

**THE EXTENT OF COMPLIANCE OF THE PUBLIC
PROCUREMENT ACT, ACT 663 OF 2003 -A CASE OF
TAMALE CENTRAL HOSPITAL**

by

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A thesis Submitted to the Institute of Distance Learning,
Kwame Nkrumah University of Science and Technology
In Partial Fulfillment of the Requirements for the Degree
of

COMMONWEALTH EXECUTIVE MASTERS IN PUBLIC
ADMINISTRATION

APRIL 2012

DECLARATION

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

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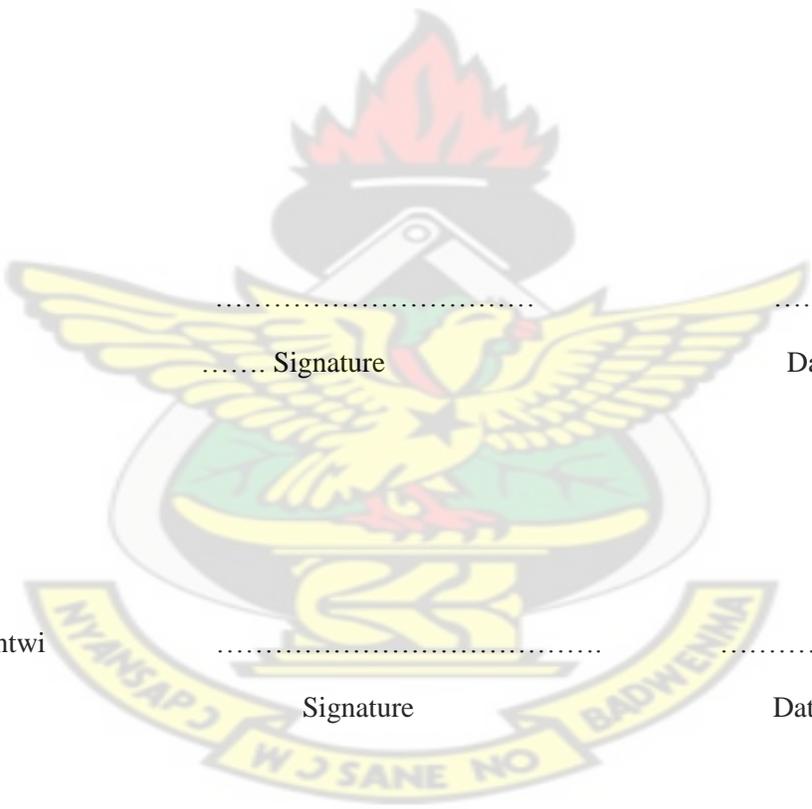
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ABSTRACT

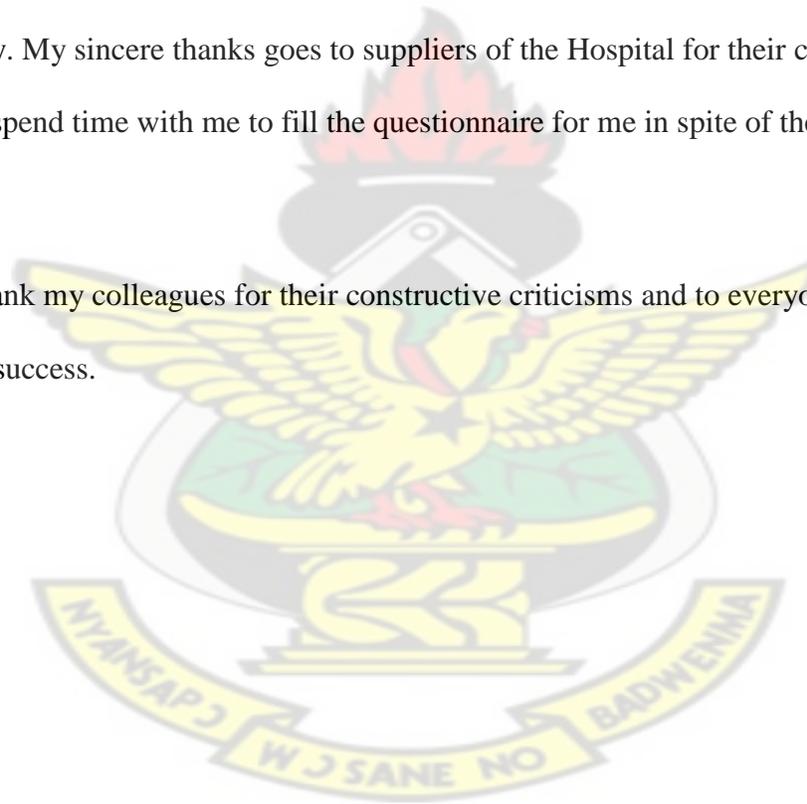
Since independence, there has been a serious effort to regulate and manage pp activities in Ghana. The public procurement Act (PPA), Act 663 was passed in December 2003 to provide for public procurement, establish the Public Procurement Board, make administrative and institutional arrangements for procurement; stipulate tendering procedures and provide for purposes connected with these. As an integral part of contemporary government, at all levels, public procurement is part of the ongoing transformation of the public sector. Increasingly, observers have made the case that public procurement leaders should embrace a strategic approach to public procurement as a management function in collaboration with other government leaders to produce cost saving, reduced cycle time, better use of human capital, empowerment and inventory reductions (McCue and Gianacis 2001; mather and Cleveland 2003). The study sought to identify the extent of compliance of the PPA, Act 663 of 2003 in practice at the Tamale Central Hospital and assess the effects it can have on procurement practices at the facility. Primary data was elicited 72 suppliers and another 36 staff of the hospital that are involve in procurement. A well structured questionnaire was designed to fetch information from the respondents on their socio-demographic characteristics, and some indicators of quality assurance. Results for the study indicate that there are perceptual differences between service suppliers and staff about the extent of compliance of the PPA at the hospital. The hospital has a procurement team, which uses mainly over ten processes of quality indicators such as the time of bidding, evidence of business registration, tax details, and comparative prices. We also found that, the level of general staff participation in public procurement processes of the Tamale Central Hospital is minimal.

ACKNOWLEDGEMENT

This thesis is successful through the cooperation and support of so many people. My sincere thanks first go to Mr. Hardi Tufeiru, who willingly agreed to be my supervisor, and encouraged me to complete the research despite all the challenges present. I sincerely appreciate the pieces of advice.

My gratitude also goes to the staff of the Tamale Central Hospital for granting me the permission to use the staff and other facilities of the hospital during the data collection phase of the survey. My sincere thanks goes to suppliers of the Hospital for their cooperation and agreeing to spend time with me to fill the questionnaire for me in spite of their busy schedules.

Finally, I thank my colleagues for their constructive criticisms and to everyone who helped made this a success.



DEDICATION

I dedicate this thesis to my late father, Mr. Mohammed Seidu and to my mother Mrs. Minata Seidu. My dedication is also to my husband and child, Moses Anasigre and Myles Awumbase Anasigre.



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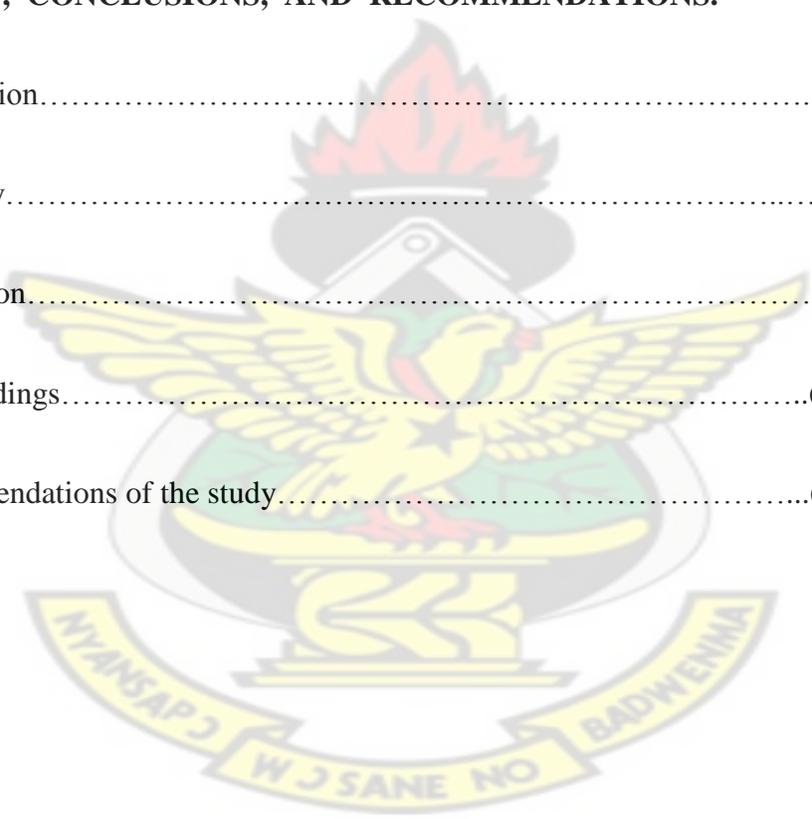
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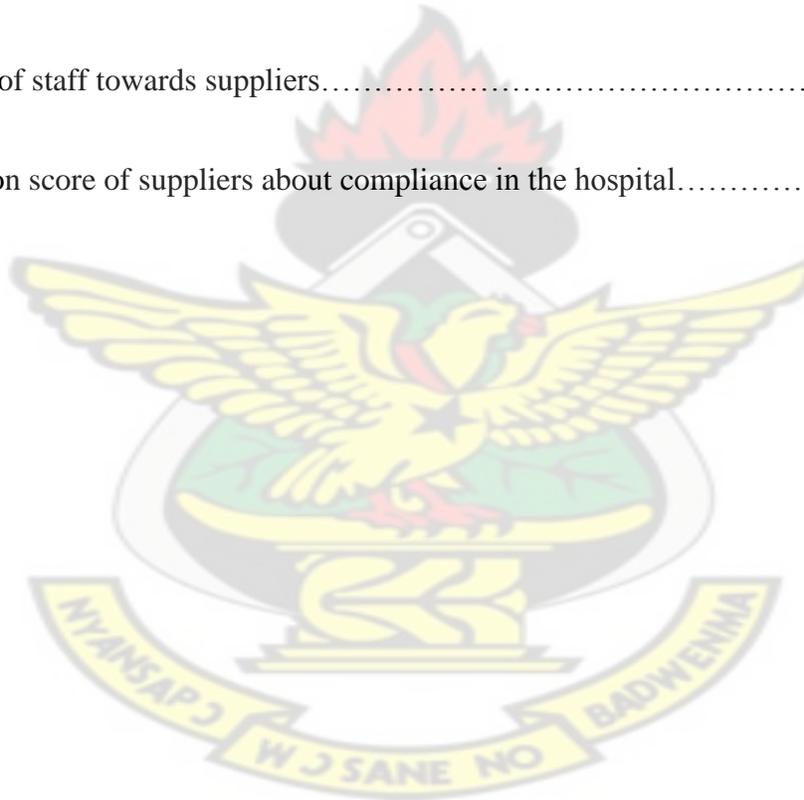
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LIST OF ABBREVIATIONS AND ACRONYMS

GDP	Gross Domestic Product
UK	United Kingdom.
PUFMARP	Public financial Reform Programme
PPA	Public Procurement Act
PPDA	Public Procurement Disposal Authority
IMF	International Monetary Fund
USAID	United States Agency for International Development
UNCITRAL	United Nations Commission on International Trade Law
GPA	Government Procurement Agency
WTO	World Trade Organization
NASPO	National Association of State Procurement Official
PZB	Parasuramana Zeithal and Berry
EAT	Entity Administrative Time
PDE	Procuring and Disposing Entity
TCH	Tamale Central Hospital
VAT	Value Added Tax

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CHAPTER ONE

1.1 INTRODUCTION

Today governments all over the world have received a great deal of attention as providers of essential services, such as health, education, defense and infrastructure. To be able to meet the demand for these services, governments purchase goods and services from the marketplace. In other words, governments are purchasers of works, supplies and services from the open market, placing their demands alongside those of the private sector. The business operations of governments in the marketplace or public procurement thus have both economic and political implications. Yet, until not too long ago, the subject of public procurement would have received little attention by academic researchers and policy makers, because it was considered an administrative function too mundane to worry about (Wittig, 1998).

Public procurement is broadly defined as the purchasing, hiring or obtaining by any other contractual means of goods, construction works and services by the public sector. Public procurement is alternatively defined as the purchase of commodities and contracting of construction works and services if such acquisition is effected with resources from state budgets, local authority budgets, state foundation funds, domestic loans or foreign loans guaranteed by the state, foreign aid as well as revenue received from the economic activity of state. Public procurement thus means procurement by a procuring entity using public funds (World Bank, 1995a).

The items involved in public procurement range from simple goods or services such as clips or cleaning services to large commercial projects, such as the development of infrastructure, including road, power stations and airports.

Public procurement is different from private procurement, because in public procurement the economic results must be measured against more complex and long term criteria. Furthermore, public procurement must be transacted with other considerations in mind, besides the economy. These considerations include accountability, non-discrimination among potential suppliers and respect for international obligations. For these reasons, public procurement is subjected in all countries to enacted regulations, in order to protect the public interests. It is worth noting that unlike private procurement, public procurement is a business process within a political system and has therefore significant consideration of integrity, accountability, national interest and effectiveness (Wittig, 1998).

The importance of public procurement in terms of size relative to world GDP and world trade is highlighted by an OECD report Organization for Economic Co-operation and Development (OECD, 2001). In that report, the value of the contestable government procurement market was estimated at over \$2000 billion in 1998. This is equivalent to 7 per cent of world GDP and 30 per cent of world merchandise trade. In a related study, Trionfetti (2000) estimates that the size of public procurement varies between 5 and 8 percent of GDP in most industrialized countries. For the Middle East and Africa, the magnitude of central government purchases ranges between 9 and 13 per cent. These figures indicate that public procurement is important in the economies of both developed and developing countries.

In so far as public procurement has important economic and political implications, ensuring that the process is economical and efficient is crucial. This requires in part that the whole process is well understood by both the actors (the government, the procuring entities, the business community/suppliers) and other stakeholders, including the professional associations, academic entities and the general public. Unfortunately, for most developing countries, this is not the case. Although several developing countries have taken steps to reform their public procurement systems, the process is still shrouded by secrecy, inefficiency, and corruption and undercutting. In all these cases, huge amounts of resources are wasted.

The public sector in UK spends over £125 billion a year on goods and services bought from third parties. Procurement plays a central role in delivering all government priorities – from health and education to policing and security. However, the positive influence of government procurement can go far beyond simply securing the goods and services it requires. It can also transform the market to the benefit of others.

One can therefore say that the purpose of procurement policy is to support the Government's goal of delivering world-class public services that have value for money, and in a sustainable way. Effective procurement also has the capacity to drive the efficiency of suppliers and their supply chains, demonstrating the added importance of conducting procurement to the highest professional standards.

In Ghana the public procurement act, Act 663 was passed in December 2003 to provide for public procurement, establish the Public Procurement Board, make administrative and institutional arrangements for procurement; stipulate tendering procedures and provide for purposes connected with these. The objective of the Board is to harmonize the processes of public procurement in the public service to secure a judicious, economic and efficient use of state resources in public procurement and ensure that public procurement is carried out in a fair, transparent and non-discriminatory manner.

1.2 Problem statement

It is worth mentioning that public procurement represents about 24% of total imports of Ghana and represents between 50-70% of the national budget. Public Procurement also represents 14% of Gross Domestic Product (GDP). You will therefore agree with me that an improvement in the public procurement process will in no doubt create wealth and reduce poverty (Mr. AB Adei, CEO Ghana Public Procurement Board, 09, June 2006).

It is in the light of these facts that the government of Ghana after a major review of its public expenditure system, in 1993, decided to establish a comprehensive public financial reform programme designed to strengthen its Public Financial Management System. A draft bill was finally passed into law on 31 December 2003 and was called Public Procurement Act 2003, (Act 663).

Even though the Act essentially provides a framework for developing and strengthening procurement institutions and streamlining their operational processes in the context of

poverty reduction, private sector development and good governance, it is not without limitations because there are still several procurement constraints in public departments.

Example;

There is no permanent unified and specialized organization or department for purely government procurement process, also government or public sector organizations lack specific supervisory object, content, measures and mutual constraint mechanisms.

The unit of tender produce, tender and bidding irregularities poses a problem for the PPA act. This is because some suppliers offer malicious dumping prices and or offer after sale services to discourage other competitors and refuse to meet their obligations after they get the tender.

The supplier cannot be managed efficiently and their rights and interest cannot be protected efficiently as well, the government is dominant in public sector procurement. The attributes of corruption such as conflicts of interest, kick backs, tender manipulations and bribery retards the success of the procurement process.

1.3 Objective of the study

1.3.1 Primary Objective

In general the study seeks to determine the extent of compliance of the Public Procurement Act at the Tamale Central Hospital.

1.3.2 Specific Objectives

1. To examine the existence of procurement structures and procedures operating within the Tamale Central Hospital.
2. To identify constrains associated with procurement in the Tamale Central Hospital.
3. To identify staff skills, knowledge and capabilities in public procurement at the hospital.

1.4 Research Questions

1. What are the procurement procedures of Tamale Central Hospital?
2. How has the procurement helped in the procurement of goods and services of the Hospital?
3. What are the challenges associated with procurement in the facility?

1.5 Significance of the Study

Since procurement represents 50%-70% of Ghana's national budget, the study, justifiably significant in determining how much of the procurement budget is actually invested into hospital supplies. The study would provide empirical data to facilitate proactive management action to improve the quality of procurement of goods and services being provided at the hospital. Also the study will determine the training needs of staff of the hospital with respect to procurement activities.

1.6 Limitations of the Study

Inadequate time and financial resources have been a challenge to the study; also respondents refusing to respond or give committal responses affected the pace of work of the study.

The study was conducted in only one of several public organizations in the Tamale metropolis. The fact that sampling was used in the survey attests to the inability of the study to capture all institutions of the target sector. These shortcomings may have constituted the limitation of the study.

1.7 Chapter organization of the study

The study has been organized in five chapters. The first chapter covers the background, problem statement, objectives, significance, limitations and delimitation of the study. Others are definition of some key concepts and a geographical description of the location of the research site in relation to the Northern Region. The second chapter contains the review of a sample of related literary works of earlier researches into the phenomenon of procurement. Conceptual issues like procurement, public procurement process, procurement planning, procurement methods, efficiency of the procurement process, components of quality in a procurement services delivery setting, perceptions, expectations and importance are among the constructs discussed in the literature search. Chapter three covers a detailed description of the methods used to gather the requisite data for the study. Issues discussed include, the research design, target population, sample frame and size, types of data, sampling design or selection procedure, instrument structure and content, as well as types of data analysis used. Chapter four contains the analysis of data and a discussion of findings of the research. Finally, chapter five has been devoted to a presentation of the summary, conclusions and recommendations of the study

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 Introduction

The chapter reviews literary works of authorities who have carried out studies into procurement processes. The review provides a link between current knowledge and the research problem. The review of related literature also covers research strategies or tactics, and

the specific procedures and instruments used in earlier researches into procurement issues.

The rationale for the literature review is to place the current research problem within the context of on-going dialogue or what Marshall and Rossman (1999) refer to as placing the study “within a tradition of enquiry and in a context of related studies” (p43). In other words literature review provides a study’s theoretical and methodological base to guide it to achieve its set objective (Borden and Abbot, 2002; Creswell, 2003). A literature search was also to put the study in its proper perspective and demonstrates the state of art of the discipline.

The review, therefore, looks at theory, methods and techniques suitable for the research problem under investigations with emphasis on similar and different ways earlier researchers have carried out studies into procurement.

2.2 Public Procurement

Public Procurement is defined as the designated legal authority to advise, plan, obtain, deliver, and evaluate a government's expenditures on goods and services that are used to fulfill stated objectives, obligations, and activities in pursuant of desired policy outcomes (Prier & McCue, 2009). Unelected officials involved in public procurement, play a critical role in determining how governments across the world allocate resources that produce the goods and services demanded by citizens.

Traditionally, public procurement or purchasing has been perceived as the intermediate step between the determination of a need (service delivery managers) and the satisfaction of that need (suppliers) (Coe, 1989). Accordingly, the National Institute of Governmental Purchasing (NIGP) (1989, p. 64) defines public purchasing as “the function of responsibility for the acquisition of equipment, materials, supplies, and services.” Similarly, Gordon (1991, 340) contends that “public purchasing encompasses the total process of supplying goods and services to user agencies and disposing of surplus property.” Given these definitions, the primary purpose of the purchasing function is to assist service delivery managers in the effective discharge of their responsibilities, where procurement must attest to the correctness of procurement transactions. There are three common purposes behind local government purchasing:

- *control*
- *management*
- *planning*

When control is the main purpose of the purchasing system, purchasing processes are designed to ensure that resources are utilized consistent with established policy and that no

resources are used for fraudulent purposes. Control within the purchasing process is established through a centralized system that emphasizes accountability, controlling individual behavior and locating authority in the hands of a trained purchasing agent. The internal control function of purchasing may be compromised if service and subservice delivery managers are charged with the responsibility of articulating the right mix of goods and services that are to be consumed, when they are to be consumed, and that service delivery managers are expected to have the skill and knowledge to execute the public weal within programmatic and legal constraints. When bureaucratic control (concentration of power through “red tape”) is minimized in order to provide service delivery managers the flexibility to adapt to their environment, it is assumed, in turn, that these managers act in the best interest of the organization, are knowledgeable in the purchasing process, and that external forces (mainly technology) provide the administrative support to conduct purchasing activities according to established purchasing procedures.

In contrast, a central purchasing authority attempts to facilitate the needs of service delivery managers within a system that values fiscal control and compliance with law and policy. Purchasing agencies perform a management support function as well as a control function. Purchasing supports service agencies by providing them with the goods and services they require to pursue their missions (McCue & Pitzer, 2000). They seek to minimize costs by aggregating requests to take advantage of volume prices, develop knowledge of markets, shop for lowest prices, maintain adequate inventories, and build expertise. They also exercise a control function through strict adherence to legal, professional, and administrative requirements that define the purchasing process. Service

managers often view this control function as a constraint on the purchasing agency's service support responsibilities (McCue & Pitzer 2000).

Although purchasing agencies support service agencies, service managers exercise no authority over the purchasing agency; otherwise its control function would potentially be compromised. From a management perspective, purchasing plays a central role in providing tactical information for measuring and controlling the efficiency and effectiveness of the procurement function, as well as an operational role (NIGP, 1996). Tactical procurement activities provide the foundation information to conduct operational procurement activities.

2.2 Procurement planning

Public procurement management includes the broad management functions of planning, organization, and leadership, staffing, controlling, and communicating procurement processes and activities across the spectrum of the 'upstream' supply chain activities of both public and private organizations. A supply chain; is a network of activities involving the suppliers on one hand and the customers on the other but being linked by an organization. Procurement; and its management, is one of the activities of the supply chain. Two broad sectors of the economy do exist-public and private sectors; and procurement take place in both sectors. Public procurement is different from private procurement because in public procurement, the economic results must be measured against more complex and long term criteria and it must be transacted with other considerations-accountability, non-discrimination among potential suppliers and respect for international obligations- in mind besides the economy (Odhiambo and Kamau, 2003).The basic tenet of public procurement is

to acquire the right item at the right time, and at the right price, to support government actions but although the formulae is simple, it involves questions of accountability, integrity and value with effects far beyond the actual buyer/seller transactions at its centre(Task Force Report in uganda,1999).

Planning both as a concept and function is probably one of the extensively talked about concepts in the management literature. It is a function that forms the foundation for the rest of management functions. When planning is properly conceived and implemented, it can serve as an important mechanism for extracting, distributing and allocating resources (James, 2004). Planning generally enhances the gathering, evaluating and interpreting of essential data and information in order to produce knowledge relevant to good policy making. In many African countries, planning has not arrived at the level of achieving the aims described because of problems related to human and technical capacities and financial resources (p.26). .In management literature planning implies that managers think through their goals and actions in advance and that their actions are based on some method, plan or logic rather than on a hunch (Stoner, Freeman& Gilbert, 1995). The planning function encompasses defining an organization's goals, establishing an overall strategy for achieving those goals, and developing a comprehensive hierarchy of plans to integrate and coordinate the activities (Robbins, 2001) Procurement planning is the primary function that sets the stage for subsequent procurement activities. It 'fuels and then ignites' the engine of the procurement process. A mistake in procurement planning therefore has wide implications for local governance, measured from the two indicators of accountability and participation. Procurement Planning is a legal requirement in all local governments in Ghana. Part III

Section 21 (1) of the Public Procurement Act, 2003 act 663 require the User Department to prepare a work plan for procurement based on the approved budget and submit it to the tender committee not later than one month to the end of the financial year the procurement plan for the following year for approval.

Procurement Planning is a process of determining the procurement needs of an entity and the timing of their acquisition and their funding such that the entities operations are met as required in an efficient way. As a function, procurement planning endeavors to answer the following questions

- (a) What do you want to procure?
- (b) When do you want to procure it?
- (c) When are you to use the goods or services procured?
- (d) Where will you procure them from?
- (e) When will resources be available?
- (f) Which methods of procurement will you use?
- (g) How will timely procurement or failure affect the user of the item(s) and the Procuring and Disposing Entity?
- (h) How can you be more efficient in the procurement process? And
- (I) who will be involved in the procurement?

The answers to the above questions depends largely on Procurement planning, one will therefore have to take into consideration the concept of total procurement time which is determined by the length of the procurement process i.e. how long the procurement takes to

pass through all the stages of the acquisition (procurement) cycle. Total Procurement Time (TPT) is determined by:

Entity Administrative Time (EAT), Statutory Time (ST)), Provider's Performance (or delivery) Time (PPT)

Procurement planning contributes to local governance at two levels, thus accountability and community participation. The key to accountability is the capacity to monitor and enforce rules-within the public sector, between public and private parties. Accountability as one of the broad elements of good governance involves holding elected or appointed individuals and organizations charged with public mandate to account for specific actions, activities, or decisions to the public from whom they derive their authority (Agere, 2001).The internal regulatory mechanisms of government-accounting, procurement and personnel –have long received sustained attention as the centerpiece of reforms to promote accountability (World Bank, 2000).

Accountability of public officials is critical in deterring corrupt practices and it creates an enabling environment for vibrant private sector activity (Kabaj, 2003). Problems of accountability arise when government ignore or transgress social ethics and constitutional and legal provisions in conducting public affairs, administrative systems are fragmented, tasks to be performed are so complex or unspecified that it is difficult to identify who is responsible for what, activities are underfunded so that implementation is very difficult or impossible (Therkildsen,2001,pp.7-8).

In a developed or developing country, public procurement practitioners face many challenges though each country has its own economic, social, cultural and political

environment. Governed by a complex set of laws and regulations, local government procurement systems are designed to achieve three goals: (1) ensuring the best price; (2) providing open and fair competition among local vendors; and preventing favoritism and corruption (Duncombe & Searcy, 2007). In Ghana nowadays, procurement is a fundamental function that impacts on effective or 'ineffective' service delivery. There is no part of local government service delivery that does not depend on procurement of goods and services, and yet this (PPP) area remains a neglected field of research.

Procurement must take a thoroughly professional view of its role in business as a whole and that must include planning (Bailey, Farmer, Jessop & Jones, 1998). Any such procurement begins with the planning decision to make the purchase and this will involve in the first place, deciding whether there is a need for the particular goods or services, ensuring that the purchaser has the legal powers to undertake the transaction, obtaining any relevant approvals within the government hierarchy and arranging the necessary funding (Arrowsmith, Linarell i& Wallace, 2000). But it is again not surprising that many procurement entities at both the central and local government levels have not taken planning a serious activity. Some reasons for this unserious attitude in procurement planning by such entities have been the actual lack of understanding of the value of procurement and proper enforcement of rules relating to planning (CPAR Report, 2004). It could also relate to lack of capacity due to limited procurement professionals and lack of commitment and support from management of those organizations. In fact, Thai, (2004), maintained that, forms and procedures may be convenient and useful tools, but the planning effort will succeed only with the complete commitment and involvement of top management, along with appropriate personnel that have a stake. This implies that, without thorough procurement planning, the

subsequent procurement processes will not yield substantial benefits. The consequences of poor or lack of procurement planning can never therefore be amusing. The World Bank Country Procurement Assessment Report, (2004 p.42) summarized these consequences as;

- (1) Procurement failing to timely met the actual needs of user departments,
- (2) Advantages of scale and bulk purchasing are not archived,
- (3) Packaging and timing are not utilized to achieve value for money.

The importance of procurement reform in almost all country's settings can be demonstrated based on its scale and role in terms of service delivery, the amount of money wasted by existing practices, reduced competition, higher prices due to market perceptions of risk, as well as the demonstrated ability of countries to capture enormous savings through concerted efforts to strengthen their procurement function (Harmonizing Donor Practices for Effective Aid Delivery, 1999).

In a developing country like Ghana, having an effective procurement planning system will continue to be a challenge to local governments .Procurement planning is a function that takes place in complex political, economic, cultural, religious, environmental, technological and ethical environments. There are for example, stakeholders in local governments with divergent political ideologies, religious differences, economic expectations from the procurement function etc; and all these have a direct impact on the success of procurement planning. Procurement planning must become a priority for local governments and increased policy initiatives from the central government; through the parent ministries of local government and finance must support this priority. The Public Procurement and Disposal Authority (PPDA) must play a central role in providing training, technical guidance and

ensuring compliance to all set rules. Conceptually, this study has revealed the critical components of procurement planning ranging from the process, through the expected practices, the actors to be involved, to its importance. On the side of local governance, it has been revealed that both accountability and participation are prominent measures of governance in a decentralized perspective; although accountability is much more important than participation. This has implications for both policy and management of local governments.

All stakeholders must ensure they are accountable in whatever decision they make concerning the use of public resources. Procurement is one area that needs careful attention from all stakeholders in local governments because it has a huge budget and if this budget can be managed in an accountable manner, then there will be improved service delivery and this is one way of accounting to the tax payers. In terms of policy, it implies that central and local government's stakeholders must pay critical attention to procurement planning as identified in this study. Managers must endeavor to ensure that the processes and other activities of procurement planning and local governance are operationalized taking into account local prevailing political, economic and social contexts.

2.3 Procurement Methods

A number of methods are specified in the public procurement laws and regulations of Ghana. These are:

2.3.0 Open Tendering (national and international)

Open tendering is the most widely used and preferred tendering system in the country,

Ghana. The laws and regulations in Ghana clearly state that, other methods of procurement will be used only in exceptional circumstances. In such cases, the procuring entities will have to give and record reasons for the choice of other procedures. Open tendering can be at two levels: national and international. Open national procurement is a method of procuring goods, works and services which is open to participation on equal terms by all providers through advertisement of the procurement. This tendering process specifically seeks to attract domestic firms although foreign firms are allowed to participate. Open international tendering, on the other hand is open to participation on equal terms by all providers although it specifically seeks to attract foreign providers. This type of tendering is used where national providers may not provide competitive bids and ensure value for money. The procurement laws and regulations in Ghana provide guidelines of the procedure of open tendering including the enforcement mechanisms.(PPA, Act 663 of 2003)

2.3.1 Restricted Tendering (national and international)

Restricted tendering is a procurement procedure where bids are obtained by direct invitation without open advertisement. This procedure can be used in countries where it is believed that the value or circumstances do not justify or permit the open bidding process. Procurement entities in this case maintain a list of “pre-qualified providers” who are then directly invited to participate in the tendering. Restricted tendering is also possible at two levels: national and international. Restricted national bidding is the procurement where bids are obtained nationally by directly inviting prequalified providers. In case of a restricted international bid, only pre-qualified international firms are invited. In both cases, the procuring entity must demonstrate that open tendering is not viable or prudent. It needs to be

noted here that the process of pre-qualification is often abused and is an important source for corruption in public procurement.

2.3.2 Quotations and Proposals

Procurement entities are also allowed in exceptional circumstances to call for quotations and proposals. Quotations and proposals are simplified procurement procedures, which compare price quotations obtained from a number of providers. Quotations are used mainly in works, while proposals are used for services. In Kenya for example, requests for proposals must be addressed to no less than three and no more than seven candidates selected by the procurement entity. Similarly for works, the procuring entity must obtain quotations from as many candidates as practicable, but from at least three candidates.

2.3.3 Direct Procurement / Single Source Procurement

Direct procurement is a sole source procurement method used when exceptional circumstances prevent competitive bidding. This method is used mainly for low value procurements involving no contracts. In Ghana, where this method of procurement is used, procuring entities must prepare a description of all its needs and specify requirements of quality, quantity, terms and times of delivery. The procurement entities are free to negotiate terms with the sole candidate for the best deal. In the process of public procurement, the interest of three groups — the tender issuers, the bidders and the public procurement system itself — determine the types of procedures. The primary rule is that the prospective buyer must proceed in accordance with the rules of open tendering procedures; the other two procedure types inviting limited bidders or negotiation may be used in exceptional cases. The

Procurement Act in Ghana is very clear on these procedures. To ensure compliance with the fundamental principles of publicity and transparency, notices in local dailies must announce major events of the process.

2.4 Procurement Procedures

As a commonwealth country, Ghana share similar government structures in which government ministries are headed by Ministers and with the permanent secretaries as the accounting officers. For each ministry, there is a tendering unit/organ otherwise known as the Ministerial Tender Committees in which the permanent secretary or chief accounting officer is the chairperson. The procurement units within ministries and department would prepare and submit proposals for procurement in which qualities, quantities and prices are spelt out to the central tendering entities. The regulating entities would then evaluate the proposals and make recommendations. If the proposal is approved by the regulating body, the procuring entities are given the go ahead to proceed with the procurement processes. In the case of open tenders, an advertisement is placed in daily newspapers to reach prospective bidders nationally. In Ghana it is a requirement that such an advertisement be placed in at least three daily newspapers that have wide circulation. The procuring entities are then supposed to release the tender documents. Such documents should contain sufficient information to enable competition among the bidders to take place. The laws and regulations of Ghana define that the tender invitation should be such to enable bidders to submit their proposals, each enjoying equal opportunities. The buyer obviously expects answers to be offered in the bid as to what will satisfy its requirements and expectations primarily in terms of quality and capacity/performance indicators. It is, however, important to note here that, more often than

not, this assumption is never met. Procurement entities seldom provide the necessary data and information or provide deficient or semi-finished documentation, which prevents bidders from preparing proper bids.

The next step in the tendering process is the opening of the tenders. The laws and regulations stipulate that this must be done as soon as possible though it varies from place to place. For example in Ghana the law requires all bidders to be present before the tender documents are opened whiles in Kenya, opening of the tenders must be done at least two hours after the deadline for submission of tenders. Bidders and their representatives are allowed to attend the opening of tenders. After tenders have been opened, the procuring entity examines and evaluates each of the tender documents. Successful bidders are then notified and a formal contract is issued. (PPA Act 663 of 2003)

2.5 Anti-Corruption Initiatives

Good governance is a fundamental building block of a just and economically efficient public procurement system. Studies of public procurement in Ghana have shown that corruption in public procurement has mainly been through hidden violation of the laid down procurement rules. Part III section 32 of the Public Procurement Act clearly indicates that a procurement entity shall reject a tender, proposal, offer, gives or agrees to give, directly or indirectly, to any current or former officer or employee of the procurement entity or other governmental authority

(a) Gratitude in any form

(b) An offer of employment; or

(c) Any other thing of service or value.

Despite this provision, some procurement officers may be involved in malpractices, such as misusing the power of invitation by only inviting preferred firms, favoring certain firms at the short-listing stage, to design tender documents in favor of particular firms or release confidential information. While corrupt procurement officers can in their own interest choose to violate procurement rules, they work in most cases under the influence of powerful politicians. (Transparency International annual report 2008)

2.6 Local Regulations and International Agreements

As already indicated, certain procurement activities involve international governments and organizations such as the World Bank, the International Monetary Fund (IMF) and the United States Agency for International Development (USAID). Where these organizations provide the financial support for a project, most of them nowadays insist that the recipient government should use international tendering procedures such as the World Bank guidelines. The World Bank, for example, will require that its guidelines prevail over the national ones in all projects in which it is involved, regardless of its level of participation. The Bank has been relying on the model procurement law developed by the United Nations Commission on International Trade Law (UNCITRAL) and adapting it to individual countries' legal systems.

One of the objectives of procurement reforms in countries was to align the national procedures for procurement with the international ones. In the regulations governing procurement in the three countries, it is explicitly stated that where the regulations in any way conflict with the obligations of the governments arising out of an agreement with one or

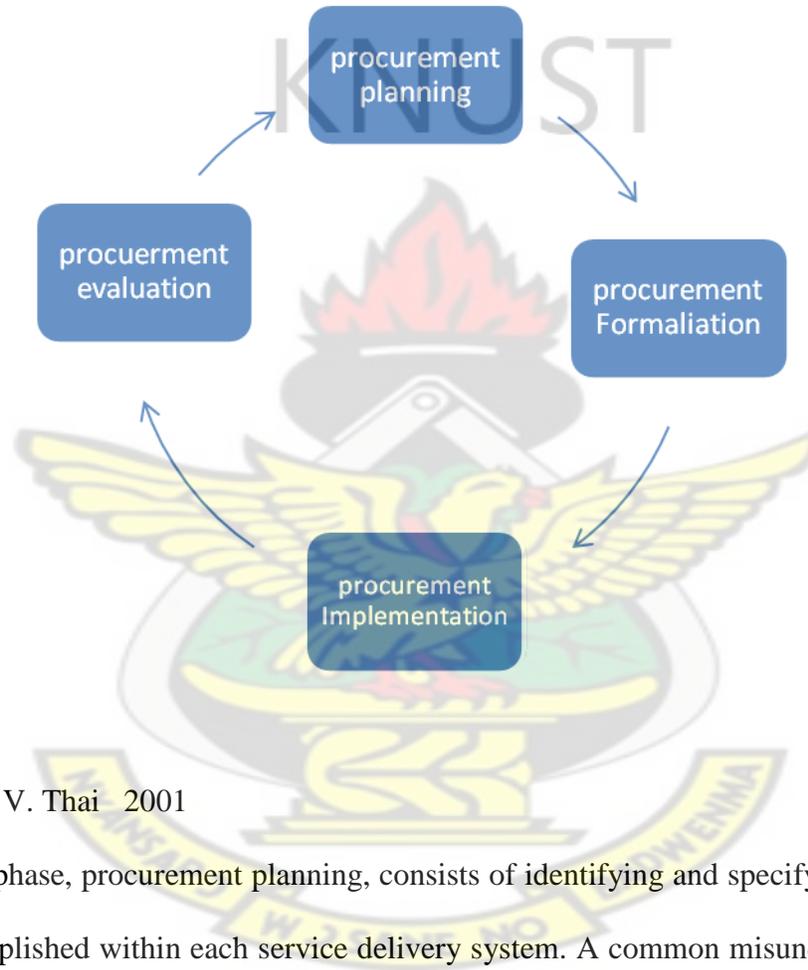
more other states or with international organizations, the provisions of the agreement shall prevail. Also important in this respect is the World Trade Organization (WTO) agreement on public procurement, otherwise known as the Government Procurement Agreement (GPA). It is worth knowing that, Ghana have not yet signed the GPA, though is a member of the WTO.

2.7 Efficiency and Effectiveness of the procurement process

Like most systems theory, the public procurement process begins in response to demands placed on the political system by constituents. These demands can be the result of interest groups, individual citizens, and other governments, to name but a few actors, but they all have in common the fact that they must go to the monopoly repository of legal authority, the government. For the purpose of the present analysis, the government here includes both the legislative and executive bodies, because they have the means (taxes) and vehicle (bureaucracy) to act upon the demands of constituents. Moreover, for the sake of simplifying the exposition, it is assumed that demands are placed in terms of desired outcomes. In other words, the demand side is interested in the end results of policy, not the means by which the policy will be created. Thus, the procurement practitioner plays a role in minimizing the gap between demands and outcomes.

The legal authority provides the basis for action of government. This authority can take the form of legislative initiative and oversight, and it can be executive actions and procedures that are adopted in the name of efficiency. In order to assist service delivery managers in the acquisition of goods and services the procurement process must be carried out to involves a number of different phases (see Figure 1).

Public Procurement Process Model



Source: Khi V. Thai 2001

The first phase, procurement planning, consists of identifying and specifying the functions to be accomplished within each service delivery system. A common misunderstanding about procurement planning is to equate planning to analysis. Planning is an attempt to institutionalize analysis into the public procurement process. Planning is not analysis or a form of encouraging the application of various analytical techniques, such as marginal utility analysis, cost-benefit analysis, cost effectiveness analysis, sensitivity analysis, forecasting, present value, and other techniques. Analysis examines alternatives, views them in terms of

basic assumptions and objectives, and tests as well as compares alternatives (the final phase of the procurement process). Planning, in contrast, identifies the activities (strategies) and direction (mission) of activities for those in the organization. More specifically, a procurement plan identifies where the organization is going, when it is going, and how it is going to get there.

Procurement plays an important role in the overall mission of the government by providing essential market and commodity information to the end users (or agencies) on specifications, alternative goods or services, pricing, procurement lead times and availability (National Association of State Procurement Officials, 1997). In addition, procurement professionals provide advice and assistance during the preparation of the purchase descriptions, statements of requirement, and statements of work that form part of the requisition. For complex requirements, procurement provides help and guidance with the establishment of evaluation criteria, and is very much the key player during the supplier selection phase, managing the solicitation, evaluation and negotiation/contracting activities.

Ultimately, procurement planning is responsible for the integrity of this process to ensure that the specifications are as open and conducive to effective competition as possible; that the sourcing and solicitation process is as fair and transparent as possible; that evaluations and negotiations are conducted equitably and consistently; and that any resulting contracts adequately protect the interests of the public agency.

The second phase, the formalization phase, is where key personnel in the organization defend the acquisition of goods and services. This can take place prior to the formal adoption

of the annual budget, or it can take place in the planning stage before the budget is adopted, normally through planning and strategy workshops. Typically, the stage is accomplished during the budget process. Many items are identified that should be consumed by the organization to effectively deliver services during the planning process.

However, limited resources and competing demands force elected officials to make trade-offs during budget deliberations. It is during this stage that many items originally planned for are challenged, changed or amended. Strong procurement planning provides decision makers with adequate information to make more informed decisions, although eventually politics may play a more important role in the decision making process. Formalization also takes place in the solicitation and evaluation phase. During this process, determination is made regarding a single sourcing or multiple-sourcing approach is to be adopted, what evaluation criteria are to be used for selecting one or more suppliers of the good(s) or service(s), which is to be involved in the selection process, and timelines that insure that solicitations are consistent with established policies. For some solicitations, legislative approval is needed, and procurement plays a central role in defending the supplier(s) selection process.

The third phase, implementation, includes all functions that pertain to the acquisition of goods and supplies, including description of requirements, selection and solicitation of sources, preparation and awarding of contracts, and all phases of contract administration. In some organizations the implementation phase may include inventory control, traffic and transportation (logistics), receiving and receiving inspection (warehousing), store keeping, and salvage and disposal operations. The basic components of implementation are: processing purchasing requests, contract administration, materials management, inventory management, inventory management, product servicing, and performance monitoring.

The fourth and final phase, evaluation, consists of three parts – audit, evaluation and feedback. Audit requirements often are established in legislation or policy. If not, the procurement manager needs to design a post audit strategy to ensure that the program is in compliance with established law.

The procurement evaluation plan is a tentative design for evaluating the success or failure of the procurement. This plan should include, at minimum, the research design, specification of measurable indicators of the goals and objectives stated in the procurement plan, provisions for data collection, and the assignment of responsibility for conducting the evaluation, and the performance criteria to be used in the evaluation phase. Feedback specifies the reports that will be required for the service delivery managers and decision makers.

This portion of the procurement evaluation is merely the creation of an information channel that disperses needed information to those charged with the responsibility of making procurement decisions. The amount and form of the feedback depend, in large part, on the manager's personal preferences and the audit and procurement evaluation needs. (Khi V. Thai 2001)

2.8. Conceptual framework chosen for the study

Many analytical models such as the servqual, servperf and the Loyalty business model by Storbacka et al (1994), for measuring service quality, were encountered during the literature search but the Parasuraman, Zeithml and Berry, (1985) Service quality conceptual framework (hereafter referred to as the PZB model) was chosen for the study. Because is a qualitative or normative model that depicts interactive exchanges between the service provider and the consumer, and usually employed in consumer behavior analysis and

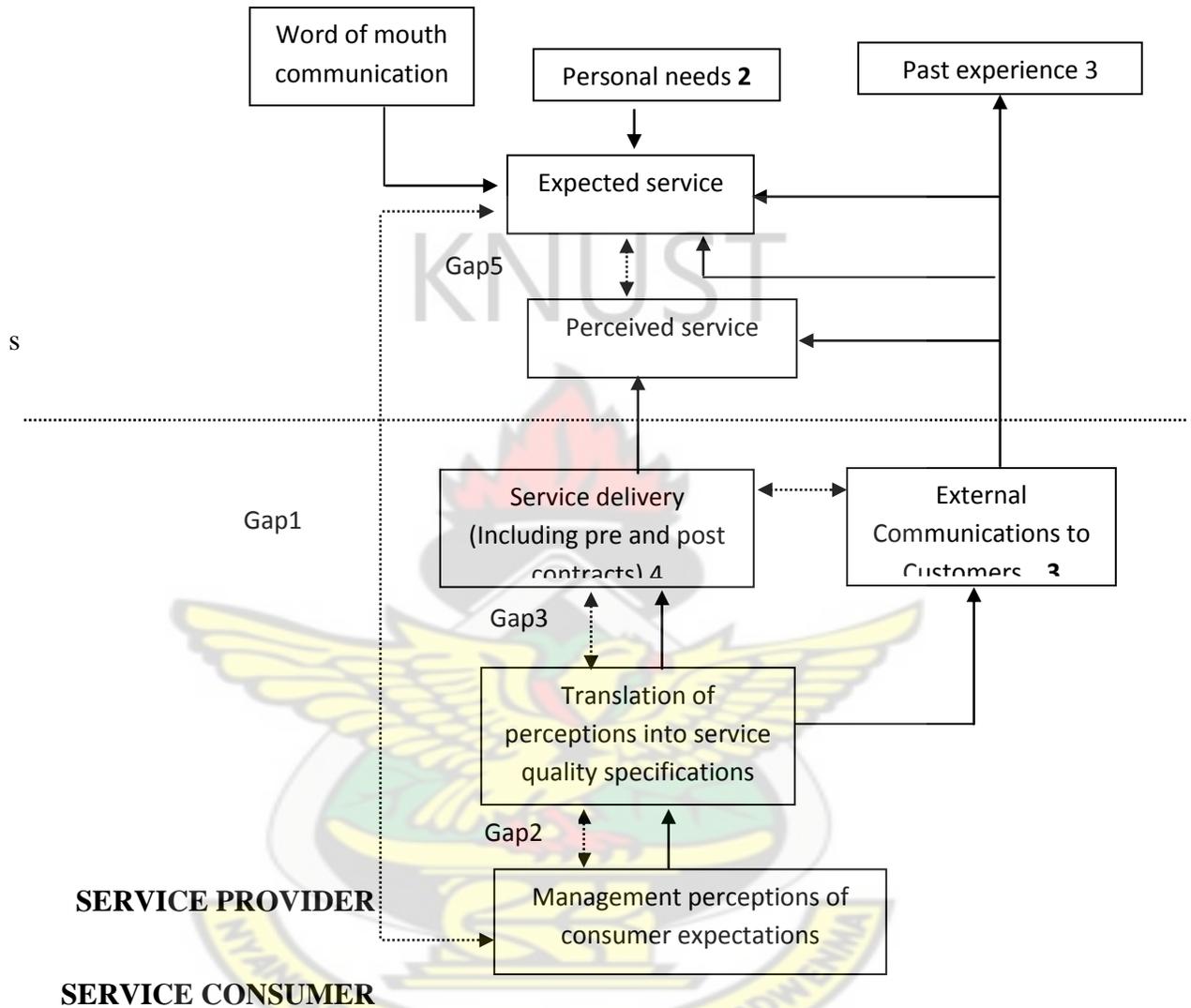
prediction. The model explains how consumers evaluate their service consumption experiences by comparing their expected and actual consumption experiences.

2.9. Assumptions of the PZB-model

The PZB-model assumes that human beings are hedonistic, rational and seek to maximize satisfaction, while striving to minimize suffering or discomfort. The model also assumes that producers and consumers of goods and services interact in a closed environment, and that there are no restrictions or impediments to information and accessibility to products and services.



Figure 2.1. The PZB Service Quality Conceptual Framework



Source: Parasuraman, Zeithml and Berry (1985)

The model consists of nine activity centers and asserts that consumers tend to evaluate the quality of a service encounter in terms of the difference between an expected and actual service experience. For a service to command quality its provider must possess certain characteristics. The model identifies five service quality gaps that lead to unsuccessful or

poor quality of service delivery. The zone above the dotted line or the consumer-marketer exchange interface is represented by five boxes or activity centers. These activity centers have been identified as word of mouth communication, personal needs, past experience, expected service, and perceived service.

Word of mouth communication consists of oral information gathering via face to face contacts, telephone conversations with friends, peers, family members, relatives, agents and experts. Information collection is then followed by the image evaluation of the service category in order to facilitate participation decision making, choice among alternatives and the relevant preparations required to access or avail oneself of the chosen service.

Personal needs component is represented by the second box and is made up of Maslowian needs like security or safety, freedom from fear and anxiety, psychological elements such as hunger, thirst, rest, activity, and self-actualization or self-fulfillment (Maslow, 1954). These psychological elements form the consumer's bundle of personal needs whose satisfaction would motivate appropriate behavior responses from the consumer.

The consumers' past consumption experiences form his third activity centre, which together with the first two help to shape the consumer's set of expectations about an impending service consumption encounter, and is represented in the model by the expected service activity centre 4. Finally, all the four activity centers would act in concert to form the perceived service centre, which determines the service consumption experience of the consumer. The area below the dotted line represents the marketer or service producer's portion of the consumer-marketer exchanges interface. It is made up of the four activity

centers of management's perception of consumer expectations, translation of perceptions into service quality specifications, external communications to consumers, and service delivery.

The very first box represents the perceptual interpretations of consumer expectations by management of a service provider. Management perceptions about consumers' expectations influence policy decisions and translations into service quality specifications. Activity center II represents the whole gamut of management decision making and activities that translate policies into implement-able programs, which are directed at producing desirable quality of services for customers.

Any breakdown in the smooth coordination or failure of an activity centre to perform as expected a quality gap results to produce poor and unacceptable quality of service. The failure or inadequacies of the various activity centers to interact harmoniously among themselves that tend to produce poor service quality gaps.

Gap 1 is the result of producers' lack of understanding to correctly interpret exactly what consumers expect from producers. Adequate knowledge of a firm's customers is a key to successful and profitable service delivery. Many studies by Nightingale (1983) have confirmed that more often than not service producers' perceptions of their consumer's expectations about service encounters are different. Service producers firms must, therefore, adopt customer-oriented marketing strategies in order to at least narrow down divergent interpretations of what exactly their clients want and expect from them.

Gap 2, on the other hand, arises whenever there is a discrepancy between management perception of consumer expectations and the resultant translation of those management

perceptions into service quality specifications. In most cases a failure of management to set quality standards or not clear or unrealistic standards may give rise to gap 2.

The third gap is the outcome of consistently poor service delivery by employees of a firm. Service quality depends on the expertise and serving skills of employees. Service delivery is also a high-contact activity and requires well trained and sufficiently motivated and customer-oriented employees. Placing employees on a state of constant alert calls for on the job training and acquisition of the state of the art know-how are absolutely necessary for quality service delivery.

Whenever there is a lack of consistency between the quality images being portrayed by the service producers' promotional messages put out to customers then gap 4 results, and is represented by the gap between external communications of the producer to consumers and what the latter actually experience. Telling truth about what the firm can and cannot do is essential and the way the external communications of the producing firm are handled shall go a long way in determining customer loyalty and business profits.

Finally, gap V arises when there are systematic failures involving a number of the activity centers 1, 2, 3, and 4. To minimize systematic failures it is desirable for managements to continuously undertake careful forecasting, planning, organization, control and coordination of human, material and financial resources of the firm in order to ensure good quality of services and goods.

2.9. Merits of the PZB service quality model

From the description and an examination of the structure and functioning of the model it is apparent that the conceptual framework has a number of merits. A major strength of the PZB quality model is its ability to facilitate a concurrent observation of the actions and thought processes of both service providers (suppliers) and consumers (staff that procure). Thus, a study of compliance of the procurement act which is geared towards service quality is also a study of the behavior of two sets of people, namely the supplier and the staff who procure. Analysis of their behavior shall enable management to adopt proactive managerial actions for mutual benefit of suppliers and consumers of goods and services.

Secondly, the model highlights the importance of the human factor in complying with legislative instruments. The education, training and personal appearance of staff go a long way to ensuring acceptance and implementation of laws. That is why it is essential that personal skills, educational levels, job training, as well as attitudes must be customer-oriented in order to maximize customer satisfaction.

However, the PZB Model is not without its shortcomings. Like all ideal type models the PZB conceptual framework does not easily lend itself to wholesale extrapolation in real world conditions. A fundamental flaw with the model is its inability to hold all things equal. That would be a source of distortions in the system once it is unable to hold all other confounding variables on check. There are many external influences like other government legislative interventions, taxation, inflation, competition, poor communication and information availability.

Another demerit and problem likely to be encountered in the application of the model in a study has to do with the roles of expectations and perceptions in making consumption and production decisions. Requirements of diplomacy, decency and a willingness not to hurt the feelings of a host or guest during a service encounter may let one react differently from what is expected or actually experienced.

Summary

The chapter reviewed related literature by earlier researchers on public procurement processes and assurance issues. The review sought to provide a link between current knowledge and the research problem, and find out what research strategies or tactics, and the specific procedures and instruments are commonly used in earlier researches into public procurement studies.

Another reason for the literature search was to place the current research problem within the context of on-going dialogue by placing the study “within a tradition of enquiry and in a context of related studies (Marshall and Rossman, 1999, p.43). Thus, the literature review provided the study’s theoretical and methodological base and guided it to achieve its set objective. The literature search was also meant to put the study in its proper perspective and demonstrate the state of art of the discipline.

Many models, such as the servqual, servperf and other service quality measurement conceptual frameworks were encountered during the literature review but the PZB Conceptual framework was chosen for the study because it is pragmatic and possesses both explanatory and predictive powers. The next chapter provides a detailed description of the sequence of decisions and activities undertaken to access relevant information for the study.

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CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter details the process that was used to conduct this empirical study. Therefore primary and secondary data were the main basis of the study. The data collection techniques used were intended to capture the socio-demographic characteristics, feelings, opinions, experiences, and attitudes of respondents with respect to procurement processes at the Tamale Central Hospital.

The chapter also contains the research design, rationale for choice of the particular research design, target population, sample frame and size, sampling design, types of data, sampling design, sampling procedures, and the research instrument structure and content. Measures had also been taken to ensure reliability and content validity. Finally, methods of data processing, analysis, and presentation were discussed, and followed by a statement on the chapter organization.

3.2 Research design

The general objective of the study was to determine the extent of compliance of the public procurement act at TCH. To obtain relevant data for any research work would require an appropriate research design. Peil (1982:10) defines a research design as a fact finding and suitable strategy for collecting descriptive data. A research design portrays the strategic sequence of planned activities lined up for collecting, organization and analysis of data in

order to achieve the objectives of a study. Descriptive survey research design that incorporated elements of a qualitative and quantitative case study was used.

The need to maximize benefits and minimize the demerits of either of qualitative and quantitative data collection techniques necessitated choice of a mixed-methods descriptive survey research design. Qualitative and quantitative techniques of data collection tend to maximally capture the opinions, feelings, experiences, and expectations of respondents about various aspects of the procurement process at the TCH.

While qualitative methods have been purposely developed and usually employed for theory verification or confirmation, quantitative methods facilitate theory generation or discovery (Guba, and Lincoln, 1994 Babbie, 2001; Creswell, 2003). Qualitative research design also easily accommodates small samples and facilitates information gathering from each respondent which could be quantified later.

3.3. The Research Site

Tamale Central Hospital is located at the Central Business District of Tamale, the hospital shares boundary with the Ghana Health Service Directorate and is adjacent the regional office of the Public Works Department. The hospital has an average annual outpatient attendance of 65,000 and 10,500 admissions respectively, hence the need to procure various goods and services to enable quality healthcare delivery. The Metropolis has an estimated population of 293,879 and currently experiences a rapid population growth with attendant socio-economic, environmental and sanitation problems (Ghana Population Census 2000).

The Tamale Central Hospital has 138 workers, comprising 3 doctors, 5 medical assistants, 70 nurses and 60 other paramedical staff. The hospital also has five wards, a Fistula theater

and provides laboratory and reproductive/child health services. The Hospital was selected for study because is one of most accessible and highly patronized healthcare facility that embarks on large procurements of goods and services. Also because it has easy transport connectivity, commuting convenience to and from most suburbs of the Metropolis.

3.5. Target population

The study's target population comprised all staff involve in procurement of the Tamale Central Hospital, management staff and all department heads that either place requisition for the provision of goods and services or are the providers of such service to other departments within the same facility

3.6. Sampling design

Probability technique was employed to select the sample size. A probability sample refers to a selection of members of a population who has each been given a non-zero chance of being selected to represent the population.

Precisely, simple random sampling method was used after first ensuring that each and every member was screened as persons who truly supply goods and services to the hospital. On the other hand, the procurering staff sub-sample was selected using probability sampling techniques. The procedures entailed obtaining the staff list of the health workers and stratifying them first by departments and later on by sex and professional qualification. A proportional random selection procedure, which then followed was detailed and justified under the section on sampling procedures.

3.7 Sampling Procedure

Adequate measures were taken to minimize bias as a prelude to the sample selection process. For instance, the study ensured that the random sample of persons were at least adult workers and were actually employed in the hospital and were at post for a reasonable period of time.

A mixed methods sampling design, incorporating both non-probability and probability sampling techniques were employed during the sample selection process. A convenience sampling selection procedure for suppliers was adopted because of its low cost and ease of use. The study had achieved a convenience sample of seventy-two adult service suppliers.

A proportional simple random sampling technique was used to select the subsample for the staff of the hospital. Proportional sampling involves dividing the population into homogeneous sub-groups and taking a simple random sample in each group. Simple random sampling refers to a sample selection process, which gives every member of the population the probability of being chosen to represent the population (Rubin and Babbie, 2001; Seidu, 2006).

The procedure is similar to the lottery technique and usually entails writing down the names of each stratified cluster on pieces of paper and placing them in baskets by stratum. By shuffling them each time a selection was picked the planned number per stratum was selected and then aggregated to obtain the 36 sub-sample for the staff.

The rationale for adopting a proportional and random selection of methods was because of its feasibility and the need to ensure fair representation of each stratum as well as increase precision. The proportional simple random sample selection technique was adopted because it is the most trustworthy method of securing a truly representative sample of a population. Simple random sampling also ensures that all forms of researcher biases are eliminated. After ensuring that the sample selection procedures had guaranteed a sufficiently representative working sample the next step was to develop a measuring instrument for gathering data from respondents.

3.8. Types of data

The information gathering process involved both primary and secondary data sourcing. Primary data were gathered through the application of a survey questionnaire on both procurement committee members and top management staff members. Secondary data sources such as institutional review reports, procurement planning records, minutes of procurement meetings and the examination of suppliers' records to ascertain their credibility as well as personal observations were used to obtain information to supplement the primary data elicited from the target population of the study.

3.9. Research instrument structure and content

A self-administered questionnaire, supplemented by personal observations by the researcher, was identified as a reliable instrument for the study. A questionnaire is a systematic and deliberately designed series of questions used to elicit information from informants (Seidu, 2006: 50). Two sets of respondents, namely suppliers of goods and

services and procuring staff were identified. Each set reacted to a number of both negative and positively worded questions. Closed-ended and few open-ended statements were included in order to minimize the disadvantages of using only one way of questioning respondents. Closed-ended questions enabled respondents to know what was exactly expected of them by simplifying the process and so time was saved. Opened-ended questions, on the other hand, gave respondents opportunity to freely express their opinions about the event.

3.10. Validity and reliability of procedures

Questionnaire and interview items were peer reviewed and cross validated by people with research experience to ensure scale consistency, reliability, and content validity. The use of question items and scales from previous research questionnaires was another way of obtaining quality data for the study. Preliminary findings were also rechecked for accuracy and consistency.

The team of research assistants, who were contracted to administer the research instruments, were trained and briefed on how they were to administer the questionnaires and the interview schedules. Peer debriefing was another method adopted to ensure accuracy of findings. It involved getting others to review and ask questions for further clarifications in order to ensure congruence. A combination of different data sources also made a strong case for the validity of findings of the study. Finally, the use of introductory letters to the Tamale Central Hospital administrators, informing and assuring staff of the hospital about the purpose of the study and anonymity of their persons were meant to elicit the cooperation of

all and further ensure the validity of their responses and findings of the study (Borg, Gall and Call, 1993; Crotty, 1998; Tashkkori and Teddlie, 2003).

3.11. Data processing and analysis

Data processes and analysis involved calculations of simple percentages, means, and construction of tables and frequencies to facilitate the description and explanation of findings.

Summary

The chapter provided a detailed description of how the research was executed. It gave an account of the type of research design used and why the survey method was adopted for the study. Other issues, which were described and discussed included the target population, sample frame and size, sampling design, sample selection procedures, types of data, and the measuring instrument structure and content, data analysis, measures taken to ensure reliability and validity of the output of the instruments.

CHAPTER FOUR

DATA ANALYSIS

4.0 Introduction

This chapter gives accounts of the backgrounds of two sets of respondents, namely, the perception and the expectation of suppliers of goods and service about procurement processes at the Tamale Central Hospital (TCH), and socio-demographic characteristics of procurement committee members and other staff that involve in the procurement of goods and services, including their sex, ages, and training with regards to the subject of research. Both supplier and staff satisfaction survey was also conducted to complement their assessment of quality goods and services undertaken earlier. The objective was to cross-check their response consistency, and as a prelude to analyzing respondents' perceptions about the procurement processes at the Tamale Central Hospital.

Responses of sub-samples were later analyzed along six generic dimensions of service quality. The rationale for processing and statistically organizing the responses was to present facts that would facilitate a description and explanation of respondents' evaluation of the effect of quality assurance practices on procurement processes at the Hospital.

4.1 Background of respondents

In all there were 108 respondents, comprising thirty six (36%) staff and seventy two (72%) service suppliers. Fifteen (41.67) of the service suppliers were males, while females were 21 (58.33%). The staff sub-sample was made up of thirty nine (54.17%) females and 33 (45.83%) males.

4.2. Socio-demographic characteristics of staff involve in procurement

This section discusses the socio-demographic characteristics of service providers captured by the survey at the Tamale Central Hospital. The variables discussed include the respondents' sex, age, occupation, incomes, working experience in a medical setting and their perception of the extent of compliance of the public procurement processes currently being delivered at the Tamale Central Hospital.

4.2.1 Sex and age of staff

The staff involve in the sample was made up of 21 males and 15 females, as per Table4.3.1. Male workers were more dominant in every single age group than their female counterparts. Persons aged between 20 and 39 years were 23 (63.9%) and comprised 16 (69.6%) males and 7 (30.1%) of their cohort

Table 4.2.1 Sex and Age Distribution of staff

Age (years)	Male	Female	Total	%
20 – 29	7	2	9	25.00
30 – 39	9	5	14	38.89
40 – 49	4	1	5	13.89
50 – 59	-	5	5	13.89
60 – 69	1	2	3	8.33
Total	21	15	36	100.00

Source: Survey data, May 2011

Indeed, within age 20-39years bracket males were more than twice as many as their female colleagues. For 40–59 year age bracket the reverse is the case with females numbering one and a half times as males, and beyond age 60 female workers were also twice as many as their male counterparts. The sample mean age was 21.70 years while the modal age was 24.93 years.

4.2.2 Professional status of staff

Another variable that was examined by the study was the professional status of staff at the Tamale Central Hospital. The presumption was that professionally qualified and competent health and administrative staff would be better positioned to deliver and comply with the procurement act, Act 663. Table 4.2.2 shows the professions of staff, who took part in the

survey. Nursing accounted for 12 members or 56% of the sample and constituted the single largest number of health workers at the hospital. In terms of the sex breakdown of the nursing professionals, females form 85% of nurses covered by the survey. This was followed by personnel of the hospital stores, who were 4 (11.11%), with 75% of them being female. Males dominated the administrative, medical officers and the accountancy professions.

Table 4.2.2. Profession/Ranks of staff involve in procurement.

Profession/ Rank	Sex		Total	
	Male	Female	Number	Percent
Nursing	3	-	3	9.33
Accountancy	2	-	2	5.55
stores	2	2	4	13.11
Medical officer/ Asst	2	-	2	5.55
Lab. Asst/Technician	2	-	2	5.55
Administrative	2	16	18	52.58
Senior orderly	1	-	1	2.78
Pharmacy/Technician	1	1	2	5.55
Total	15	21	36	100.00

Procedures of the public procurement in the hospital

- a. Quarterly meetings of procurement committee members
- b. Identification and prioritisation of needs
- c. Public advertisement of bidding processes
- d. Meeting to discuss quotations from suppliers
- e. Award of contracts to successful bidders

4.2.3 Perception of compliance of the procurement act by the hospital staff

To facilitate comparison of staff perception of the procurement act, Act 663, expectations of suppliers about the quality of procurement being delivered at the Hospital, it was proper to ask both groups to react to the same questions that were designed to tap information on six key components of service quality, namely, tangibles, responsiveness, assurance, reliability and accessibility or convenience. Tangibles refer to the physical structures, equipment and working tools available to workers, Responsiveness has to do with the willingness to help clients and provide prompt service. The assurance component relates to having requisite knowledge, skills, competence and ability to convey trust and confidence.

Also the ability to perform promised service dependably and accurately and finally quality assuring practice identified by the study is accessibility or the ability to avail oneself with a service in terms of monetary, time, psychological and material costs, transport and information availability in quantum and quality. Respondents were to indicate their levels of agreement or disagreement with a series of statement sets about certain attributes of service quality, that were calibrated on a four point Likert scale. The response categories were:

Strongly agree, (SA) Agree, (A) strongly disagree, (SD) and disagree (D). Staff involve in procurement responses are displayed by sex and service quality component in Table 4.2.3

A majority of members of staff sub-sample had either strongly agreed or agreed that all the components of compliance of the procurement acts at the Tamale Central Hospital were of the highest standard. For the tangibles component 18(50%) comprising equal number of males and females had strongly agreed, while twice as many females (12) as against 6 (33.3%) males agreed that physical structures, environmental ambience and equipment used at the hospital were of acceptable quality.

Respondents' evaluation of most components of the procurement processes were not substantially different, except for responsiveness, assurance and reliability, where noticeable differences were found to exist between suppliers and staff. For instance, 5 males as compared to 13 females agreed that compliance of the PPA at the hospital were done with a high degree of assurance.

Table 4.2.3 Quality dimension score by response Category

Dimension	SA		A		DA		SDA	
	M	F	M	F	M	F	M	F
Tangibles	9	9	6	12	-	-	-	-
Responsiveness	12	13	3	8	-	-	-	-
Assurance	11	8	4	13	-	-	-	-

Reliability	8	10	7	11	-	-	-	-
Accessibility	10	12	5	9	-	-	-	-

Source: Survey data, May, 2011

Thus, in general 100% of staff involve in procurement at the Tamale Central Hospital concurred that current compliance with the procurement act were adequately effective, and producing the desired impact. The position of staff of the hospital is consistent with Cunningham's (1994) concept of altruistic surplus, which posits that there is always a tendency of persons who stand to benefit from an event or phenomenon to downsize the ugly or negative side of the event and will defend the status quo. Therefore, there was the need to cross-validate the responses of staff in procurement with those of service suppliers. A questionnaire was administered to seventy-two (72) accidentally selected suppliers, who had dealt with the hospital directly for themselves or for their companies and shops. The ensuing sections would first discuss the socio-economic and demographic profile of the suppliers, and follow that up with their perception of compliance of the procurement act at the Tamale Central Hospital. Perception of staff about the compliance of the procurement processes, assurance practices on best and quality procurement at the same health facility would then be compared to see if there are gaps between the two stakeholders of procurement.

4.3. Business certificate and Tax clearance certificate of suppliers

Some minor area the study briefly examined were VAT registered and company registration certificate of the service suppliers. The rationale was to meet the constitutional

requirement of ensuring that companies are properly registered with the Attorney Generals department and Honer their tax obligation of ensuring that taxes are payed on the procurement of goods and services.

The survey captured the responses of 72 service suppliers, comprising 72 (100%) prove of business registration and about 58(83.02) suppliers had payed tax regularly as per the evidence available in the hospital at the time of research.

4.3.1 Socio-demographic characteristics of service suppliers

Two demographic variables of service producers, which were isolated for study, were sex and age of the respondents. The rationale was to meet the methodological requirement of ensuring that no participant was less than 18 years of age. Also, the distressful condition associated with seeking registration as a supplier was not a conducive time to probe into the most sensitive socio-demographic profiles of suppliers.

4.3.2 Age and sex distribution of service suppliers

The survey captured the responses of 72 service suppliers, comprising 39 (54.17%) females and 33(45.83%) male who render different types of services to the hospital. Table 4.4.2 shows that 59 (81.94%) of service suppliers were aged between 38 and 47 years.

Table 4.3.2 Age Distribution of Service providers by Sex

Age group	Female	Male	Group total	Percent
18-27	12	4	16	22.22
28-37	10	9	19	26.39
38-47	14	10	24	33.33
48-57	3	7	10	13.89
58 -67	-	3	3	4.17
Total	39	33	72	100.00

Source: Survey data, May 2011

Of that number, 36 (61.02%) were females and were approximately 1.6 times as many as their male counterparts. Fewer people above 58 registered at the hospital for business during the survey. The mean, median and modal ages of service suppliers were, 37.14, 40.59 and 40.15 respectively for the entire sub-sample. When the data were disaggregated by sex the three statistical measures of central tendency with respect to the age variable the mean, median and modal ages of females were 34.05, 30.70 and 40.17 respectively, while the corresponding measures for their male counterparts were 40.79, 39.29 and 40.00 respectively.

Perception of suppliers about the effect of quality assurance practices on public procurement processes being delivered at the Tamale Central Hospital were measured using a two prong approach that was meant to supplement and at the same time cross check each

measurement outcome. The first strategy was the staff satisfaction survey, which entailed administering 12 questions on service suppliers.

4.3.3. Supplier satisfaction survey

Supplier satisfaction surveys involve eliciting information from procuring staff of the hospital on their opinions, feelings and knowledge or experience on their jobs, products and services, and on this occasion they were to assess the quality and cost of services. Some of the variables, which were measured included having knowledge of procurement act of Ghana, how frequent is public procurement training organized, flexibility and convenience of bidding time, attitude of staff towards suppliers, instructions on being a supplier of the hospital, relationship between procuring staff and suppliers, understanding and ready to comply with procurement rules, availability of products when orders are placed, quality of products supplied, information confidentiality, issues of bribery and corruption, cleanliness of the hospital and many more. Answers to most of the questions were categorical “yes and no”. The responses from the suppliers of the hospital were processed and presented as Tables 4.5, 4.7 and 4.8 and are accordingly discussed in that order.

Suppliers were asked how long it took them to consult the procurement committee members or receive an acknowledgement letters. The answers ranged from less than 20 days to more than 120 days. Mean and median waiting times were 65.5 and 44.62 days respectively, while the modal waiting time was 47.68 days. When the responses were analyzed along sex, the corresponding mean, median, modal waiting times were: mean (63), median (42.97) mode (47.5) for females, and mean (29.73), median (42.56) and mode (47.83) minutes for male patients respectively

Table 4.3.4 waiting time to see staff by suppliers

Duration (days)	Female	Male	Total	Percent
Less than 20	1	-	1	1
20 – 39	8	5	13	18
40 – 59	12	10	22	31
60 – 79	6	3	9	13
80 – 99	9	6	15	21
100 -120	3	9	12	16
Total	39	33	72	100.00

Source: Survey data, May 2011

The study also delved into how suppliers and staff assessed the constrains of the PPP in the hospital. Table 4.3.4 conveys what supplier and staff think are the main hindrances affecting PPP.

Table 4.3.5 Attitude of Staff involve in procurement towards suppliers.

Type of constrains associated with the PPP	Procurement committee members	Suppliers of goods and services	Totals	%
Time constrain	2	7	9	12.50
Technical constrain	18	12	30	41.67
Legislative	8	4	12	16.67
Fianacial constrains	11	10	21	29.17
Total	39	33	72	100.00

Source: Survey data, May 2011

Twenty one (29.17%) of suppliers and staff, respondents held the view that funds has always been a major issue in procurement some group of staff and suppliers on the other hand most constrains in procurement is in the technical area (41.67%). The finding also revealed the presence of a service quality gap to be addressed through in-service training to make staff of the hospital more equipped in the legislative instruments regarding procurement and more time conscious than they are now.

4.4.7 Overall rating of procurement compliance of the hospital by suppliers.

Finally, suppliers were asked to give a global exit assessment of their view with regards to the compliance level of the public procurement act, act 663. The responses are displayed in the table below.

Table 4.4.8 Suppliers overall level of satisfaction with compliance of act 663 of 2003 by sex

Response category	Female	%	Male	%	Total	%
Satisfied	19	26.39	24	33.33	43	59.72
Dissatisfied	3	4.17	3	4.17	6	8.33
Very dissatisfied	4	12.50	1	1.39	10	12.89
Very satisfied	9	11.11	5	6.94	13	19.06
Total	39	54.17	33	45.83	73	100.00

Source: Survey data, May 2011

The overall level of satisfaction/dissatisfaction scores of compliance of act 663 of 2003 were not substantially different from their earlier perceptions about specific quality assurance items discussed. The utility of the PZB conceptual framework was assessed in terms of how it helped the study to achieve the research objectives.

4.5 The utility of the PZB conceptual framework to the study

The model gave the study a sense of purpose and direction by acting as the compass and lighthouse of the research process. It was from the model that the two units of analysis were identified as buyers and sellers of at the Tamale Central Hospital. The procurement staffs were the buyers, while supplier of goods and service were identified as sellers. Aided by the objectives of the study the conceptual framework enabled the research to focus and purposely pursue the two sets of actors in the interaction processes between staff and suppliers of public procurement at the TCH and collect relevant data to inform the study.

The model also enabled the study to use its three basic stages of the consumption process to track down the actions of both buyers and sellers of a product or service. Stage 1 involved needs assessment and information search to be followed by processing the information and taking an informed decision to patronize or buy a particular product or service. The second stage covered the actual act of buying or accessing the service or product. The third and final stage dealt with period of usage of the product.

However, the study went further to identify a fourth stage, which needed to delve into the post experience thought processes of the procuring staff. That was why suppliers were asked to provide an overall satisfaction rating of compliance they have been made to comply with before being patronized.

The conceptual framework was particularly useful by making it possible for the study to trace and assess the production and consumption processes that were initiated to achieve implied or stated levels of satisfaction of suppliers of the hospital.

When responses of procuring staff were compared to those of the suppliers it became clear that there were substantial perceptual differences between the staff and suppliers.

Summary

The chapter presented an account of the processing and statistical analysis of the data gathered in order to facilitate the description of the socio-demographic characteristics of the units of analysis, as well as explain cause-effect relationships between compliance of the procurement act at the Tamale Central hospital and quality, quantity and cost of goods and services procured at that facility. The results indicated that both staff involve in procurement and suppliers of goods and services agree that services quality were of acceptable standards, although a substantial 30% of staff were more critical of quality of services being provided at the hospital than service suppliers, who said quality assurance practices at the hospital were responsible for high standards of compliance at the hospital? The summary, main findings, conclusions and recommendations of the study have been outlined in the fifth and final chapter of the research report

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This final chapter summarizes the main findings, conclusions and highlights a number of pragmatic procurement recommendations, which could substantially contribute to managerial actions for improving public procurement at the Tamale Central Hospital in particular and other organizations in general. Public procurement should be conceptualized as a sustained and an on-going activity rather than a one stop affair. It is a shared vision, where all members of the organization are actively involved at the planning, implementation, monitoring and evaluation stages. The limitations or shortcomings of the research have also been identified for the benefit of researchers intending to embark on similar studies in future.

5.2 Summary

There has been uncountable number of complaints from the public about how government officials use public funds and how goods and services procured by government officials do not stand the test of time. In spite of tremendous advances made by successive governments to sanitise public procurement management systems, the results only yielded an increase in corruption, acquisition of inferior services, improper documentation and complete inconsistencies in public procurement. The latest move by government was the enactment of a procurement law in 2003 called the public procurement Act, Act 663. This act require all public procurement be subjected to a series of scrutiny to be audited by the auditor general's department.

The primary objective of the study was to determine the extent of compliance of the Public Procurement Act at the Tamale Central Hospital. The primary objective was in tandem with the following recapped specific objectives of the study:

- i. To examine the existence of procurement structures and procedures operating within hospital.
- ii. To identify constrains in the procurements of the hospital
- iii. To determine staff skills, knowledge and capabilities in procurement.
- iv. To recommend improvements in compliance of the procurement act

To be able to realize these objectives the researcher conducted a survey. Two sub-samples, comprising 36 staff and 72 suppliers were chosen to react to a set of questionnaire designed to measure the compliance of the public procurement act, act 663 at the Tamale Central Hospital. A simple random sampling technique was used to select the staff of the hospital while non probability convenience sampling technique was used to select the suppliers of goods and services. The researcher also reviewed tender committee minutes, procurement committee minutes, profession qualification of the members of the procurement team and/staff. The length of service variable of the staff at the hospital were also measured.

Consequently, two sets of self-administered questionnaires were used to obtain data from the two sub-samples. The structure and content of the research instruments were virtually the same except that, the one for suppliers had a section to capture the socio-demographic characteristics of staff which was absent in the staff sample. At the end of the survey,

achieved samples for supplier and staff were 65 and 30 respectively. Data elicited from these two sets of respondents formed the basis for the conclusions of the study.

5.3 Conclusion

Based on the findings of the study a number of conclusions were drawn. First, the study concluded that indeed the hospital to a large extent complies with PPA. Specifically the research identified over five indicators adopted by the hospital for monitoring compliance of the PPA. These include the following

- Prove of business registration certificate by suppliers
- Regular payment of tax
- Duration of waiting time to access procurement committee
- Procurement meeting minuets/ reports
- Procurement publications/notices
- Perception of suppliers by staff
- Perception of staff by suppliers
- mode /duration of payments to suppliers
- Duration of supply to the hospital

Secondly there were perceptual differences between the staff and suppliers about effects of quality assurance leading to the extent of compliance of PPA in the hospital. While staff had declared a 100% “yes” of votes as many as 29 (30%) of suppliers said quality assurance had little or no effect on PP in the hospital.

5.4 Main Findings

1. Tamale Central Hospital has developed both staff and supplier quality assurance indicators and made progress in trying to institutionalize quality assurance practices. This is in line with the PPA, act 663 of the Republic of Ghana.

2. The hospital uses the guidelines in the PPA manual issued by parliament in 2003. The guidelines include several process indicators like alternative quotations, procuring from a VAT registered entity, ensuring value for money, making bulk payments only by electronic means and making bidding open and fair to all competitors.

3 There were however low staff participation in public procurement. Indeed, the practice of staff involvement in procurement issues has been limited to only procurement committee members/staff directly involve in procurement.

4. Although a good number of guidelines and standard operating procedures have been developed to improve upon compliance of the PPA. The Tamale Central Hospital still has much to do in the dissemination and training of staff in public procurement.

5.5 Recommendations of the study

The study was a pioneering effort aimed at profiling the extent of compliance of the public procurement Act, Act 663 of 2003, at the Tamale Central Hospital in the Tamale metropolis. During the research there were lapses associated with the study. Foremost among these was that the study did not cover other major facilities in the city. Therefore, any attempt to generalize its findings without care would be tantamount to running the risk of committing a fallacy. Other studies involving both public and private-for-profit facilities within the

metropolis are recommended. Such attempts at delving into procurement practices across board would hopefully provide a more global clear picture of the compliance of the act in the area. More research should be undertaken in public procurement processes. An input – process – output- outcome model has been proposed and recommended for future investigative endeavors by researchers. Well defined and standardized indicators of quality assurance should be developed and adopted for use to ensure consensual agreements or acceptance of the concepts by all researchers. Public procurement, especially in the health sector, should legitimately receive the deserved attention of all stakeholders of the health service industry, since it's every one's business.

Therefore, service providers, consumers, financiers, suppliers and all whose activities are linked to procurement must take key interest in public procurement act's issues. Quality assurance should be mainstreamed in the planning, formulation, implementation and evaluation processes of procurement at community, district, regional, and national of health administration.

It would be in the best interest of all stakeholders to embrace and nurture a culture of quality procurement in all spheres of endeavor, especially health care, in order to ensure healthier, happier and longer life span for the majority of the citizens.

Procurement for healthcare is a high contact service industry that requires knowledgeable, skilled, professionally competent, courteous and adequately motivated staff, who are ever ready to go the extra mile to work for the restoration of the health of others. The need for health institutions and management, which handle pre-service training programmes to

incorporate public procurement issues in their training curricula. In-service training, workshops, and seminars should be organised for health staff on the job.

Quality procurement measures should be instituted at all levels of the health delivery system and adequately resourced to function cost-effectively. Special attention should be given to the human resource development component of procurement for health facilities. Persons intending to fill positions in the health service sector should be inculcated with virtues of quality public procurement.

Finally quality procurements issues should be encouraged and sustained for mutual benefit of suppliers and consumers as well as funding agencies in the country.



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QUESTIONNAIRE ON RESEARCH TOPIC

“THE EXTENT OF COMPLIANCE OF THE PUBLIC PROCUREMENT ACT.A CASE STUDY OF TAMALE CENTRAL HOSPITAL”

PURPOSE

The researcher, Princess Barikisu Seidu, is pursuing a graduate programme in Business Administration at Kwame Nkrumah University of Science and Technology (KNUST). She is currently conducting a research into the above topic. She would appreciate it if you could assist with the completion of this questionnaire to enable her obtain the desired objectives of the research. The responses are solely for academic rationale. All information obtained would be kept in strict confidence.

General instructions: Please, tick the appropriate box to your answer with the mark (†), where demanded state or briefly explain.

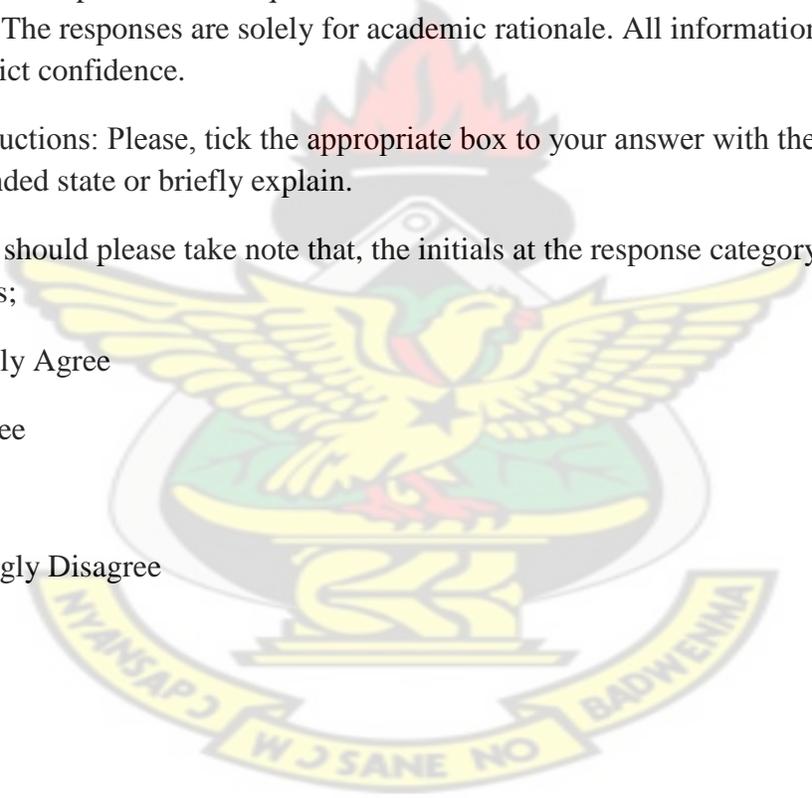
Respondents should please take note that, the initials at the response category represents views such as;

S A = Strongly Agree

D A= Disagree

A =Agree

S D A=Strongly Disagree



QUESTIONNAIRE I

BACKGROUND INFORMATION

(To be filled by the staff of the hospital)

1. Name

2. Sex: (a) Male [] (b) Female []

3. Age in completed years:

(a) 20 – 30 [] (b) 31 – 40 []

(c) 41 – 50 [] (d) ≥ 50 []

4. What is your occupation/profession?

(a) Nurse []

(b) Medical Officer []

(c) Other (Please Specify) -----

5. Department -----

6. Rank -----

7. Employment Date -----

8. Have you broken service before? (a) Yes () (b) No ()

9. If yes, for how many years? -----

10. what is your length of service in the hospital

.....

11. what is your relationship with the procurement officers.....

.....

.....

12. Do you have any knowledge of

procurement.....

13. Do you have knowledge about the public procurement act in

Ghana?.....

14. What is your relationship with the suppliers of the

hospital.....

.....

.....

15. Have you had any formal training in public

procurement?.....

16. If yes to above

specify.....

.....

.....

.....

17. Do have any training needs on public

procurement.....

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QUESTIONNAIRE I

SECTION B

(To be filled by staff of the hospital)

1). TANGIBLES COMPONENT

Physical facilities and appearance of hospital personnel

No.	Statement set	Response category			
		SA	A	DA	SDA
I	a clean hygienic and/sanitary environment				
ii	Decent waiting areas for suppliers waiting to see procurement officers				

iii	visually attractive consulting rooms and facilities				
iv	adequately modern working equipment and tools				
V	available adequate and effective drugs				
iv	equipment maintenance culture				

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2). RESPONSIVENESS COMPONENT

Willingness to help suppliers and provide prompt service

No.	Statement set	Response category			
		SA	A	DA	SDA
I	Tamale Central Hospital has well trained and experienced procurement professionals				
ii	Understanding and ready-to-help people				
iii	knowledgeable and skilled personnel				
iv	courteous and duty conscious staff				
V	staff who are customer friendly				
vi	Provide clients with adequate information				

3). ASSURANCE COMPONENT

Knowledge, competence and ability to convey trust and confidence

No.	Statement set	Response category			
		A	A	DA	SDA
	The hospital staff.....				
i.	Have knowledge of the procurement act of Ghana				
ii.	have frequent training on public procurement processes				
iii	instruct suppliers on proper processes of presenting bids				
iv.	operate flexible and convenient bidding time				

4). ACCESSIBILITY/CONVENIENCE COMPONENT

Ability to have services in terms of money, transport and information

No.	Statement set	Response category			
		SA	A	DA	SDA
	Tamale Central Hospital.....				
i	workers attend to suppliers promptly				
Ii	is within easy reach in terms of time and effort				
Iii	Procures the best products at affordable prices.				
Iv	Procurements of goods and services are done timely				
V	has communication/complementary services				

5). RELIABILTY COMPONENT

Ability to perform promised service dependably and accurately

No.	Statement set In this hospital.....	Response category			
		SA	A	DA	SDA
I	Suppliers are dependable, consistent, and timely				
Ii	Staff places requisition for the supply of goods /services				
Iii	Staff Informs suppliers to replace or fix damage/improper goods				
Iv	Have a permanent store keeper				
V	Have well structured system of records keeping				
Vi	Suppliers are professionally competent				
Vii	Have suitable store accommodation for goods				

QUESTIONNAIRE II

SECTION A

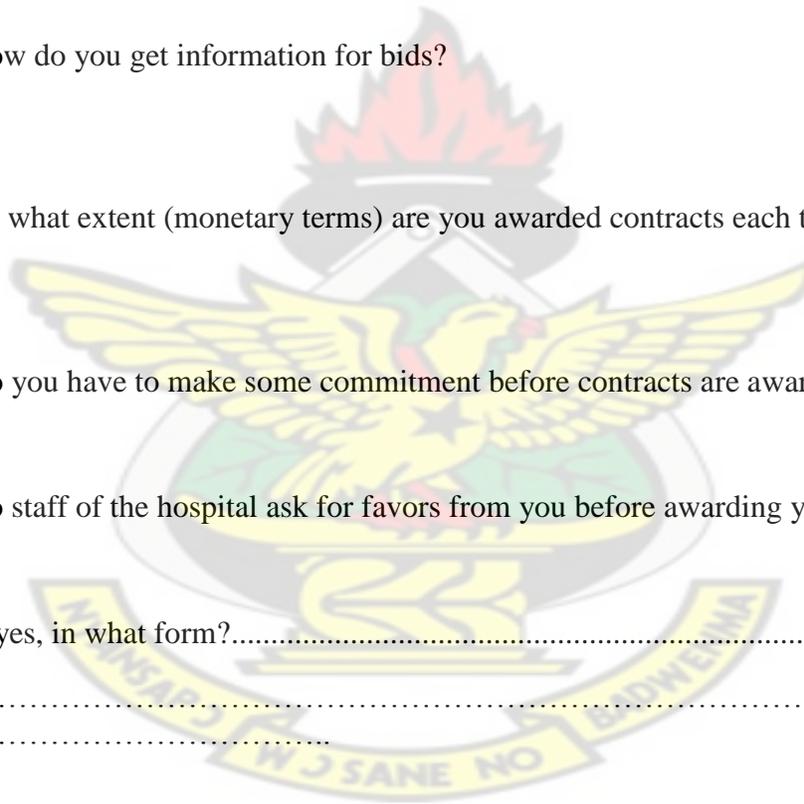
(To be filled by suppliers of the hospital)

BACKGROUND INFORMATION

1. Sex: (a) Male [] (b) Female []
2. Age in completed years:
 - (a) 20 – 30 [] (b) 31 – 40 []
 - (c) 41 – 50 [] (d) ≥ 50 []
2. What is the name of your company?.....
3. How long has your company being in existence?.....
4. Is your business registered with the Register General Department?.....
5. If no why?.....
6. Is your business registered with the revenue agencies?.....

7. If no why?.....
8. Is your business registered with the hospital formally for supplies?
9. if yes was there any unnecessary delay before you registered as a supplier ?
10. How long have you been supplying the hospital?.....
5. How do you get information for bids?
6. To what extent (monetary terms) are you awarded contracts each time. ?
7. Do you have to make some commitment before contracts are awarded to you?
8. Do staff of the hospital ask for favors from you before awarding you contracts?
9. If yes, in what form?.....
.....
.....
10. Do you as a supplier usually do favors for some staff without being asked?
11. Do you receive acknowledgment after rendering these willing favors?
11. How long does it take you to deliver supplies?.....

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12. How long do you have to wait for payments of good supplied and why?

.....
.....
.....
.....

13. what is your general impression of how the hospital procures goods

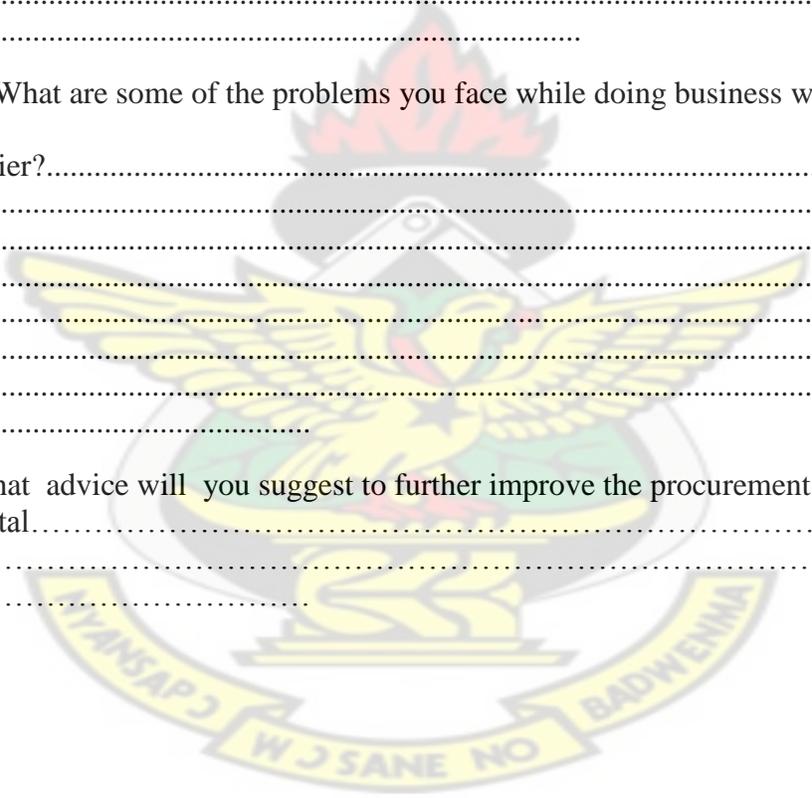
.....
.....
.....

14. What are some of the problems you face while doing business with the hospital as a supplier?.....

.....
.....
.....
.....
.....

15. what advice will you suggest to further improve the procurement process of the hospital.....

.....
.....



SECTION B

(To be filled by Suppliers of the hospital)

1). TANGIBLES COMPONENT

Physical facilities and appearance of hospital personnel

No.	Statement set	Response category			
		SA	A	DA	SDA
i	a clean hygienic and/sanitary environment				
ii	Decent waiting areas for suppliers waiting to see procurement officer				
iii	visually attractive consulting rooms and facilities				
iv	adequately modern working equipment and tools				
v	available adequate and effective drugs				
iv	equipment maintenance culture				

2). RESPONSIVENESS COMPONENT

Willingness to help suppliers and provide prompt service

No.	Statement set Tamale Central Hospital has	Response category			
		SA	A	DA	SDA
i	well trained and experienced procurement professionals				
ii	Understanding and ready-to-help people				
iii	knowledgeable and skilled personnel				
iv	courteous and duty conscious staff				
v	staff who are customer friendly				
vi	Provide suppliers with adequate information				

3). ASSURANCE COMPONENT

Knowledge, competence and ability to convey trust and confidence

No.	Statement set The hospital staff.....	Response category			
		A	A	DA	SDA
i.	Have knowledge of the procurement act of Ghana				
ii.	have frequent training on public procurement processes				
iii	instruct suppliers on proper processes of				

	presenting bids				
iv.	operate flexible and convenient bidding time				

4). ACCESSIBILITY/CONVENIENCE COMPONENT

Ability to have services in terms of money, transport and information

No.	Statement set	Response category			
		SA	A	DA	SDA
	Tamale Central Hospital.....				
i	workers attend to suppliers promptly				
ii	is within easy reach in terms of time and effort				
iii	Procures the best products at affordable prices.				
iv	Procurements of goods and services are done timely				
v	has communication/complementary services				

5). RELIABILITY COMPONENT

Ability to perform promised service dependably and accurately

No.	Statement set In this hospital.....	Response category			
		SA	A	DA	SDA
i	Suppliers are dependable, consistent, and timely				
ii	Staff places requisition for the supply of goods /services				
iii	Staff Informs suppliers to replace or fix damage/improper goods				
iv	Have a permanent store keeper				
v	Have well structured system of records keeping				
vi	Suppliers are professionally competent				
vii	Have suitable store accommodation for goods				



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