

## An Assessment of the Implementation of the Public Procurement Law, 2003, (Act 663) in the Procurement of General Goods in Takoradi Polytechnic

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### **Abstract**

*The Public Sector is often seen as the primary focus of governments because of its ability to provide the basic needs of citizens. Despite the aim of governments for their establishment, it is the sector that has suffered mismanagement in terms of the use of Public resources for their management especially in the procurement of goods and services. The Public Procurement Act 2003, (Act 663), is an act that was enacted to bring about uniformity, transparency and judicious use of resources in the Public Sector purchases. According to Osafo-Marfo (2003), Minister for Finance of the Republic of Ghana, government embarked upon an exercise to reform the Public Procurement System in 1996 through the Public Financial Management Reform Programme (PUFMARP). Public procurement in Ghana accounts for about 50% to 70% of total government expenditure represents 14% of Gross Domestic Product (GDP) and accounts for about 24% of total imports (Ministry of Finance, 2003). This information explains further the important role of public procurement in the performance of an economies like Ghana. This research work is conducted to find out if the implementation of the Public Procurement act 2003 has brought about efficiency, transparency and value for money in the procurement of general goods at Takoradi Polytechnic. Takoradi Polytechnic was chosen as it undertakes a lot purchases and also is the institution that the researcher could easily get respondents to provide the required information. The researcher used the descriptive research design. This method was deemed appropriate for the study as it gives assessment of the situation on the ground and also determines or reports the way things are. Both primary and secondary sources of data were used. Primary data was collected through the use of structured questionnaires, which were designed and administered to staff of the Procurement Unit, Finance Department, staff of the Purchasing and Supply department, staff from the stores section, internal audit unit and some members of the Board. The researcher used SPSS to analyze the responses that was gathered from the questionnaire. Information was analyzed based on biographic and main data. The study revealed that the implementation of the Act has helped improved upon the procurement of general goods in Takoradi Polytechnic. This improvement is seen in terms of accountability, transparency and efficiency. It is recommended that training of staff on the Act should cover majority of staff. Also, amendment to the Act should cover the thresholds and purchasing procedures.*

### **I. INTRODUCTION**

The public sector of the economy depends heavily on the taxpayers' money, loans and grants received on behalf of the state to operate for its survival. The public sector of any economy is usually concerned with handling economic and other activities on behalf of the state and for that matter the government. This section of the economy is concerned with the provision of public goods and services such as provision of health care, construction of social amenities and other infrastructure. The provision of these goods and services usually require massive financial capital injection. Funds given to public institutions need to be used in the most judicious and transparent manner. Often, these funds have been either misappropriated or misused by the managers in the course of executing these services and acquiring goods on behalf of the government or the state. This has fueled the perception that Public Procurement Officers use these funds to enrich themselves rather than serving the interest of the state. A recent revelation by various commission of inquiry established by government such as Ghana at 50 and Public Account Committee of the Parliament as well as various forensic audits conducted on some selected MDAs have substantiated the perception that indeed public purse had suffered a great deal by its managers. Perhaps, this perception necessitated the enactment of Public Procurement Bill (PPB) and subsequently the Act and the implementation of the Public Procurement Act in 2003, with the sole objective of bringing sanity and transparency in public procurement system.

The Public Procurement Authority (PPA) is tasked to carry out certain specific functions and duties which includes but not limited to the following;

- Make proposals for the formulation of policies on procurement.
- Monitor and supervise public procurement and ensure compliance with statutory requirements.
- Assess the operation of the public procurement process and submit proposals for improvement of the process.
- Plan and co-ordinate technical assistance in the field of public procurement.
- Investigate and debar from procurement practice, suppliers contractors, and consultants who have seriously neglected their obligation under a public procurement contract, or have provided fake information about their qualifications, or offered inducements to influence the outcome of a public procurement process and lastly assist the local business community to become competitive and efficient suppliers to the public sector. (*www.ppa.com*)

The Ministry of Finance and Economic Planning (MoFEP) that has oversight responsibility on the public purse has also implemented what it termed as “The Ghana Value for Money contract Assessment project”. The principal objective of this project is to achieve improved efficiency, transparency, accountability and value for money public procurement. (*Source: PPA-e-Procurement bulletin*)

#### **A. Background of the Study**

Before the inception and implementation of the Public Procurement Act of Ghana, polytechnics were challenged in undertaking contracts. According to Leenders and Flynn (2006), the public buyer is ‘subjected to special laws, rules and regulations and is ever mindful of the politically dictated targets while open to public scrutiny’. The introduction of Act 663 has brought new phase to public procurement in Ghana. Standardization of procedures and processes is established in all public purchases. Before the Act 663 was implemented purchases in Takoradi Polytechnic (T Poly) were characterized by:

- Lack of transparency in the award of contracts
- Unfair practices resulting in manipulation of the contract process
- Lack of competition
- Over and under invoicing
- One man showmanship

*(Source: Interview with the Procurement Staff on the Polytechnic)*

According to the Public Procurement Act, (2003), it is mandatory for all enterprises, that is state own or public-private ones to establish Public Procurement Board; make administrative and institutional arrangements; stipulate tendering procedures and provide for purposes connected with these.

#### **B. Statement of the Problem**

In developing economies like Ghana, the public sector undertakes the provision of goods and services in which the private business enterprises will not venture due to its initial capital outlay coupled with long period of recouping the benefits. In recent times, approximately a decade ago, tertiary education in Ghana was the sole responsibility of Government. However, university education have managed to attract private hands to change the order, the ten (10) polytechnics in Ghana are yet to attract private hands as ownership is still by the state. The primary objective of enacting Act 663 in the 2003 was to ensure accountability and transparency in public sector procurement. This Act affects polytechnics greatly since they are wholly run and financed by the state. The polytechnics are mandated to offer professional and practical programmes, which require purchases for equipment, works and materials. Also, public procurement has encountered a lot of criticisms in the following ways. The ways in which:

- Suppliers were selected,
- Purchasing procedures were carried out,
- Contracts were being awarded and delivered,
- Payments were made, just to mention a few.

It is against this background that the researcher seeks to make an assessment of the Act to ascertain if its implementation has improved performance in the purchase of general goods in Takoradi Polytechnic. This work would elaborate to what extent the act has help improve the procurement process and how it has either enhanced or hindered procurement in Takoradi Polytechnic.

## **II. LITERATURE REVIEW**

### ***A. Definition of Procurement***

The function procurement has replaced the function of purchasing, although these concepts are often used interchangeably. Purchasing simply refers to the activity of acquiring goods or services to accomplish the goals of an organization. ([www.businessdictionary.com](http://www.businessdictionary.com)). This definition emphasis on the idea, that the whole activity of buying should be aimed at meeting the needs of the organization. Weele, (1994) defines procurement as “obtaining from external sources all goods, services, capabilities and knowledge which are necessary for running, maintaining, and managing a firm or business entity’s primary and support activities at the most favourable conditions”. This writer tries to stress on the fact purchasing acquires goods for production from sources which are external to the buying organization. Lysons (1993) also defines procurement as “that function responsible for obtaining by purchase, lease or other legal means, equipment, materials, supplies and services required by an undertaking for use in production”. This would involve making sure that goods and services are obtained at the right quality, in the right quantity from the right source delivered to the right place at the right time at the right price, to achieve an organizational objective. Procurement is seen as an advanced version of purchasing. Although, they can sometimes be used to mean the same thing, the difference that exists refers to the fact that apart from the basic function of purchasing or buying, procurement goes further to deal with the management of relationship with that of the organization’s suppliers. The term procurement is defined as “the acquisition of goods or services”. It is favorable that the goods/services are appropriate and that they are procured at the best possible price to meet the needs of the purchaser in terms of quality and quantity, time, and location ([www.wikipedia.com](http://www.wikipedia.com) from Weele 2010). Every organization is engaged in the process of procurement. But, the type of organization would determine the processes that would be used to undertake the act of buying. A private organization would have a system that would adequately serve its interests while the public organization would be monitored by the Public procurement Act, 2003.

### ***B. Background of Public Sector Procurement***

The idea of the need of public procurement to be effectively managed dates far back into the history. The first public purchase order was made on a tablet in Syria far between 2400 and 2800 BC (Thai 2001 *JPP* 11 / Pitzer and Thai 2009). Further research made by Coe (1987) revealed that the order was for 50 jars of fragrant smooth oil for 600 small weights in grain”. Apart from the above there existed a silk trade between China and a Greek colony in 800 B.C. This explains the fact that there has always been the need for governments to make sure that purchases made on its behalf is effectively done. Kwagbenu (2003), states how purchases were done during the pre and post-independence era. He starts by stating that sole agents were responsible for the purchase of goods. Contract for services was given to persons who were seen as experts in this specialized area. Also, staff on Secondments were made to handle these contracts.

The Public Works Department (PWD) was given the mandate to handle issues on contracts for works. After independence, the need to introduce more institutions into public sector procurement became necessary. More corporations were tasked with the responsibility of managing government expenditure on purchases. The Ghana Supply Commission in 1960 was given the responsibility to undertake purchases on behalf of all public sector institutions. Ghana National Procurement Agency (GNPA) in 1976 was mandated to make bulk purchases. In 1979, another law was passed by the National Procurement Agency (Decree SMCD 55) which was later followed up the Financial Administration Decree (SMCD 221) was also passed. (Source: [www.welcometoppa](http://www.welcometoppa)). Contract for works was the responsibility of Ghana National Construction Corporation and Architectural Engineering Services Corporation. Despite, the evolution of public sector procurement, governments still saw it necessary to make further improvements after the independence of Ghana. In 1996, the government of Ghana through the Ministry of Finance embarked on the Public Financial Reform Programme (PUFMARP) in its quest to bring improvement to public

procurement. Three years down the line, that is 1999, the ministry followed up by establishing a Public Procurement Oversight Group to steer up the design of a comprehensive public procurement reform programme, which was aimed at enhancing public sector financial management and also to ensure that procurement practices and policies were in line with international standards on procurement. This idea evolved into the drafting of Public procurement Bill in September 2002. Later government decided to make some reforms in public procurement, which led to the passing of the Procurement Act in 2003.

### ***C. The Nature and Scope of Public Sector Procurement***

The Public sector is a section of the economy that depends on the resources from government to operate. The resources of government are in the form of taxes received, loans, grants etc. OECD (2007) report gave a definition of public procurement as the purchase of goods and services by governments and state-owned enterprises. But Bovis (2005) defines public procurement as the supply chain system for the acquisition of all necessary goods, works and services by the state and its organs when acting in pursuit of public interest. Public Procurement is defined as 'the acquisition of goods, works and services at the best possible total cost of ownership, in the right quantity and quality, at the right time, in the right place for the direct benefit or use of governments, corporations, or individuals, generally via a contract' (Source: PPA Module, 2007).

The Public Sector spends on government's collective purchasing at around 20% of GDP according to Thai and Grimm (2000), while Nicol (2003) estimates the figure at 15% of GDP for developing countries. But statistics from WTO in 2002 estimates 10 to 15% of GDP for developed countries and for developing countries up to 25% or more of their GDP. In Ghana, public procurement utilizes about eighty percent (80%) national tax revenue, represents about twenty four percent (24%) of total imports, accounts for between 50 – 70% of the national non-personnel budget and makes up about seventeen (17%) of the country's Gross Domestic Product (GDP) by G. D. Zaney (2011). Public procurement in Ghana accounts for about 50% to 70% of total government expenditure represents 14% of Gross Domestic Product (GDP) and accounts for about 24% of total imports (Ministry of Finance, 2003). Government purchases normally cover the purchase of goods or supplies. Goods refer to physical products to be used by state institutions. Apart from the above, government also spends for the provision of services usually been white-collar jobs, manual and consultancy. The last expenditure of government is normally for construction works like roads bridges etc.

### ***D. Objectives of Public Sector Procurement***

There are three parties that have an interest or are affected by public purchases. These are the state whose resources are being used, the citizens on whose behalf the purchases are made and whose taxes are being used, and finally the private sector from which, goods and services are bought from. Xinglin (2008) confirms this by stating that "Public procurement affect different elements of society: the procurement entities, the business community, professional associations and the general public. Government has to ensure that the interest of members affected by public purchases is taken care of. This makes it very necessary for the objectives of public purchases to be established. The objectives of government or public purchases are:

- To get the best value for money
- Provide access to eligible bidders
- Promote competition
- Ensure transparency and openness
- Build in accountability
- Reduce scope for corruption and abuse
- Develop the domestic economy
- Compliment other public policies
- Be a model purchaser and employer.

(Source: www.scribd.com)

The objectives above are very close to those provided for by Act 663 of Ghana. The government of Ghana has seen the need for public purchases to be streamlined because of the need to make economic use of resources and create values of money. The economy of Ghana has been faced with huge and unsustainable foreign debt, excessive budget

deficits, huge contractual payments arrears, poor construction performance, corruption and pressure from international financial institutions has forced government to adapt a reform program to streamline public procurement. This is what subsequently led to the implementation of the Public Procurement Act (2003). (Source: PPA Website – CIB 107 “Construction in developing counties: new issues and Challenges” Jan 18<sup>th</sup> – 20<sup>th</sup> 2006, Santiago, Chile)

***E. The Public Sector Procurement Reforms in Ghana***

The public sector procurement reform is one that was developed to encourage the efficient and effective use of public funds for any purchase. The laws (e.g. SMCD 55. LI 1606 etc.) were made for the purpose of ensuring that public funds were made good use of. The Public Financial Management Reform Program (PUFMARP) was introduced in the year 1996 by the Government of the republic of Ghana, which had the aim of improving public financial management in the country. In 1999, the Government of Ghana established a group known as the Public Procurement Oversight Group aimed at managing the development of a comprehensive public procurement reform program. But, none of the above bodies had the authority to act as a regulatory body to coordinate all public purchases. This led to the enactment of the Public Procurement Act, 2003, (Act 663) which establishes Public Procurement Authority (PPA) as a body corporate charged with the oversight responsibility of implementing the Act.

***F. The Legal and Regulatory Framework of Public Procurement of Ghana***

In Ghana, the ultimate structure of the legal and regulatory framework of public procurement comprise of the Public Procurement Act (663 of 2003); Public Procurement regulations, Public Procurement manual; Standard tender documents and Guidelines to assist buyers of the public sector. Under Act 663, regulations are issued by the Minister of Finance in consultation with the Public Procurement Authority under section 97 of the Act. They contain detailed rules and procedures for all aspects of the procurement system; the operations of the Public Procurement Authority and the procurement entities and the conduct of procurement activities (Public Procurement Board [PPB], 2007). As part of the legal framework of the Act 663, the Public Procurement Board is authorized to issue guidelines and to provide supplementary guidance on specific topic that are needed to help structure the conduct of public sector procurement in the country. The legal framework goes further to cover the issue of standard tender documents and manual for the conduct of procurement by the Public Procurement Board. The standard documents are issued by the Procurement Board and are listed in Schedule 4 of the Act 663. The standard tender documents comprises of standard invitation and contract documents for procurement of all values and includes standard tender documents for goods, works and services. While the manuals issued by the Public Procurement Board provides practical guidance and step-by-step procedures for undertaking of procurement functions in accordance with the Act 663 and with standard forms to assist in procurement record keeping (Public Procurement Board, 2007).

***G. Public Procurement Law, 2003 (Act 663)***

Ejlskov-Jensen and Refsgaard (2008) see Public Procurement as being at the heart of activities that regulate the spending of public funds. The writers’ mention that an effective procurement system is one, which covers into detail how very dine of public funds should be used. Prior to the coming into force of the Public Procurement Act 2003, Act 663, public procurement was partly centralized, giving some state institutions such as Ghana Supply Commission and the National Procurement Agency (GNPC) among state institutions the exclusive mandate to procure for and on behalf of other state owned enterprises, for instance, the Ghana Supply Commission (GSC) undertook to buy most if not all of the Electoral materials such as indelible ink, ballot boxes etc. for the Electoral Commission (EC) that were used for the previous elections, that is 1992, 1996, and 2000 general elections; drugs and pharmaceuticals ad hospital equipment for the Ministry of Health; stadium floodlights systems for the National Sports Council; Water treatment chemical for Ghana Water Company Limited ; cartographic materials for the statistical Service etc. In all of its procurement related activities the Ghana Supply Commission was governed by the Ghana Supply Commission Law, 1990 (PNDCL 245) that clearly outlined its procurement guidelines and regulation. The Ghana National Procurement Agency (GNPC) also procured for the state operated within the confines of the Ghana National Procurement Agency Decree 1976 (SMCD 55). In case of some ministries and district assemblies, procurement decentralized with supplies officers procuring for their own ministries but reverting to the Central Tender Boards (CTB) for procurement beyond a certain amount. The Ministries of Finance controlled ministerial procurement by issuing numerous circulars and guidelines to procurement officers in the ministries and local authorities. The lack of uniformity and standardization

in government procurement coupled with the absence of a statutory body with oversight responsibility made the procurement process often shrouded in secrecy and mostly fraught with inefficiency, corruption and under cutting. The environment surrounding public sector procurement prior to the passage of the Act in 2003 could be characterized as non-transparent and procurement was often seen as an adjunct, back door clerical function of the finance department, which ultimately controls it managerially. It is observed that a non-transparent public Procurement system enables private sector and public institution officials to misuse the contract award process through corruptive practices, for example in the 2001, a forensic audit report ordered by the then finance minister, revealed that the state loss large sums of money because huge sums of money were paid to contractors, suppliers, consultants to which there were no documentary evidence of contract awards, a clear abuse of the public purse via the procurement processes.

The Finance Ministry identified the following weaknesses in the procurement system as:

- Absence of a comprehensive public procurement policy;
- Absence of legal regime to safeguard the integrity of the public procurement system;
- Lack of a central body with the requisite capability and expertise to develop a coherent public procurement policy;
- Absence of clearly defined roles, responsibilities and authority of procurement entities;
- No rules and regulations to guide, direct, train and monitor public procurement;
- No independent appeals process to address complaints from tenderers;
- Ineffective authority to dispose of public assets;
- No independent procurement auditing function

The passing of the Act in 2003 was made to address the weakness that were identified and to put in the necessary measures to ensure that public procurement achieved the best of results, which would subsequently lead to government making some savings. The Public Procurement Act, which became law in 2003, is an act 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 Public Procurement 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” (Source: Part 1 section 2 of PPA 2003). The Public procurement Board now represents the public institution called Public Procurement Authority. The mandate of this institution does not include:

- To procure for and on the behalf of any state owned organization,
- To award any contract for or on the behalf of any governmental organization, and
- To invite tenders for and on the behalf of any governmental entity. Source: ([www.ppbghana.com](http://www.ppbghana.com))

The mission of PPA is the same as that spelled out in Part 1 section 2 of the Public Procurement law 2003, Act 663. However, the vision is to attain ‘ a world class, efficient, transparent, accountable and professionally managed public sector procurement system in Ghana, which enjoys high level of business confidence, and ensures consistent attainment of best value for money in the procurement of goods, works and services in support of national development and fiscal policies”. (Source: [www.ppa.com](http://www.ppa.com))

*i. Functions of the Public Procurement Board of Ghana and other Bodies*

Introduction and enactment of the public procurement Act 2003, led to the forming of some bodies, which were meant to ensure the strict enforcement of the Act. The following groups are responsible for the enforcement of the Act:

- The Public Procurement Board,
- The Entity Tender Committees, and
- The Tender Review Board.

The Public Procurement Board is given the overall responsibility to enforce the act although it can bring on board other committees, which will help the board achieve its aim. The responsibilities are the following:

- It spells out the rules for the methods of procurement,

- It lays procedures for making appeals by tenderers and disposal of stores.
- It spells out the offences and applicable penalties to the offences.
- It specifies procurement thresholds in the schedules to the procurement Act.
- It authorizes the issues of regulations enforceable under the procurement Act.

Apart from the above the act also spells out the roles of the various state owned institutions and/or organizations where the government of Ghana has majority shares, they include:

- Ministries, Departments and Agencies (MDAs),
- Subverted agencies and governance institutions,
- Public universities, Polytechnics, schools and colleges,
- Hospitals,
- The Bank of Ghana and financial institutions.

(Source:www.ppa.com)

#### ***H. Achieving Efficiency and Value for Money in Public Institutions***

The biggest challenge of the public sector is achieving maximum output from their operations. This problem is quite serious as it runs across all functions of public institutions. The nature of the operations of procurement deals in the movement of financial resources, which makes the function greatly affected by efficiency and effectiveness problems. Efficiency is seen as the level of output that is obtained in comparison with what should have been achieved with the same level of resources (businessdictionary.com).Chaffey (2011) says efficiency is doing the thing right and effectiveness is doing the right thing. The issue of efficiency is very important as the Act makes mention of the economic and efficient use of state resources as one of its main objectives. Public sector procurement has problems when it comes to meeting targets and budgets. This is because efficiency and effectiveness are normally taken for granted. One of the main reasons for this relaxed approach to achieving targets is because of corruption and seeking personal interest instead of that of the state. Corruption is defined as “encompassing all forms of irregular, unethical, immoral and/or illegal practices and transactions, dealing and activities in the process of handling commercial or public transactions or in the performance of official duties,” by Gitu, (1999). According to Tanzi (1998), corruption is “generally not difficult to recognize when observed”.

The most simplified and popular definition adopted by the World Bank is ‘the abuse of public power for private benefit’ (Tanzi, 1998; Gray and Kaufmann, 1998). All the writers have different perspectives through which they view corruption; all the same, all have a common ground of opinion, which conceives corruption as the perpetration of a vice against the public well-being. Lipset and Lenz (2000), define corruption as an “effort to secure wealth or power through illegal means-private gain at public expense. Tanzi (1995) defines it as the “intentional non-compliance with arm’s length relationship aimed at deriving some advantages from this behaviour for oneself or for related individuals. The issue of corruption is a challenge for the whole of Africa; Ayittey (2006) explains that corruption has “evolved into a predatory monster or a gangster state that uses a convoluted system of regulations and controls to pillage and rob the productive class- the peasantry. He goes on to say that “it is common knowledge that heads of state, ministers, and highly placed African government officials raid the African treasury, misuse their positions in government to extort commissions on foreign loan contracts, skim foreign aid, inflate contracts to cronies for kickbacks and deposit the loot in over- seas banks. The very people who are supposed to defend and protect the peasants’ interests are themselves engaged in institutionalized looting”.

It is clear that the Procurement Act reduces cost of doing business and this is endorsed by Agyenim’s assertion that the Procurement Act saves money and reduces government expenditure (Ghanaian Times, 2009).

#### ***I. Achieving Transparency***

Information from Transparency International (2006), reveals that public procurement is one the sensitive activities most prone to corruption. The estimated damage of corruption lies between 10% and 25%, and sometimes up to 50% of the contract value. Transparency refers to the ability of all interested participants to know and understand the actual means and processes by which contracts are awarded and managed. It implies equal opportunities for all bidders and

a clear process. Barden (2006) list the following as steps that can lead to transparency and integrity in public procurement, which will subsequently lead to overall efficiency of the public sector.

- Use of effective advertising;
- Public bid opening procedures;
- Effective bid evaluation criteria;
- Independent evaluation methods consistent with the stipulations of the bidding documents, and
- The awarding of contracts to qualified vendors having submitted the lowest evaluated bid without negotiations;
- The publication of award results; fair and speedy protest and dispute resolution handling processes and disclosure of signed contracts and prices.
- Disclosure of signed contracts and price

#### ***J. Benefits of Public Procurement Act 2003 of Ghana***

The use of every concept or idea brings some benefits to those who use them. The individual and country as a whole do derive some benefits from the government streamlining public sector procurement. The benefits of public procurement Act, 2003, can be categorized into two. That is:

- Social and environmental benefits
- Economic benefits

##### *i. The Social and Environmental Benefits of Act 663*

The advance oxford dictionary defines a benefit to be “therefore as a social gain that goes on to benefit the society or all citizens of a particular country whiles and environmental benefit would be one which ensures that the activities of public procurement does not have any negative impact on the environment in which it operates. The first benefit of the public procurement act is seen in its ability to contribute to the fair development of the nation. This means that through effective procurement, governments are able to stimulate development and growth locally. Procurement policies are there important when looking at event/activities from a development perspective. Reducing poverty and attaining health, education, and other objectives requires getting the most out of the limited funds available for the state purchase of goods, services, and infrastructure. For instance, governmental institutions would require that contractors maintain fair employment practices, provide safe and healthful working conditions, pay fair or living wages, refrain from polluting the air and water, give preference to disadvantaged businesses, national and local contractors and small or women/minority-owned businesses, and to promote the rehabilitation of prisoners and the severely handicapped”.

Public procurement regulations or policies will enable government to manage expenditures better. Efficient public procurement practices also contribute towards the sound management of public expenditures more generally (Hunja: 2003). Thai (2005) gives a breakdown, by stating, “on annual bases, government in every country spends a great portion of national resources on acquiring supplies, services, and capital assets”.

Another benefit of public procurement can be the purchase and delivery of the required quality inputs when carrying out government projects which would require an increased emphasis on contract awards, public participation in procurement process, reduced corruption, and value for money.

The government makes sure that issues of the environment are addressed. This is would lead to buying items into the country which would cause harm to the environment. This has become important for government because of the increase in global warming, depletion of forest reserves, depletion of the ozone layer (through the emission of CFCs from air conditioners etc.). The Public Procurement Authority (Cited in the Ghanaian Times) had in collaboration with the Swiss Government Federation launched what it termed as a three year ‘Sustainable Public Procurement’ project. This aspect of Public procurement is sometimes referred to as Green procurement (that is, buying environment-friendly goods and services). A forest economist (Joseph W. Osei), cited in an article (source:(Cited in the Ghanaian Times), defined Sustainable Wood Procurement as “a process by which public and private organizations and individuals meet their wood needs in a way that supports sustainable management of forest (economic, socio and

environmental)". He explained further how corporate sustainable wood procurement could be used to promote sustainability claims, enhance the Ghana environment credentials and support public efforts on environmental conservation issues.

*ii. The Economic Benefits of Act 663*

Over the years public procurement has sometimes been used to accomplish a variety of policy objectives: to increase overall demand, stimulate economic activity and create employment; to protect domestic firms from foreign competition; to improve competitiveness among domestic firms by enticing 'national champions' to perform Research and Development activities; to remedy regional disparities; and to create jobs for marginal sections of the labour force (Martin, 1996).

Public procurement could be used as a mechanism for efficient service delivery tool for financial management and a vehicle for economic empowerment, it plays a critical role in delivering development outcomes and is therefore a primary element of good governance, good governance "being traditions and institutions by which authority in a country is exercised for common good" or the manner in which power is exercised in the management of a country's economic and social resources for development". According to (Public Procurement Authority's e-bulletin), Public procurement has a direct impact on the following:

- The successful delivery of government projects and public services
- Sound public financial management by achieving value for money in government expenditure
- Reducing corruption
- Encouraging private sector growth, investment and budgetary savings

However, despite the numerous benefits of the Act, some workers of T Poly were of the view that in reality the Act does not solve most of the challenges in totality. They think the act has rather given too much power to some members of staff does encouraging issues like sole sourcing, which does lead to transparency (Source Unstructured Interview with some members of staff of T Poly).

***K. Content of the Public Procurement Act, 2003, of Ghana***

The public procurement, 2003 (Act 663) is divided into parts, sections and sub-sections. It is made up of nine (9) parts, with sections and sub-section falling under the main parts.

**Part I:** Part one of the act provides for the establishment of the public procurement board with its objective of making sure state funds are used in the efficient and judicious manner. The board is made up a chairperson who would be appointed by the government of Ghana based on the persons experience and competence in public procurement issues. Four representatives shall be from the public sector and three persons from the private sector. The vice chairperson would then be elected for by the above members of the board. Part one also covers the number of terms members are to serve on the board. All members of the board would be entitled to hold a term for a period of four years and only be elected to serve one more term. This does not apply to the chief Executive of the board. Members can removed or can to choose to resign.

- Also, this part covers areas such as:
- Meetings of the board
- Committees that can serve on the board
- Appointment of the CEO of the board
- Expenditure provision and funding of the board
- The preparation of accounts, audit records and annual reports. Etc.

**Part II:** Part two of the act deals with the procurement structures. This would include the scope of application of the act. This limits the areas in which the act operates. The act provides that: it is applicable to the procurement of goods, works and services, financed fully or partly from state coffers. The procurement entities according to the Act are: Tender Committee (TC), Tender Evaluation Panel (TEP) and the Tender Review Board (TRB).

The Tender Committee has the responsibility of ensuring that procedures carried out during public procurement is done in accordance with the provisions of the act. This committee is mandated to meet of least one in every quarter of the year. TRBs are mandated to review the activities at each step of the procurement cycle leading to the selection of the lowest evaluated bid, best offer, by the procurement entity in order to ensure compliance with the provisions of this Act and its operating instructions and guidelines act are: Tender Committee (TC), Tender Evaluation Panel (TEP) and the Tender Review Board (TRB). The Tender Committee has the responsibility of ensuring that procedures carried out during public procurement is done in accordance with the provisions of the act. This committee is mandated to meet of least one in every quarter of the year. TRBs are mandated to review the activities at each step of the procurement cycle leading to the selection of the lowest evaluated bid, best offer, by the procurement entity in order to ensure compliance with the provisions of this Act and its operating instructions and guidelines.

**Part III:** This part of the Act spells out the rules for procurement, which would include the preparation of a procurement plan and how qualification of tenderers is done. The procurement entity is responsible for the preparation of the procurement plan, which will then be submitted to the Tender Committee after an approval of the budget and the necessary updates made. This part deals with decisions on pre-qualification, which include: participation by suppliers, contractors and consultants and the record of procurement proceedings, language of tenders is captured. The pre-qualification documents, invitation documents and other documents for invitation of proposals, offers or quotations shall be in English.

**Part IV:** The fourth part of the act states the methods to be used for public procurement. It goes on to mention the methods and various procedures to be followed in suing a particular method. The methods as contained in the act are: competitive tendering, two stage tendering, restricted tendering, single source procurement and the use of quotations. Competitive tendering shall be used to procure goods, services and/or works. This method is used by a procurement entity only when the entity is capable of drawing detailed specifications of requirements and also giving the procedures to be followed when tendering. The second method contained in the act is two-stage tendering which can be used to procure those goods mentioned the case of competitive tendering. This method is also used to enter contracts for research, experiment, study or development. Two-stage tendering is used when the procuring entity finds it difficult to draw a detailed specification of requirements. The two-stage tendering will start by the buying entity requiring suppliers to send proposals without quoting price. The focus will be on the technical know-how, quality of products and other relevant characteristics of goods required. Later, the selected suppliers would be asked to submit the final tender containing price. The winner is then elected based on the provisions stated in the section 59(3)(b). Restricted tendering which is another method procurement can be used by the procuring entity only when it has enough reasons to backup the use of this method. This would be subject to approval by the board.

**Part V:** Part five sets out the procedures for tendering. This part of the Act serves as a guide on tendering procedures. It has three Sub-parts, these are the invitation of tenders and applications to prequalify, the submission of tenders and the evaluation and comparison of tenders. Under this part, tender security, clarification and modification of tenders etc. are stressed. Sub part one deals with the tendering methods to use in searching for suppliers, which would adequately meet the needs of the buying entity. This would include what would make an organization to use National Competitive Tendering (NCT) and International Competitive Tendering. (ICT). This part goes on to lay out the procedures and details of what the supplier would provide in response to the invitation to tender. The second sub-section indicates that any information provided to the supplier in response to the invitation to tender must be written in English language. The last sub-section deals with the procedures to be used in selecting the winner of the tender and the award of contract.

**Part VI:** This part lays out the procedures for the buying entity when the organization wants to procure the services of consultants. The procedure starts by giving a notice for the Expression of Interest (EOI) to be published in the public procurement bulletin spelling out the demands for the consultancy work. In some exceptional cases direct invitation for economic and efficiency reasons is permitted in certain circumstances with the approval of the PPA. The criteria for the evaluation of proposal are included and evaluation is broken down into two stages.

The first stage deals with quality (Technical) and the second then deals with the cost (Financial). The need to know whether the cost involved in the provision is important and needs to be established.

**Table 1- Indicative Weighting of Evaluation Criteria (Consultant Services)**

Specific relevant experience:	0 to 10 points
Response to the TOR and Methodology Proposed:	20 to 50 points
Key personnel:	30 to 60 points
Training:	0 to 10 points
Participation by nationals:	0 to 10 points
Total:	100 points

*SOURCE: Public Procurement Manual*

**Part VII:** This part of the act gives suppliers or contractors the right for the procurement entity to review all processes leading the award of contracts, which the named supplier or contractor has suffered some loss. This process of addressing losses suffered by suppliers, contractors would involve an administrative review. It serves as a check on the activities of Procurement Entities (PE). This right to a review has a limitation. Exceptions are that complaints are to be addressed to the Head of the Entity (HoE) of the procuring firm first, in writing within a stipulated twenty (20) day period. A complainant may also subsequently submit a review to the Public Procurement Authority for administrative review after 21 days period of complaining to the HoE.

**Part VIII:** This is part deal with the disposal of stores, plant and equipment. This part also, relates to the methods used to manage obsolete unserviceable or surplus plant, equipment or stores and their disposal. The methods of disposal as indicated in the act are:

- Transfer to government departments,
- Sale by public tender, and
- Public auction or destruction.

**Part IX:** The last part of the act deals with miscellaneous provisions. Miscellaneous provisions by the act refers to the code of conduct, investigation by Public Procurement Authority, statutory audits, offences and the review of threshold levels, corrupt practices, procurement related offences, international obligation etc. are detailed.

*(Source: Public Procurement Act, 2003, Act 633)*

### **L. The Procurement Cycle**

The procurement cycle sets out the procedures to follow when an entity wants to acquire goods, components, materials etc. The steps would serve as a guide and a standard for every purchase to be undertaken. It is also meant to serve as a yardstick against which the performance of an organization can be measured. The procurement cycle has ten steps, which is provided for in the public procurement act 663 of Ghana. The procurement cycle existed before the coming into force of the Act. The procurement cycle goes beyond the confines of the public entity (the buying organization) to cover all activities within a particular supply chain. *(Source: Republic of Ghana Public Procurement Act, Act 663)*. Some organizations would see the use of the procurement cycle as complex and time consuming. A buying entity would derive some benefits from its use. This is because a procurement process provides a model and a framework to work within for the organization to:

- Save you time; ensure that you get the right solution to meet your business needs;
- Ensure you pay the right price (that's the right price, not necessarily the lowest price!);
- Ensure you avoid overlooking vital steps that may come back to haunt you later.

*(Source: <http://purchasinginsight.com/resources/the-procurement-process>)*

#### *i. Procurement Planning:*

The procurement planning involves the process and steps in which public entities use to put the necessary options in place for the current and future periods. The processes involve giving a breakdown of the procurement plan and the steps that will be required to achieve the set procurement plans. A good procurement plan should cover the following:

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- *Goals and objectives of the procurement*
- *Potential service providers*
- *Contract duration*
- *Procurement approach*
- *Payment approach*
- *Scope of services required*
- *Contract monitoring and evaluation*
- *Tender format*
- *Tender evaluation*
- *Procurement schedule*
- *Cost estimate.*

(Source: [www.oecd.org/dataoecd/18/41/46865887.pdf](http://www.oecd.org/dataoecd/18/41/46865887.pdf)).

The procurement plan is covered by Part three of the public procurement act of Ghana. The plan is used in the procurement of goods, works, and services. Procurement planning is necessary as it can contribute to cost savings, more efficient business operation, and therefore increased profitability. (Source: [www.wisegeek.com/what-is-procurement-planning.htm](http://www.wisegeek.com/what-is-procurement-planning.htm)). The procurement plan will normally cover: those who will be responsible for procurement, procurement methods to be used in selecting suppliers, suppliers that will be considered to tender or send quotes, the authorizing body, etc. The public procurement act mentions procurement planning in section 21 of part 3. It states the following:

- (1) A procurement entity shall prepare a procurement plan to support its approved programme and the plan shall indicate
  - (a) Contract packages,
  - (b) Estimate cost of each package,
  - (c) The procurement method, and
  - (d) Processing steps and times.
- (2) A procurement entity shall submit to its Tender Committee not later than one month to the end of the financial year the procurement plan for the following year for approval.
- (3) After budget approval and at quarterly intervals after that, each procurement entity shall submit an update of the procurement plan to the Tender Committee.
- (4) The procurement entity shall send to the Tender Review Board, procurement notices for contracts and procurement plans above the thresholds stipulated in Schedule 3 for publication in the Public Procurement Bulletin.
- (5) A procurement entity shall not divide a procurement order into parts or lower the value of a procurement order to avoid the application of the procedures for public procurement in this Act.

(Source: *Republic of Ghana Public Procurement Act, Act 633*).

*ii. Sourcing, Contracting and Contract Management*

Sourcing is defined by Lysons (1993) “as the processes and procedures by which the buyer seeks, surveys and evaluates suppliers and determines policies relating to those who can most suitably meet the requirements of his undertaking”. The sourcing phase in the procurement cycle is very important as follows the selected methods of procurement as prescribed in the Act. The sourcing phase will involve activities such as pre-qualification of potential suppliers (part 3, section 24), preparation and issue of tender documents, requests for quotations or requests for proposals. After the potential supplier has been identified through the processes stated above, contracting and contract management will follow. This will involve the evaluation of tenders, proposals or quotations provided by the potential supplier. The favourable response will be selected and negotiations will continue at this stage. A formal contract will be established based on the agreed terms and conditions signed by the parties. Small value contracts may not require the use of tenders but quotations as the process for using tenders is complex and for high values items like fixed assets. Contract management can be summarized as step-by-step process of efficiently managing contract creation, execution, and analysis for the purpose of maximizing financial benefits, operational performance and minimizing risk of failures. (Source: [http://en.wikipedia.org/wiki/Contract\\_management](http://en.wikipedia.org/wiki/Contract_management)). Contract management will include expediting on the

order placed, determining the mode of payment (cash, cheque, letters of credit etc.), making arrangements for receipt, certifying documentation and making payments. Works contracts will normally require technical supervision or an expert who will be an engineer or consultant. Service contracts will demand the direct participation of the client organization (that is the buying entity) as is in the case of training, technical advice or feasibility studies. This is because the delivery and consumption of services cannot be separated.  
(*The PPA Act, Act 663, 2003*).

*iii. Storage, Distribution and Disposal*

When the buying entity takes delivery of the goods the need for the material to be stored in the required atmosphere becomes paramount. The buying entity may operate a system whereby goods received are delivered directly to production for processing or operate a system whereby goods will have to be put somewhere awaiting issue to production or users. Whatever the situation, the need for storage and documentation of receipts becomes important for future reference. The appropriate atmosphere must be provided for the storage of goods according to the manufacturer's instructions to prevent damage or loss to stock. Distribution refers to out bound logistics. This refers to the series of activities, which ensure the movement of finished or semi-finished goods from the producing organization to the hands of the final consumer. Distribution may a times require complex in-country supply chains that coordinate to ensure delivery to multiple regional stores or depots, retail facilities or end-user points. With respect to disposal, unserviceable, obsolete or surplus stocks may have to be disposed of and depending on the nature of the goods and their condition may be sold by public tender or auction, transferred to another public organization or destroyed. It is important to make appropriate adjustments to accounts to reflect the value of the goods disposed off and any income that may have been generated during the disposal.

***M. Benefits of Public Procurement***

According to the UN procurement practitioner's handbook (2006) the principal aim of public procurement is to add value to public entities by helping them meet their requirements for goods, services and supplies. The ultimate goals of public procurement as enshrined in the Public Procurement Act 663 are:

- Fostering and encouraging participation in procurement proceedings by suppliers and contractors especially, where appropriate, participation by suppliers and contractors regardless of nationality, and thereby promoting international trade;
- Maximizing economy and efficiency in procurement;
- Promoting competition among suppliers, consultants and contractors for the supply of the goods, works and services to be procured;
- Providing for the fair and equitable treatment of all suppliers, consultants, and contractors;
- Promoting the integrity of and fairness and public confidence in the procurement process; and
- Achieving transparency in the procedures relating to procurement.

The results of having a well-defined public procurement Act with structures and systems in place may reflect in the following benefits:

- Economy (best value for money);
- Greater value for money spent on government projects, supplies, works etc.
- More effective use of Donor support (external assistance)
- Better coordination of external assistance
- Reduced debt level
- Stimulus for private sector growth

The benefits of having a Public Procurement Law include a direct impact on the procurement function itself that has a loose correlation with the economic benefits. The under listed are some of the direct procurement benefits:

- More competition
- More transparency
- Greater efficiency
- Less corruption

- More professional procurement
- Greater respect for Public procurement institutions

**N. Legal framework of the Act**

- **The Public Procurement Act 2003** was enacted by an Act of parliament and subsequently assented by the president on 31<sup>st</sup> December 2003. It is the reference for all public procurement and related matters. The Act established the Public Procurement Board, which later became an Authority. The Act also established Ministerial, Regional, District entity Tender committees. The Financial Administration Act and the Internal Audit Act of 2003 were also enacted in April 2003 as complimentary to the Public Procurement Act and provides clear legislative guidelines for use of public finances in Ghana. These three Acts spell out clear deterrent measures for non-compliance. The enactments of these Acts were indicative of Ghana's commitment to put in place an efficient and effective public procurement system. The aim of these regulations is not only to promote economy and efficiency in procurement but also to ensure that public procurement is conducted in a fair, transparent and non-discriminatory manner.
- **Public Procurement Regulations:** These regulations are issued by the Minister of Finance in consultation with the PPA. It contains detail rules and procedures for all aspects of procurement systems, including the operations of the PPA and procurement entities and the conduct of procurement activities.
- **Guidelines:** The Public Procurement Authority (PPA) under the Act issues guidelines.
- **Standard Tender Documents (STDs):** The PPA in accordance with a schedule in the Act issues these. STDs are used to communicate all the necessary requirements, information and instructions to prospective bidders for them to be able to submit a bid. It contains standard invitation and contract documents for procurement of all values from tender documents to Request for Quotations. It also includes separate documents for goods, works and services.
- **Public Procurement Manual:** The Public Procurement Authority issues the Public Procurement Manual. It provides practical guidance and details the standards, policies and procedures to be followed in the procurement of goods, works and services within the public sector, and also includes a section for guidance on asset disposal procedures. These standards, policies and procedures are designed to:
  - Guide the procurement and asset disposal processes;
  - Provide uniform procedures for the procurement of goods, works and services and for asset disposal;
  - Ensure transparency and accountability in all operations, and consistency with the guidelines of donors where necessary;
  - Improve the efficiency and effectiveness of operations;
  - Promote the consistent application of best procurement practices and international standards.

**O. Institutional Framework**

The Act establishes the following key institutions.

- The Public Procurement Authority (PPA):* This Public Procurement Authority (PPA) is the current name of the Public Procurement Board that was established by the Public Procurement Act, 2003, Act 663 as an independent and autonomous corporate body charged with the oversight responsibility for effective implementation of the Act. The change of name was made through Executive Instrument 13 of 16<sup>th</sup> April, 2007. The Governing board of the PPA is headed by a Chairman, was inaugurated by H.E the President on 4<sup>th</sup> August 2004. The institution is made up of both private and public officials and includes the Chief Executive Officer (CEO) of the PPA who in charge of the day-to-day running of the PPA. The functions of the Authority are organized under five main directorates, namely, Policy and Strategy, Benchmarking, Monitoring & Evaluation, Capacity Development & Human Resource, Legal & Public Affairs and

Management Information System, while Finance and Audit Departments offer support activities. It undertakes a number of functions to regulate public procurement in Ghana. Its functions include:

- ii. *Policy:* The Public Procurement Authority (PPA) reports on the public procurement system and advises Government on all matters relating to procurement. It is also responsible for promoting anti-corruption initiatives and developing measures to protect the environment
- iii. *Monitoring:* This involves monitoring compliance with the Act and Regulations by procuring entities, recommending any corrective actions required and referring breaches to the relevant oversight and law enforcement bodies, where appropriate.
- iv. *Regulation and Standards:* This will involve recommending regulations and issuing standard tender documents, suspending suppliers and managing the complaints and appeals process.
- v. *Capacity-Building and Professional Development:* This would include co-ordination, sensitization and capacity building activities in the area of procurement, set professional standards and develop procurement staff.
- vi. *Information Management and Dissemination:* This involves maintaining a database of potential suppliers, collecting and analyzing statistics on public procurement and maintaining a website for the publication of tender notices and other procurement information.

### **III. CONCLUSION**

#### **A. Summary of Findings**

The aim of the study was to assess the implementation of the Public Procurement Act 2003, in the procurement of general goods in Takoradi Polytechnic. Upon review and analysis of interview information and materials on the public procurement Act, the following findings were made:

1. Procurement methods and procedures are existent within the institution. The Act spells out the methods and procedures to be used by entities in the procurement of goods and services. The study reveals that due process to be followed by the institution in the procurement of general goods.
2. The institute has a well-planned organisational structure which is very much flexible and supports the implementation of changes within the institution. The institution counts much of its success back to the flexible structure adopted by the school. An organisation that does not have a structure cannot properly share responsibility and establish a line of authority.
3. Also, the responsibility of purchasing lies greatly in the hands of the rector, procurement manager, who constitute members of the Entity Tender Board. The Act provides for the establishment of entity committees. The board of the institution responsible for making procurement decisions are persons very capable of undertaking this responsibility.
4. The study again showed that there existed a lot of challenges before the Act came into force. The aim of the Act was to bring sanity to public procurement. The study reveals that the institution had lots of challenges before the implementation of the Act. Responses show these challenges have been addressed to a greater extent.
5. The institution trained staff on issues relating to the Public Procurement Act 2003. For change to be effective, the persons responsible or affected by the change should be properly trained to handle the new issues that arise

coming on board. This was done in the institution although a number of respondents exhibited so much ignorance of issues of the institution pertaining to the Act.

6. The study showed that suppliers were properly notified of quotation and tenders raised using all medium prescribed by the Act. Bidder or suppliers are notified, giving them reasonable time to respond to the adverts. The media used by the institution in placing adverts (newspapers, websites and notice boards) meets the requirement the Act. It confirms that fact that contracts are keenly contested, as information is widely available to all interested suppliers or bidders.
7. The procurement process is properly monitored and audited by oversight groups. The Act has ensured effective contract monitoring, which has led to improved performance by the institution.
8. The study also reveals that the institution normally insist on projects being completed on time to avoid any extra cost that comes with delays. This leads to efficiency and value for money within the institution.
9. Goods now supplied to the institution are now of better quality as compared to the time the Act did not exist.
10. The entity keeps proper and up to date records. The act provides for the keeping of proper records within the institution. This brings about accountability transparency, auditing and so on in the procurement process. A successful organisation can only exist when there are proper records. Procurement Act requires all procurement entities are to keep tangible records of procurement.
11. The staff is made aware that should they flout the regulation in the Act, they will be sanctioned as provided for in the Act. This has ensured a high level of caution and discipline in carrying out procurement.

### ***B. Conclusion***

Public sector procurement has experienced so much mismanagement and corruption. Government being the biggest spender in the Ghanaian economy need to put in measures that would increase value for money in the public sector. So many polices were being put in place by government to ensure that the public sector procurement was being effectively carried out. These reforms finally led to the implementation of the Public Procurement Act 2003 (Act 663) in December 2003 to ensure that there was judicious, economic and efficient use of state funds in a fair, transparent and non-discriminatory manner. A number of years have passed since the implementation of the procurement Act, people have been raised issues on the fact that the Procurement Act has brought about bureaucracy in the acquisition goods and services, inadequate training for staff, restriction on threshold ceiling, and so on. This research was therefore set out to:

1. To ascertain the procurement methods and procedures at Takoradi Polytechnic.
2. To explore if the implementation of the Act has promoted transparency of the procurement process in Takoradi Polytechnic,
3. To ascertain if efficiency and value for money has been achieved,
4. To identify if improvement to the Act would be necessary, and
5. To suggest recommendations if possible.

Based on the findings gathered by the researcher, the following conclusion is made.

1. There exist structures within the institution that support the implementation of the Act.
2. There is improved efficiency and value for money in the procurement of general goods within the institution.
3. Procurement transactions are now more transparent now more than ever.
4. Delays in delivery of goods as a result of cumbersome processes and procedures.

### **C. Recommendations**

The following recommendations were made to improve performance in the procurement of general goods within the institution as stipulated in the Public Procurement Act 2003 (Act 663).

*Training of Staff on Public Procurement Act:* Attempts have been made to train and educate staff on the Public Procurement Act 2003; from the study some staff were not trained thus explaining why 'not sure' were the responses of some staff. It is recommended that the institution and PPA should ensure that every staff has some knowledge on the Act to allow for valid contributions to be made within the institution.

*Implementation Challenges:* The institution did not have a smooth transformation into the implementation of the Act. This smooth transformation could have been made caused by the ignorance exhibited by staff. Responses show that staff are of the opinion that the Act has not been able to resolve the problems that existed. The researcher recommends that staff apart from being trained, should also have knowledge on the performance of the procurement unit overtime for the positive effect of the act to be realized.

*Advertisement on Tenders and Quotations:* Staff responses indicated that placement adverts of adverts were not done as prescribed by the provisions of the Act. Thus, placement of adverts should be done according to the provision of the Act. Section 47 subsection 1, 2 & 3 state that:

- A procurement entity shall invite tenders or, where applicable, applications to prequalify by causing an invitation to tender or an invitation to prequalify, to be published in the procurement bulletin.
- The invitation to tender or invitation to prequalify shall also be published in at least two newspapers of wide national circulation.
- The invitation may be published in a newspaper of wide international circulation, in a relevant trade publication or technical or professional journal of wide international circulation.

*Amendment to the Act:* Staff responses revealed that, the institution did not have any need for the Act to be amended, however, the institution encountered some challenges with respect to the Act.

- It is recommended that thresholds should be reviewed periodically to reflect current changes in prices.
- The process involved in the procurement of goods should be shortened. This will prevent the problems that come with bureaucracy and lessen the pressure on procurement staff for shortages. A lengthy process certainly is more expensive to run.

### **D. Areas for Further Research**

Lastly, the following areas were identified for further research;

- Impact of Procurement Act on Contract Management and Delivery.
- An Assessment of the Role of Skilled Procurement Personnel on Procurement Practices.

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