

Views On Procurement Achieving Quality Service for Employees' Satisfaction

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Abstract

Nowadays there are various and practically endless goods, jobs and services procured by corporate entities. Some of these include cleaning services, IT systems and equipment, consultancy services, food supplies, real estates, and others. Most of these acquisition decisions are made at the strategic level because of procurement importance to corporate competitiveness and attractiveness trend. Due to this, Parikh and Joshi (2005) reveal that organization decision makers are now restructuring their procurement function to achieve optimal operations. Procurement is now a big business and that the government remains the most significant entity that does acquisition and disposal on a larger scale in most countries which attracts countless players and stakeholders (Ondiek & Deya, 2013). The government does purchase from the smallest consumables to multi-million projects to meet the needs of the citizenry. According to Knight et al. (2007), in many economies in the developed world, procurement expenditure from the private sector represents around 40% - 50% in the public sector. Due to its obligations to the citizenry through the acquisition of goods, works, and services, it has gained due attention from the media, civil society, donors, researchers, academicians, and other stakeholders. This is because the public constitutes the taxpayers and they are the ones who contribute money to the government for all those acquisitions and therefore need to be served better.

There are several benefits connected to the role of procurement activities, but there are also challenges that hamper its effectiveness to achieve the intended purpose. Serpytis et al. (2011) assert that a generation of monetary savings has been the primary purpose of public procurement which directly has a significant impact on the total costs of public institutions. Knight et al. (2007) assert that 'even though there is the substantial total value associated with public sector purchases, not much research has been undertaken to assess the public procurement systems across nations for improvement. In the report of Public Procurement Authority in 2009, it was stated that the government loses a significant percentage of its annual budget through inefficient procurement practices in most government organisations. To what extent does this assertion apply to the current procurement processes in the public sector? Therefore, it is significant for this research to be undertaken to investigate the effectiveness and issues related to public procurement and quality service in the public sector.

Keywords: Procurement Achieving Quality Service, Procurements Quality, Procurement Systems

1.0 INTRODUCTION

Every organisation aim of procurement is to make use of resources by reducing the spending of the organisation's cash resources to maximise profit. Dobler et al. (1996) assert that 'organisations can employ proactive measures of procurement strategies and techniques to optimise benefit to contribute to the achievements of the organisation. Incorporate business; procurement professionals embark on plans to explore opportunities in the supply market to acquire the right goods and services in their quantity for the right price at the right time and place. These acquisitions are made through proactive planning, identification, sourcing, contracting and contract management that an organisation need or may need to meet its strategic and commercial objectives.

A procurement system can never be effective without employing strategic supply chain management which consists of all parties involved, directly or indirectly through the constant flow of information, materials, and funds between different stages to fulfil a customer or employee request. The

players in the supply chain management include both internal and external players to an organisation. They may consist of manufacturers, suppliers, employees, management, transporters, warehouses, and others. In the year 2010, the report of Organization for Economic Cooperation and Development (OECD) indicated that governments, as well as the international development community, are very much concern about how corporate bodies especially public entities apply the effectiveness and efficiency of procurement systems in achieving their procurement and organisational objectives respectfully. Increasing the effectiveness and efficient use of state funds necessitates the existence, implementation and operation of an adequate procurement system by all public entities to achieve the expected goal.

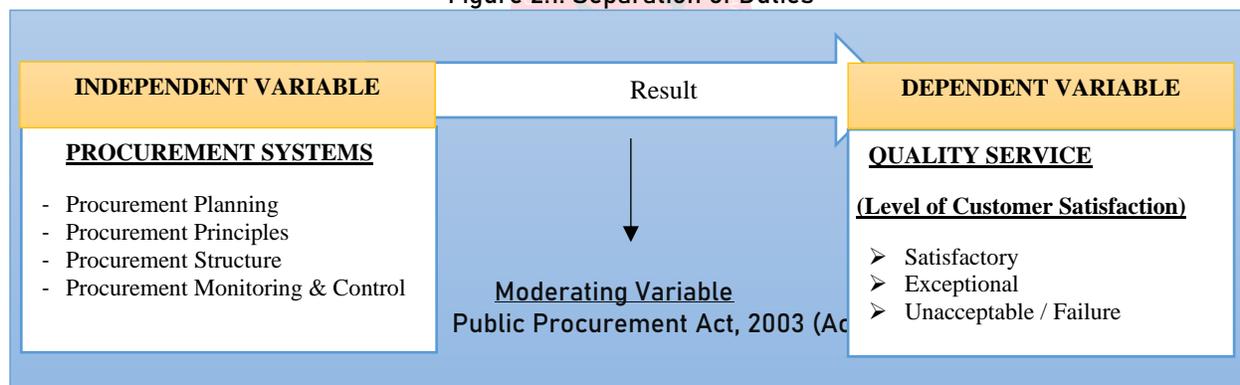
There are several areas of interest within the procurement function to study such as contract management, supply relationship, inventory control, tendering, sourcing, just to mention a few that contribute to the expected goal of procurement. This thesis is geared towards another significant area of acquisition “effectiveness of procurement systems in achieving quality service in the public sector of Ghana”. Procurement systems can be described as prescribing procedures, measure, and methods which organisations use for their acquisition of goods, works and services to meet their operational needs.

2.0 LITERATURE REVIEW

2.1 Dependent and Independent Variables

In this study quality service is the dependent variable which is the key concentration in which the variance is attempted to be described by the independent variable of procurement systems or management. Factors for dependent variables (quality service) is the level of customer satisfaction where a customer perceive a service delivered as being satisfactory, exceptional or failure. Factors for the independent variable (procurement systems) also include procurement principles, planning, structure, and monitoring and control. These factors of the independent variables were examined to establish the effectiveness of application or usage by institutions towards the achievement of quality service.

Figure 2.1: Separation of Duties



2.2 Concepts of Procurement

The term procurement is usually confused with purchasing. Appropriation is modern, sophisticated and has a broader term than purchasing. According to Lyson and Farrington (2006), procurement generally includes activities before the act of purchase, such as identification and definition of a business needs; surveying the market to identify potential suppliers and gather intelligence. They argued that traditional definitions of purchasing are outdated and insufficient when it comes to what organisational buyers actually do. They imply that purchasing is reactive, transactional, and tactical while procurement is proactive, relational, and strategic and has integrated role of the function in modern organisations. Hence its adoption in many organisation charts and job titles. In a nutshell, they defined procurement as ‘a functional area of business or a player in the supply chain responsible for acquisition of inputs or supplies to support a corporate organisation strategy and competitive advantage. It can be concluded from the explanation above that procurement is a business function that acquires inputs (goods and services) for the organisation about the right price, source, quantity, time, source to meet the needs of users and also contribute to the organisation financial and corporate objectives.

2.3 Importance of Procurement

Procurement function plays an essential role in the achievement of organisations objectives with regards to operation, planning and spend. Musanzikwa (2013) recommends that expenditure on procurement should be managed effectively by spending officers to realise its optimum value since it absorbs a more significant portion of the total spending. Three essential elements or principles embraces procurement. These include transparency, accountability, and efficiency and effectiveness. The principle of efficiency and cost-effectiveness of procurement relate to ways and means of attaining the 'six rights' of appropriation which include price, time, quality, quantity, place and product. (Caldwell et al., 2009; Musanzikwa, 2013). It was further revealed by Benslimane et al. (2005) that procurement rights can be realised to achieve the following specific objectives and importance.

2.4 Procurement Systems

Every organisation has a set of systems which serve as a source of its foundation, operation and existence. All business functions (marketing, sales, procurement, accounting, research and design, production, human resource, etc.) within an organisation have their own specific systems that regulate how they operate and contribute to the organisation success. One of this is the procurement function which has formulated policies that control the procurement activities. An effective procurement system can be a means of problem-solving and also provide a win-win situation to all stakeholders. It has become a nerve centre of performance in both the public and private sector, and therefore there is a need for a tight system to be adopted and followed. According to Wai-leong (2014), the procurement system would contain the authorisation of procurement, drafting tender documents, sending out tender documents, the selection criteria of contractors, getting approval from management and incorporated owners, and finally signing of the contract agreement.

2.4.1 Various Systems of Procurement

Islam (2014) asserts that there are multiple systems of procurement implemented by numerous organisations. The conventional methods are centralised and decentralised systems or the hybrid systems. The Chartered Institute of Purchasing and Supply (CIPS) (2011) mentioned some key factors that influence the design of a procurement or supply function as follows:

- a. The size, nature and role of the procurement task in the organisation. As the size and specialisation grow, additional attention may need to be given to mechanism for control and communication. It may also be a dedicated function, reporting at the highest level of the organisation – or it may be a subsidiary function reporting through production, finance or commerce.
- b. The structure and environment within which procurement operates. The internal organization structure: what function procurement reports to (and at what level); what mechanisms are there to coordinate procurement activities with those of other functions; who the internal customers of procurement are; how procurement competence and contribution is perceived and measured in the organization; the impact of corporate policy on procurement roles and responsibilities; and so on.
- c. The external supply market and the organisation's supply base: its size, geographical spread, structure, a degree of specialisation, and critical success factors.
- d. The strategic objectives of the procurement function. For instance, if cost reduction is the priority, procurement may be centralised to enable economies of scale. If a customer is a priority, it may be decentralised or 'devolved' to allow responsive 'local' decision-making or organised by customer group. If supply performance is a priority, the function may be held by commodity (for specialisation) or supplier group for better relationship management)

Lyson and Farrington (2012) argued that the existence of diversified and geographically dispersed multi-divisional organisations raises the issue of whether to centralise or decentralise procurement functions. They further stated that an organisation that operates through some branches or divisions, perhaps separated by considerable distances, may consider a single procurement function at the head office (centralisation) or separated functions at each division (decentralisation).

- i. Centralised Procurement systems: Dimitri et al. (2006) described centralised procurement as a system whereby procurement function is controlled at one local location of a firm in which the central procurement unit undertakes the procurement needs of the organisation's groups, CIPS (2012) identified the critical advantages of centralised procurement:
 - a. The specialisation of procurement staff: It offers practitioners the opportunity to develop knowledge in specialised techniques, procedures or category of purchase.
 - b. The potential for the consolidation of requirement: Requests from the various units can be put together into single, larger orders or contracts for cost reduction (transaction and transportation) and also obtain economies of scale.
 - c. Better procurement activities coordination, and monitoring and control: Procurement activities are better coordinated, monitored and controlled to achieve better value for money.
 - d. Specifications are better standardised: It may facilitate the consolidation of orders; reduction of inventory and handling costs; focusing the supplier base and improve quality management.

Disadvantages of Centralized Procurement: Cousins et al. (2008) identified the following as disadvantages of centralised procurement systems.

- a. *The problem in controlling remote units and the Occurrence of Attitudinal Problem:* Even though it may run very excellently, officers at the other centres may criticise the system just because it is seen as imposed, while one that leads to errors will be grasped with enthusiasm as an opportunity to show dissent.
 - b. *Sabotage:* Divisional purchasing staff in other branches or other operating units which are, in effect, the 'customers' for purchasing services may often feel they have a right to autonomy since it is they who answer for the performance of their operation. This commonly leads to 'bucking the system'. Once this starts (and it is observed to be a widespread practice) the integrity of the centralised system can never be assured. Local knowledge at the divisional level may be very valuable, and a system that seeks to suppress this may lead to missed opportunities.
- ii. Decentralised Procurement: Many of the advantages of decentralised procurement come from removing the disadvantages of centralised procurement. (Cousins et al., 2008). Some of the benefits include:
 - a. *Autonomy:* Managers in the other divisions have absolute control over their own purchasing, and therefore critical resources must be made available by corporate planners.
 - b. *Cross-Deals:* It enhances communications and foster teamwork among staff. This will help operating departments to benefit from user expertise and minimising maverick buying by users.
 - c. *Customer focus:* It makes purchaser to be closer to internal and external customers which enables them to develop a better understanding of user needs and also react to environmental change more promptly.

- d. Reduce the cost and risk of procurement operations.* It offers reduced cost of transportation, transport risk and shorter delivery times due to the direct dealings with local suppliers.

Disadvantages of Decentralized Procurement: Cousins et al. (2008) identified a lack of communication and coordination between units or divisions; and control difficulties as a result of maverick purchasing as some disadvantages of the decentralised procurement system.

- iii. Hybrid systems:* This system uses both the centralised and decentralised systems which are common in practice in today's business can be referred to as the Matrix structure. (Lyson, 2012). According to CIPS (2012), some specific hybrid models and approaches have been developed. The most popular ones are as follows:
- a. Centre-Led Action Network (CLAN):* This approach is the relatively decentralised model and has the following characteristics.
- Procurement staff are mainly located in different business units, and they primarily report to the local management of their business unit with a secondary responsibility to a small procurement centre (generally designated at corporate head office)
 - The system leads and coordinates the link between local buyers, by formulating policy, setting standards and encouraging best practices.
 - Strategically-controlled Action Network (SCAN): This approach is relatively a centralised model.
 - Structurally, SCAN also operates like the CLAN, except that procurement staff at the other centres or branches report primarily to the central procurement unit of the head office.
 - The central unit is responsible for strategy, policy, and training and performance management. It also includes centralised category managers, who are responsible for particular categories of goods or services procured across the organisation. SCAN has overtaken CLAN in many large organisations which want to leverage procurement expertise although it shares the similar disadvantages of centralised operations.
- b. Lead Buyer Approach:* Is one way in which responsibilities can be devolved in a CLAN. Defined procurement responsibilities are delegated to designated members of user departments, as 'lead buyers' for a particular category of procurement. The lead buyers are not procurement professionals and may require support from policies, procedures and guidance from a centralised procurement team. However, where it is implemented effectively, it can serve to improve communication and relationships between procurement and user departments and to spread procurement best practices more widely in the organisation.
- c. Business Partnering.* With this approach, a member of the procurement team works within a user department (typically, one in which there is large or complex spend. He/she represents the procurement function, liaises with the user department, and identifies situations where procurement or supply chain expertise can add value.

2.5 Private and Public Procurement

Public procurement has progressively been used in both the public and private sector due to its significance. The fundamental objectives that underpin procurement practices in private and public institutions often differ as a result of different business environment they operate. Though both may use similar techniques, their applications may vary because they each have different intent. Capgemini (2012) defined public procurement as the use of federal funds by government entities (ministries, agencies, departments and other state-owned organisations) to acquire or secure goods and services to support operations of the organisation.

2.6 Public Procurement Act, 2003 (Act 663), Ghana

The Government of Ghana enacted the Public Procurement Act, 2003 (663) in the year 2003 to regulate the procurement function in the Ghanaian public sector. It provides general standards and procedures that govern procurement.

2.7 Procurement Structures

Public Procurement Authority (PPA): The Public Procurement Authority (PPA) was established as a constitutional advisory body to coordinate, direct and develop public procurement practices and procedures in Ghana. It ensures that all public institutions consistently comply rules and regulations as stipulated in the Act. The main objectives of the Act provide normal methods, transparency and accountability for all procurement operations to achieve value for money. It covers the standard procurement cycle from procurement planning to completion of contracts and general evaluation of procurement performance. Consistent application of the Act by public institutions is essential to realise and improve effectiveness, efficiency, transparency, uniformity of documents and decisions as expected.

Procurement Entity (PE): The Act describes Procurement Entity as any organisation or person that is mandated legally or administratively to do procurement.

Head of Procurement Entity (HE): The Head of Procurement Entity is any officer to whom power is given to ensure that the rules and regulations enshrined in the Act are abided. The HE is mandated by the Act to establish a Procurement Unit and recruit or staff the unit with experience and competent personnel with requisite qualifications to manage procurement operations on behalf of the organisation. The procurement responsibilities include assessing and approving contracts recommended or submitted by the Procurement Unit or the Tender Evaluation Panel; acts as Chairman for the Entity Tender Committee or sits as a member in the case of Tender Review Board.; sign contracts on the entity's behalf; and resolve or review complaints submitted by aggrieved tenderers (suppliers, contractors, or consultants) under Section 79 of the Act.

Procurement Unit (PU): A Procurement Unit is a functional area in the Procurement Entity responsible for all procurement acquisitions and management of procurement processes.

Entity Tender Committee (ETC): Section 1 of the Act stipulates that every Procurement Entity is required to establish a Tender Committee to review, update and approve procurement plans submitted by the Procurement Unit. The committee is also responsible for rejecting a submission with reasons for the award of contracts within its approving threshold presented or recommended by either the Tender Evaluation Board or the Procurement Unit.

Tender Evaluation Panels: Is an ad-hoc body of not more than five members appointed to assist the work of the Entity Tender Committee by evaluating tenders. The members are required to be skilled, knowledgeable and experience relevant to procurement requirements.

2.8 Procurement Principles

Public, as well as private procurements, are subject to central principles which in effect achieve the intended purpose of all procurement activities. As stipulated in the Act 663, the public procurement principles include Professionalism, value for Money, Competition, Accountability, Fairness, Efficiency, Ethical Approach, and Separation of Duties.

Professionalism: It is required that procurement operations are to be managed by competent, knowledgeable, skilled and qualified personnel to make informed procurement decisions in every Procurement Entity.

Transparency: It is expected that public procurement is executed in fair and transparent procedures where same procedures and information are applied to all prospective tenderers that want to do business with the government.

Value for Money (Economy): This principle is vital in measuring the effectiveness of the procurement process (inputs and outcomes). It is the ideal way of assessing the whole life cost and quality to procurement that meets users' expectation or needs. Organisations are expected to achieve value for money for every item procured or in their procurement processes. Some time ago, organisations had the assumption that the value for money is made by just accepting the lowest tender price submitted by a prospective supplier. But currently, whole value for money in procurement is considered by the whole life cost of the item procured. This included price of the article, installation, maintenance, and other non-monetary factors.

Competitiveness: The Act requires entities to encourage more extensive participation of suppliers in the tendering processes. Procurement practitioners are to use advertising, sourcing reviews, pre-qualifications, and transparent procedures to promote fair and open competition for suppliers to minimise costs and increase the potential supply base for their entities.

Ethical Approach: This is connected with beliefs and principles about what is right and wrong. It governs actions and decisions.

Separation of Duties: The Head of Entity in every public institution is required to ensure that the principle of separation of duties is maintained through the assistance of the procurement officer or project manager (in the case of projects). This prevents interference in public procurement processes. In situations where there are staff constraints, management should try as much as possible to ensure that someone with procurement background or knowledge controls the procurement processes.

2.9 Procurement Cycle

This is the cycle that establishes what is required or done at every stage of the procurement process. It begins with planning through sourcing, contracting and contract management, storage, distribution, disposal and evaluation as captured below.

- a. **Planning:** The procurement cycle is initiated by planning whereby the needs of user departments are determined and specified. It is stipulated in Section 21 of the Act that by the end of each financial year, the Procurement Unit is required to prepare a procurement plan for the subsequent year. The plan is to be approved by the Entity Tender Committee before it is implemented. The plan consists of source of funding; aggregation of common items into single; estimate of each procurement package value; start and end date of each package; and others.
- b. **Sourcing:** At this stage, the Procurement Unit apply the necessary procedures to source for potential suppliers through advertising, pre-qualification using the appropriate procurement method. It also includes issuing prepared tenders' documents to suppliers, evaluation of tenders to select the most economical and advantageous tenderer.
- c. **Contracting:** After selecting the most qualified tenderer, effort is made by the procurement personnel by preparing the contract document where rights and obligations for both the buyer and supplier are spelled out and signed by the appropriate head. A Local Purchase Order may also be used for procurement that are of low value or with simpler requirements.
- d. **Contracts Management:** After contract has been awarded, the next stage is to manage the contract where parties are expected to perform their contractual obligations. The Procurement Unit is expected to expedite action to monitor, receive, and inspect deliveries. Other duties include freight forwarding, establishing letter of credits, confirming documents for payment. The inspection team which is normally headed by the Internal Auditor and assisted by procurement officers, stores, finance

or accounts officers, project officers etc. are to ensure that deliveries are inspected before they are received by the stores and payment made.

- e. **Storing:** Store Officers are required to manage items procured from the time of receipt to the time of issue or disposal by ensuring that items are not loss or damaged. Appropriate storage facilities are required to be used for items that may require certain storage conditions. Entities are expected to ensure that measures are duly taken to protect goods from damage or loss even when they are not used immediately.
- f. **Distribution:** Store items are required to be issued or delivered in accordance to the requirements specified by the user. Where distribution is complex (e.g. in-country supply chains), entities are to ensure that the needed logistics or infrastructure are in place to ensure timely delivery.
- g. **Disposal:** Application of the appropriate disposal method must be used to dispose public goods that are obsolete, unserviceable, or surplus as stipulated by the Act. They may be disposed by transferring them to another public departments; public tender or auction; destroying or burying depending on their nature and conditions.
- h. **Evaluation:** The entire procurement operations is assessed through formal procurement audit to ascertain its effectiveness whether it achieved the intended purpose. This helps to detect areas of strength and weaknesses and make recommendations.

2.10 Procurement Methods

The various procurement methods stipulated in the Act include the following:

- a. **International Competitive Tendering (ICT):** This method is mostly used when procurement are of high value or where the nature of procurement is not likely to attract domestic suppliers due to its nature or scope.
- b. **National Competitive Tendering (NCT):** NCT is type of competitive procurement method that is unfavorable or unattractive for foreign competition due to its nature or scope.
- c. **Restricted Tendering** This type of procurement method is applied when it is not appropriate for open tender; the requirement is of specialized nature, public safety or for security reason; or inability to award a contract due to failed open tender. Potential or pre-qualified suppliers are directly invited or written to or short-listed to participate in tendering processes subject to the approval by PPA.
- d. **Two-Stage Tendering:** This type of procurement involves two different stages. In the first stage, tenderers are invited by the Procurement Entity to contribute the detailed specification of the goods. Evaluation is done through review and consultation where incompetent or unfavorable suppliers are rejected. New detailed specifications are stated and issued to restricted tenders who were not rejected in the initial stage.
- e. **Single Source:** This method of procurement is without competition and is subject to PPA approval where there is a concern for national security; the physical, technical or for policy reasons the requirement can be gotten from; or requirement is urgently needed by the entity which an open tender is not favourable or inappropriate as a result of time.
- f. **Request for Quotation (RFQ):** RFQ is a procurement method conducted by comparing price quotations obtained from three to six suppliers. This is done to ensure competitive pricing. It is usually used when the estimated value of the goods which are of low vale and readily available in the supply market.

2.11 Procurement Effectiveness, Efficiency and Performance

There is a connection in efficiency, effectiveness and performance in procurement processes as asserted by Van Weele (2006). The Oxford Advanced Dictionary define 'Effectiveness' as producing the outcome of what is expected, whereas 'Efficient' is describe as 'exceptionally doing, achieving or performing something well without wasting energy, money, and time. In other words, "effectiveness is about doing the right things, while being efficient is about doing the things in the right manner" (Islam, 2014). Performance also describes how well or badly someone does something; or how well or bad something works.

Batenburg and Versendaal (2006) are of the view that a company may achieve a lower performance when management lack performances means in their processes, plans and procedures which finally affects the company overall strategic and financial performance. It serves as the basis where companies can monitor, control and evaluate the extent at which they are achieving their strategic and financial objectives and also detect weak areas for improvement.

2.12 Procurement Issues Across Africa

The study of Thai et al. conducted in 2005, (as cited in Musanzikwa, 2013) shows that every country has a peculiar challenge confronting their public procurement processes or operations. Public procurement practice in every country is required to follow a set of defined steps which are set forth in its laws and regulations. But there have been some challenges which confront its intended purposes. A few reported procurement cases in some countries in Africa have been selected to support this research.

- a. Malawi: In the work of Ameyaw et al., (2012), it was captured in the 2006/2007 Annual: Report of the Director of Public Procurement, Malawi, that lack of office space, over pricing by potential tenderers, poor procurement records, lack of funds and personnel, and non-compliance of the Act were some of the major challenges confronting the public procurement in Malawi.
- b. Nigeria: Ezekwesili (2005) revealed that during the tenure of office of President Obasanjo of Nigeria, Budget Monitoring and Price Intelligence Unit was established to crack down on the "Business as Usual Syndrome" on public procurement processes. Procurement processes were implemented strictly with government guidelines on Due Process Certification. Due Process mechanism made reasonable progress in Nigeria specifically in the elevation of free and fair in procurement and contract awards. This mechanism implementation has helped tackled corruption and increase transparency and accountability in Nigeria.
- c. Zimbabwe: Musanzikwa (2013) revealed that public procurement in Zimbabwe is froth with a myriad of challenges. Some of the major problems include delays in implementation of projects; corruption; political interference; indigenization policy. For instance, the need to comply with indigenization policy has resulted in tenders being awarded to incompetent companies.

2.13 How to Improve Procurement Function

To improve procurement in all sectors, the study of Lewis and Roehrich in 2009, (as cited in Musanzikwa, 2013) suggest that 'organizations should have clearly defined procurement policies for understanding. Shaw (2010) also recommends that before payments are made, organizations should always ensure that sufficient procedures including monitoring and evaluation are undertaken to ascertain that work has satisfactorily been performed and completed. These policies will help determine how procurement activities are carried out by organizational buyers and how they should conduct themselves. Maurer (2004) asserts that, it is important for companies to partly compare their procurement operations with other comparable companies through benchmarking process to test whether value for money is being achieved or not. This will help companies to seek continuous improvement and identify good practice. It is therefore significant for organizations to benchmark their operations which serves as critical part for improvement process for all areas.

Again, procurement must be integrated seamlessly with the other functional areas (such as Finance, Distribution, Engineering, Production, Research and Development, HR and Warehousing) within the organization. This integrated approach will help contribute to efficient and cost-effective service delivery in a timely manner for maximum satisfaction. (Shaw, 2010; Musanzikwa, 2013).

Due to the significant impact of procurement in organizations, there is the need to develop public procurement. Accordingly, organizations can apply the Kaizen Continuous Improvement model which is the best Japanese thinking and management practices applied for improving efficiency, productivity, quality and, in general business excellence. Karkoszka and Honorowicz (2009) revealed that the system basically consists of defining areas and identification of cause for improvement; key problem selection through analysis; identification of the cause of improvement; measuring, analysing and comparing results; and standardization. They further stated that the process is closed to PDCA cycle, where:

P = Plan: This is where the aim for the improvement is established

D = Do: The stage where the plan for improvement is implemented.

C = Check: The stage where the implemented plan is evaluated by evaluating the implemented plan to establish whether the plan has achieved the intended purpose or not.

A = Act: Is the last stage of the cycle where measures are taken to standardize operations so as to prevent initial problems happening.

2.14 Quality Service and Service Delivery

Quality Service is the extent to which a rendered service level meets the expectation of the customer (Lewis & Booms, 1983). A service is considered exceptional when customers' expectations are exceeded with the service rendered. On the other hand, it is described as satisfactory when customers' expectations are met by the perceived service. It is also considered as unacceptable when the perceived service fails to meet customers' expectations. Customers use certain dimensions to evaluate what a quality service is. Parasuraman et al. (1988); Zeithaml et al. (1993) and Maass (2012) identified five of these dimensions used by customers. They include:

- a. Reliability: The ability to perform a service as promised.
- b. Responsiveness: This describes the attempt, preparedness or enthusiasm exhibited by service providers or employees especially front liners in serving or assisting customers without any reason.
- c. Assurance: This relates to information, politeness, trust and confidence possessed and exhibited by employees.
- d. Empathy: The ability of employees to understand customers' feelings and take the necessary steps to care for them.
- e. Tangibles: It relate to things that can clearly be seen to exist such as equipment, employees, buildings, communication materials, and others.

2.15 Relationship Between Procurement and Quality Service

Procurement operation is very essential to quality service which goes a long way to enhance the growth of every organization. In achieving an excellent quality service, the process of procurement has a direct and significance effect on how service is delivered. This is due to the fact that properties of procurement acquisitions are generally and easily traced in the values of the main quality features of the service rendered. Therefore, in the efficient execution of the processes of procurement, Deac (2013) suggests that practitioners should have a clear definition and purpose of the process.

Since procurement and quality management are vastly expanding, it requires a mutual understanding between the people in each function. According to Cârstea et al. (2014), procurement play a vital role in quality management processes because procurement process has the tendency of affecting the quality of the service and in general the organizational performance. In other words, quality service can be considered as dependent on procurement operation and therefore with proper procurement management, the expected quality service by organizations can be affected. Where inefficient procurement management is exhibited, the expected quality service is also negatively affected.

3.0 RESEARCH METHODOLOGY

This section is aimed at describing the procedures used in collecting information and data to realise the aim of the research work. It includes the research design, population, sampling size, method and process, sources of data and data collection instruments used for the research work. Based on the objective or purpose of the research, a study may be described as exploratory, descriptive, explanatory and correlational (Boateng, 2014; Saunders, Lewis & Thornhill, 2009). Furthermore, Neuman (2007) explains that the descriptive research presents a picture of the specific details of a situation, social setting, or relationship focusing "how?" and "who?" question. Descriptive researchers use most data-gathering techniques including surveys, field research, content analysis, and historical-comparative research. Explanatory research seeks to understand and explain a phenomenon, situation or problem (Boateng, 2014). Additionally, Saunders et al. (2009) also explain that studies that establish causal relationships between variables may be termed explanatory research. Neuman (2007) points out that explanatory research identifies the sources of social behaviors, beliefs, conditions, and events: it documents causes, tests theories, and provides reasons. It builds on exploratory and descriptive research. Even though the types of research purposes are different, it will be beneficial to this research to combine different types of research purposes as advised by Saunders et al. (2009).

3.1 Research Design

Oppenheim (1992) asserts that 'the basic plan or strategy, and logic behind any research is the Research Design. In the work of Trochim in 2006 (as cited in Nantege, 2011), it was discovered that design of a research structure's the work to show how various parts of the research are connected and to address the central aim of the study. The researcher used the quantitative research approach to establish a clear and objective orientation, a systematic, vigorous, discipline procedures and reality bound methodology.

3.2 Ethical Considerations

Malhotra and Peterson (2001) maintain that researchers should seek the consent of participants prior to research, in both qualitative and quantitative research approaches. The researcher encouraged voluntary participation by urging them to sign a consent form. The researcher also ensured confidentiality of the participants by providing the participants with envelope so that the completed questionnaire is kept in and sealed. The participants were also informed about the objectives of the study which is purely academic. The researcher sought approval by submitting to the authorities of the various institutions, an introductory letter from the school stating into detail the intended use of the data and a copy of the questionnaire for the study. As a way of protecting their privacy, the researcher excluded participants' names, personal identification numbers and any other variable that can be used to identify or trace them either directly or indirectly.

Ethical standards prevent against the fabrication or falsifying of data and therefore, promote the pursuit of knowledge and truth which is the primary goal of research. Ethical behaviour is also critical for collaborative work because it encourages an environment of trust, accountability, and mutual respect among researchers. This is especially important when considering issues related to data sharing, co-authorship, copyright guidelines, confidentiality, and many other problems. Researchers must also adhere to ethical standards for the public to support and believe in the research. The public wants to be assured that researchers followed the appropriate guidelines for issues such as human rights, animal welfare, compliance with the law, conflicts of interest, safety, health standards and so on. The handling of these ethical issues significantly impacts the integrity of the research project and can affect whether or not the project receives funding.

Because ethical considerations are so important in research, many professional associations and agencies have adopted codes and policies that outline ethical behaviour and guide researchers. These codes address issues such as honesty, objectivity, respect for intellectual property, social responsibility, confidentiality, non-discrimination and many others. These codes and policies provide basic guidelines, but researchers will still be faced with additional issues that are not explicitly addressed, and this will require decision-making on the part of the researcher to avoid misconduct. The resources on this page

address many of those issues and the case studies used in these resources provide excellent examples of these types of problems.

One of the most important ethical considerations in research is the use of human subjects. To address these considerations, most institutions and organisations have developed an Institutional Review Board (IRB). An IRB is a panel of people who help to ensure the safety of human subjects in research and who assist in making sure that human rights are not violated. They review the research methodology in grant proposals to assure that ethical practices are being utilised. The use of an IRB also helps to protect the institution and the researchers against potential legal implications from any behaviour that may be deemed unethical. Examples of some of these issues include voluntary participation and informed consent. These principles are followed to guarantee that all human subjects are choosing to participate of their own free will and that they have been fully informed regarding the procedures of the research project and any potential risks. Ethical standards also protect the confidentiality and anonymity of the subjects.

3.3 Research Methods

3.3.1 Sampling Design and Procedure

Sekaran (2003) defined Sampling as the process of selecting the research units of the target population, which are to be included in the study. Sampling techniques were used to determine the sample size. In other words, a purposive sampling technique was adopted in conducting this study to gain insight into the phenomena. It is considered the most appropriate method for collecting members of a population that is near and readily available for research purposes. The exact sample size used for the study were 51 participants.

3.3.2 Population of the Study

Cardwell (1999) described Research Population as a group of people around which the research is conducted, and the findings apply to. The population of this study were samples of officers (procurement stakeholders) from various departments of the selected institutions that play a significant role in procurement activities. Both sexes, thus male and female employees were all considered for the study because the findings are to be representative of the organisation's gender diversity. The reason for choosing these institutions was to help the researcher solicit views from public officers in different entities to ascertain the extent to which procurement activities are operationalised in achieving quality service in the public sector. The target population included procurement practitioners, officers from stores, finance, audit, administration, IT and others. The target population under study was sixty (60) employees in the selected institutions.

3.3.3 Data Collection Instruments

Research becomes stronger, more credible and represents an accurate picture when more than one data instrument is used (Patton, 2002). The study used both primary and secondary data.

Primary Data: Questionnaire is described by Sarantakos (2005) as a type of data collection tool where information or data is collected either orally (interviews) or through a written questionnaire. The written survey is achieved by formulating and writing down the needed information in the form of questions and administered personally to respondents or via e-mail. Self-administered questionnaires were the primary research instrument used to gather information from respondents within the sample frame in the research population. The questions were both closed and open-ended (structured and unstructured). The open-ended questionnaire provided respondents room to formulate answers at their own convenience without feeling being coerced.

Secondary Data: The researcher also used journals, reports, manuals, and others to solicit information about the problem at stake.

3.4.4 Administration of Questionnaire

To detect and eradicate potential vagueness and achieve a uniform response with the purpose of the study, the researcher prepared a preliminary questionnaire and pilot tested with five (5) respondents. Few questions were revised to improve the validity and reliability of the survey.

4.0 DATA ANALYSIS

From Table 4.17a, it was further indicated with a mean score of 1.82535 and a standard deviation of 0.95301 that to some extent procurement achieves a quality service for employees' satisfaction.

Table 4.17a: General Views on Procurement achieving Quality service for Satisfaction by Employees

	Frequency	Percent	Cumulative Percent
No	28	54.9	54.9
To Some Extent	4	7.8	62.7
Yes	19	37.3	100.0
Total	51	100.0	
		Mean	1.8235
		Standard Deviation	.95301
		Variance	.908
		Range	2.00
		Minimum	1.00
		Maximum	3.00

Source: Field Data, 2016

Table 4.17b: Cross tabulation of Institutional Views on Procurement achieving Quality service for Employee Satisfaction

INSTITUTION	Views of Procurement Achieving Quality service for Satisfaction			Total
	No	To Some Extent	Yes	
GBC	3	0	5	8
GIDA	5	0	3	8
GSS	7	0	2	9
Lands Comm.	3	2	4	9
MDPI	5	0	5	10
NADMO	5	2	0	7
Total	28	4	19	51

Source: Field Data, 2016

Table 4.17c: Cross Tabulation of Departmental Views on Procurement achieving Quality service for Satisfaction

DEPARTMENTS	Views of Procurement Achieving Quality service for Satisfaction			Total
	No	To Some Extent	Yes	
PROCUREMENT	9	1	9	19
STORES	5	0	2	7

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FINANCE	8	1	12
AUDIT	3	1	6
TECHNICAL	1	1	3
ADMINISTRATION	2	0	4
TOTAL	28	4	51

Source: Field Data, 2016

According to Lewis and Boom (1983) quality service is the extent to which the service level delivered equates to customer expectations. Achieving quality service for employee satisfaction through procurement has been a challenging factor. The mean score of 1.8235 indicates that the achievement has been satisfactory to some extent where users' expectation is somehow met. This is due to the challenges confronting procurement operations.

For instance, it was gathered that conflict of interest is a major factor affecting GBC, Lands Commission and MDPI procurement operations. Therefore, the extent at which they achieve quality service through procurement can be regarded as satisfactory. The achievement of quality service by GIDA, GSS and NADMO has been unsatisfactory due to lack of funds which is a major challenge affecting their procurement operations. Other major challenges that prevent excellent quality service to be achieved includes long procurement processes; poor team work; and political interferences. These challenges contribute to drawbacks of procurement identified. These include untimely delivery of goods, works and services; untimely distribution of procured items to user departments; procurement of wrong specification of goods; and inadequate procurement of goods and services to achieve the intended quality service expected. These draw backs prevent the five dimensions of quality service identified by Parasuraman et al. (1988); Zeithaml et al. (1993) and Maass (2012) to be met successfully for customer satisfaction. The dimensions include responsiveness, empathy, assurance, reliability, and tangibles.

5.0 CONCLUSION

This section is the concluding part of the research work. It highlights major findings as well as providing recommendations to policy makers and implementers for further research. There has been significant concern about how corporate bodies' especially public institutions apply the effectiveness and efficiency of procurement systems in achieving their procurement and organizational objectives respectfully. (OECD, 2010). Increasing the effectiveness and efficient use of state funds necessitates the existence, implementation and operationalization of an adequate procurement system by all public entities to achieve expected goal.

This research sought to know the extent of the effectiveness of procurement systems in an attempt to obtain quality service in the public sector. The objectives were to analyse factors that contribute to successful procurement systems and also identify challenges that hamper the achievement of effective procurement systems to achieve excellent quality service. The researcher randomly selected six (6) public institutions that served as the case study area. The target population included procurement practitioners and other internal procurement stakeholders. This research adopted the quantitative survey questionnaire as the primary data collection instrument to gather information from fifty-one (51) respondents.

The centralised system of procurement is the type of procurement system which is mostly practised, preferred and efficient to some extent by most public organisations. Even though it is characterised with disputes from procurement officers and other personnel from other branches, the systems were considered as easy to use, suitable, cost saving, speedy, avoid conflicts, low risk and enhances quality operation. All the selected institutions under study have in place internal procurement structures. These include the Procurement Unit, Entity Tender Committee, and Evaluation Panel that manages procurement activities. This was in-line with Schedule 1 of the Act.

The number and calibre of personnel managing procurement activities in the various procurement units of the institutions were very encouraging. Most procurement staff and other stakeholders have also been trained in the implementation of the Act. Even though results and analysis revealed that the application and achievement of procurement principles were satisfactory to some extent, findings showed that the entire procurement operation does not achieve value for money. This must be seen as an area of

significant concern to the government, heads of entities, procurement practitioners, donors, employees and other key stakeholders to undertake proactive measures to address the issue. The entire procurement planning processes of the institutions stand tall, but it was discovered that ETC does not always make decisions on purchases. Monitoring and evaluation policies on procurement activities were satisfactory as there is a strict separation of powers or responsibilities for officers. For instance, store officers are different from procurement personnel. There was a high utilisation of goods or assets by institutions.

Lack of funds, conflict of interest, and poor teamwork were identified as the three most challenging factors facing procurement operations. Others identified includes long procurement processes; political interferences; lack of procurement personnel training; and poor records management. Lack of funds was the highest and tends to affect proper budgetary and procurement planning to procure adequate goods, works and services on time within a particular fiscal year. This has a long way of changing the role of acquisition in achieving an excellent quality service. The effectiveness and efficiency of procurement activities in the public sector were considered to be satisfactory but not excellent in achieving quality service. This was because the procurement operations were viewed as useful but not efficient due to drawbacks which create dissatisfaction for user departments or customers.

It was established that procurement and quality service are affirmative and directly related due to the fact quality service is dependent on procurement operation. It can be concluded from the above summary of findings that; procurement and quality service are positive and directly related. Therefore, with proper procurement management the expected quality service in institutions can be affected positively. Variables with strong points, heads of institutions can highlight them to serve as springboard for achieving excellent service delivery. Proactive measures must be undertaken to arrest procurement challenges. The government, heads of institutions, management, and other stakeholders must ensure that procurement systems or operations are very effective and efficient to achieve excellent quality service in the public sector.

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