EXAMINING THE EFFECT OF CHALLENGES ASSOCIATED WITH PUBLIC PROCUREMENT PROCESSES ON THE EFFICIENT OPERATION OF ABURA ASEBU KWAMANKES DISTRICT ASSEMBLY

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Abstract
The study sought to examine the effect of challenges of Public Procurement Processes on the efficient operations of Abura Asebu Kwamankes in the Central Region. The study employed descriptive survey of the mixed approach. Purposive and convenience sampling were used to select 62 respondents to form part of the study. Questionnaire and interview guide were used for the data collection. The quantitative data were analysed descriptively while the qualitative data were analysed thematically with the aid of the research objectives. The study found that political influence, corruption, bureaucracy, lack of accountability and transparency, lack of clear procedure for emergency procurement, lack of funds and cooperativeness of suppliers and contractors are the major challenges associated with the public procurement processes. These challenges affect the efficient operation of the district assembly by providing poor quality of goods and services delivered, no transparency and discrimination in awarding of contracts to contractors and suppliers, difficulty in monitoring and evaluating such projects and supply which undermine the value for money principle as well as delaying or abandoned of projects. These challenges identified can be mitigated by providing understanding to key stakeholders in procurement of goods and services, training/capacity building, professional and competence staff, application of sanction for non-compliance, frequent monitoring by Public Procurement Authority as well as independency of the procurement unit. It is recommended that the government through the various Metropolitan/Municipal/District Chief Executive Officers
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should ensure that the procurement unit of the various MMDAs is independence and free from any political influence or nepotism/favouritism.

**Keywords:** procurement; abura asebu kwamankese district assembly; operation; public procurement authority

**INTRODUCTION**

The movement of goods worldwide presents numerous challenges and obstacles. The procurement function is responsible for acquiring these goods and services, and it has evolved significantly over time. The earliest recorded procurement order, discovered on a red clay tablet in Syria, dates back to approximately 2400-2800 BC (Thai, 2017). This order requested "50 jars of fragrant smooth oil for 600 small weights in grain" Thai & Grimm, (2000) Additional historical evidence of procurement includes the establishment of the silk trade between China and a Greek colony in 800 BC. However, during these periods, there were no dedicated procurement officials; instead, commissioners or commissaries procured goods and services for the government, earning a commission on their purchases for the military or other administrative units (Flynn & Davis, 2014)

Public procurement refers to the process of acquiring various types of goods, assets, services, and works using public funds from the private sector (Bank, 2017). Governments procure goods, services, and works on behalf of their citizens using tax revenue, emphasizing the importance of obtaining value for money (Van Weele, 2014:375). Public procurement encompasses a wide range of activities, from routine consumables to complex projects like infrastructure development and management information systems (Monczka et al., 2008).

Globally, public procurement plays a significant role in delivering services and determining the performance of public entities (Intaher Marcus Ambe, 2019). It constitutes over 18% of the world’s GDP, amounting to more than $11 trillion annually. Public procurement represents a crucial economic activity for any government as it involves the redistribution of income through the provision of goods and services. In sub-Saharan Africa, public procurement accounts for over 25% of the total GDP (la Harpe & Le Roux, 2016). Consequently, public procurement is a vital function that profoundly influences the allocation of taxpayers' money and remains susceptible to corruption (Ti et al., 2018).

Mauro et al., (2015) reported that government expenditure through procurement as a percentage of GDP exceeded 50% among the leading economies by 2011. In the Netherlands, procurement represents nearly 45% of total government expenditure (OECD & Paris, 2017). Coady & Gupta, (2012) emphasized that many governments use public procurement to promote domestic industries, address regional economic disparities, and support disadvantaged or minority communities. Indeed, public procurement serves as the primary mechanism through
which governments fulfill developmental needs such as providing physical infrastructure and essential services (Intaher M Ambe & Badenhorst-Weiss, 2012).

In order to ensure transparency and cost-effectiveness in public procurement in Ghana, the government launched the Public Financial Management Reform Programme (PUFMARP) in 1996 (Betley et al., 2012). The primary goal of this program was to enhance financial management practices in the country. As part of the reform efforts, PUFMARP identified several weaknesses in the procurement system. These weaknesses included the absence of a comprehensive public procurement policy, the lack of a central body with technical expertise, unclear roles and responsibilities for procurement entities, the absence of a comprehensive legal framework to safeguard public procurement, and the lack of rules and regulations to guide and monitor the procurement process. Additionally, there was no independent appeals process in place to address complaints from tenderers (Betley et al., 2012).

These identified weaknesses prompted the establishment of the Public Procurement Oversight Group in 1999. The purpose of this group was to lead the development of a comprehensive public procurement reform program. As a result, a public procurement bill was drafted in September 2002, and it was subsequently passed into law on December 31, 2003 (Betley et al., 2012).

However, despite the enactment of the public procurement law, there have been numerous challenges that hinder the smooth and effective implementation of public procurement processes, particularly within the various district assemblies in the Central Region of Ghana. These district assemblies are responsible for formulating and executing plans, programs, and projects for the development of their respective districts. Therefore, the importance of procurement activities cannot be underestimated in these district assemblies (Asante et al., 2018).

**Statement of the Problem**

Globally, public procurement plays a crucial role in the provision of goods, works, and services in every economy. It is essential to enhance the performance of the public procurement system in order to achieve value for money and safeguard public funds (Lin et al., 2020). However, extensive evidence in the literature suggests that Ghana faces procurement problems similar to those experienced by many African and some Asian countries (Anvuur et al., 2006). Therefore, the challenges observed and the suggested remedial steps are of significant importance to numerous developing economies.

Several authors have examined the factors that hinder procurement reforms globally (Thai, 2004). Additionally, numerous studies have recognized the ability of Ghana’s procurement Act 663 to ensure Senzu & Ndebugri, (2017) the judicious and efficient use of state resources, establish a transparent and non-discriminatory public procurement system, and reduce or eliminate
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corruption in the procurement process. However, the implementation of this well-intentioned act has faced several challenges that hinder the achievement of its objectives (Dabaga, 2013). Dabaga (2013) points out that the lack of clear procedures for emergency procurement, slow progress in finalizing the draft regulations, insufficient qualified procurement personnel, and high advertising costs pose challenges to the effective and smooth operation of public procurement processes.

Nevertheless, previous studies have not specifically reported on the obstacles to procurement reforms in Ghana, particularly at the district assembly level in the Central Region, and how these challenges affect the smooth operation of public procurement processes. Therefore, there is a need to examine the impact of the challenges associated with public procurement processes on the efficient operation of public institutions, focusing on the Abura Asebu Kwamankese district assembly in the Central Region of Ghana. The study aims to investigate the challenges associated with public procurement processes, assess the impact of these challenges on the efficient operation of public institutions in Ghana, and explore potential ways to mitigate these challenges.

This study will generate information that can aid auditor general department about how the challenges bought by the public procurement Act affect the smooth and effective operation of various procurement unit of the district assemblies. Also, outcome of the study will suggest appropriate and practical measures to curb these challenges emanated by the public procurement Act. Thus, it will give direction to policy makers regarding appropriate strategies to curb challenges associated with the introduction of Public Procurement Act and how to iron out these differences. Furthermore, the findings of the study will help staff of the district assemblies to appreciate the challenges of public procurement act and how it restricts or affect the smooth operation of the procurement unit. Lastly, the outcome of the study will add up to the limited pool of resources concerning the effect of challenges of public procurement processes on the effective operation of public organizations in Ghana.

METHODS

The study conducted research in the Abura-Asebu-Kwamankese District (AAKDA) in the Central Region, which was chosen due to complaints about delays in public procurement processes. The district has a land area of approximately 380km2 and a population of 148,873 as of 2019. The research approach utilized a mixed method, combining quantitative and qualitative methods, to gain a comprehensive understanding of the phenomenon. The study employed a descriptive and exploratory research design to describe the situation and draw conclusions. The population of the study consisted of stakeholders involved in the procurement process, including assembly members, contractors, suppliers, and core staff of the assembly. Non-random sampling techniques such as purposive and convenience sampling were used to select the sample. Primary
Data was collected through questionnaires and interviews, with protocols and ethical considerations in place to ensure voluntary participation, consent, anonymity, and confidentiality. The reliability and validity of the data were assessed using Cronbach’s alpha for questionnaire reliability and content and contextual validity. Data analysis involved cleaning, coding, and organizing the quantitative data using Microsoft Excel and SPSS, while qualitative data from interviews were transcribed, edited, and thematically analyzed.

RESULTS AND DISCUSSION

Demographic Information of Respondents

Out of the 62 respondents engaged in the study, 47 was males while 15 was females. Thus, majority of the respondents involved in the study was males and this is due to the nature of their work, more males are found in the various public institutions, especially in the local government service of Ghana. The study was dominated by masculine ideas on the effect of challenges associated with public procurement processes on operation of Abura Asebu Kwamankese district assembly. On age, majority of the respondents were found between 30-39 years while others were found at 40 years and above. Therefore, respondents were found to be in the active population. Regarding educational status, more than half of the respondents were highly educated with secondary, tertiary and masters form of education. However, only 3 respondents had no formal education. Therefore, respondents were able to read and understand the demands of the questionnaire concerning public procurement processes and its challenges. On marital status, 30 respondents were married while 19 respondents were single and few (2) of the respondents was widowed. On religion, it was dominated by Christians (49, 81.7%) with small number of Muslim (11, 18.3%). A greater number of respondents had no child, followed by 18 respondents who had 1-3 children, 14 respondents who had 4-6 children while 9 of the respondents had more than 6 children.

Challenges associated with public procurement processes

There is no single policy without any hindrances. Therefore, this objective concentrated on identifying various challenges associated with the PPP in Ghana.

Table 1. Challenges confronting effective implementation of Public Procurement Processes

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Mean</th>
<th>Std dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of experience/low capacity staff</td>
<td>3.91</td>
<td>0.872</td>
</tr>
<tr>
<td>Lack of support and co-operation from top management</td>
<td>3.60</td>
<td>1.120</td>
</tr>
<tr>
<td>Lack of accountability and transparency</td>
<td>4.45</td>
<td>0.877</td>
</tr>
<tr>
<td>Lack of training by PPA</td>
<td>2.98</td>
<td>1.230</td>
</tr>
<tr>
<td>Lack of monitoring by PPA</td>
<td>3.78</td>
<td>1.121</td>
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</tbody>
</table>
Examining The Effect of Challenges Associated With Public Procurement Processes On The Efficient Operation Of Abura Asebu Kwamankese District Assembly

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Mean</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Corruption</td>
<td>4.76</td>
<td>0.872</td>
</tr>
<tr>
<td>Bureaucracy</td>
<td>4.68</td>
<td>0.662</td>
</tr>
<tr>
<td>Non-compliance with provisions of the law</td>
<td>4.01</td>
<td>0.981</td>
</tr>
<tr>
<td>Lack of clear procedures for emergency procurement</td>
<td>4.33</td>
<td>0.673</td>
</tr>
<tr>
<td>Lack of funds and non-cooperativeness of suppliers</td>
<td>4.12</td>
<td>0.651</td>
</tr>
<tr>
<td>High cost of advertisement</td>
<td>3.88</td>
<td>1.432</td>
</tr>
<tr>
<td>Splitting of contracts into smaller lots</td>
<td>3.98</td>
<td>1.021</td>
</tr>
<tr>
<td>Political interference</td>
<td>4.83</td>
<td>0.878</td>
</tr>
<tr>
<td>Low interaction with procurement entities and the PPA</td>
<td>3.01</td>
<td>0.341</td>
</tr>
<tr>
<td>Deliberate controlling of competition</td>
<td>4.11</td>
<td>0.781</td>
</tr>
<tr>
<td>Non-compliance with provisions of the law</td>
<td>4.01</td>
<td>0.661</td>
</tr>
</tbody>
</table>

Table 1 shows that majority of the respondents strongly agreed that political interference (M=4.83, SD=0.878), corruption (M=4.76, SD=0.872), bureaucracy (M=4.68, SD=0.662), lack of accountability and transparency (M=4.45, SD=0.877), non-compliance with provisions of the law (M=4.01, SD=0.981), lack of clear procedures for emergency procurement (M=4.33, SD=0.662), lack of funds and cooperativeness of suppliers and contractors (M=4.12, SD=0.651) are among the major reasons why public procurement processes cannot function effectively in the various district assemblies in Ghana.

Also, majority of the respondents agreed that lack of experience/ low capacity of staff (M=3.91, SD=0.872), lack of monitoring by PPA (M=3.78, SD=1.121), high cost of advertisement (M=3.88, SD=1.432), splitting of contracts into smaller lots (M=3.98, SD=1.021) and lack of training (M=3.98, SD=1.230) serve as a blockage for effective implementation of Public Procurement Processes. On the other hand, majority of the respondents undecisive (M=3.01, SD=0.341) on the notion that low interaction with procurement entities and the PPA prevent effective implementation of the public procurement processes or not.

Poisson (2010) suggests that corruption within public procurement has long been a recurring issue faced by public officials, although research in this area only began a decade ago. In Ghana, accountability and transparency are emphasized as crucial aspects of the public procurement act. However, when public officials engage in corrupt practices, the actual implementation of accountability and transparency in procurement processes remains elusive. Ameyaw, Mensah, and Osei-Tutu (2012) identified these factors as obstacles to the effective execution of public procurement in Ghana.

Tanzi & Davoodi, (1998) conducted studies that established a correlation between corruption, collusion, and public procurement. They argued that corruption influences the allocation of public funds by swaying investment decisions through opportunities for bribes. As a result, priority is often given to large construction projects over health and education initiatives, while funding for operation and maintenance is neglected. The presence of corruption also leads
public officials to disregard existing procurement laws and procedures. In some cases, politicians may create inefficient regulations aimed at generating personal gains for public officials (Tanzi & Davoodi, 1998). Wibe et al., (2002) further highlights that corruption in public procurement leads officials or politicians in charge to select suppliers based on bribes rather than the best price-quality combination. This practice results in overpriced construction projects and unnecessary acquisition of goods.

In terms of political interference, respondents perceive public procurement as highly political, with politics playing a significant role in its success or failure. Political considerations often determine which projects are approved, the timing of contract awards, and the selection of contract winners. Some projects may even be abandoned due to political interference. Respondents identified the inherently political nature of the Assembly’s procurement process as one of the challenges in public procurement, emphasizing that politics cannot be entirely separated from the process (Ameyaw et al., 2012a). The finding confirms the assertion by Raymond et al., (2008) that, the public procurement sector is a politically sensitive sector. A core staff stated that:

Politicians distort procurement plans by awarding contract for unplanned projects. Even the timing of award of contracts is politically motivated. Most often politicians want projects that can score them higher political points and there is very little we the technocrats can do about it. We go, sit down and draw up plans but we do not implement them. The plans are put on the shelves to gather dust. For instance, the ambulance bay, we were here and the government brought the ambulance and we need prepare a place for them to live and also operate as offices. Within a few weeks, a place was prepared for them which was not in our plans to do so at that time too. This is just one out of a common examples of those cases. Sometimes too, some projects have to be given to “party financiers” due to political influence. My dear, it is not here alone but almost all the assemblies, it happens. If you want to stand on your toes too, you may have unwarranted transfer so you have to hold your peace and let somethings be.

The narration confirms the argument of Morita et al., (2005) who noted that, the threat of being suspended or fired has in many cases lure public procurement officials into obeying illegal ministerial directives leading to non-compliance of procurement rules, resulting in poor procurement outcome. Also, lack of experience or low capacity of procurement staff is a major factor when mentioned public procurement processes. However, with this assembly, a core staff narrated that:

Though there is a general notion that lack of experience or low capacity of procurement staff prohibit effective implementation of the public procurement process, our assembly has experienced staff with high capacity to perform almost all kinds of procurement processes or activities. We used
to have 2 procurement officers, but one has been transferred to a sister district assembly in the central region. However, I perform all my duties as expected. I have enough training from our body and region that assist me in delivery of duties and responsibilities concerning procurement.

Contrary to the findings of Ameyaw, Mensah, and Osei-Tutu (2012) and Dagaba (2013), who identified several challenges hindering the implementation of the Public Procurement Law, other studies by Dagaba, (2013) have emphasized the lack of clear procedures for emergency procurement as a major issue. According to (Ameyaw et al., 2012b), their examination of 205 goods contracts revealed that 33% were obtained through Sole Sourcing (SS), 62% through Request for Quotation (RFQ), and 4% through National Competitive Tendering (NCT). Additionally, 22% and 46% of respondents had used Sole Sourcing (SS) and Request for Quotation (RFQ), respectively, for procurement purposes. The preference for Sole Sourcing and Request for Quotation was attributed to factors such as insufficient funds, lack of clear emergency procedures, and suppliers' uncooperativeness. The Public Procurement Authority, in its 2006 review, also highlighted the lack of qualified procurement personnel as a cause of inconsistencies and overall inefficiency in the system (Dagaba, 2013).

Effect of challenges of public procurement processes on the efficient operation of public institutions in Ghana

There are some effects of challenges of PPP on the efficient and effective operation of public institutions, therefore, this objective examined such effects. Data were gathered from the various respondents on how these challenges affect the operations of the district assembly and the result is presented in Table 2.

To examine how the operations of the district assembly is affected by these challenges of public procurement processes, Table 2 indicated that respondents strongly agreed that there is poor quality of goods and services procured/delivered (M=4.86, SD=0.656), no transparency and discrimination in awarding of contract and supplies (M=4.89, SD=0.322), difficulty in monitoring and evaluation of projects and supply (M=4.20, SD=0.1227) and value for money is not assured (M=4.41, SD=0.871).

Table 2. Effect Of Challenges Of Public Procurement Processes On Efficient Operation Of District Assembly

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std dev.</th>
</tr>
</thead>
<tbody>
<tr>
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<td>0.656</td>
</tr>
<tr>
<td>procured/delivered</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No transparency and discrimination</td>
<td>4.89</td>
<td>0.322</td>
</tr>
<tr>
<td>in awarding of contract and supplies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Difficulty in monitoring and</td>
<td>4.20</td>
<td>1.227</td>
</tr>
<tr>
<td>evaluation of projects and supply</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value for money is not assured</td>
<td>4.41</td>
<td>0.871</td>
</tr>
</tbody>
</table>

Respondents believed that once there is a political influence on the processes, transparency can never be assured and therefore, awarding of contracts are always discriminated against due to political affiliation, nepotism or favouritism. Also, when contractors are awarded due to political
reasons, it becomes difficult for core staff in charge of monitoring and evaluation to do their job as expected. Therefore, there would always be wrong specifications, inaccurate and improper materials used for the project and in the long run, projects or supply may either delay or abandoned without any justification. A core staff stated this in an interview:

Now adays, everything has become politics and that is killing development in the nation. Even if you have gotten a contract due to political reasons, why can't you be on the task and perform your duties and responsibilities as stated in the contract documents? Some contractors will rather hide behind their politicians and produce or supply anything all in the name of “you can’t do me anything because of order from above or politicians”. This is very bad and kills the zeal of the technocrat to help drive development in the various district assemblies in Ghana. How can you monitor and evaluate such projects? Once you challenge them, your transfer will come as a surprise with immediate effect.

Ways of mitigating the challenges associated with public procurement processes in Ghana

This objective sought to solicit for ideas and suggestions on measures to mitigate the challenges associated with public procurement processes in Ghana. Data were gathered from the respondents on how best problems identified regarding effective implementation of public procurement processes can be resolve and the result is presented in Table 3.

Table 3. Suggestions on measures to mitigate challenges associated with PPP

<table>
<thead>
<tr>
<th>Training (capacity building)</th>
<th>Mean</th>
<th>Std dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of professional and competence staff</td>
<td>4.87</td>
<td>0.781</td>
</tr>
<tr>
<td>Understanding of procurement law</td>
<td>4.88</td>
<td>0.431</td>
</tr>
<tr>
<td>Application of sanction for non-compliance</td>
<td>4.91</td>
<td>0.871</td>
</tr>
<tr>
<td>Frequent monitoring by PPA</td>
<td>4.55</td>
<td>0.722</td>
</tr>
<tr>
<td>Independency of the procurement unit</td>
<td>4.34</td>
<td>0.551</td>
</tr>
</tbody>
</table>

Table 3 shows that majority of the respondents strongly agreed that understanding of procurement law (M=4.88, SD=0.431), training/capacity building (M=4.76, SD=0.342), professional and competence staff (M=4.87, SD=0.781), application of sanction for non-compliance (M=4.91, SD=0.872), frequent monitoring by PPA (M=4.55, SD=0.722) as well as independency of the procurement unit (M=4.34, SD=0.551) in practical are the ways to go regarding mitigation of challenges associated with the effective implementation of public procurement processes.

Respondents proposed that there should be proper understanding of the procurement law on “when to use what and why to use which approach”. This will help key stakeholders to
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understand and appreciate the public procurement processes and help to avoid most of the identified challenges. This is what a core staff indicated in an interview:

Adequate training is key in order for the professionals as well as key stakeholders to understand and appreciate the procurement law. This will help when it comes to what to do in any situation and why to do what is enshrined in the law at a particular point in time. It will help key stakeholders to understand their role to play in the processes and also appreciate each stage of the processes. When people do things with understanding, I think most of these problems we face in procurement processes will be highly reduced.

On the other hand, sanctions of culprits or people who do not comply to the procurement law can also help to redeem the situation. Here, it is already known that the auditor general conduct monitoring and evaluation exercise each year and try to call core staff to appear before a parliament committee in charge of procurement issues on various malpractices among others. This activity should be intensified as well as making the punishment for those culprits or non-compliance viral for others to deter from engaging in similar acts.

Moreover, political interference emerged as a greater factor regarding problems associated with public procurement processes. Therefore, majority of the respondents proposed that in reality or practicality, procurement unit should be independent of political influence in order to function effectively and efficiently.

CONCLUSION

The mixed approach was conducted properly by carefully employing the necessary techniques and tools in the respective qualitative and quantitative approach. Therefore, the study concludes that political influence, corruption, bureaucracy, lack of accountability and transparency, lack of clear procedure for emergency procurement, lack of funds and cooperativeness of suppliers and contractors are the major challenges associated with the public procurement processes in the Abura Asebu Kwamankese District Assembly.

These challenges affect the efficient operation of the district assembly by providing poor quality of goods and services delivered, no transparency and discrimination in awarding of contracts to contractors and suppliers, difficulty in monitoring and evaluating such projects and supply which undermine the value for money principle as well as delaying or abandoned of projects.

These challenges identified can be mitigated according to the respondents by providing understanding to key stakeholders in procurement of goods and services, training/capacity building, professional and competence staff, application of sanction for non-compliance, frequent monitoring by PPA as well as independency of the procurement unit.
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