Original Research Article

Public procurement act 2003, (Act 663); a tool to fight corruption in the public service: Case study of Ghana Port and Harbour Authority (GPHA), Takoradi

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The study presents an overview of the Public Procurement Act 663, which has been perceived in recent times by many stakeholders to be the solution to corruption associated with public procurement. The primary focus of this research was to assess the potency of the service of the procurement Act as a tool to fight corruption in the public service. It also sought to assess the implementation challenges of the Act, identified the stages of procurement processes highly susceptible to corruption, and assessed the monitoring and supervision role of Public Procurement Authority (PPA) and again found out whether measures were put in place to ensure that practitioners possessed high professional standards of knowledge. A sample of 34 employees out of a general population of 35 employees in the materials department was used using convenience sampling. The main tool used for the data collection was questionnaire and the data was analyzed and interpreted using Statistical Package for Social Sciences (SPSS v.16) and descriptive research design respectively. The study revealed that, the objectives set had been achieved and it did indicate that the Public Procurement Act 663 was indeed a potent tool to fight corruption in public sector procurement. However, the findings indicate that, the implementation of the Public Procurement Act 663 caused delay in procurement activities of Ghana Port and Harbour Authority (GPHA), procurement officials engaged in corrupt activities as a result of low salaries, and corruption which is endemic in the monitoring and evaluation stage. It is recommended that, all anti-corruption agencies be strengthened and empowered to investigate and prosecute any case related to public procurement. It is again recommended that, the prevailing thresholds should be reviewed to the level of entity thresholds in order to avoid delays.

Key words: Public procurement act, corruption, public service.

INTRODUCTION

Corruption is a global menace that affects corporate credibility and economic sustainability as well as personal security. There is a rising admission that corruption is prevalent within the public service and the procurement process in particular. There is ample evidence across the world that, corruption hinders economic development; reduces social services; diverts investments in infrastructure and social services; and impacts the poor disproportionately (Khramkin, 2007).

In Ghana the public procurement Act 2003 (Act 663) was enacted to harmonize public procurement processes in the public service, secure judicious economic and efficient use of state resources and further ensure that public procurement is fair, transparent and non-discriminatory (Ministry of Finance, 2001).

Government entities contract with private sector
enterprises to furnish a particular goods and services for a fee subject to legal terms and conditions contained in a contract. Such goods and services are often acquired through a public procurement process on a truly competitive basis under a system that has guidelines that is enshrined in the Procurement Act 663, which include transparency, efficiency, economy, accountability and fairness.

The transformation of public funds into private funds through public procurement procedures however presents an enormous potential for corrupt activities and favoritism as well as outright bribery, hence, the passing of Public Procurement Act 663 to serve as a check on unethical procurement processes in the public service. Aside the Act 663, audit commission, various anti-corruption agencies, and over sight institutions including public accounts committee of parliament are being strengthened and given more authority to fight corruption in the public sector. It is often said that, nothing happens in a vacuum.

Corruption in the procurement process which has been acknowledged by several researchers would have some underpinning factors that precipitate this social ‘canker’. The causes of corruption could be grouped into economic, political, anthropological and social structures (Ekpo, Cited in Habtermicheal, 2009). Thus, low salaries of civil servants, greed, desire for wealth, delays in the delivery of public services and bad governance have been noted to be the fundamental causes of corruption in the public service. Moreover business organizations and their officials influence public practitioners to make decisions that are more favourable to them than to the general body of the citizenry. Such influences may be monetary or non-monetary and can take the form of political campaign contributions, trips abroad, paying school fees for wards of public officials, or physical cash paid directly to the officials (Wilson, 2004; Morisset and Lumenga, 2002; Osei-Tutu et al., 2009). This shows that any positive development towards the reduction in corruption in the public procurement process would have a direct and significant impact on the overall economic situation of the country and consequently lead to savings on the already overstretched public purse.

Public procurement is an area that warrants special attention in the fight against corruption. It typically accounts for 50-70% of the national budget after personal emoluments, 14% of GDP and 24% of total imports in Ghana and is highly exposed to corruption (Addai, 2009; World Bank, 2003). Corruption in Ghana has however been common since independence.

Both public and private actors may be easily tempted to divert goods and services or money for their personal use (Investment Climate Statement, 2009; The OECD Global Forum, 2004). The intension here is to explore whether the Act 663 has been effective in reducing the most common corrupt practices associated with the procurement processes. Since 2006, Ghana’s score and ranking on the transparency international corruption perception index has improved slightly. In spite of this effort, there is a growing perception in Ghana that government related corruption is on the rise. This may be attributed to corrupt practices such as collusion among bidders resulting in higher prices for purchased items, kickbacks from suppliers and contractors to reduce competition and influence the selection process, and bribes to public officials monitoring the winning contractors’ performance, all of these practices leading to cost overruns and low quality. Other forms of abuse, such as falsification of current department needs to create excess supply, fraud and mismanagement, can occur due to insufficient management and monitoring capacity (Azeem, 2007). It is also worrying to hear that most of the public institutions lack procurement professionals to effectively implement procurement policies and guidelines. Moreover, official salaries are modest, especially for low-level government employees, and such employees have been known to ask for a “dash” (tip) in return for assisting with license and permit application (Investment Climate Statement, 2009).

Underlying the efforts and setbacks is a key question: can the Act 663 really fight corruption? That is, can the Act 663 enhance integrity in the public service by ensuring transparency, value for money, resistance to fraud and corruption as well as accountability and control? These are questions that need to be well explored into. It was based on the above mentioned problem identified by the researchers hence the topic: Public Procurement Act 663; a tool to fight corruption in the public service.

The objectives of the study are to:
1. Identify the stages of the public procurement processes susceptible to corrupt practices.
2. Assess the monitoring and supervision role of public procurement authority to ensure transparency.
3. Assess the implementation challenges of Public Procurement Act 663.
4. Assess whether there are measures put in place to ensure that procurement practitioners meet high professional standards of knowledge.

Procurement is the process of acquiring goods, works and services, covering both acquisitions from third parties and in-house providers. The process spans the whole life cycle from identification of needs, through to the end of a service contract or the end of the useful life of an asset. It involves options appraisal and the critical ‘make or buy’ decision (National Procurement Strategy for Local Government, October 2003)

Procurement is also the process of acquiring goods, works and services, covering both acquisitions from third parties. It involves option appraisal and critical “make or buy” decision which may result in the provision of goods and services in appropriate circumstances (Public Procurement Board, 2003).

The procurement process is usually subjected to specific rules and policies covering how the relevant decisions are
made. Depending on local laws, the relevant government officials have to follow a set of systems for public procurement. These systems cover the way they advertise for suppliers, the grounds on which they choose suppliers, and the way in which they measure and enforce the requirements they put on the supplier. The usual aims of such systems are to take advantage of competition between suppliers and to reduce the risk of corruption (http://www.wisegeek.com/what-is-public-procurement.htm).

The Public Procurement Act, 2003 (Act 663) sets out the legal, institutional and regulatory framework to secure fiscal transparent and public accountability in Ghana’s procurement system. The Act establishes five basic principles upon which the public procurement is based (World Bank, 2003). These pillars are: the legal and institutional framework; standardized procurement procedures and tender documents; independent control system; proficient procurement staff; and anti-corruption measures.

The objectives of Act 663 are to harmonize public procurement processes in the public sector to ensure judicious, economic and efficient use of public resources and to ensure that public procurement functions undertaken within the public sector are fair, transparent and non-discriminatory. The Act applies to procurement financed wholly or partly from public funds for the procurement of goods, works, services, contract administration and procurement financed by loans or funds contracted by the government of Ghana, including foreign aid and donor funds. The Public Procurement Act 663 establishes the Public Procurement Board (PPB) now PPA, Entity Tender Committees (ETCs) and Tender Review Boards (TRBs). It specifies in clear terms the laws for procurement methods and thresholds, procedures, appeals and complaints resolution procedures and disposal of stores. It authorizes the issuance of enforceable regulations, Guidelines, Standard Tender Documents (STDs) and Manual under the Act and defines offences and applicable penalties (Public Procurement Act 2003, Act 663).

**Procurement challenges and consequences of poor procurement**

An effective public Procurement system is essential for good governance. A poor Procurement system results in higher cost to government and the public. It delays project implementation which further increases cost, leads to poor project execution performance and delays the delivery of benefits to the beneficiaries. Procurement problems also increases scope for corruption generate more complaints and raise concerns about the integrity of the procurement process. Finally, poor procurement discourages good firms (both national and foreign) from participating in bidding, thus deprive the country of receiving better goods, works and services (World Bank, 2002).

**Challenges of public procurement act**

In many developing countries, public procurement has not been viewed as having a strategic impact on the management of public resources. The above is buttressed by the fact that in most developing countries, there is lack of manpower with the requisite qualification to assume the procurement responsibility. According to the Country Procurement Assessment Report (CPAR) of Ghana produced in 2003, most staff of Ministries, Departments and Agencies (MDAs), and District Assemblies (DAs) responsible for procurement were not procurement proficient though they have been trained. Political interference with the procurement process also poses a challenge to the Act 663. A good number of politicians think that they have the right to intervene in the procurement procedures thereby leading to capricious procurement decisions (World Bank, 2004). Moreover, the public procurement system is fraught with a lot of corrupt practices such as overpricing of goods, works and services by bidders. Also, the system is faced with inadequate monitoring processes and noncompliance with some provisions of the law (PPA Annual Report, 2008). Moreover, absence of tender boards at district assemblies because they cannot secure professional participants (such as MPs, procurement professionals, Lawyers and engineers) particularly in rural areas is another major challenge of the Act. When this happens, decisions are pushed up to regional or national bodies, directly contravening the drive to decentralize government as outlined in the Ghanaian constitution (ISODEC). Furthermore the Act does not provide any role for civil society and the media in the public procurement process. Given the importance of civil society and the media in monitoring of public activities generally, it is inappropriate that the law that has as its main objective to achieve a judicious, economic and efficient use of public funds through fairness, transparency and non-discrimination methods did not assign any specific role to civil society in the procurement process. Moreover, the Act does not provide for the use of modern Information and Communication Technology in the practice of public procurement in Ghana (Anvuur and Kumarsawamy 2006). Finally, public procurement processes are time consuming. Thus, they are characterized by comprehensive and bureaucratic system which leads to increased government expenditure (World Bank, 2001).

**Corruption**

There are rarely criminal code definitions of corruption. Rather, criminal codes normally contain a mix of crimes that all together are considered corruption, such as bribery of local or foreign government officials and private companies, facilitation payments, fraud, embezzlements, theft, collusion, etc (Azeem, 2009).

According to Victor (2000), bribery, theft and
embezzlement arose from reversion to a traditional winner-takes-all attitude in which power and family relationships prevailed over the rule of law.

However, Transparency International defines corruption as the abuse of entrusted power for private gain. 'Private gain' is interpreted widely to include gains accruing to an economic actor's close family members, political party and, in some cases, to an independent organization and charitable institution in which the economic actor has a financial or social interest.

Tax Justice Network (TJN) also defines corruption in two ways: an abuse of the wider interest (or the public interest) by narrow interests; and any activity that undermines public confidence in the integrity of the rules, systems and institutions, which govern society. Thus, corruption involves the betrayal of public interest in exchange for a narrower benefit. It could be personal, partisan or some other social group interest.

Corruption is often manifested in the siphoning of public resources that would have gone to the provision of hospitals and drugs, schools and books into private pockets. It definitely leads to wastage as prices are inflated through over invoicing, ordering of excess supplies, shoddy work or work not done but paid for, etc.

Corruption encompasses abuses by government officials such as embezzlement and nepotism, as well as abuses linking public and private actors such as bribery, extortion, influence peddling, and fraud. Corruption arises in political, bureaucratic and private offices and can be petty or grand, organized or unorganized. Corruption also facilitates criminal activities such as drug trafficking and even armed robbery. It is pervasive and has to do with motive and opportunity, and such an opportunity (for corruption) usually comes about when there are weak systems and institutions of accountability, lack of checks and balances as well as a general state of moral decadence.

Causes of corruption

The causes and effects of corruption, and how to combat corruption, are issues that are increasing on the national and international agendas of politicians and other policymakers and a major concern to ordinary citizens who get offended by the naked looting of their tax money with impunity.

The lack of political wills in Ghana, as in most African countries, to fight corruption and too much rhetoric about anti-corruption are in themselves causes of corruption. Ghana has a culture where society admires and respects wealth without regards to how and where such wealth is acquired. Lack of systematic socialization process for inculcating ethical values into those already in the civil service and those desiring to enter public life; poverty, economic pressures, inadequate remuneration, and lack of a conducive environment for public officials to perform their duties effectively, are often causes of corruption.

Added to this, is the inadequate retirement package for public officials who end up becoming paupers when they leave office. The most important causes of corruption in Ghana are greed, selfishness and insensitivity to the suffering of the ordinary citizens. The passion to win contract at all cost also stimulates suppliers, contractors and consultants to indulge in corrupt activities by paying bribes to procurement managers (Azeem, 2009).

Public procurement and corruption

There is evidence of corruption at all phases of public procurement processes including procurement planning and budgeting phase, procurement solicitation phase, and contract award and performance phase. A survey in 2002 indicated that procurement accounted for over 18% of the World’s GDP representing USD 5.8 trillion (Auriol, 2005) and an estimated USD 400 billion perceived to be exchanging hands through corruption in public sector procurement (Mawenya, 2008). Other reports also indicate that corruption in Sub-Saharan Africa is estimated around 70 per cent of public procurement contracts and thereby inflates contracts cost by about 30% (Ibid, 2008). Another survey by World Bank (2003) reports that, the cost of corruption is estimated at about USD 148 billion per annum in Africa.

How to deal with corruption

It is quite imperative for every nation to strategies in the fight against corruption in all sectors of the economy, and more especially in the procurement process. There is a wide diversity of corrupt actions which require a correspondingly wide and diverse range of anti-corruption measures to combat corruption in its different forms, and indeed in its very different contexts. The government should enforce and apply to all, transparency-enhancing legislations such as the Public Procurement Act, the Financial Administration Act and its Regulations, the Assets Declaration Act, the Whistleblower Act, and the Anti-Money Laundering Act to help curb corruption. There should also be credible and enforceable codes of conduct and ethics for public officials and professional bodies, as well as the adoption of the guidelines on Conflict of Interest developed by CHRAJ. The ordinary Ghanaian must change the attitude, which tends to worship wealth without consideration of its source. The public must begin to question how an individual acquires his or her wealth, especially if such a person is soliciting for our votes to secure a political position or is being vetted for such a position. Also, the government should order the Attorney-General to prosecute all corrupt cases pending before her without any further delay, no matter who are involved. Public officials found to have been involved in corrupt practices should be sanctioned swiftly (Azeem, 2009). Moreover, Governments should establish clear procedures
for reporting misconduct and for protecting whistle-blowers from reprisal.

MATERIAL AND METHODS

Research methodology represents the strategies involved in collecting and analyzing data assembled, in order to have meaningful interpretations of the research findings. This chapter attempted to give an insight into the way and manner in which the research was carried out. This included the mode of data collection, research design, target population, sample and sampling procedure and organizational profile.

Research design

The study was carried out through a descriptive survey design on assessing the potency of Public Procurement Act 663 (PPA) to fight corruption in the public service. This research was considered appropriate as it dealt with many public officials who mattered when it comes to public procurement hence called for sampling in order to come up with generalizations and inferences about the whole population. Structured questionnaire which contained a mixture of closed ended questions were used to collect data from the respondents. The questionnaire was designed based on the research problem and objectives.

Research Methodology

Sources of data

Essential information for this research work was collected through primary sources. A structured questionnaire was prepared for use in the survey based on literature review and objectives of the study. Key personnel in the material department that comprised of procurement unit, warehouse unit and the store unit of the company answered the questionnaire. This was because most of the questions were more peculiar to those who handled the procurement activities in the organization. The questionnaire was framed on the basis of the research questions. A total of forty (40) questionnaire were designed for response. Both open and close ended questionnaires were designed to facilitate easy responses and allow for a considerable degree of expression from the respondents.

Primary data

The primary data includes first-hand information obtained from the respondents in the targeted population using self-administered questionnaires in the form of open and close ended questions. Open ended questions were to allow respondents to answer the questions in their own words whilst the close ended questions gave them a number of predetermined alternatives to choose from. Questionnaire was used for the purpose of this research because it is relatively cheaper compared to granting interviews and it can cover the substantive number of employees of Ghana Port and Habour Authority (GPHA).

Secondary data

Secondary sources of data were the data that were obtained from written materials by other researchers which were relevant to the area of this study. They contributed better to statement of the problem under investigation. The secondary data were obtained from various sources including textbooks, journals and article, newspapers, internet, and brochures from PPA and GPHA.

Target population

The population of this study was drawn from the materials department of Ghana Port and Habour Authority which constituted forty (40) employees. This study targeted workers who were at the procurement unit, logistics unit, warehouse and stores all within the materials departments of the organization since they were directly involved in the procurement activities for the whole organization.

Due to the small size of the population, the researchers used the census technique to reach thirty-four (34) of the respondents who were mostly found in the materials department.

The thirty four workers were selected from the targeted population using non probability sampling and more specifically purposive sampling. This was because the researchers needed only respondents who were purposely involved with procurement activities within the organization.

Data analysis

Quantitative and qualitative methods of analyzing statistical data were employed in the analysis of the data and the results were subsequently computed into percentages. Tables and charts were used to illustrate and analyze the data. All the tabulation and charts made in analyzing the data collected were by means of questionnaires and all the results were interpreted to see the research findings. The researchers found the technique to be more convenient and appropriate. Statistical package for Social Sciences (SPSS v16) was used to analyze the data.

Limitations of the study

The research scope should have covered the two ports in Ghana namely Ghana Port and Habour Authority (GPHA) in Tema and Takoradi to give adequate grounds for generalization of the research findings but due to limited
### RESULTS AND DISCUSSION

This section illustrates the demographic features of the respondents. Out of 40 questionnaire distributed for this research, 34 useable questionnaire were returned giving a response rate of 85 percent, which was considered very well for subsequent analysis. The personal data of the respondents such as gender, age and educational level were examined. This data were required to enable the researchers know the kind of participants used in the study.

#### Gender of respondents

From Table 1, it was revealed that 65% (22) of the respondents were males whilst 35% (12) of the respondents were females. This outcome shows that perhaps, GPHA had more male employees involved in procurement.

#### Age distribution of respondents

The age distribution depicted in Table 2 above shows that, majority of the workers of GPHA were within the ages of 31-45 years.

#### Level of education of respondents

Table 3 depicts the educational level of the respondents. 79.4% (27) of the respondents were educated up to the tertiary level. This shows that, all the respondents selected were educated and regular participants in public procurement activity and could really give good assessment of the potency of the Act 663 in fighting corruption at GPHA.

### Transparency in Public Procurement

#### Application of appropriate procurement methods

Application of the required procurement methods is important for any successful procurement activity. In connection with the response to tendering methods which aimed at unraveling if there was always the application of the required procurement methods, all the 34 respondents representing 100% responded in the affirmative and therefore, admitted that they really adhered to the appropriate procurement methods. This is depicted in Table 4 below.

#### Procurement method often used

With regards to the methods often used in procurement, Table 5 below reveals that, 17 (50%) of the respondents mentioned competitive tendering whereas the remaining 17 respondents also representing 50% affirmed price quotation. It could be inferred that, the applications of these methods were in conformity with section 35 and 42 of the Public Procurement Act 663.

#### Media of advertisement

As revealed in Table 6, all the 34 respondents (100%) admitted National newspapers as the media through which they advertised contracts. This shows that, contracts at GPHA were exposed to all stakeholders that allowed for strong competition and transparency, and this conforms to section 47 of the Act 663.

#### Stage of public procurement processes highly susceptible to corruption

With regards to the methods often used in procurement, Table 5 below reveals that, 17 (50%) of the respondents mentioned competitive tendering whereas the remaining 17 respondents also representing 50% affirmed price quotation. It could be inferred that, the applications of these methods were in conformity with section 35 and 42 of the Public Procurement Act 663.
Table 5. Procurement Method Often Used

<table>
<thead>
<tr>
<th>Procurement Method</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competitive Tendering</td>
<td>17</td>
<td>50.0</td>
</tr>
<tr>
<td>Request for Quotation</td>
<td>17</td>
<td>50.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>34</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Researchers field survey; June 2013

Table 6. Media of advertisement

<table>
<thead>
<tr>
<th>National Newspaper</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>34</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Researchers field survey; June 2013

Table 7. Stage of Public Procurement Processes Highly Susceptible to Corruption

<table>
<thead>
<tr>
<th>Stages</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tendering Process</td>
<td>9</td>
<td>26.5</td>
</tr>
<tr>
<td>Tender Evaluation</td>
<td>12</td>
<td>35.3</td>
</tr>
<tr>
<td>Monitoring and Evaluation</td>
<td>13</td>
<td>38.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>34</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Researchers field survey; June 2013

Table 8. Why do Public Officials often Engage in Corrupt Activities

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greed</td>
<td>14</td>
<td>41.2</td>
</tr>
<tr>
<td>Low Salaries of Public Officials</td>
<td>16</td>
<td>47.1</td>
</tr>
<tr>
<td>Desire for Wealth</td>
<td>1</td>
<td>2.9</td>
</tr>
<tr>
<td>Political Influence</td>
<td>3</td>
<td>8.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>34</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Researchers field survey; June 2013

12 respondents representing 35.3% who indicated tender evaluation as the next stage highly susceptible to corruption. 9(26.5%) of the respondents however admitted tendering process as the highly susceptible stage to corruption. This shows that, corruption was most endemic in the monitoring and evaluation stage of procurement processes.

Why do public officials engage in corrupt activities?

With regards to why public officials often engaged in corrupt activities, numerous answers were given by the respondents. 14 (41.2%) of the respondents mentioned greed 16 (47.1%) of the respondents indicated low salaries of public officials, 1(2.9%) of the respondents indicated desire for wealth and 8.8% (3) of the respondents mentioning political influence as depicted in Table 8. This shows that public officials' salaries were modest and supports the report by World Bank in the year 2003.

Are public officials sanctioned?

From Table 9, it is seen that, all the 34 respondents (100%) indicated that, public officials were indeed sanctioned for engaging in corruption. This validates the literature by Azeem, 2009 which hammered on swift sanctions to officials.

Table 9. Are Public Officials Sanctioned

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>34</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Researchers field survey; June 2013

Table 10. Kind of Sanctions Applied

<table>
<thead>
<tr>
<th>Sanctions</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dismissal and Prosecution</td>
<td>32</td>
<td>94.1</td>
</tr>
<tr>
<td>Suspension and Fine</td>
<td>2</td>
<td>5.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>34</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Researchers field survey; June 2013

Supervision role of public procurement authority (PPA)

From Table 11, it is observed that, all the respondents were of the view that, Public Procurement Authority (PPA) often monitored and evaluated procurement activities at GPHA.

Regular audit by PPA

Respondents were also asked to state whether they thought regular audit and checks by Public Procurement Authority could help fight corruption in public procurement. From the research findings, all the respondents responded in the affirmative as shown in Table 12 below.

Challenges in the implementation of the procurement act 663

Familiarization with the procurement Act 663

The researchers wanted to know whether respondents
were familiar with the procurement Act 663 since respondents were involved with procurement. As depicted in Table 13, all the respondents responded in the affirmative. This shows that, all the respondents had knowledge about the existence of the Act 663.

Clarity and Understanding of the Act 663

Respondents were further asked to indicate whether the procurement Act was clear and easily understood. 26(76%) of the respondents answered in the affirmative, whilst 8(24%) of the respondents replied in the negative as shown in Table 14 below.

This shows that, majority of the procurement officials at GPHA understood the procurement Act.

At a chi-square value of 9.529 and its associate asymptotic significant value of 0.002, there is association between having good clarity and understanding to the procurement Act and discharging duties as required effectively. This indicates that having clear understanding of the procurement Act help procurement officers to conform to standards stipulated in the Act to be followed of which GPHA staff are of no exception. Table 15

Implementation of procurement act reduces cost of doing business

One of the objectives of the Public Procurement Act (Act 663) is to achieve value for money and therefore the study intended to find out the relationship between the procurement Act and the cost of doing business.

From Table 16, it was revealed that two (2) out of 34 respondents representing 5.9% strongly agreed that, the Act 663 had reduced the cost of doing business. Thirty-one (31) respondents representing 91.2% also agreed that the Procurement Act had reduced cost of doing business. However, one (1) respondent representing 2.9% was uncertain whether the procurement Act had really reduced the cost of doing business. From the above discussion, it could be inferred that, the procurement Act had reduced the cost of doing business at GPHA.

Difficulties associated with the implementation of the act 663

The Public Procurement Act since its implementation has encountered a lot of challenges. The study intended to identify the challenges confronting stakeholders in the implementation of the Public Procurement Act 663 at GPHA. From Table 17 above, twenty one (21) respondents (61.8%) described delay of procurement activities as the difficulty, 5.9% mentioned inadequate qualified personnel, whilst 2.9% mentioned inadequate logistics. Also, 11.8% admitted that, the Act was complex to use, 8.8% mentioned political interference and 8.8% of the respondents stated inadequate supervision on the usage of the Act. This shows that, the implementation of the procurement Act delayed procurement activities at GPHA and this confirms the report of the World Bank in the year 2001.

“The extent to which act 663 has been able to fight corruption”

Public Procurement has been identified as the government activity most vulnerable to corruption (OECD 2007) and therefore the study intended to find out the extent to which the Act has been able to fight corruption at GPHA. From
Table 17. Difficulties Associated with the Implementation of the Procurement Act 663

<table>
<thead>
<tr>
<th>Difficulties</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delay of Procurement Activities</td>
<td>21</td>
<td>61.8</td>
</tr>
<tr>
<td>Inadequate Qualified Personnel</td>
<td>2</td>
<td>5.9</td>
</tr>
<tr>
<td>Inadequate Logistics</td>
<td>1</td>
<td>2.9</td>
</tr>
<tr>
<td>Complex</td>
<td>4</td>
<td>11.8</td>
</tr>
<tr>
<td>Political Interference</td>
<td>3</td>
<td>8.8</td>
</tr>
<tr>
<td>Inadequate Supervision on Usage of the Act</td>
<td>3</td>
<td>8.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>34</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Researchers field survey; June 2013

Table 18. Extent to which the Act 663 has been able to fight corruption

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good</td>
<td>26</td>
<td>76.5</td>
</tr>
<tr>
<td>Satisfactory</td>
<td>8</td>
<td>23.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>34</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Researchers field survey; June 2013

Table 19. Position and Appointment of procurement personnel

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td><strong>34</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Researchers field survey; June 2013

Table 20. Training Programmes for Procurement Personnel

<table>
<thead>
<tr>
<th>Procurement Training</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarterly</td>
<td>34</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Researchers field survey; June 2013

Table 18, it can be seen that, 76% of the respondents indicated good extent whilst 24% indicated satisfactory extent. This shows that, the procurement Act 663 has been good in fighting corruption at GPHA. The findings above can be buttressed by the statement below:

As human as we are, no one can dispute the fact that there is no element of corruption and bribery any time the Act is used in procuring goods, works and services, nonetheless one cannot also rule that the element of transparency is not present any time the Act (Act 663) is used in procuring goods, works and services (Osei–Owusu et al., 2013).

Assessment of procurement practitioners’ capacity

Position, qualification and appointment of procurement personnel

Respondents were also asked to state whether the Act 663 should state the position, qualification and appointment of procurement personnel. As evidenced in Table 19, all the respondents affirmed positively.

Training programmes for procurement personnel

Respondents were also asked to indicate how often training programmes were organized for procurement personnel at GPHA. From Table 20 below all the respondents stated that, procurement officials were trained quarterly. This shows that, there was existence of training programmes for the procurement personnel to regularly update their knowledge and make them conversant with the law.

Performance of procurement activities by only professionals

Respondents were also asked to state whether procurement activities should be carried out by only those familiar with the procurement rules and practices, and with academic and professional qualification. From Table 21 below, all the respondents responded in the affirmative.

How to reduce corruption in public procurement

It is quite imperative for every nation to strategies in the
Table 20. Training Programmes for Procurement Personnel

<table>
<thead>
<tr>
<th>Procurement Training</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarterly</td>
<td>34</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Researchers field survey; June 2013

Table 21. Performance of Procurement activities by Professionals

<table>
<thead>
<tr>
<th>Procurement Training</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarterly</td>
<td>34</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Researchers field survey; June 2013

Table 22. How to Reduce Corruption in Public Procurement

<table>
<thead>
<tr>
<th>Suggestions</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular Audit of Contracts</td>
<td>3</td>
<td>8.8</td>
</tr>
<tr>
<td>Motivation of Public Officials</td>
<td>12</td>
<td>35.3</td>
</tr>
<tr>
<td>Protection and Empowerment of Officials</td>
<td>4</td>
<td>11.8</td>
</tr>
<tr>
<td>Sanctions to Corrupt Public Officials</td>
<td>6</td>
<td>17.6</td>
</tr>
<tr>
<td>Education and Training of Public Officials</td>
<td>5</td>
<td>14.7</td>
</tr>
<tr>
<td>Strengthening of Transparency Enhancing Legislations</td>
<td>1</td>
<td>2.9</td>
</tr>
<tr>
<td>Credible and Enforceable Codes of Conduct</td>
<td>2</td>
<td>5.9</td>
</tr>
<tr>
<td>Strict Adherence to the Act</td>
<td>1</td>
<td>2.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>34</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Researchers field survey; June 2013

Table 23. Test Statistics of factors to Reduce Corruption in Public Procurement

<table>
<thead>
<tr>
<th></th>
<th>VAR00002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-Square</td>
<td>21.529a</td>
</tr>
<tr>
<td>Df</td>
<td>7</td>
</tr>
<tr>
<td>Asymp. Sig</td>
<td>0.03</td>
</tr>
<tr>
<td>Fisher Exact Test</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Source: Researchers field survey; June 2013

a. 8 cells (100.0%) have expected frequencies less than 5. The minimum expected cell frequency is 4.3.

fight against corruption in all sectors of the economy, and more especially in the procurement process. Respondents were asked to suggest measures to help combat corruption in public procurement. From Table 22 below, 8.8% of the respondents mentioned regular audit of contracts by PPA, 35.3% stated motivation of public officials through good salaries and incentives, 11.8% also mentioned protection and empowerment of public officials from political influence, 17.6% of the respondents also stated that, corrupt public officials should be sanctioned, 14.7% held that, public officials should be educated and trained on the usage of the Act, 2.9% indicated that, transparency enhancing legislations should be strengthened, 5.9% also stated that, there should be credible and enforceable codes of conduct and 2.9% maintained the view that, there should be strict adherence to the Act. This shows that procurement officials should be well motivated to avoid the temptation of corruption.

Table 23 is a test statistics of factors that reduce corruption in the Public Sector. It was observed that 8 cells have expected counts less than 5; because of that chi-square test was not used but rather Fisher’s exact test was employed although both test have significant values. At a Fisher’s test of 0.000 there is association between the processes of the procurement Act and the strategic adopted to reduce corruption in the Public Sector. This implies that strategies adopted by GPHA to reduce corruption in the organization are all significant in achieving the organization goals and bring adherence of the Procurement Act.

Chi-square test

The chi-square test is used to determine whether there is a significant difference between the expected frequencies
### Tables 24. Clarity of Understanding the Act 663

<table>
<thead>
<tr>
<th></th>
<th>Observed N</th>
<th>Expected N</th>
<th>Residual N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>26</td>
<td>17.0</td>
<td>9.0</td>
</tr>
<tr>
<td>No</td>
<td>8</td>
<td>17.0</td>
<td>-9.0</td>
</tr>
<tr>
<td>Total</td>
<td>34</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Factors that reduce Corruption in Public Procurement

<table>
<thead>
<tr>
<th>Factor</th>
<th>Observed N</th>
<th>Expected N</th>
<th>Residual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular Audit of Contracts</td>
<td>3</td>
<td>4.3</td>
<td>-1.3</td>
</tr>
<tr>
<td>Motivation of Public Officials</td>
<td>12</td>
<td>4.3</td>
<td>7.8</td>
</tr>
<tr>
<td>Protection and Empowerment of Officials</td>
<td>4</td>
<td>4.3</td>
<td>-0.3</td>
</tr>
<tr>
<td>Sanctions to Corrupt Public Officials</td>
<td>6</td>
<td>4.3</td>
<td>1.8</td>
</tr>
<tr>
<td>Education and Training of Public Officials</td>
<td>5</td>
<td>4.3</td>
<td>0.8</td>
</tr>
<tr>
<td>Strengthening of Transparency Enhancing Legislations</td>
<td>1</td>
<td>4.3</td>
<td>-3.3</td>
</tr>
<tr>
<td>Credible and Enforceable Codes of Conduct</td>
<td>2</td>
<td>4.3</td>
<td>-2.3</td>
</tr>
<tr>
<td>Strict Adherence to the Act</td>
<td>1</td>
<td>4.3</td>
<td>-3.3</td>
</tr>
<tr>
<td>Total</td>
<td>34</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

and the observed frequencies in one or more categories. It helps to determine whether the number of individuals or objects that fall in each category differ significantly from the number would be expected. Another reason is to find whether there is significant associations that exist between two or more groups.

The Tables 24 show the observed and expected frequencies and its associate errors.

### CONCLUSION AND RECOMMENDATIONS

The study revealed that, GPHA applied appropriate procurement methods as required, and National Competitive Tendering and Request for Quotation methods were mostly adopted which enhanced fairness and transparency in the procurement practices. This finding conforms to sections 35 and 42 of the Act 663. Monitoring and Evaluation of procurement processes was affirmed the stage most susceptible to corruption. It also came to light that contracts were publicly advertised and keenly contested and the media through which the public got to know the procurement advertisements or opportunities were the national newspapers. This was in conformity with the Act 663 that requires procurement entity to publish tender invitation in a wide nationally circulated newspaper as stated in Section 47 (2) of the Act 663. It was also revealed that, procurement officials engaged in corruption as a result of low salaries. This finding was substantiated by the report of the World Bank in the year 2003. Also, officials were mostly dismissed and prosecuted for corruption and this finding supports the literature by Azeem, 2009 which hammered on swift sanctions. It was suggested that, high motivation of procurement officials could help combat corruption.

The analysis indicated that, PPA often monitored and supervised procurement activities at GPHA and all respondents attested to the fact that, regular audit and checks by PPA could help fight corruption in public procurement.

The analysis also revealed that the procurement personnel at GPHA were familiar with the Act 663 and it was affirmed that the Act was clear and easily understood. It was also agreed that, the effective implementation of the Act reduced the cost of doing business and delayed procurement activities. The delay was attributed to the bureaucratic nature of procurement systems and this finding is corroborated by the report of the World Bank in the year 2001. The findings also revealed that the Act had been good in fighting corruption in the public service.

The analysis again revealed that the procurement Act made provision for the position and appointment of procurement personnel. It was also revealed that, procurement training programmes were often organized for personnel at GPHA on a quarterly basis. It was agreed that procurement activities be carried out by only professionals and those familiar with the Act.

Based on the strength of the findings of the study, it can be established that, the procurement Act has brought transparency in public procurement procedures since the study revealed that there were openness and fairness in procurement activities at GPHA. This concluded that, the Act was actually implemented and practiced at GPHA. It can also be established that, PPA has contributed immensely to transparency and corruption free in public procurement procedures through regular monitoring and supervision of public procurement activities. The findings again established that, corruption was endemic in project
monitoring and supervision stage which sought to determine the quality of project contractors deliver. It can again be established that, salaries of public procurement officials were modest. However, in the realm of the challenges, the implementation of the Act has caused a lot of delays in acquisition of goods, works and services at GPHA. The causes of the delay according to the study were the bureaucratic nature of the Act. The study did determine that, procurement personnel at GPHA were regularly trained to update their skills and ensure they possessed high professional standard of knowledge. It can also be concluded that the Act has reduced government expenditure.

Although the findings are tentative and need to be corroborated by audit and also other stakeholders such as the private sector, the researchers would like to say the implementation of the Procurement Act at GPHA has helped to reduce corruption to a large extent.

Recommendations

On the basis of the findings and conclusions made above, the following recommendations are made for consideration and implementation by respective key actors in the procurement of works, goods and services in GPHA. Corruption is difficult to uncover and confront, therefore public officials should be encouraged and empowered to openly discuss corruption in staff durbars and report incidence of corruption to appropriate authorities through the enforcement of the whistle-blowers Act. The discussion should include the dangers of corruption and corrupt practices on the individual staff and the national economy.

The government should also strengthen and empower all anti-corruption agencies such as public accounts committee of parliament, Transparency International and the local chapter to investigate and prosecute any case related to public procurement so as to instill fear in public officials. Government should endeavour to review the Act to limit the number of steps in procurement process so as to reduce the level of bureaucracy in the system. Thus, the prevailing thresholds should be reviewed to the level of entity thresholds so as to give procurement entities greater control over procurement decisions to reduce lead time and needless delays caused by Tender Review Boards (TRBs). Procurement officials should be highly motivated and incentivized, and their salary and remuneration conditions should be reviewed to reflect the current economic condition in order to avoid the temptations of corruption. GPHA should set up a committee to critically monitor and supervise procurement activities to ensure that, contractors do not undercut or do shoddy work in order to make up for the low markup.

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