard Tender Documents (STD) and manuals
  - Use of right procurement methods, and
  - Anti-corruption measures put in place.

5. Complaints System, structure and sequence. Only one information was ranked, and that was

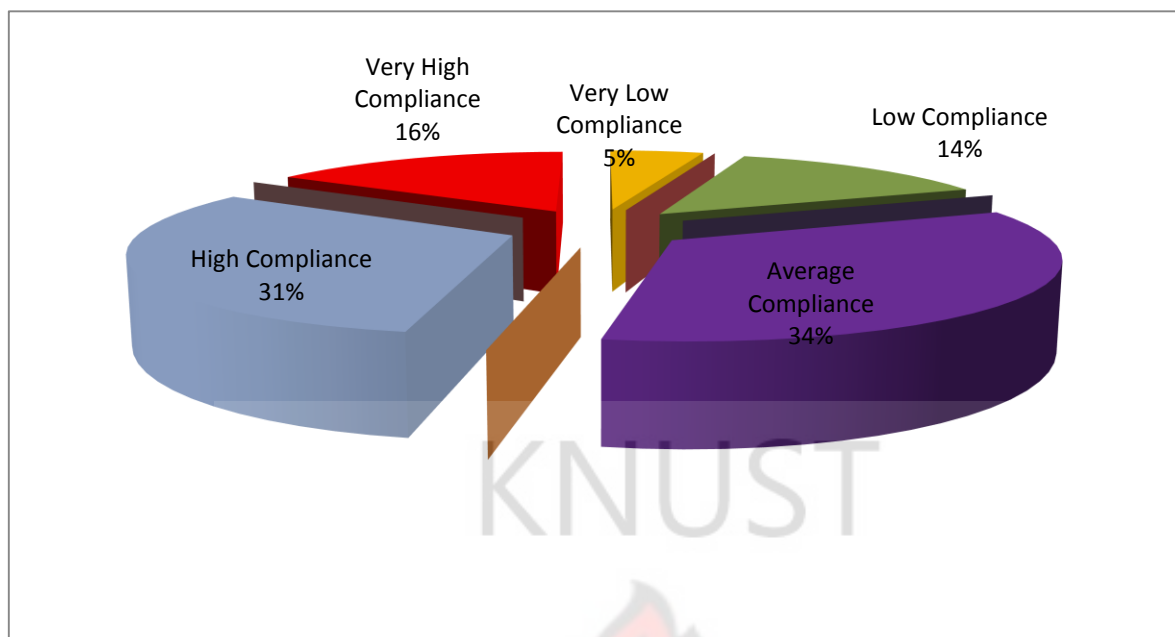
- Fairness and transparency in resolution of cases within the terms established in the legal framework.

From table 4.2.5(A) and figure 4.2.5(A)below, the highest ranked was 34.64% in favour of Average Compliance which was closely followed by 29.93% for High Compliance. 15.1% of the respondents were in favour of Very High Compliance, 14.82% for Low Compliance and 5.48% for Very Low Compliance. The above information presupposes that majority of the respondents were of the view that there is Average Compliance by the Assembly with respect to Management Systems in procurement.

**Table 4.3.5(A): Management System**

Ranking	Effectiveness of Leadership		Human Resource Development		Monitoring and Control Systems		Compliance with ethics and regulatory framework		Complaints system, structure and sequence		Total Percentage(Average)
	Frequency	Percent	Frequency	Percent	Frequency	Percent	Frequency	Percent	Frequency	Percent	
Very Low Compliance	8	4.17	11	7.6	7	3.65	11	5.73	3	6.25	<b>5.48</b>
Low Compliance	30	15.63	16	11.1	26	13.54	25	13.02	10	20.83	<b>14.82</b>
Average Compliance	74	38.54	59	41.0	61	31.77	47	24.48	18	37.50	<b>34.64</b>
High Compliance	56	29.17	37	25.7	67	34.90	71	36.98	11	22.92	<b>29.93</b>
Very High Compliance	24	12.50	21	14.6	31	16.15	38	19.79	6	12.50	<b>15.10</b>
Total	192	100	144	100	192	100	192	100	48	100	<b>100</b>

**Source: Author's field work, August, 2014**



**Figure 4.3.5(A): Management System**

**Source: Author's field work, September, 2014**

### **Information and Communication**

The next major indicator considered was the Information and Communication. The Sub-indicators for the Information and Communication included the following:

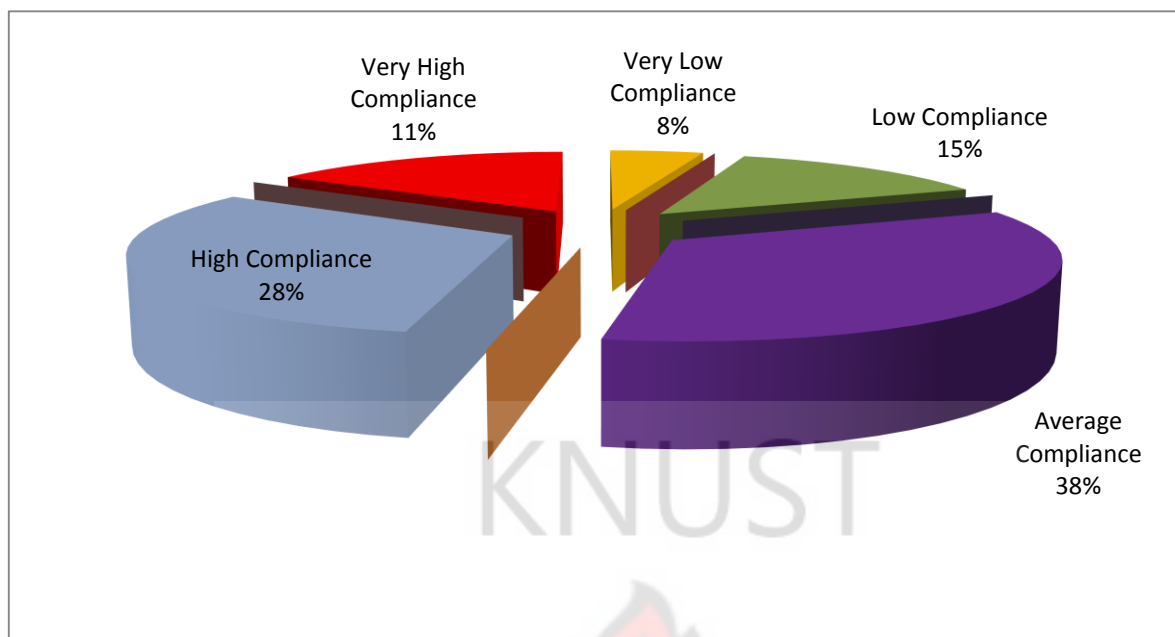
1. Procurement Information searching and Dissemination. The information that were ranked were :
  - Awareness of use procurement website, procurement internal notice boards and newspapers
  - Capacity to use and using the procurement information dissemination systems
2. Interaction with the marketplace. The ranked information under this sub-indicator were:
  - Having knowledge of and interacting with the marketplace
  - Interacting with all procurement stakeholders

From table 4.2.5(B) and Figure 4.2.5(B) below, the highest ranked was 38.02% in favour of Average Compliance which was followed by 28.13% for High Compliance. 14.59% of the respondents were in favour of Low Compliance, 10.94% for Very High Compliance and 8.34% for Very Low Compliance. The above information presupposes that majority of the respondents were again of the view that there was Average Compliance by the Assembly with respect to Information and Communication in procurement activities.

**Table 4.3.5(B): Information & Communication**

RANKING	Procurement Information searching and Dissemination		Interaction with the marketplace		Total Percentage(Average)
	Frequency	Percent	Frequency	Percent	
Very Low Compliance	11	11.46	5	5.21	<b>8.34</b>
Low Compliance	15	15.63	13	13.54	<b>14.59</b>
Average Compliance	36	37.50	37	38.54	<b>38.02</b>
High Compliance	23	23.96	31	32.29	<b>28.13</b>
Very High Compliance	11	11.46	10	10.42	<b>10.94</b>
Total	96	100	96	100	<b>100.00</b>

**Source: Author's field work, September, 2014**



**Figure 4.3.5(B): Information & Communication**

**Source: Author's field work, September, 2014**

### **Procurement Process**

Another major indicator considered was the Procurement Process. The Sub-indicators for the Information and Communication included the following:

1. Procurement Planning. The information that were considered in the ranking were:
  - Having an adequately defined procurement plan
  - Posting plan on the net
2. Procurement Publicity. The ranked information under this sub-indicator were:
  - Advertising tender invitations
  - Sending information for placement in procurement bulletin
  - Using internal notice boards to display procurement information.
3. Bid Preparation and Invitation. The ranked information under this sub-indicator were:
  - Use of Standard Tender Documents(STDs)

- All bid documents containing same evaluation criteria
  - Stating reasonable date and time for bid opening.
4. Submission, opening and evaluation of bids. The information that were considered in the ranking were:
- Stating date, time and venue for bid submission
  - Stating date, time and venue for bid opening
  - Having secured tender box in place
  - Having tender opening register
  - Keeping minutes of bid opening including all opening records
  - Evaluating tenders in accordance with tendering requirements
5. Award of Contract. The ranked information under this sub-indicator were:
- Notifying Winner of Contract
  - Publicizing contract awards
  - Notifying losers of bid

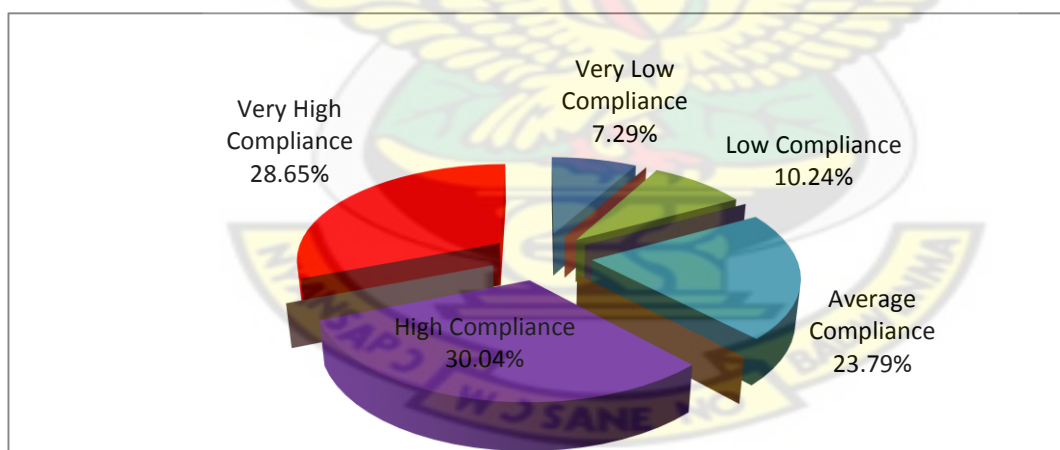
From table 4.3.5(C) and Figure 4.3.5(C) below, the highest ranked were 31% for both High Compliance and Very High Compliance which was followed by 21% for Average Compliance. 9% of the respondents were in favour of Low Compliance, and 8% for Very Low Compliance. The above information presupposes that majority of the respondents were of the view that there is a High Compliance as well as Very High Compliance by the Assembly with respect to Table 4.3.5(C): Procurement Process.



**Table 4.3.5(C): Procurement Process**

RANKING	Procurement Planning		Procurement Publicity		Bid Preparation and Invitation		Submission, opening and evaluation of bids		Total Percentage(Average)
	Frequency	Percent	Frequency	Percent	Frequency	Percent	Frequency	Percent	
Very Low Compliance	11	11.46	13	9.03	6	4.17	13	4.51	<b>7.29</b>
Low Compliance	14	14.58	20	13.89	8	5.56	20	6.94	<b>10.24</b>
Average Compliance	33	34.38	35	24.31	34	23.61	37	12.85	<b>23.79</b>
High Compliance	22	22.92	41	28.47	49	34.03	100	34.72	<b>30.04</b>
Very High Compliance	16	16.67	35	24.31	47	32.64	118	40.97	<b>28.65</b>
Total	96	100	144	100	144	100	288	100	<b>100.00</b>

**Source: Author's field work, September, 2014**



**Figure 4.3.5(C): Procurement Process**

**Source: Author's field work, September, 2014**

## Contract Management

The fourth and last major indicator considered was Contract Management. The Sub-indicators for the Contract Management included the following:

1. Project Planning and Mobilization. The information that were considered in the ranking were:
  - Taking Works Programme from executers
  - Taking Advance payment Guarantees for advance payments made
2. Project Implementation and Supervision. The information that were considered in the ranking were:
  - Preparation of project monitoring reports
  - Organization of project progress meetings
  - Comparing and analysing planned progress against actual
3. Inspection and Inventory control. The information that were considered in the ranking were:
  - Preparation of Handing over certificates
  - Preparation of completion or delivery reports
  - Use of appropriate stock control record system
4. Disposal. The ranked information were:
  - Forming the required membership of Board of survey
  - Keeping minutes of meetings of Board of survey
  - Keeping records of items disposed

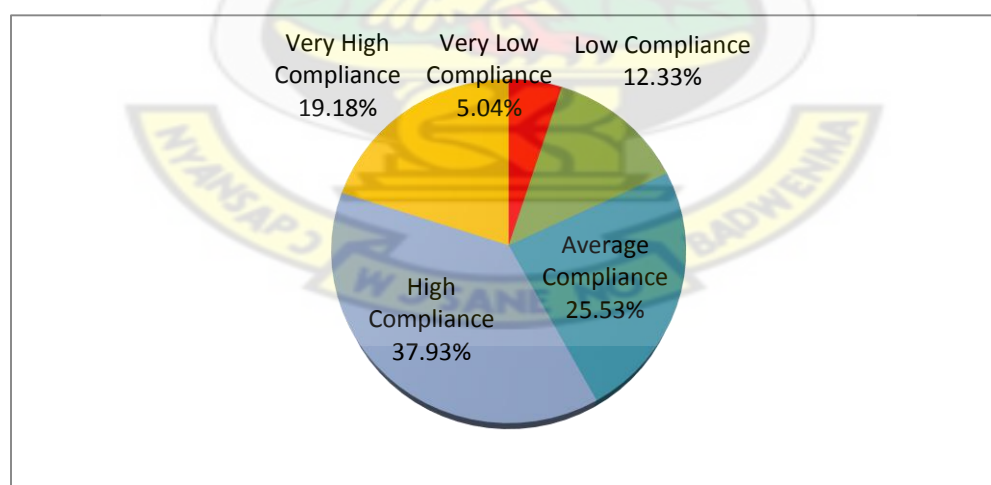
From table 4.3.5(D) and Figure 4.3.5(D) below, the highest ranked was 38% for High Compliance, 24% for Average Compliance which was followed by 20% for Very High

Compliance. 13% of the respondents were in favour of Low Compliance, and 5% for Very Low Compliance. The above information presupposes that majority of the respondents were of the view that there was a High Compliance by the Assembly with respect to Contract Management.

**Table 4.3.5(D): Contract Management**

Ranking	Project Planning and Mobilization		Project Implementation and Supervision		Inspection and Inventory control		Disposal		Total Percent age(Average)
	Frequency	Percent	Frequency	Percent	Frequency	Percent	Frequency	Percent	
Very Low Compliance	6	6.25	6	4.2	7	4.86	7	4.86	5.04
Low Compliance	10	10.42	17	11.8	23	15.97	16	11.11	12.33
Average Compliance	34	35.42	40	27.8	31	21.53	25	17.36	25.53
High Compliance	35	36.46	51	35.4	58	40.28	57	39.58	37.93
Very High Compliance	11	11.46	30	20.8	25	17.36	39	27.08	19.18
Total	96	100	144	100.0	144	100	144	100	100.00

**Source: Author's field work, September, 2014**



**Figure 4.3.5(D): Contract Management.**

**Source: Author's field work, September, 2014**

#### 4.4: TEST OF CONCORDANCE

The concordance test sorts to investigate whether or not there is a common agreement between the various departments/units of which the respondents were selected.

**Table 4.4(A): Summary of the total scores of department/units of the Ashaiman Municipal Assembly.**

MAIN COMPLIANCE	DEPARTMENTS/UNITS OF ASHAIMAN MUNICIPAL ASSEMBLY (ASHMA)									
	procurement	works	accounts	budget	administration	stores	planning	internal Audit	human resource	TOTAL SCORES
MANAGEMENT SYSTEMS	38	225	180	98	125	36	40	100	20	<b>862</b>
INFORMATION AND COMMUNICATION	20	112	58	36	78	15	18	35	8	<b>380</b>
PROCUREMENT PROCESSES	40	195	130	50	85	28	30	62	16	<b>636</b>
CONTRACT MANAGEMENT	45	220	145	75	100	32	32	70	15	<b>734</b>
<b>TOTAL SCORES</b>	143	752	513	259	388	111	120	267	59	<b>2612</b>

#### Summary Statistics of the chi-square test

TEST	df	Statistic	P-Value
Chi-Square	24	28.93	0.00
Correlation Coefficient	47	0.769	0.001

**Table 4.4(B): Test of concordance**

The chi-square test recorded test statistic value of 28.93 and p-value of 0.00 as indicated in the table 4.4 (B) above. A P-value of less than 0.05 indicates that there exists significant difference between the respondents of the various departments. Taking the P-value of 0.00 obtained in the above table, there is an indication that there is significant difference in the responses of the departments/units of the Ashaiman Municipal Assembly with respect to the main compliance

areas of procurement processes in the Assembly. This therefore presupposes that the level to which one will comply with the act depends on the department from which the respondent is coming from. For example, a person coming from the procurement department is likely to comply more to the Act 663 as compared to the respondent who is from the Accounts department. This could be as a result of a lot of factors, such as constant training of personnel on procurement activities among other things.

In addition, the test for association between Main Compliance Areas and the Departments/Units shows that, there exists a strong relationship. The co-efficient of correlation is recorded to be 0.769 and a p-value of 0.001 and this means that, compliance of procurement processes in the Ashaiman Municipal Assembly strongly depend on the departments or units. Real commitments from the various departments of the Assembly to comply with the act will see the light of day. Absence of commitment will mar the extent of compliance.



## **CHAPTER FIVE**

### **SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS**

#### **5.1 INTRODUCTION**

Under this chapter, the researcher sought to summarize the findings, concludes and recommends as per the study objectives and the research questions outlined in chapter one. The limitations encountered and observed were also outlined. The recommendations were outlined ostensibly to improve the administrative structures, procedures, performance and policies of Public Procurement with the aim of improving on the level of compliance with the Act 663.

#### **5.2 SUMMARY OF FINDINGS**

The findings made in respect of the study could be summarized in three ways. They are as follows:

1. From the study the following were the hierarchy of the level of compliance from the highest to the lowest level; Procurement Process, Contract Management, Management System and Information & Communication respectively. This, in effect, means that the Assembly, even though not fully compliant, is strongest in Procurement Process, and weakest in Information & Communication for procurement activities. According to Amaratunga & Baldry (2002), for any organization to become more competitive there is the need for absolute performance which is a key driver to improving quality of services while its absence or use of inappropriate procedures can lead to non-compliance with purchasing function.

The activities considered under the Procurement Process include the following:



a. Procurement Planning: The information that were considered in the ranking were:

- Having an adequately defined procurement plan
- Posting plan on the net

b. Procurement Publicity: The ranked information under this sub-indicator were:

- Advertising tender invitations
- Sending information for placement in procurement bulletin
- Using internal notice boards to display procurement information.

c. Bid Preparation and Invitation: The ranked information under this sub-indicator were:

- Use of Standard Tender Documents(STDs)
- All bid documents containing same evaluation criteria
- Stating reasonable date and time for bid opening.

d. Submission, opening and evaluation of bids: The information that were considered in the ranking were:

- Stating date, time and venue for bid submission
- Stating date, time and venue for bid opening
- Having secured tender box in place
- Having tender opening register
- Keeping minutes of bid opening including all opening records
- Evaluating tenders in accordance with tendering requirements

e. Award of Contract. The ranked information under this sub-indicator were:

- Notifying Winner of Contract
- Publicizing contract awards
- Notifying losers of bid

The above means that the most complied by the Assembly of all the sub-indicators were Procurement Planning, Procurement Publicity, Bid Preparation and Invitation, Submission, Opening and Evaluation of bids as well as Award of Contract.

Conversely, Information & Communication for procurement activities was the last amongst the rankings. The activities considered under the Information & Communication include the following:

- a. Procurement Information searching and Dissemination. The information that were ranked were :
  - Awareness of use procurement website, procurement internal notice boards and newspapers
  - Capacity to use and using the procurement information dissemination systems
- b. Interaction with the marketplace. The ranked information under this sub-indicator were:
  - Having knowledge of and interacting with the marketplace
  - Interacting with all procurement stakeholders

The above means that the least complied by the Assembly of all the sub-indicators were Procurement Information searching and Dissemination and Interaction with the marketplace.

Following the Low Compliance level recorded for Information and Communication in the study, there is an implication that, the Assembly was grappling with procurement Information and Communication best practices such as procurement advertisement, Keeping of Suppliers Register and display of procurement information on entity notice board. These are best practices which are equally important to instill transparency, fairness and competition in the procurement process. There is therefore the need for quick intervention to ensure that the Assembly improves upon the compliance level of this area. This is because, according to Shadrach and Ekeanyanwu ,

Information and Communication Technology (ICT) and e-commerce systems help in the enhancement of transparency particularly through effective audit for the great volume of simple low value transactions. Whereas for high value complex procurement processes, the key transparency features included: public access to up-to-date policies; information on bidding programs; standardized documentation and lodgments of bids; progress of tender evaluation and announcement of outcomes. They therefore concluded that for high value procurement processes, transparency is strengthened through direct public disclosure of all stages of the procurement process while low value procurement is strengthened primarily through improved audit capabilities.

2. Alternatively, considering the general or the overall investigation carried out with respect to the aggregation of the compliance level for all the four (4) main indicators, the study revealed that there was a 33% High Compliance when all the indicators were aggregated. Also, 27% average compliance, 22% Very High Compliance, 12% Low Compliance and finally 6% Very Low Compliance. From the above discussion, the ranking that stood tall in the general investigation was High Compliance. Table 5.1 below explains the above details.

ITEM	GENERAL RANKINGS	PERCENTAGES (%)
1	Very Low Compliance	6
2	Low Compliance	12
3	Average Compliance	27
4	High Compliance	33
5	Very High Compliance	22

**Table 5.2: General Investigation**

**Source: Author's field work, September, 2014**

It can also be summarized that the aggregation of the compliance levels from the Average, High and Very High Compliance from the table above gave rise to an overall compliance level of 27.33% . This finding is corroborated by the research carried out by Kissi et. al (2014), titled “The Public Procurement Act 663 (2003) Of Ghana: Compliance level in Selected Education District Offices”, which concluded that there is generally low compliance in most of the public entities.

### **5.3 CONCLUSION**

Considering the objectives and the research questions set out in this study which included the investigation of whether or not the Assembly complies with the Public Procurement Act 2003

(Act 663), it was revealed by this paper that the Assembly actually complies with the Act 663. Furthermore, the study revealed that the extent to which the Assembly complies is approximately 27.33%. That is after aggregating the Average Compliance, High Compliance and Very High Compliance. In view of the above, the Assembly needs to do more to improve upon the areas that it fell short such as Procurement Information searching and Dissemination which includes creating Awareness of use of procurement website, procurement internal notice boards and newspapers, capacity to use and using the procurement information dissemination systems. In addition, Interaction with the marketplace which includes having knowledge of and interacting with the marketplace as well as Interacting with all procurement stakeholders.

It can be deduced and confirmed from the study that Public Procurement Act, 2003 (Act 663) is a document that is held in high esteem by the Assembly. However, the Assembly needs to improve upon the Information & Communication aspect of the procurement regulation.

## **5.4 RECOMMENDATIONS**

Following the research carried out, below are the recommendations that can be professed by the researcher:

### **5.4.1 Improvement of Compliance Level.**

As a matter of urgency, there is the need to quickly tackle compliance in relation to Information & Communication. This is because the absence of this compliance area will lead to lack of transparency in procurement activities which could defeat one of the main reasons for which the act was promulgated. Also, Management System, Contract Management and Procurement process need some amount of improvement with respect to compliance.

#### **5.4.2 Continued Assessment**

It had been realized during the study that a continued assessment at pre-determined periods which are made known to procurement officials could psyche them up, and to as a matter of urgency comply with the requirements of the act.

#### **5.4.3 Workshops and Training**

Workshops and training programmes need to be frequently organized and to include not only the procurement officials, but also those who handle issues of procurement directly or indirectly.

#### **5.4.4 Awareness creation**

Management of the Assembly should put in place a measure to explain to all procurement practitioners within the entity the importance of the human effort in ensuring compliance with the Public Procurement Act 2003, (Act 663).

Assembly should put in place measures to monitor the administrative activities performed during the implementation of the Act so as to prevent any administrative lapses within the process.

Stipulated Timelines by the procurement plan of the Assembly should be adhered to by procurement practitioners during the implementation of the Act.

The above, when considered, will go a long way to enhance the compliance level of procurement activities.

#### **5.4.5 Further Studies**

For further and future research, this study recommends that similar researches on the topic:

“Investigating the Level of Compliance with the Public Procurement Act 2003 (Act 663) In the



Ashaiman Municipal Assembly” be conducted repetitively in order to fully ascertain whether or not there exists improvement from previous study carried out.

## 5.5 LIMITATIONS

- The researcher faced problems of unresponsive respondents. Respondents also did not want anybody to know their identity because they feared the answers they provided might be used against them. They were assured that their identities would not be disclosed and they were given ample time to fill the questionnaires during their free time.
- Initially respondents likened the assessment to that of the Functional Organizational Assessment Tool (FOAT) and were tempted to be biased. But with a lot of education and sensitization respondents got to realize that they must be as objective as possible.
- Time required for submission of final report was not enough. This was dealt with by using the project schedule accurately.
- This study focused on the Ashaiman Municipal Assembly and left out other Municipals. The findings therefore, cannot be generalized to other municipal or district assemblies.
- Some of the respondents were not willing to reveal true information needed for the study but this was solved by explaining the benefit of the study to the respondents.
- Close-ended questionnaires were used for the collection data. Relevant data may not have been captured because close-ended questionnaire limit the amount of data collected.

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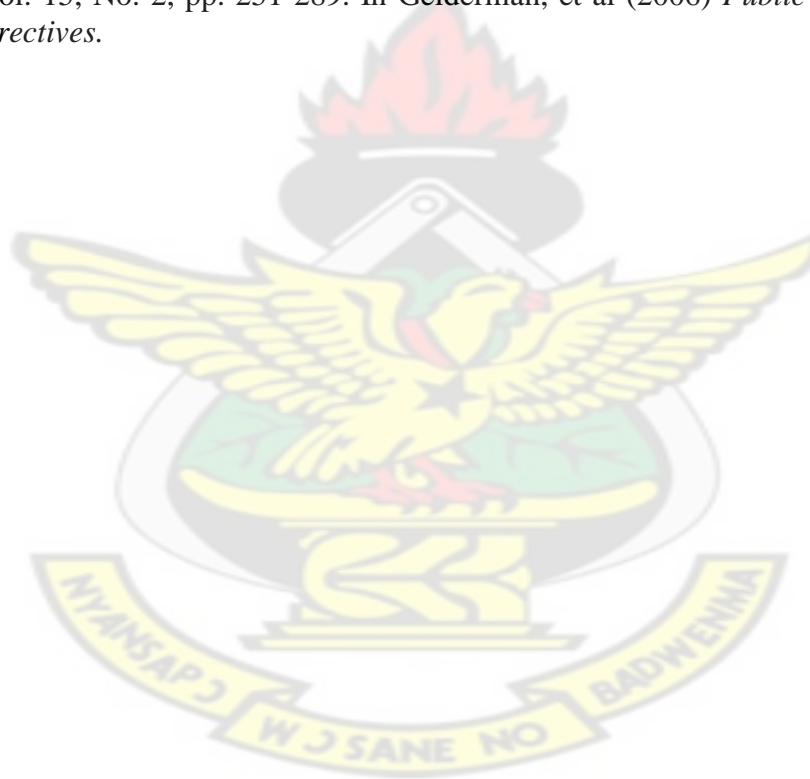
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## APPENDICES

### APPENDIX 1

**KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY**

**DEPARTMENT OF BUILDING TECHNOLOGY**

**MSc. PROCUREMENT MANAGEMENT**

KNUST

*Confidential questionnaire survey*

**Topic: Investigating The Level Of Compliance With The Public Procurement Act In The  
Ashaiman Municipal Assembly**

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#### **Introduction:**

The researcher is a post-graduate student at the Kwame Nkrumah University of Science and Technology pursuing Master of Science Degree in Procurement Management. The researcher is conducting a research work titled: **Investigating the Level of Compliance with the Public Procurement Act in the Ashaiman Municipal Assembly**. The aim of the research is to Investigate The Level of Compliance With The Public Procurement Act, 2003 (Act 663) at the Ashaiman Municipal Assembly. This research is intended to add to the existing knowledge, and to improve upon the level of compliance by the various entities, particularly the MMDA's which could lead to better planning and proper execution of procurement contracts, thereby achieving best Value for Money (VfM).

Following the above background, respondents should kindly answer the questions in this questionnaire as accurately as they possibly can. Your response to this research will be

confidential and will be used exclusively for academic purposes. The questionnaire is divided into two main sections.

I wish to express my appreciation for agreeing to participate in this educational survey. Please, if you have any questions regarding the completion of this questionnaire, please do not hesitate to contact the address and telephone numbers at the bottom of this survey.

**Please select appropriate box by clicking or marking in the appropriate box provided -**

example ☐

## SECTION A: RESPONDENT'S INFORMATION

---

Q.1. Please indicate from which department are you

Procurement <input type="checkbox"/>	Works (Engineering) <input type="checkbox"/>	Accounts <input type="checkbox"/>
Budget <input type="checkbox"/>	Administration <input type="checkbox"/>	Stores <input type="checkbox"/>

Others (Please specify):

.....

Q.2. Job Title/Position:

.....

Q.3. How long have you been in the service ?

1-5 years ☐ 5-10 years ☐ 10-15 years ☐ 15-20 years ☐ over 20 years ☐

Other (*Please Specify*).....

Q.4. What is your highest educational qualification?

GCE A 'Level/SSSCE ☐ CTC/HND ☐ BSc. ☐ MSc. ☐ PhD. ☐

Other (*Please Specify*).....

Q.5. Gender:

Male ☐

Female ☐

Q.6. Age Group:

18–30 yrs. ☐ 31–40 yrs. ☐ 41–50 yrs. ☐ 51–60 yrs. ☐ Above 61 yrs. ☐

Q.7. How long have you worked in this department?

Less than 5 years	5 – 10 years	11 – 15 years	16 – 20 years	Over 20 years
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Q.8. Which stage of the procurement phases are you involved? *[Tick all that apply]*

Procurement Planning phase	Procurement Documentation phase	Execution Phase	Evaluating Procurement Process phase (the whole procurement process)	Procurement Management (Eg. Supervision, Accounts, Admin, Budget, etc)	None
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### SECTION B:

**THE FOLLOWING ARE COMPLIANCE/PERFORMANCE INDICATORS (CPI's) ON PUBLIC PROCUREMENT STRUCTURES AND PROCEDURES: KINDLY CHOOSE FROM THE BOX THAT APPLYS.**






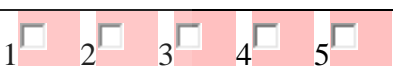


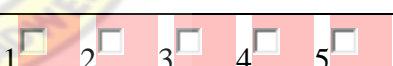


**1= Very Low Compliance, 2 = Low Compliance, 3 = Average Compliance**

**4 = High Compliance, 5 = Very High Compliance**

MAIN COMPLIANCE AREA	KEY COMPLIANCE INDICATORS	INFORMATION TO BE RANKED	RANKING ON A SCALE OF 1-5 (RESPONSE)
9. MANAGEMENT SYSTEMS	Effectiveness of Leadership	<ul style="list-style-type: none"> <li>➤ Training programme(s) in place</li> <li>➤ Seeking technical support from the body with oversight role</li> <li>➤ Carrying out internal procurement auditing</li> <li>➤ Good record keeping</li> </ul>	<div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div> <div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div> <div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div> <div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div>
	Human Resource Development	<ul style="list-style-type: none"> <li>➤ Having Staff with professional procurement qualification</li> <li>➤ Putting internal auditors in place and giving them procurement training</li> <li>➤ Evaluation of performance of procurement staff</li> </ul>	<div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div> <div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div> <div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div>
	Monitoring and Control Systems	<ul style="list-style-type: none"> <li>➤ Putting proper payment systems in place for every contract</li> <li>➤ Capturing procurement transactions in Cash budgets</li> <li>➤ Putting in place quality control mechanisms for contracts</li> <li>➤ Effective use of available procurement</li> </ul>	<div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div> <div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div> <div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div> <div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div>

		information dissemination systems	
	Compliance with ethics and regulatory framework	<ul style="list-style-type: none"> <li>➤ Appropriate use of procurement plans and contract documents</li> <li>➤ Use of Standard Tender Documents (STD) and Manuals</li> <li>➤ Use of right procurement methods</li> <li>➤ Anti-corruption measures put in place</li> </ul>	<div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div> <div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div> <div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div> <div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div>
	Complaints system, structure and sequence	<ul style="list-style-type: none"> <li>➤ Fairness and transparency in resolution of cases within the terms established in the legal framework</li> </ul>	<div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div>
	Procurement Information searching and Dissemination	<ul style="list-style-type: none"> <li>➤ Awareness of use procurement website, procurement internal notice boards and newspapers</li> <li>➤ Capacity to use and using the procurement information dissemination systems</li> </ul>	<div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div> <div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div>
10. INFORMATION AND COMMUNICATION	Interaction with the marketplace	<ul style="list-style-type: none"> <li>➤ Having knowledge of and interacting with the marketplace</li> <li>➤ Interacting with all procurement stakeholders</li> </ul>	<div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div> <div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div>



11.PROCUREMENT PROCESSES	Procurement Planning	<ul style="list-style-type: none"> <li>➤ Having an adequately defined procurement plan</li> <li>➤ Posting plan on the net</li> </ul>	 
	Procurement Publicity	<ul style="list-style-type: none"> <li>➤ Advertising tender invitations</li> <li>➤ Sending information for placement in procurement bulletin</li> <li>➤ Using internal notice boards to display procurement information</li> </ul>	  
	Bid Preparation and Invitation	<ul style="list-style-type: none"> <li>➤ Use of Standard Tender Documents(STD s)</li> <li>➤ All bid documents containing same evaluation criteria</li> <li>➤ Stating reasonable date and time for bid opening</li> </ul>	  
	Submission, opening and evaluation of bids	<ul style="list-style-type: none"> <li>➤ Stating date, time and venue for bid submission</li> <li>➤ Stating date, time and venue for bid opening</li> <li>➤ Having secured tender box in place</li> </ul>	  

		<ul style="list-style-type: none"> <li>➤ Having tender opening register</li> <li>➤ Keeping minutes of bid opening including all opening records</li> <li>➤ Evaluating tenders in accordance with tendering requirements</li> </ul>	<div>1<input type="checkbox"/> 2<input type="checkbox"/> 3<input type="checkbox"/> 4<input type="checkbox"/> 5<input type="checkbox"/></div> <div>1<input type="checkbox"/> 2<input type="checkbox"/> 3<input type="checkbox"/> 4<input type="checkbox"/> 5<input type="checkbox"/></div> <div>1<input type="checkbox"/> 2<input type="checkbox"/> 3<input type="checkbox"/> 4<input type="checkbox"/> 5<input type="checkbox"/></div>
	Award of Contract	<ul style="list-style-type: none"> <li>➤ Notifying Winner of Contract</li> <li>➤ Publicizing contract awards</li> <li>➤ Notifying losers of bid</li> </ul>	<div>1<input type="checkbox"/> 2<input type="checkbox"/> 3<input type="checkbox"/> 4<input type="checkbox"/> 5<input type="checkbox"/></div> <div>1<input type="checkbox"/> 2<input type="checkbox"/> 3<input type="checkbox"/> 4<input type="checkbox"/> 5<input type="checkbox"/></div> <div>1<input type="checkbox"/> 2<input type="checkbox"/> 3<input type="checkbox"/> 4<input type="checkbox"/> 5<input type="checkbox"/></div>
12. CONTRACT MANAGEMENT	Project Planning and Mobilization	<ul style="list-style-type: none"> <li>➤ Taking Works Programme from executors</li> <li>➤ Taking Advance payment Guarantees for advance payments made</li> </ul>	<div>1<input type="checkbox"/> 2<input type="checkbox"/> 3<input type="checkbox"/> 4<input type="checkbox"/> 5<input type="checkbox"/></div> <div>1<input type="checkbox"/> 2<input type="checkbox"/> 3<input type="checkbox"/> 4<input type="checkbox"/> 5<input type="checkbox"/></div>
	Project Implementation and Supervision	<ul style="list-style-type: none"> <li>➤ Preparation of project monitoring reports</li> <li>➤ Organization of project progress meetings</li> <li>➤ Comparing and analysing planned progress against actual</li> </ul>	<div>1<input type="checkbox"/> 2<input type="checkbox"/> 3<input type="checkbox"/> 4<input type="checkbox"/> 5<input type="checkbox"/></div> <div>1<input type="checkbox"/> 2<input type="checkbox"/> 3<input type="checkbox"/> 4<input type="checkbox"/> 5<input type="checkbox"/></div> <div>1<input type="checkbox"/> 2<input type="checkbox"/> 3<input type="checkbox"/> 4<input type="checkbox"/> 5<input type="checkbox"/></div>
	Inspection and Inventory control	<ul style="list-style-type: none"> <li>➤ Preparation of Handing over certificates</li> <li>➤ Preparation of completion or delivery reports</li> <li>➤ Use of appropriate stock control</li> </ul>	<div>1<input type="checkbox"/> 2<input type="checkbox"/> 3<input type="checkbox"/> 4<input type="checkbox"/> 5<input type="checkbox"/></div> <div>1<input type="checkbox"/> 2<input type="checkbox"/> 3<input type="checkbox"/> 4<input type="checkbox"/> 5<input type="checkbox"/></div> <div>1<input type="checkbox"/> 2<input type="checkbox"/> 3<input type="checkbox"/> 4<input type="checkbox"/> 5<input type="checkbox"/></div>

		record system	
	Disposal	<ul style="list-style-type: none"> <li>➤ Forming the required membership of Board of survey</li> <li>➤ Keeping minutes of meetings of Board of survey</li> <li>➤ Keeping records of items disposed</li> </ul>	<div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div> <div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div> <div>1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/></div>

13. Kindly indicate below if you have any recommendation or suggestion with respect to the research under study-Level of compliance with the procurement Act, 2003 (Act 663). You may use extra sheet if you so require.

.....

.....

***In the event of any enquiries, please direct it to:***

*SUALAH ISMA-IL LAARI (STUDENT)*

*ASHAIMAN MUNICIPAL ASSEMBLY (ASHMA),*

*WORKS DEPARTMENT*

*PRIVATE MAIL BAG*

*ASHAIMAN*

*GREATER ACCRA,*

*GHANA WEST AFRICA*

*Tel: +233-200827905/+233-241987954*

*Email: ismall2001us@yahoo.com : [islaaris@gmail.com](mailto:islaaris@gmail.com).*

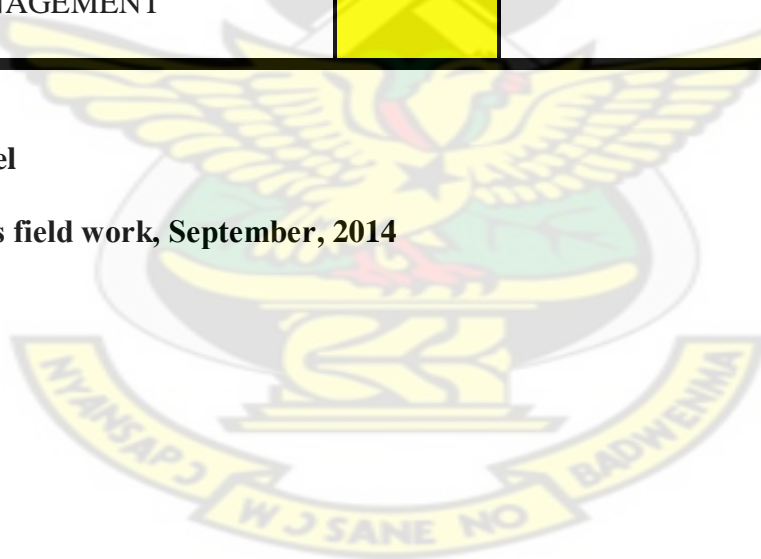
**I thank you very much for your time, involvement, cooperation and contribution to the field of knowledge.**

## **APPENDIX 2**

<b>ITEM</b>	<b>MAIN COMPLIANCE AREAS</b>	<b>RII</b>	<b>CORRESPONDING VALUE ON GRAPH</b>
1	MANAGEMENT SYSTEMS	0.68	2.04
2	INFORMATION & COMMUNICATION	0.63	1.89
3	PROCUREMENT PROCESSES	0.74	2.22
4	CONTRACT MANAGEMENT	0.71	2.13

### **Compliance Level**

**Source: Author's field work, September, 2014**



**APPENDIX 3**  
**ESTIMATED EXPENDITURE ON DISSERTATION**

<b>ITEM</b>	<b>DESCRIPTION</b>	<b>QUANTITY</b>	<b>UNIT</b>	<b>RATE(GHC)</b>	<b>AMOUNT(GHC)</b>
<i>A</i>	<i>A4Sheet</i>	<i>3</i>	<i>Ream</i>	<i>18</i>	<i>54</i>
<i>B</i>	<i>Printing</i>	<i>360</i>	<i>Page</i>	<i>0.5</i>	<i>180</i>
<i>C</i>	<i>Pens</i>	<i>5</i>	<i>No</i>	<i>0.5</i>	<i>2.5</i>
<i>D</i>	<i>Transportation( and fuel)</i>	<i>Item</i>			<i>550</i>
<i>E</i>	<i>Time</i>	<i>Item</i>			<i>2500</i>
<i>F</i>	<i>Miscelaneous</i>	<i>Item</i>			<i>313.5</i>
					<b><i>3600</i></b>