

**KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY,
KUMASI, GHANA.**

**Assessing the Challenges of Procurement in Second Cycle Schools in Northern
Ghana: A Case Study of Tamale Metro**

**BY
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**This Dissertation is submitted to the Department of Building Technology, College
of Art and Built Environment in partial fulfilment for the requirements for
the degree of**

MASTER OF SCIENCE

NOVEMBER, 2016

DECLARATION

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

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ABSTRACT

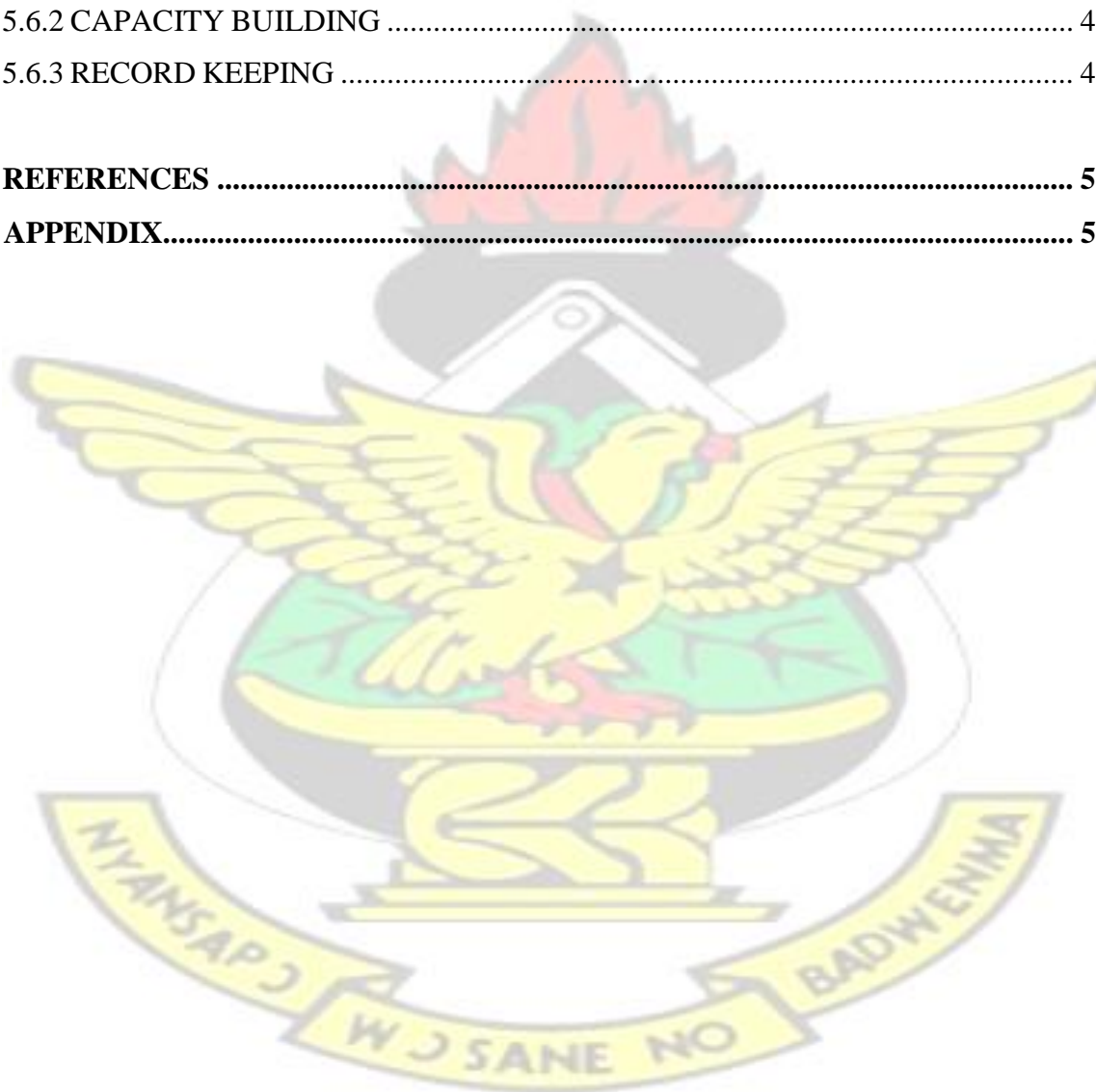
Act 663 (2003) requires of any public institution to follow the procurement guidelines in their activities. Second cycle schools just like any other public institution also use public funds for the procurement of goods and services must also follow the procurement guideline in their procurement process to ensure that they achieve greater effectiveness and value for money. The study also sought to identify difficulties second cycle schools encounter in the procurement of goods and services and propose measures to overcome the procurement difficulties. A quantitative and descriptive research design was employed. These designs have been carefully selected because it will enable us unravel not only the processes that are used by second cycle institutions in the Tamale metropolis to procure goods and services but also the challenges they face. Questionnaire was used in the collection of relevantly related primary data and descriptive statistics and means to rank and analyse the collected data from the field. It was found out that the respondents disagreed on the preamble that through procurement and the introduction of Act 663, PP practices had erased waste, fraud and corruption. Also, none of the schools had a procurement unit/department to handle procurement practices, procedures and plans. The officials managing the purchasing of goods and services for these schools were not trained and had not received any sort of training on procurement. These challenges can be overcome by making available trained staffs within the schools to provide technical assistance on procurement practices and policies. On the basis of this discussion, the study advocates for future research into the implementation of procurement guidelines in senior high schools in Ghana.

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ACRONYMS AND ABBREVIATIONS

PP	PUBLIC PROCUREMENT
PPA	PUBLIC PROCUREMENT AUTHORITY
PPA	PUBLIC PROCUREMENT ACT
PEs	PROCUREMENT ENTITIES
PUFMARP	PUBLIC FINANCIAL MANAGEMENT REFORM PROGRAM
CPAR	COUNTRY PROCUREMENT ASSESSMENT REPORT
GDP	GROSS DOMESTIC PRODUCT
USD	UNITED STATES DOLLARS
SMEs	SMALL AND MEDIUM ENTERPRISE
WTO	WORLD TRADE ORGANISATION
UNCTAD	UNITED NATIONS GENERAL ASSEMBLY DEALING WITH TRADE, INVESTMENT, AND DEVELOPMENT ISSUES
MMDAs	METROPOLITAN MUNICIPAL AND DISTRICT ASSEMBLIES
Das	DISTRICT ASSEMBLIES
MCC	MILLENNIUM CHALLENGE CORPORATION
USA	UNITED STATES OF AMERICA
USAID	UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
ICT	INTERNATIONAL COMPETITIVE TENDERING
NCT	NATIONAL COMPETITIVE TENDERING
RFQ	REQUEST FOR QUOTATION
PPOA	PUBLIC PROCUREMENT OVERSIGHT AUTHORITY

STD	STANDARD TENDER DOCUMENTS
TRB	TENDER REVIEW BOARD
VFM	VALUE FOR MONEY
SHS	SENIOR HIGH SCHOOLS
SDA	SEVENTH DAY ADVENTIST
FGD	FOCUSED GROUP DISCUSSION



ACKNOWLEDGEMENT

I thank the Almighty Allah for giving me strength and knowledge to be able to complete this work.

I am also grateful to my supervisor DR. GABRIEL NANI, for whose constructive criticism and guidance helped me in the successful completion of this work.

Finally my heartfelt thanks goes to my family and friends for their support and encouragement.



DEDICATION

I wish to thank the Almighty Allah for His guidance and protection and for how far He has brought me. I also dedicate this work to my dad for his support and my lovely mum for all her encouragements.

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CHAPTER ONE

GENERAL INTRODUCTION

1.1 BACKGROUND OF THE STUDY

The acquisition of services, goods or works from external sources that has comparable importance with its appropriateness and favourable cost benefits to meet the demands of the buyer with respect to time, quality, location and quantity could be termed as procurement (Weele and Van, 2010; as cited by Owusu, et al, 2014). Ghana's procurement Act, Act 663 defines procurement as the process of acquiring goods, works and services using public funds. Procurement activities of every public institution is guided by the procurement Act, Act 663 2003.

In the words of Edward (2013) Public Procurement is restricted by procedures, rules, methods and processes which legally guide the acquisition of goods, works using public funds and services by Government Institutions. In quotation in DEV/DOC (2003), attributed to the World Bank (1995a) also confirmed the above definitions by maintaining similar elements; procurement involves the hiring, obtaining, or purchasing, provision of works and services by public sector. Alternatively, Public Procurement (PP) could be termed as the acquisition of supplies and procurement of public needs which is funded using state resources as captured in the country's spending plans, and also funds from district agencies as well as loans, foreign aids and other economic activities received on behalf on the Government or its representative(s). Generally, PP means procurement by a Government institution using public funds. This form of procurement has gained recognition as a major push for innovation and critical aspect of economic development of countries in recent times (Aschhoff and Wolfgang, 2008; Bakker, Neves, n.d.; Rolfstam, and Phillips, 2009; Rolfstam et al, 2009).

Before procurement law was passed, many public institutions used their discretion to procure goods and services which brought about a lot of irregularities and inconsistencies in the public sector, issues of corruption were always encountered and public funds were not used properly. There were no laid down procedures to guide them on how to go about their procurement activities. Since there were no laid down procedures, most public institution misused public funds, there were always cases of corruption in the public institutions. Also, there was no competition in the public procurement sector; contracts were awarded to people who were not qualified. These made procurement in the public sector inefficient. It is therefore in the afore-discussed vein that the procurement law of Ghana was promulgated. As opined by Ghana Public Procurement Authority (2010), (Osei-Tutu et al, 2012), the PP Act of 2003, Act 663, was introduced to minimize the inappropriate practices in PP by promoting transparency, fairness and value for state resources.

The aim of the PPA was to; complement procurement activities and process in government institutions and agencies, to also ensure that the little state resources available are used thoughtfully and to also make sure there is fairness and transparency in public institutions and any institution using public funds for acquisition of goods and services. These will ensure that, there will be improved competition, greater transparency, and higher proficiency, reduced corruption and promote expert acquisition of goods and services in the public sector. Just like in the case of Ghana several other African countries such as Kenya, Uganda were pushed to establishing procurement laws and or guidelines on the bases of the afore-discussed reasons; and even at the world stage. According to the procurement laws of Kenya; Procurement entities must exist in all public institutions and managed by qualified personnel to be able to implement the procurement regulations in

the procurement Act. Established as a corporate body, it has mandatory functions to ensure compliance of the procurement procedures, monitoring and reporting to the Minister of Finance, assisting in the implementation and operation of the public procurement system by: preparing and distributing manuals and standard documents, providing advice and assistance to PEs; promoting, supporting and developing training models as well as professional development of personnel involved in procurement. In Scotland, a bill was passed on 13 May 2014 and received royal approval on 17th June 2014; the aim was to make provisions about the procedure regarding to the award of some contracts, to acquire some power to come out with procurement policies and yearly reports for related determinations.

In the southern part of Ghana, all second cycle schools have procurement entities managed by trained procurement professionals who are responsible for procurement activities performed by the school. The unit ensure that, they follow the procurement guideline so to be able to achieve their procurement objectives.

Most second cycle schools in the southern part of Ghana form cluster, they bring their demands together which increases the volume of their demand and thereby making it attractive to suppliers which makes their procurement process competitive and thereby making the process efficient and transparent.

Even prior to the procurement Act, Act 663, 2003; in 1996, government launched the Public Financial Management Reform Program (PUFMARP). The reform was aimed at improving generally public financial management in the country. The program recognized the weakness in the procurement structure as it had no complete strategy and legal regime to safeguard public procurement and also no independent auditing function as well as a central body with technical expertise to manage procurement activities.

However, notwithstanding the promulgation of the procurement act in 2003, there continue to be challenges and resultant wastages of public funds in the day to day procurement activities in the public entities.

Amongst some of the challenges facing PP in the country were lack of qualified workforces, guidelines in the PP Act are usually not properly interpreted, lack of training possibilities, record management issues stemming from handling problems with respect to supplier's complaints, as well as bad contract administration and high fees charged for advertisement, as averred by Ernest et al. (2011) as some of the weakness or challenges confronting procurement entities.

Though quite a number of studies have revealed a number of these challenges and their causes as well as their consequences; these studies appear to have been carried out in other settings other than the northern Ghana. It is for this reason that, this study seeks to examine the processes used by second cycle institutions in the Tamale metropolis, the challenges they face and how the law can help resolve them.

1.2 PROBLEM STATEMENT

It is important to note that, studies have revealed that the high rate of corruption in emerging countries is caused by lack of effective monitoring mechanisms and weakened institutional infrastructures (Lengwiler and Wolfstetter, 2006). Public procurement is seen as a place where public funds are used inappropriately and also seen as corrupt (Thai, 2004 as cited in Collins *et al.*(2012) that is widespread (Jones, 2007 as cited in Collins *et al.*(2012). Corruption and related irregularities will always make the news either in the print media or automated media, if there is no enforced procurement regulations and laws. It is in fact in the above vein that, the public procurement act was established in 2003.

Act 663 was comprehensively aimed at removing the weakness and structural deficiencies which was formerly inherent in public procurement practices in Ghana Collins *et al.*(2012).

Under this law, every public institution must procure goods and services using the PPA guidelines. The PPA regulates all procurement activities performed by any public institution in Ghana using public funds.

Under the procurement laws of Ghana, Procurement units must exist in all public institution responsible for performing procurement activities and these units must be managed by a qualified or trained procurement personnel to make sure guidelines in the procurement Act are followed when performing procurement activities.

Second cycle schools just like any other public institution also use public funds for the procurement of goods and services must also follow the procurement guideline in their procurement process to ensure that they achieve greater effectiveness and value for money.

However, procurement in second cycle schools in the northern parts of Ghana seems to be faced with challenges. Second cycles schools in northern Ghana are under scholarship, Goods procured by these schools is funded by the government of Ghana. Monies are not released to the schools in time which hinders their procurement processes. Also, individual school perform their procurement activity separate from the other; hence, making it uncompetitive, unattractive and inefficient. As to whether the processes used in procurement of goods and services in these schools is consistent with the requirements of the law, is yet another question that requires thorough examination.

However, it is in the afore-discussed vein that, this study seeks to examine procurement processes as well as the challenges encountered by second cycle institutions/schools in the Tamale metropolis in the acquisition of goods and services. In fact, the problem or the

phenomenon under inquiry will make the study relevant, because it seeks to improve the quality of procurement processes in second cycle schools/institutions in Northern Ghana.

1.3 AIM OF STUDY

The aim of the study is to assess challenges encountered by second cycle institutions in the procurement of goods and services in the Tamale Metropolis.

1.4 RESEARCH QUESTIONS

The study shall seek answers to the following relevant questions

1. How do second cycle institutions in the tamale metropolis procure goods and services
2. What are the challenges these schools encounter before, during and after procurement of goods and services
3. How consistent is, the processes used by these second cycle institutions to procure goods and services, with the procurement law.

1.5 OBJECTIVES OF THE STUDY

The objectives of this study however are;

1. To identify the procurement structures existing in second cycle institutions
2. To identify difficulties second cycle schools encounter in the procurement of goods and services
3. To propose measures to overcome the procurement difficulties

1.6 SIGNIFICANCE OF THE STUDY

The importance of public procurement to the development of an economy like Ghana's cannot be overemphasized. In the World Bank CPAR (2003), public procurement in Ghana accounts for 50 – 70% of the country's budget and that is why the public procurement authority should ensure that, public institutions spend their monies judiciously to achieve greater efficiency and value for money. This research looks to examine the procurement processes of second cycle institutions in the northern part of Ghana, which has received little attention from the academia, makes it relevant to knowledge; by contributing to the already existing knowledge on procurement processes in Ghana.

Also the study will serve as a guideline for subsequent researches. Furthermore the study will help stakeholders and government in coming out with practicable solutions to some of the challenges encountered by second cycle institutions in the procurement of goods and services in the Tamale metropolis. It will also outline ways by which the law can be used to improve the efficiency and effectiveness of these second cycle institutions in the procurement of goods, works and services.

1.7 SCOPE OF THE STUDY

The study seeks to find out the challenges Senior High Schools in the Northern encounter when procuring goods and services. It also goes further to talk about the procurement structures that exist in the various Second Cycle Schools.

For the purpose of the study, bursars and headmasters of the various schools who act as procurement officers were targeted to get accurate information to be able to achieve the research objectives.

1.8 METHODOLOGY

The study adopted the quantitative research design, this design will help us unravel the processes that Second Cycle Schools in the Northern Region use for the procurement of goods and services.

With a target population of 15 Public Senior High Schools, the researcher took a sample size of 10 for the purposes of the study and we also employed purposive, cluster and systematic research techniques in selection of the subject to be studied.

The research use questionnaires in collection of relevant primary data and descriptive statistics and mean to rank and analyse the data collected.

1.9 ORGANISATION OF THE STUDY

Chapter 1: Introduction

The chapter talks about the brief and general overview of the research. It also talked about the aim and objectives of the study and also dealt with the significance of the study.

Chapter 2: Literature review

The chapter discussed extensively topics relating to the research, works from other authors were taken and reviewed in respect to the various topics.

Chapter 3: Research methodology

This chapter talked about the research design used for the study, the target population and sample size. It also dealt with data collection instruments and techniques and how the data collected was analysed.

Chapter 4: Data presentation and analysis

The data collected was thoroughly analysed using descriptive statistics and mean to rank.

Chapter 5: Summary, recommendation and conclusion

The analysed data that will help come out with recommendations and how it will help in the research and also make recommendations for future research.

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CHAPTER TWO

LITERATURE REVIEW

2.1 OVERVIEW OF PROCUREMENT

Procurement has been defined differently by different scholars and institutions, based on their angle of consideration. To the World Bank (2003) Public procurement is the process by which governments and other publicly-funded institutions or body acquire services, goods and works required to implement public projects. Numerous governments are able to make the most of their resources, procure wisely, and also ensure proper services are delivered to their citizens by reducing bottlenecks, combating corruption and building capacity in procurement. Therefore an important component to attaining viable growth and successful the social order in Africa are competitive and transparent procurement systems. (Matt, 2014) asserts that procurement involves the practice and procedures of vendor selection, establishment of imbursement conditions, planned scrutinizing, and choosing, contract arbitration and the real purchase of goods. Procurement in this sense, is mainly

concerned with acquiring (procuring) all of the goods, work and services that have the optimum importance to the organization.

Procurement is however usually misconstrued with purchasing. However, in the words of J. Gordon (2009), procurement is distinct from purchasing. According to him, this distinction lies in the definition of procurement as the comprehensive function that embraces the activities and processes to acquire goods and services.

Besides, in the words of Edward (2013) Public Procurement is made up of defined rules, processes, methods and procedures by which Government entities are legally strengthened to use to acquire goods, services and works using public funds. Ghana, in September 2002 drafted a bill and was passed on 31 December 2003 the public procurement act, Act 663. The aim of the procurement Act was to; harmonise public procurement process in the public service, and to also ensure public procurement is fair, transparent and non-discriminatory.

These will ensure that, the process will be competitive, increase transparency, reduce corruption and more professional procurement in the public sector. A research carried out by the World Bank revealed that Corruption costs most countries in Africa a little below \$150 billion approximately 25% of its Gross Domestic Product (World Bank, 2003).

Before the procurement law was introduced, public institutions procured goods and services using their own discretions which brought about a lot of irregularities in the public sector, issues of corruption were always encountered and public funds were not used properly. They were no laid down procedures to guide them on how to go about their procurement activities. Since there were no laid down procedures, most public institution misused public funds, there were always cases of corruption in the public institutions. Also, there was no competition in the public procurement sector; contracts were awarded to

people who were not qualified. These made procurement in the public sector inefficient (Adjei, 2008).

Public procurement in Ghana is about 24% of total imports with the exception of personal emoluments representing 14% of GDP and approximately 50 -70% of the nation's budget (World Bank CPAR 2003; as cited by Ofosu 2014). This situation is the same in other African countries. For example in Kenya, the entire bulk of public procurement between 2003 and 2004 was recognized at 3.64 billion USD representing 9% of the GDP (Independent Procurement Review Kenya, 2005). This figure is very significant and if properly managed and used for development projects, it would have huge benefits and impact on the nation.

2.2 OBJECTIVES OF PROCUREMENT

The procurement manual of Ghana reveals that, the overall aim of the PP structure is the provision of value for money to the Government by ensuring that state resources are spend in efficient, transparent and unbiased way open to all parties involved. The Manual is made up of guidelines, strategies and blueprints which enhance accountability, transparency and beliefs in the management, procedure and writing of procurement and asset disposal. There should be total application of these policies and procedures by all public servants together with professional judgement and good management.

In Nigeria competition, efficiency and transparency are the objectives of public procurement BPP, (2012). The situation is not different in the Republic of Cyprus where the objectives of public procurement include ensuring an open, compliant and

transparent process to ultimately achieve value for money for all activities, instilling fair and transparent processes to achieve continuous improvement on all categories, promotion of innovation and equality of business opportunities for all in particular SMEs, is working and also partnered with private organisations and other organizations to achieve greater output, quality and effective service provision and boost social and environment sustainability by maintaining and utilizing effective PP practices and policies (PPD, 2007)

2.3 PROCUREMENT REFORMS

The procurement function in third world countries has transited from a clerical nonstrategic one to a more effective socio-economic function that influences decisions, thereby adding value (Ernest *et al*, 2011 as cited in Knight *et al*, 2007).

Growing economies all over the world have gone through procurement transformation to plan their regulations. The regulations have not been the only limitation to these reforms but rather involved public procurement procedure, procurement organizational arrangement and methods as well as the workforce. These reforms stem from a combined effort with various development agencies like International Trade Centre, WTO, the World Bank, and UNCTAD fluctuating from one country to the other as averred by Ernest *et al* (2011).

In Ghana, through a holistic approach to tackle issues affecting performance such as a weak civil and legal framework as well as lack of access to information to these public sectors, had great strides to reform its public procurement system (World Bank, 2013). As posited by Anvuur & Kumaraswamy (2006), the wider public procurement reform programme has on its agenda to improve public financial management by promoting national development, fostering efficiency, transparent but accountable and competitive harmonization with other

international and local laws, facilitating ease of procurement administration and ensuring good value for money (Ministry of Finance, 2001). It is envisaged that annual savings of about would help reach this objective. A key deliverable of the procurement reform was a draft Public Procurement Bill, which was enacted into law by Parliament in 2003 (Anvuur & Kumaraswamy, 2006; World Bank, 2003). Direct measures undertaken by the Government include the consistent issuance and monitoring of expenditure ceilings for each MDA matching that of the annual budget and forecasted cash flows as well as implementing new anti-corruption practices and principles that involve codes of conduct for all state officials. The Ministry of finance grants clearance to all procuring entities through certification as evidence of the availability and adequacy of funding, before any public contract is awarded. Ghana has prior to the passing the procurement act of 2003 been through quite a number of reforms aimed at enhancing public procurement holistically. For instance, in 1960, Ghana established a commission called Ghana supply Commission to be used as a guideline for procurement. It also in 1976, established the Ghana National Procurement Agency and in 1996, government launched the Public Financial Management Reform Program (PUFMARP). Its objective is to improve the general public financial management in Ghana. PUFMARP found out flaws in the procurement setup; there were no complete public procurement policies, there were no principal organization with practical knowledge to manage procurement activities, there were no comprehensive legal regime to safeguard public procurement and also no independent auditing function. Ghana in September 2002 drafted a bill and was passed on 31 December 2003 the public procurement Act, Act 663.

Several governments elsewhere in Africa and the world at large have drafted and implemented series of reforms aimed at enhancing public sector procurement. The

Government of Kenya, for instance, is currently implementing a re-engineered reform geared towards improving productivity, attaining efficiency and increasing its service delivery levels to Kenyans. Public Procurement has been targeted for improvement and a number of milestones to this effect has been attained so far. Notably the enactment of new law to regulate the management of the public procurement system in Kenya, known as the Public Procurement and Disposal Act, 2005 which became operational on the first day of the year 2007. Since its enactment, the Act has addressed significant issues stemming from proliferation of contracts, corruption and mis-procurements among others. It is however envisaged that the Act would help impact the PP sector of the country by fostering efficiency and economic standards in PP, promoting and ensuring transparency, competitiveness, accountability fairness, integrity and professionalism in the PP as well as developing social and economic capacity to conduct procurement efficiently consistent with expenditure provisions of budgetary objectives

In Kenya, for example, through the Millennium Challenge Corporation (MCC), its procurement reform program is supported via diverse ranges of activities specifically designed to raise PP standards and improve practices. MCC is a United States of America Government corporation with a sole objective in the provision of developmental aids to poor countries on the basis that aid used for reinforced governance, investment in people and economic freedom is the most significant and effective use. An agreement was signed in 2007 between USA and the Government of Kenya to launch a US\$12.7 million threshold program. This program was designed to assist in improving performance on specific indicators, and reduce corruption in the public sector by overhauling the entire PP system. The United States Agency for International

Development (USAID) acts as the program's agency in administration. The agency through periodic, independent and transparent assessment examines the economic performance of countries and awards higher levels of development assistance to countries that fulfil these indicators (Nigel, 2008)

The Indian Penal Code 1860 and the Prevention of Corruption Act 1988 are the two pieces of legislation that prescribes criminal penalties for bidders indulging in malicious, corrupt and fraudulent practices in India.

2.4 PUBLIC PROCUREMENT PRINCIPLES

Ernest *et al* (2011) posit that the regularity and continuous assessment of procurement entities compliance with rules, procedures and regulation laid down in the respective countries' PP law is embraced globally. Procurement offices and its workers shall be held liable if their practices go against the rules and regulations indicated in the procurement Act, the entity and the management shall not apply their own discretion in the procurement process but rather go strictly with the procurement law of the land. The procurement principles encompass ultimately efficient economy in the delivery of service, promoting transparency, effective competitiveness, and accountability as well as planning to ensure value for money as well as validate the entire procurement practices and processes PPA ACT (ACT 2003)

The Public Procurement and Disposal Act 2005 and Public Procurement and Disposal Regulations 2006 set up clear and unambiguous guidelines regarding the achievement of its procurement principles. Accordingly the manual had main operational principles of the permissible and supervisory structure in the campaign of value for money practices in PP and efficiently boosting the budget. Substantially if government institutions and other procurement agencies see to it that principles of economic efficiency are thoroughly applied, it will boost savings of public funds hence achieving the objective of value for

money. Procurement institutions should make sure they employ strategies that will increase competition in the public sector, do away with false competition and also employ strategies of aggregation where suitable to take benefit of economies of scale (PPOA ACT, 2005)

2.5 PROCUREMENT PLAN

The process of making decision to influence what to buy, the time to make such purchases and the source is the planning process of procurement. During this process, the procurement method and its fulfilments are determined as averred by Lynch (2013). According to Lynch (2013), the importance of the planning process of procurement is not far-fetched as its importance help in deciding what to precisely buy, when and the reliable sources, helps planners to fully predict if expectations would be realistic and it promotes collective planning to discuss procurement requirement among all stakeholders. Creation of a procurement strategy is done through planning and this strategy mainly through market surveys help in determining the appropriate procurement method (Lynch, 2013). Planners also are equipped to estimate time required to complete the entire procurement process and as such award contracts to these requirements (Lynch, 2013). These requirements are necessary for planners and all stakeholders to be knowledgeable of the expected period and requirement of a particular procurement. Additionally, planners are fully prepared to assess feasibilities of combining or separating procurement requirement into diverse contract packages (Lynch, 2013). Section 21 of the Act requires Procurement Entities to prepare a procurement plan which consists of preparing a plan for each fiscal year as well as updating the plan quarterly for approval by the Tender Committee. The procurement planning process, by regulations require that it is entirely incorporated with appropriate budget procedures and circulars issued by the Public Procurement Authority and the budget preparation instructions of the Ministry of Finance. In every procurement process, the

procurement entity shall have a procurement plan for their procurement process, below are the provisions made in the Act 663.

The composition of the procurement plan included that a procuring offices prepared a procurement strategy which will serve as a blueprint for their activities and it should indicate the estimated cost of deal packages, processing steps and times as well as the procurement methods used. There should also be submission of the procurement plan covering the following financial year to its tender committee within a period not longer than a month. There should also be an updated submission of the Procurement plan after budget approval to the tender committee as well as the procurement entity also making available all procurement notices for contracts. Again, by law there should not be bulk breaking division in the procurement instruction to dodge the equitable submission of procedures for PP by the procurement entity.

2.6 PROCUREMENT METHODS

In the procurement Act of Ghana, Act 663, the procurement methods that can be used for the procurement of Goods are:

1. International Competitive Tendering (ICT) it is a kind of tendering were nationals from other countries are allowed to submit their tenders. This is usually for large contracts.
2. National Competitive Tendering (NCT) ; in this type of tendering, it is usually limited to local or domestic contractors, these type of contracts are mostly small in nature. Companies that participate for these contracts must be owned by nationals of the country

3. Two-Stage tendering; this method is applicable where it is not feasible for the procurement entity to formulate detailed specifications for the goods, works or services. It is ideal under situations where the procurement entity seeks to enter into a contract for research, experiment, study or development, except where the contract includes the production of goods in sufficient quantities to establish their commercial viability or to recover research and development costs (PPA, Act 663).
4. Restricted Tendering (National or International) if goods, works or services are available only from a limited number of suppliers or contractors; or there is disproportionation in terms of the cost and time required to evaluate a large number of tenders to the value of the services, goods, and works been procured.
5. Single Source (Direct Procurement) where goods and services can only be obtained from one contractor or supplier, the contractor or supplier in this case has the sole right to supply that good or service. It is also applicable in the case of emergencies where there is an urgent need of the good or service which will not permit the entity to go through the normal tendering process hence single source but will however need to take approval from the Procurement Authority.
6. Request for Quotations (RFQ) in this situation the entity request for quotation from the various suppliers The customer knows exactly what they need, they ask all potential suppliers to submit their prices , the customer will look at the various prices submitted to them and select the one that will give them value for money hence awarding the contract.(PPA , Act 663)

Amongst all the above procurement methods mentioned above, SHS in the northern region use RFQ when procuring goods and services, they invite all potential suppliers to submit their prices with regards to the good they want to procure. Potential suppliers

will submit their prices which will be evaluated and awarded to the contractor that will give them value for money.

2.7 PROCUREMENT IN SECOND CYCLE SCHOOLS

Senior high schools like any other public institutions in Ghana perform procurement activities and these activities are regulated by provisions in the procurement Act. They must follow procurement principles so to help them achieve their procurement objectives.

Public procurement in Ghana is confronted with a lot of challenges which includes market factors, legal factors, political factors, organisational and political environment and which procurement in the second cycle schools is not an exception. Even though there are a lot of effort by government to ensure that procurement units are able to achieve its objectives most customers do not want to follow the procurement procedures (Ernest et al, 2011).

In order to follow the procurement guideline, Senior High Schools in in Ghana have established procurement units which are managed by procurement professionals or people who have knowledge of procurement. The procurement professionals in the units ensure that all provisions in the Act are followed. Every department within the school write down their demand and channel it to the procurement unit headed by a procurement manager who will then use their various demands in drawing a procurement plan for the school.

There are guidelines which every second cycle school must follow when spending public funds, directives are given to them to ensure they use these funds in a more efficient and effective manner.

Country Procurement Assessment Report on (CPAR, 2003) revealed that, MDAs and DAs workers and staff are in charge of procurement activities meanwhile most of these personnel are not professionally trained procurement officers which affect the implementation of the procurement laws. Also according to the report, the PPA in 2007

introduced a training program to provide training to procurement officials but could not achieve their goals because of financial difficulties.

Usually, schools in the southern part of Ghana form clusters where they bring their demands together; these will increase the volume of their demand and make it more attractive to suppliers hence increasing competition which will make the process very efficient and help them achieve value for money.

However a Focused Group Discussion that was conducted revealed that the method of procurement in the northern senior high schools looks different even though they are guided by the procurement Act. Second cycle schools in Northern Ghana do not have procurement units and do not also have trained procurement professions to take charge of procurement activities. The process of acquiring goods, works and services are performed by the various accountants. Procurement plans and other processes are done by these accountants.

According to Kinuthia et al. (2015) funds allocated to second cycle schools in Kenya for Free Secondary Education is guided by Government Financial Management Act, 2004 A research was carried out on Kenya Publishers Association on booksellers which found out that sellers connive with the school authorities to spend money meant for free education in kenya (Kariuki, 2014)

Onsongo et al (2012) revealed that many secondary schools in Kenya have tried to reorganise its public procurement structures and still faced with inefficiency and corruption.

In Kenya government funds activities of second cycle schools, in 2008 government decided to increase its support for the schools' development and operational spending.

Some of the funds are channelled into procuring of books, materials and facilities needed for educational institutions (Procurement Manual for Schools and Colleges, 2009)

2.8 PROCUREMENT ENTITY

Procuring entities are government institutions, agencies or departments who perform procurement activities guided by the Act and Regulations. namely, the Government or any department of the Government, the courts, local authorities Under the Local Government Act, the commissions established under the Constitution, state Corporations within the meaning of the State Corporations Act, the Central Bank of Kenya, cooperative Societies, public schools, universities, colleges and other prescribed bodies. They are made up of any institution that uses government resources of any kind of contractual undertaking, including public private Partnerships, companies belonging to government to convey out tasks otherwise executed by the Public entities and anybody in which the Government has a controlling importance.

The public procurement authority made some reviews in 2006 and found some flaws in the government agencies which they thought needed immediate consideration. Some of their findings were as follows; absence of well-trained procurement staff, the procurement Act is not interpreted properly which affects the application of some of the guidelines, there are no strong procedures to follow in procurement during emergencies, there are no opportunities to provide procurement training, records are not properly maintained, suppliers are not properly managed, lack of proper procurement plans, Mobilization & Implementation, contracts are not properly managed and a lot is spent into advertisement (Ernest et al, 2011).

It is in the above vein that procurement entities must perform activities as designed in the procurement Act. Any public institution using public funds for the procurement of goods and services must ensure that its activities comply with the Act. Procurement Entities

should make sure their procurement and disposal activities are in agreement with the public procurement Act, the Regulations, Standard Tendering Documents, Manuals and any directions of the PPOA. In order to make sure there is conformity procurement entities must make sure they, have a procurement plan which they follow, they must also have offices with qualified personnel, have Procurement, Evaluation and Tender Committees, to make sure that documentation of all procurement activities are properly maintained, keep good records and also make sure contract activities are in conformity with the Act, implement circulars issued by PPOA, report to PPOA in accordance with its directives and cooperate fully with all investigations launched by the PPOA (Public procurement and disposal Act, 2005 and the disposal regulation, 2006 December, 2014, Kenya.)

1. A procurement agency is in charge of procurement, they are guided by the procurement Act which shows them how to perform their activities
2. Heads of procurement entities or offices in charge of procurement are responsible and accountable for activities in the process of interpreting the Act. They act in consultation with the board.
3. Before procurement is done, all units concerned will take procurement decision together.
4. the head of the procurement office must make sure that their activities is consistent with the Act; and concurrent approval by any Tender Review Board shall not absolve the head of entity from accountability for a contract that may be determined to have been procured in a manner that is inconsistent with the provisions of this Act (Public Procurement Act, 2003).

2.9 PROCUREMENT UNITS

According to the Public Procurement and Disposal Act, 2005, and The Public Disposal Regulation 2006, Kenya, every unit in the Procurement Entity should comprise

procurement personnel and these personnel should have training in procurement as stated in section 26(9) of the Act. The roles of the Procurement Units are as follows;

- Keeping and bringing up-to-date yearly the standing lists of registered tenderers;
- Formulating, publication and allocating procurement and disposal chances, as well as invites to tender, pre-qualification documents and invitations for expressions of interest;
- Co-ordinate the received tenders and also open the tender documents;
- Keep up with records of procurement and disposal activities;
- make a short list of capable tenderers to be approved;
- Proposing membership of the Evaluation Committee to the Accounting Officer;
- Co-ordinating evaluation of tenders, quotations and proposals;
- Making notifications of awards, rejection letters, contract documents and variations of contracts;

Also in Ghana, every public institution that uses public funds for their procurement must have units responsible for their procurement.

2.10 COMPETENT PROCUREMENT PERSONNEL

Qualified and competent procurement personnel are needed to be able to perform procurement activities efficiently and effectively so to be able to achieve procurement objectives. These professionals are well trained procurement personnel who understand the procurement system and are able to interpret procurements and the laws that guide it.

As a result of that, government must ensure that the right and qualified persons must be put in the procurement offices.

The Public Procurement Authority (PPA) of Ghana recognises the key role of skilled professional procurement personnel in the effective application of the Public Procurement

Act and relevant guidelines to ensure transparency, fairness, accountability, and best Practice (PPA, ACT 663).

The success of every organisation depends heavily on the human resources available to them, this means that organisations must employ the services of qualified personnel to be able to achieve their objectives.

A lot of research have emphasized on the importance of human resource to the success of every organisation. The performance of organisations depends on the quality and competent of its personnel (Wright et al, 2001). That is why the Government of Ghana in its wisdom through the procurement Act mandates public institutions to have trained procurement personnel to perform the procurement activities using the procurement manual as a guide.

According to a research conducted by Tuo et al.(2014), employment of qualified procurement personnel is of great essence in an effort to professionalise the procurement function. Their research revealed that Procurement staffs need to be trained and encouraged to acquire professional qualifications. More importantly the ethical aspects of procurement professionals need to be enhanced. When all these are done, Ghana will be better off with well qualified, competent and ethically sound procurement professionals who would help the country achieve value for money in all transactions.

2.11 VALUE FOR MONEY

Public institutions use public funds to procure goods and services. The funds allocated to them are to be used judiciously to achieve greater efficiency and effectiveness. VFM is used to determine how effective a procurement practice is and the result of the practice (Kuragu, 2015)

VFM is the objective of every procuring entity including public sectors in Ghana however, the way to achieve VFM is performing your procurement activities in accordance with the procurement Act. If the Act and regulations are not duly followed, it may compromise the objectives of achieving VFM.

VFM is (or at least, should be) the driving force behind traditional infrastructure procurement. Therefore, any project, whether it is a traditionally procured project or PPP should only be undertaken if it creates value for money. It seems that the choice between using a PPP or traditional procurement should be simple: governments should prefer the method that creates the most value for money. However, as averred by Burger and Hawkesworth

(2010), in practice the value-for-money objective is often very blurred making the choice between using a PPP and traditional infrastructure procurement skewed by factors other than value for money.

The logo of KNUST (Kwame Ninsin University of Science and Technology) is a large, faint watermark in the background. It features a yellow eagle with spread wings perched on a green shield, which is set against a red and white background. Below the shield is a yellow banner with the text 'NYANSAPƆ ƆƆ ƆƆ SANE NO' and 'BADWENMA' on the sides.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 INTRODUCTION

This study sought to assess the Procurement process of second cycle schools in the Northern region of Ghana using Tamale Metropolis as a case study. This chapter presents

the methods that are going to be employed to collect data to achieve the prime objective.

In fact, the methodology is an unavoidable component of every research work.

It outlines how and/or by what mechanism the research was carried out.

The major components of the research method are;

- i. the research design,
- ii. Target population/sample frame
- iii. Sample size and Sampling techniques.
- iv. Data collection and analysis

3.2 RESEARCH DESIGN

This study employed quantitative and descriptive research designs. These designs have been carefully selected for the value they offer. In fact these designs were selected because they will enable us unravel not only the processes that are used by second cycle institutions in the Tamale metropolis to procure goods and services; but also assist us in finding answers to why and how such processes are used and as such the challenges that come with using a particular procurement strategy and or process in procuring their goods and services.

3.3 POPULATION SIZE

The target population for this study constituted all headmasters or headmistresses, and finance officers (Bursars) in all the fifteen (15) Public Senior High Schools in the Tamale metropolis.

3.4 SAMPLE SIZE AND SAMPLING TECHNIQUE

In the words of Bryman and Bell (2007), when selecting a sample, ideally the number should be huge to help give sufficient representation of the population and small enough to be selected economically, that is in terms of subject availability. However, in the above vein as well as other factors such as time and the purpose of this study, the researcher used ten (10) schools of the target population as the sample size.

Purposively, the researcher used systematic, purposive sampling and cluster sampling in the selection of subjects to be studied.

The cluster sampling technique enabled the researcher to group schools under the zones they belong to or the areas they are situated in, hence making it easy to determine which schools have been sampled and from which part of the metropolitan assembly they are from. Also, the purposive sampling helped in the collection of well-informed data; since, it aided the selection of people with vast experience and knowledge on the phenomena under discussion, within the study area. The systematic sampling technique on the other hand aided in reducing bias.

3.5 DATA COLLECTION

The study employed quantitative techniques such as questionnaire in the collection of relevantly related primary data and also organise a Focused Group Discussion to also gather relevant knowledge. The questionnaire was pretested and distributed to the target sample. The questioners was developed guided by the research objectives of finding out the challenges SHS face in the procurement of goods and services, the structures that exist and measures to overcome challenges. The respondents were guided in answering so to obtain valid responses from the respondents.

3.6 DATA ANALYSIS

All data needed for the research was carefully collected after which descriptive statistics and mean was use to rank and analyse the data collected.

3.7CONTENT OF QUESTIONNIARE

The questionnaire was developed to collect information from personnel who were directly involved in procurement in the SHS in northern region so to attain expert knowledge from them. There questionnaire was divided into four sections;

Section A: was to attain the demographic characteristics of the respondent.

Section B: to identify the procurement structures that exists in the SHS in northern region, response on the procurement structures were needed and respondents will rate from 1-5 with the following statements; **strongly disagree, disagree, neutral, agree, strongly agree**

Section C: finding challenges SHS in northern region face in procurement, respondents were asked to answer questions by ticking **strongly disagree, disagree, neutral, agree, and strongly agree**

Section D: respondents were asked to proposed measures to overcome the procurement challenges.

The study used descriptive statistics and means to rank and analyse the collected data from the field, this method will help describe and analyse the basic features in the data collected. The secondary data was to serve as guideline for the present study and also make reference to add to the present data. After the data was analysed, presentations were made in the form of charts, figures and tables. The analysed data was then discussed with relevant literature on the subject matter.

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CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 INTRODUCTION

The study sought to assess the challenges of Public Procurement practices by second cycle schools in the northern region of Ghana. This section of the research study is divided into four sections; the first present the demographic characteristics of the study sample, the second, third and fourth also present data analysis obtained from the study covering identification of procurement structures, identification of the challenges associated with the procurement practices and proposing measures to curb these challenges respectively.

4.2 DEMOGRAPHIC CHARACTERISTICS OF RESPONDENTS

The schools chosen for the research study included Tamale Girls SHS, Northern school of business SHS, Presbyterian SHS, Pong Tamale SHS, Savelugu SHS, Dabokpa SHS,

Vitting SHS, Tamale SDA SHS, St. Charles SHS, and Tamale Islamic SHS. The findings revealed that there was a 7:3 males to female ratio with respect to gender distribution. The age class was also hugely occupied by 32-37 age and 44-49 age which were 6 and 3 respondents respectively. This indicates that the procurement officers or personnel responsible for procurement practices in second cycle schools in the northern region range from 32-49 years with expectant 11-28 years before retirement. The educational level which was also investigated to ascertain the academic qualification of the personnel were also encouraging with three (3) respondents having a minimum of higher diploma education, five respondents had bachelor degrees and 2 respondents representing 20% of the distribution had Master's degree. This also indicates that all the personnel interviewed had educational qualification higher than Basic education. This extract affirmed the choice of questionnaire as a source of data collection instrument as most of the respondents had education required to read and interpret the questions sought for. In principle, most of the personnel who partook in the study had 16-20 years of active service in their work position (60%) while 10% had above 26 years of service. This indicated that the respondents were knowledgeable of the general activities and procurement practices in their respective schools. This provision also affirms that the participants chosen were appropriate and thus important to realize the research objectives. The number of students recorded in the selected ten years revealed a student population of above 1,000 with majority of the schools practicing day & boarding systems as indicated in the detailed table below.

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Table 4.1: demographic characteristics

	Characteristics	Frequency	Percent (%)	Cumulative Percent (%)
Sex	Male	7	70	70
	Female	3	30	100
Age	26-31 years	0	0	0
	32-37 years	6	60	60
	38 – 43 years	0	0	60
	44- 49 years	3	30	90
	50- 55 years	1	10	100
	> 56 years	0	0	100
Marital status	Single	1	10	10
	Married	7	70	80
	Divorced	1	10	90
	Widow	1	10	100
Educational level	Higher diploma	3	30	30
	Bachelor degree	5	50	80
	Master Degree	2	20	100
Job title	Procurement officer	0	0	0
	Head of department	2	20	20
	Bursar	1	10	30

	Unit Officer	1	10	40
	Store Keeper	6	60	100
Years in service	1-5 years	0	0	0
	6- 10 years	0	0	0
	11- 15 years	3	30	30
	16- 20 years	6	60	90
	21- 25 years	0	0	90
	> 26 years	1	10	100
Number of students	< 200	0	0	0
	201-400	0	0	0
	401-600	0	0	0
	601-800	0	0	0
	801-1000	0	0	0
	> 1000	10	100	100
Category of School	Day	0	0	0
	Boarding	1	10	10
	Day & boarding	9	90	100

Source: Field survey (2016)

Upon participatory observation and close interviews with all ten SHS in the Northern region of Ghana, it was revealed that none of them had a procurement unit/department to handle procurement practices, procedures and plans. The officials managing the purchasing of goods and services for these schools were not trained and had not received any sort of training on procurement practices. Thus, purchasing and supplies were mainly left in the hands of Bursars with close supervision from the headmaster.

These two officials, though without requisite training, prepared procurement plan for the schools at an interval of three months. The situation was due to the lack of a permanent procurement department and officer, purchasing and supply were done in an ineffective

manner rendering most of the schools to procure goods and services on credit which ultimately affected their respective procurement objectives. The challenges faced by these schools were broad stemming from challenges from mostly suppliers as well as the processes involved in making procurement. Suppliers of these SHS were reluctant in making supplies to these schools, and the few schools that insist on it were subjected to price dictatorship by these suppliers. There was also consistent problem of delays in releases of funds by Government, the unattractive nature of the process and inability to make choices due to the lack of suppliers.

The underlying section of the chapter delves into the structures and challenges facing procurement practices among SHS in the Northern region.

4.3 PROCUREMENT STRUCTURES IN SECOND CYCLE SCHOOLS IN NORTHERN REGION OF GHANA

A Five-Point Likert scale was used to examine the procurement structures institutionalized in these ten (10) schools. A scale of 1 was given to “Strongly disagree”, 2- “Disagree”, 3- “Neutral”, 4- “Agree”, and 5- “Strongly agree”. These individual scale were rated from eight (8) variables that included delays in supply, regularity of supply, long processing of procurement, Waste, fraud & corruption, Coordination & qualified personnel, organization of training seminars, auditing and assessment. Each of these variables had equal weights and analysis of the respective means indicated that the respondents were in agreement to the provision of “delays in supply, long processing of procurement, Coordination & qualified personnel, and periodic assessment. In otherwords, the findings revealed that respondents recognized that the procurement structures in the ten SHS had the above mentioned characteristics.

The respondents disagreed on the preamble that through procurement and the introduction of Act 663, PP practices had erased waste, fraud and corruption (mean=1.80) as well as organization of training exercises for the officers (mean=2.40). According to the respondents, though Act 663 had its benefits, SHS in the northern region were yet to realize them as the structures in place had not erased fraud and corruption and there was not the presence of training programs for the officers. When posed with question of regularity of supply, most of the respondents rather remained neutral as they were neither impressed nor disappointed about this provision

In summary, conclusion could be drawn that the procurement practices in these SHS were characterized with delays in supply, long processing (bureaucracy) of procurement, presence of coordination and unqualified personnel as well as periodic assessment. A detailed presentation of the respective variables is discussed below:

Table 4.2: descriptive statistics, procurement structures

Procurement structure	Rankings					Mean	Std. Deviation
	1	2	3	4	5		
Delays in supply	0	4	0	3	3	3.5	1.35
Regularity of supply	1	6	0	3	0	2.5	1.08
Long processing of Procurement	1	1	0	8	0	3.5	1.08
No Active waste, fraud & corruption	2	8	0	0	0	1.8	0.42
Coordination & qualified personnel	0	2	0	8	0	3.6	0.84

Organization of training exercise	0	8	0	2	0	2.4	0.84
Proper auditing	0	3	0	7	0	3.4	0.97
Periodical Assessment	2	0	0	5	3	3.7	1.49

Source: Field survey (2016)

4.3.1 DELAYS IN SUPPLY:

As indicated in *table 4.2*, most of the respondents (n=6) disagreed with the provision that there were delays in supply, while a total of 6 respondents were in total agreement that the structures were characterized with delays in supply.

4.3.2 REGULARITY OF SUPPLY:

The next provision sought to establish whether regularity of supply was a main feature of the procurement structure of the ten SHS in the northern region. A total of seven (7) respondents were in disagreement with this provision. This implies that most SHS in that region were characterized with irregular supply in their procurement practices.

Processing of procurement: The researcher as part of the objective to establish the procurement structures of the school posed the question as to whether there was long processing of procurement which affected the entire practice. The findings revealed that a total of eight respondents representing 80% agreed to the preamble that long processing was a main feature of the procurement structures of these SHS

4.3.3 WASTE, FRAUD & CORRUPTION, COORDINATION & QUALIFIED PERSONNEL:

The findings revealed that 80% disagreed that there was no existence of waste, fraud and corruption while 80% (n=8) also agreed that the structures in placed instilled coordination and qualified personnel. However, according to the respondents these qualified personnel

were mainly bursars and headmasters managing the procurement departments as most of the schools did not have official procurement departments or offices. When qualified professional are to employed or involved in the procurement systems of the schools it will help eradicate waste, fraud and corruption.

4.3.4 ORGANIZATION OF TRAINING EXERCISE:

There was not the existence of training exercises or related programs organized in the region in recent time on procurement practices and procedures. The structures in place did not allow for periodic training programs such as sandwich courses to equip these personnel about the rudiment of procurement practices. As such the findings revealed that 20% (n=2) only agreed to this provision while the remainder (n=8) observed that training exercise was not a feature of the structures in the schools as detailed in the table below:

Table 4.3.4.1: Procurement structures: organization of training

	Frequency	Percent	Cumulative Percent
Disagree	8	80.0	80.0
Agree	2	20.0	100.0
Total	10	100.0	

Source: Field survey (2016)

4.3.5 AUDITING & ASSESSMENT:

In general, auditing and periodic assessment were features of the structures presented. Though there were no procurement departments for these schools and the absence of qualified appropriate personnel, bursars and headmasters performed these functions. The procurement practices and plans were properly audited and assessed and references could not be made to these assessments and auditing reports as they were not readily available at

the time of data collection. This implies that there is no proper record keeping of procurement activities undertaken by these unskilled personnel but when procurement professionals are to undertake this procurement duty there is a greater likelihood for records to be kept for the any auditing or assessment work.

4.4 CHALLENGES FACING PROCUREMENT PRACTICES IN SECOND CYCLE SCHOOLS IN NORTHERN REGION OF GHANA

A detailed quantitative analysis using a five Likert scale was additionally devised to examine the challenges facing second cycle schools in their procurement practices.

A scale value of one (1) was labelled as “Strongly disagree”, 2- “Disagree”, 3- “Neutral”, 4- “Agree”, and 5- “Strongly agree”. Eight (8) challenges were used as criteria for measurement this particular objective and it ranged from challenges dealing with political influences, delays in contracts, transparency and accountability, knowledge of procurement practices & standards, challenges from suppliers, bureaucratic challenges and delays in deliberations by procurement tender committee. The findings revealed that the most consistent challenge facing SHS in the Northern region with respect to procurement had to do with challenges from supplier which recorded the highest mean (4.40). This outcome was consistent with findings from the focused group discussions which revealed that activities and challenges faced with suppliers posed the meanest challenge to procurement activities. In a hierarchical range, the most challenging problem facing procurement in SHS in northern region had to challenges from suppliers (4.40);

Procurement in most SHS in Northern region are not attractive, there are few suppliers who are willing to go into contract with the Schools. This is because SHS in the northern region buy their goods on credit and wait till government releases funds before they pay their

suppliers which usually take a long time to pay these suppliers. As a result of this, suppliers are not usually willing to work with the schools.

Also, because these schools do not have ready cash to make procurement, suppliers take advantage by dictating the prices of the goods and services procured to the schools. Below are other challenges facing procurement in SHS in northern region; delays in contracts (3.90), delays in deliberations by procurement tender committee (3.60), bureaucratic challenges & transparency and accountability (3.50), knowledge of procurement practices (3.40), knowledge of procurement standards (2.80), and political influence (2.75). The interpretation of the findings indicated that suppliers posed the greatest challenge to procurement activities while political influence was the least challenge as indicated in *table 4.3*. A detailed presentation of the individual variables are attached to *Appendix B* for references.

Table 4.3: Descriptive statistics of procurement challenges

Descriptive Statistics	Mean	Std. Deviation
No challenges	2.2	1.135
Political influence	2.75	1.23
Delays in contracts	3.9	0.738
Transparency & accountability	3.5	1.08
Knowledge of procurement practices	3.4	0.966
Knowledge of procurement standards	2.8	0.632
challenges from suppliers	4.4	0.966
bureaucratic challenges	3.5	1.354
Delay in deliberations by tender committee	3.6	0.843

Source: Field survey (2016)

As per deliberations with participants involved in the focused group discussions, it was revealed that the idea of cluster procurement affected local business as it eroded the concept of value for money. Additionally, the lack of trained procurement officers was

consistent among all participants as well as the actions of suppliers posed a challenge. SHS in the Northern region receive money for their procurement activities from government and government of times delays in releasing funds to the schools and as a result suppliers show little interest because goods are bought by the second cycle schools on credit which ultimately affected price levels. The participants also expressed challenges of delays in the release of funds by government.

4.5 MEASURES TO CURB PROCUREMENT CHALLENGES

This section of the chapter focused on discussions and interviews mainly in focused groups on ways to curb down the challenges facing procurement practices in second cycle schools in the northern region of Ghana. There was a general consensus that periodical training and workshops for officers should be encouraged as a measure to equip them with the requisite procurement skills. As well as SHS in the northern region should make it an effort to involve the appointment of procurement officers to provide qualified procurement practices and plans for the schools. The participants expressed their opinion in the open ended questionnaire that if funds should be released to schools on time for procurement purposes by the government, it would help minimize some major challenges facing the structures in place.

CHAPTER FIVE

SUMMARY, RECOMMENDATION AND CONCLUSION

5.1 INTRODUCTION

The study was to assess the challenges of procurement practices by second cycle schools in Northern Region of Ghana. This chapter in turns summarizes the findings from the preceding chapters and leads to the conclusions for this study. It demonstrates the conformance to the aim and objectives of the study.

5.2 REVIEW OF RESEARCH OBJECTIVES

The specific purpose of the study was to assess challenges encountered by second cycle institutions in the procurement of goods and services. In the accomplishment of this aim of the study three objectives were established, each objective is stated in the subsequent section.

5.2.1 The first objective; To identify the procurement structures existing in second cycle institutions.

To attain this objective, an extensive literature was reviewed based on the procurement structures existing in second cycle institutions. Eight factors were identified from the literature reviewed. Factors that were identified are:

- Delay in supply
- Regularity of supply
- Processing of procurement

- Waste fraud and corruption
- Coordination and qualified personnel
- Organization of training exercise
- Proper auditing
- Periodic assessment

Respondents were asked to rank the procurement structures based on their relevance, the ranking will help determine factors that affect procurement process and also help in the implementation of the Act. The data retrieved were analysed by using mean and standard deviation method.

5.2.2 The second objective; To identify difficulties second cycle schools encounter in the procurement of goods and services

Therefore, literature on the various difficulties second cycle schools encounter in the procurement of goods and services. In achieving this objective, ten difficulties encountered in procurement of goods and services were identified from the reviewed literature and respondents were required to rank them in relation to their level of impact on the various second cycle schools. These difficulties include;

- Political influence
- Delays in contracts
- Low transparency and accountability
- Lack of procurement knowledge by officers
- Lack of knowledge of procurement standards by officers
- Challenges from suppliers
- Bureaucratic challenges
- Delay in deliberation by tender committee

The data retrieved were ranked using mean score and standard deviation to analyse the data retrieved.

5.2.3 The third objective; to propose measures to overcome the procurement difficulties

Following the analysis of data possible measures to overcome the procurement difficulties were identified. Open ended questionnaires were given to respondents to show how they do manage procurement difficulties in their own way; some of the measures identified were;

- Procurement offices should be established in all Second Cycle Schools in the Northern region.
- There should be increase in staffing within the schools to provide technical assistance on procurement practice and policies.
- There should be periodic conference organized by District Education Authorities to bring together procurement experts and present pressing issues on procurement practices to SHS personnel in Northern Region.

Data were retrieved and similar solutions have been put together, which is strongly believed that when these measures are implemented in the second cycle schools it will help reduce the procurement difficulties.

5.3 FINDINGS OF THE STUDY

The schools chosen for the research study were Tamale SHS, Kalpohini SHS, Dabokpa SHS, Vitting SHS, Tamale SDA SHS, Tamale Girls SHS, Northern school of business SHS, Presbyterian SHS, St. Charles SHS, and Tamale Islamic SHS. The age bracket was between 32-37 age and 44-49 age. This indicated that the procurement officers or personnel responsible for procurement practices in second cycle schools in the northern region range

from 32-49 years with expectant 11-28 years before retirement. The educational level of the respondents revealed a minimum of higher diploma education with five respondents having bachelor degrees and 2 respondents representing 20% of the distribution had Master's degree. This also indicates that all the personnel interviewed had educational qualification higher than Basic education.

In otherwise, the findings revealed that respondents recognized that the procurement structures in the ten SHS had the above mentioned characteristics.

Osei-Tutu et al. (2012) believed the PP Act of 2003, Act 663, was introduced to minimize the inappropriate practices in PP by promoting transparency, fairness and value for state resources, contrary to that respondents disagreed on the question that through procurement and the introduction of Act 663, PP practices had erased waste, fraud and corruption as well as organization of training exercises for the officers. According to the respondents, though Act 663 had its benefits, SHS in the northern region were yet to realize them as the structures in place had not erased fraud and corruption and there was not the presence of training programmes for the officers. There was a neutral response when respondents were posed with question of regularity of supply as they were neither impressed nor disappointed about this provision. Conclusion could be drawn on this specific objective that the procurement practices in these SHS were characterized with delays in supply, long processing (bureaucracy) of procurement, presence of coordination and qualified personnel as well as periodic assessment.

Contrary to the Public Procurement and Disposal Act, 2005, and The Public Disposal Regulation 2006, Kenya, which mandates every unit in the Procurement Entity to comprise of procurement personnel and these personnel should have training in procurement as stated in section 26(9) of the Act. The roles of the Procurement Units are as follows;

- Keeping and bringing up-to-date yearly the standing lists of registered tenderers;
- Formulating, publication and allocating procurement and disposal chances, as well as invites to tender, pre-qualification documents and invitations for expressions of interest;
- Co-ordinate the received tenders and also open the tender documents;
- Keep up with records of procurement and disposal activities;
- make a short list of capable tenderers to be approved

However, Focused Group Discussion (FGD) revealed that none of them had a procurement unit/department to handle procurement practices, procedures and plans. The officials managing the purchasing of goods and services for these schools were not trained and had not received any sort of training on procurement practices. Thus, purchasing and supplies were mainly left in the hands of Bursars with close supervision from the headmaster. These two officials, though without requisite training, prepared procurement plans for the schools at an interval of three months. The situation was due to the lack of a permanent procurement department and officer, purchasing and supply were done in an ineffective manner rendering most of the schools to procure goods and services on credit which ultimately affected their respective procurement objectives. The challenges faced by these schools were broad stemming from challenges from mostly suppliers as well as the processes involved in making procurement. Suppliers of these SHS were reluctant in making supplies to these schools, and the few schools that insist on it were subjected to price dictatorship by these suppliers. There was also consistent problem of delays in releases of funds by Government, the unattractive nature of the process and inability to make choices due to the lack of suppliers.

Quantitatively, the findings revealed that the most consistent challenge facing SHS in the

Northern region with respect to procurement had to do with challenges from supplier which recorded the highest mean (4.40). This outcome was consistent with findings from the FGD and participatory observations which revealed that activities and challenges faced with suppliers posed the meanest challenge to procurement activities. In an order of magnitude, the most challenging problem facing procurement in SHS in northern region had to do with challenges from suppliers, delays in contracts, delays in deliberations by procurement tender committee, bureaucratic challenges & transparency and accountability, knowledge of procurement practices, knowledge of procurement standards, and political influence. This interpreted illustrated that suppliers posed the greatest challenge to procurement activities while political influence was the least challenge.

The objective of measures to curb procurement challenges indicated a general consensus that periodical training and workshops for officers should be encouraged as a measure to equip them with the requisite procurement skills. SHS in the northern region should make it an effort to involve the appointment of procurement officers to provide qualified procurement practices and plans for the schools. The participants expressed that if funds should be released to schools on time for procurement purposes by the government, it would help minimize some major challenges facing the structures in place.

5.4 CONCLUSION

The structures lacking in the schools were delays in supply, long processing (bureaucracy) of procurement, presence of coordination and qualified personnel as well as periodic assessment. Act 663 was introduced to help stabilize and improve the procurement sector but findings revealed that this particular function was yet to be realized in the schools. This implies that most schools in the region still practiced procurement based on

wastages, fraud and corruption without proper training seminars or opportunities for the officers.

Aside the non-existence of these procurement structures, schools in the northern region of Ghana are faced with numerous challenges, in a hierarchical order of importance, from challenges from suppliers, delays in contracts, delays in deliberations by procurement tender committee, bureaucratic challenges & transparency and accountability, knowledge of procurement practices, knowledge of procurement standards, and political influence.

It can thus be concluded that the procurement structures in these schools are non-existent making procurement practices and procedures difficult though these schools as independent public entities, as they are, had cultivated their own expertise in managing procurement. Authorities and other stakeholders should help to solve these challenges by following the underlying considerations set out in the next section of this chapter.

5.5 LIMITATION

Most researchers encounter several limitations in their research studies. The principal limitation encountered during the course of this research study was the difficulty in reaching respondents to make available the needed information for the research.

5.6 RECOMMENDATIONS

A number of recommendations could be considered in other to realize efficient and effective procurement structures in second cycle schools in the northern region:

5.6.1 RECRUITMENT OF PROCUREMENT OFFICERS

There should be increased staffing within the schools to provide technical assistance on procurement practices and policies. There was no procurement department or offices

making it extremely impossible to have a functional procurement structure in place. Ghana Education service and all stakeholders should make efforts to provide enough qualified human resource as this provision is crucial to the successful realization of an effective and efficient procurement structure.

5.6.2 CAPACITY BUILDING

Again, there should be periodical conference organized by the district education authorities to bring together procurement experts and present pressing issues on procurement practices to SHS school personnel in the northern region. This initiative would help the personnel by guiding them on modern procurement practices and contracts. To buttress this, an advisory committee should be set up to handle all concerns and develop solutions to all problems that might be facing the schools. The findings of the study revealed that the respondents appreciated periodical training courses and an effective assessment and evaluation program for all personnel in the district. Stakeholders should thus

5.6.3 RECORD KEEPING

Availability of information on PP activities should be made public to ensure a transparent system. The researcher was faced with the challenge of seeking information on procurement records of the schools as according to them such information was privileged to only the school authorities. This organizational direction should be discouraged and the provision of Act 663 instilled at all school to ensure accountability and transparency of all information regarding public procurement practices. This in a way would also help to minimize bribery and corruption practices.

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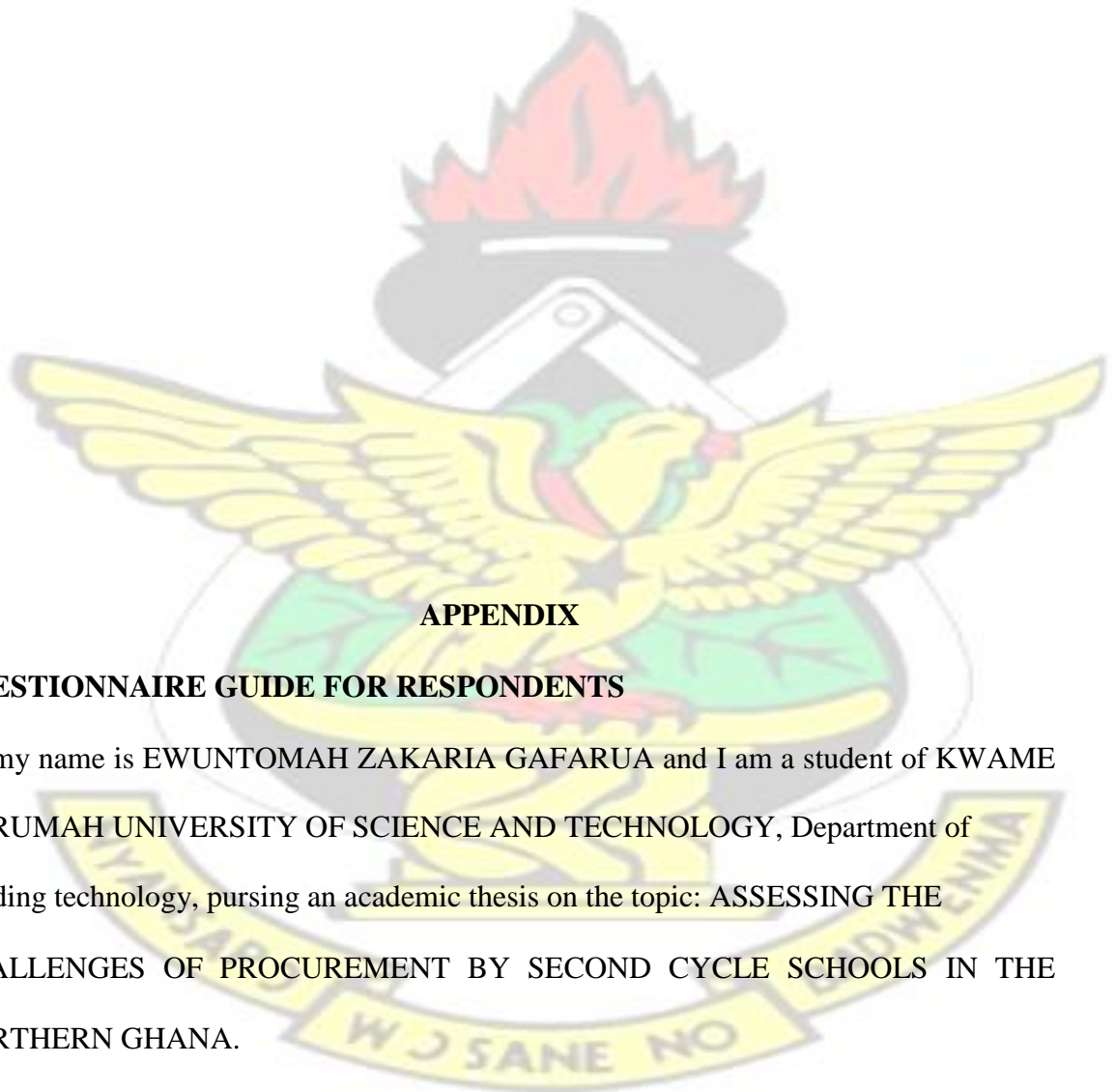
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APPENDIX

QUESTIONNAIRE GUIDE FOR RESPONDENTS

Hi, my name is EWUNTOMAH ZAKARIA GAFARUA and I am a student of KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY, Department of building technology, pursuing an academic thesis on the topic: ASSESSING THE CHALLENGES OF PROCUREMENT BY SECOND CYCLE SCHOOLS IN THE NORTHERN GHANA.

Please be reminded that all information provided are for academic purposes and would be treated with the utmost confidentiality as possible.

Thanks for your time

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Section A: Demographic characteristics

1. Gender:

☐ Male

☐ Female

2. Age:

☐ Below 20years

☐ 20 - 25 years

☐ 26 - 31 years

☐ 32 - 37 years

☐ 38 - 43 years

☐ 44 - 49 years

☐ 50 - 55 years

☐ over 56 years

3. Marital Status:

☐ Single ☐ Married ☐ Divorced ☐ Widow ☐ Widower

4. Educational Level:

- ☐ None
☐ Basic
☐ Secondary/Technical School
☐ Diploma
☐ Higher Diploma
☐ Bachelor Degree
☐ Master Degree

5. Name of school:

6. What is your job title?

- ☐ Procurement officer ☐ Head of department ☐ Registrar
☐ Unit officer others

7. How many years have you served in your position?

- ☐ 1 - 5 years ☐ 6 - 10 years ☐ 11 - 15 years
☐ 16 - 20 years ☐ 21 - 25 years ☐ over 26 years

8. Indicate the number of students in the school?

- ☐ Below 200
☐ 201 – 400
☐ 401 – 600
☐ 601 – 800
☐ 801 – 1000
☐ Above 1000

9. Which category best fits the school?

- ☐ Day
☐ Boarding

☐ Day and boarding

Section B: Procurement structures existing in second cycle institutions

These sets of questions are to solicit for responses on structures of the National Procurement Act 663 (2003) implemented and its impact in your school. Kindly rate the questions by indicating the degree of measure against them using the numbers attached.

Strongly disagree 1 Disagree 2 Neutral 3 Agree 4 Strongly Agree 5

- | |
|--|
| <p>10. Compliance to the National Procurement Act 663 (2003) is high</p> <p>11. The procurement Act (Act 663) has caused delays in the procurement of goods and service for our department /unit.</p> <p>12. The department / unit do get it supplies regularly when it request from stores.</p> <p>13. There is a very long process in the procurement of goods and services for this department /unit</p> <p>14. The public procurement act has not actively prevented waste, fraud and corruption in procurement processes.</p> <p>15. The Public Procurement Act 2003, Act 663, has made the school to have a well-coordinated and staffed procurement unit qualified personnel.</p> <p>16. The zonal office for the public procurement authority do organize regular training exercise for us.</p> <p>17. We do have procurement auditors come to our department / unit to audit us.</p> <p>18. Periodic assessments of procurement activities should be undertaken by the school</p> |
|--|

Section C: Challenges faced by second cycle schools in the procurement of goods and services

Kindly provide the answers for these sets of questions by ticking or underlining the appropriate responses:

19. I do not have challenges procuring goods for my department or unit Strongly disagree [] Disagree [] Neutral [] Agree [] Strongly Agree []

20. Local Politicians influence our procurement of goods and services. Strongly disagree [] Disagree [] Neutral [] Agree [] Strongly Agree []

21. Ministers and political parties force for awards of procurement contracts to their favourites

Strongly disagree [] Disagree [] Neutral [] Agree [] Strongly Agree []

22. Contracts for both works and consultancy services delay before they are awarded.

Strongly disagree [] Disagree [] Neutral [] Agree [] Strongly Agree []

23. There is transparency and accountability in the procurement process. Strongly disagree [] Disagree [] Neutral [] Agree [] Strongly Agree []

24. The procurement practices and procedures are known by me.

Strongly disagree [] Disagree [] Neutral [] Agree [] Strongly Agree []

25. The standards used in procurement practices are quite foreign to us. Strongly disagree [] Disagree [] Neutral [] Agree [] Strongly Agree []

26. Challenges from other suppliers make our procurement processes difficult Strongly disagree [] Disagree [] Neutral [] Agree [] Strongly Agree []

27. The processes and practices of the school administration tend to make the procurement process more bureaucratic and prolonged

Strongly disagree [] Disagree [] Neutral [] Agree [] Strongly Agree []

28. The tender committee delay in their deliberations affecting procurement processes.

Strongly disagree [] Disagree [] Neutral [] Agree [] Strongly Agree []

29. Aside the above discussed, list any other challenges affecting the procurement practices in your school

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Section D: Proposal on measures to overcome the procurement difficulties

30. Weighing the importance of procurement to the challenges your school face, how would you rate the overall practice in your school

- ☐ Very poor
- ☐ Poor
- ☐ Average
- ☐ Good
- ☐ Very Good

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31. Suggest remedies for the challenges faced by the school in terms of procurement practices.

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32. Please provide any other comment (s) and/or suggestion

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