Importance of Planning on Effective Procurement Delivery at the Decentralised Departments of Governance in Line with the Procurement Act 2003, (Act 663) of Ghana: The Case of Metropolitan, Municipal and District Assemblies (MMDAS) in the Western Region of Ghana

JOSEPH ANSAH¹* STEPHEN NORMANYO²
Department of Purchasing and Supply, Takoradi Polytechnic, P. O. Box 256, Takoradi-Ghana
Target audience: Ghana government, MMDAs, Public Procurement Authority, Higher Education in Ghana

Abstract
Section 91 (1) (2) (3) of Act 663 which stipulated that there should be a regular procurement audit to assess procurement performance, monitoring and evaluation necessitated the need for this study. This study also sought to assess the performance of procurement practices of the MMDAs and to determine the extent to which the MMDAs followed the requirement of (PPA 2003, Act 663) in the planning, execution and monitoring of procurement operations. It also sought to analyse the challenges the MMDAs encountered in performing procurement activities in the management of procurement operations in line with the procurement law of Ghana. In order to achieve the overall goal of the study, questionnaire was designed to probe into what makes a good public procurement plan; who the stakeholders of the plan are, and what the procurement plan stands for, that is, what makes the content of the procurement. Additionally, the questionnaire also probed into the effectiveness of the procurement law (act 2006) and whether the procurement entities believe that it has contributed to achieving its goal of creating and enabling value for money at the MMDAs and for the government of the Republic of Ghana. The main research instrument used was the questionnaire. The research also made use of a census in the survey. The study revealed that the procurement entities use the procurement law prescription for public procurement activities. However, the entities oftentimes buy without due recourse to the procurement plan. This means that, even though, the procurement law directs that all procurement for and on behalf of the government for the public ought to be compulsorily done according to the procurement plan, certain external influences prevents this from happening. As a result, a sizable percentage of procurement is done without recourse or consideration to the procurement plan which is a blatant disregard for the public procurement law of Ghana. The study again revealed that the period taken for contractors to receive their money after execution of work is long and therefore cause suppliers inability to deliver. The study further revealed that the entity encountered in its operations difficulty in obtaining funds and also numerous unbudgeted requirements which are often outside the procurement budgets are requested for purchases and this has the effect of throwing off the procurement plan for the year. Thus putting enormous pressure on government finances. It is recommended therefore that the procurement function at the MMDAs must be independent and stand-alone departments undertaking autonomous procurement activities, having its own directors and head of departments. It is again recommended that the procurement function as an autonomous department, shall be more strategic and therefore employ scientific method for procurement activities such as demand forecasting for the procurement of especially goods and essential services such as materials for maintenance because procurement is the departments’ core activity. This research covers the introduction of the research, the theoretical framework which comprises the views of authorities on the topic and on procurement issues, the methodology used, the research analysis, the findings, conclusions and summary together with the problems encountered during the gathering of data on the research as well the problems encountered in the compilation of the research.

Keywords: Public Entity, Public Procurement Law, Public Procurement Act 2003 (Act 663), Municipal and District Assemblies (MMDAS), public procurement plan, first right and refusal (FRR)

1.0 Introduction
There are various definitions for planning. Planning has been defined as the task of coming up with a sequence of actions that will achieve a goal. Another definition states that planning is the systematic process of establishing a need and then working out the best way to meet the need, within a strategic framework that enables you to identify priorities and determines your operational principles. The common point with the two definitions is that planning is a goal achieving method intended to meet a particular need, (Shapiro, Janet, 2001). Experts in planning say that planning is a complex thing that can take different forms. It is said that planning can be strategic as well as action based. Achieving a goal must be planned the experts say. This simply means that for effective planning, there should be the appropriate time to plan which is better referred to by experts as “planning the plan”. Besides this, people involved in the planning ought to be experts on their own; which means...
that, in terms of strategic procurement planning, effective procurement planning, a collection of experts from procurement departments of government as well as user departments should come together to form the core of the planning team in order to harness talents and exposures and strategies to draft as well as for to effectuate procurement activities on behalf of government at any level.

Governments all over the world buy a lot and that makes procurement function of government the largest consumer of government resources. It is estimated that public procurement in fact is the largest market in sub-Saharan Africa country for up to 70% of the national budget of West Africa Economies. According to the Country Procurement Assessment Report (CPAR, 2002), our lack of capacity to spend had had severe consequences on the Economic Community of West African States (Ecowas) region. For the complex nature of government procurement and the tendency to encourage corruption in governments through its procurement activities, the International Monetary Fund and the World Bank itself have provided guidelines for governments to follow to reduce corruption in procurement. However one looks at government procurement, and from the point of view of the IMF and WB, these entities have a goal to achieve, that is, for governments of developing world to procure goods, works and services prudently and judiciously.

The above definitions of planning simplifies emphasise the fact to achieve the goal of procurement means planning procurement activities in the public sector. It takes only planning to organise procurement. It is emphasised therefore that in all of these, planning of procurement plays a key role in reducing corruption in public procurement and in government.

1.1 Background of the Study
The Procurement function is important to both the private and government businesses across the world. Recently, the parliament of Ghana estimated that government procurement alone takes about 80% of the government expenditure with the remaining 20% shred between emolument and salaries to retired government workers respectively. This makes procurement a serious business in government businesses. Since the promulgation of the procurement law 2003, (act 663), the government of Ghana is paying serious attention to government procurement. However, there is no gainsaying the fact that for effective procurement to occur there is always the need for effective planning of procurement activities. The procurement law emphasises this position. Section 21 (1) refers to the procurement plan with a clause stating that “a procurement entity shall prepare a procurement plan to support its approved programme and the plan shall indicate
(a) contract packages,
(b) estimated cost for each package,
(c) the procurement method, and
(d) processing steps and times.

(2) A procurement entity shall submit to its Tender Committee not later than one month to the end of the financial year the procurement plan for the following year for approval.

(3) After budget approval and at quarterly intervals after that, each procurement entity shall submit an update of the procurement plan to the Tender Committee.

(4) The procurement entity shall send to the Tender Review Board, procurement notices for contracts and procurement plans above the thresholds stipulated in Schedule 3 for publication in the Public Procurement Bulletin.

(5) A procurement entity shall not divide a procurement order into parts or lower the value of a procurement order to avoid the application of the procedures for public procurement in this Act.”

The above provisions of the procurement plan emphasises the fact that at all levels of government procurement activity, a proper procurement plan ought to be prepared, detailing contract packages, estimated cost for each contract package, the methods of procurement available or employed for the various contract packages as well as the steps and the times to achieve government procurement goals. The impact of procurement planning therefore precedes all other purchases for the purpose of effective government business.

The importance of procurement planning cannot be overestimated. Section 20 (3) which shows the membership of the “Central Tender Review Board” also shows the position of the Director General, National Development Planning Commission as a member of the tender review board. This emphasises the importance of the planning in government procurement.

1.2 Purpose of the Study
Public procurement in fact is the largest market in sub-Saharan Africa country for up to 70% of the national budget of West Africa Economies. According to the Country Procurement Assessment Report (CPAR, 2003), our lack of capacity to spend had had severe consequences on the Economic Community of West African States (Ecowas) region. It has contributed to “donor fatigue” and the resultant crunch in foreign exchange and a rapid fall of the local currencies.

In the case of dwindling government resources, increasing poverty and growing awareness of civic society,
a continuous improvement in procurement practices is not a luxury, but perhaps, the only option left for top executives to turn to.

Transparency in governance and accountability for resource are essential elements of a strong democratic society of what the Republic of Ghana is striving to become since citizens’ confidence in governance is sharply affected by the degree to which public institutions are perceived to be well managed. Herein lies the need to adequately operationalise the procurement Act 2003, Act 663.

The quality of life of the citizen, the overall development agenda of the country and the long term growth of the private sector are imperatives that cannot be overlooked by any persuasions.

In 2003 annual budget of Ghana, the procurement budget alone accounted for 8.6 trillion Cedis which translated into about 860 million US dollars. Out of the total thirteen (13) trillion cedis, about 140 million dollars which equal more than 50% of Ghana total tax revenue was spent on public procurement alone (CPAR, 2003).

Unit heads and management members in the various district administrations scrambled to exert their authority in purchasing and supply and so were it at the Regional Administration and national level as well, before the passage of ACT 663 and therefore called for procurement strengthening.

Procurement strengthening has strategic and tactical implication. In other words, the consequences of poor procurement have strategic (long term) and tactical (short term) consequences. For example, the consequences of poor procurement at the strategic level means that the government does not obtain value for money for its expenditures and this case result in higher tax levels of government debts, (or the inability to pay existing debts) or a reduction in the quality of public services. Similarly, the consequences of poor procurement at the tactical level means that goods, works and services are of poor quality and deteriorate quickly. Goods, works and services were delivered or completed late, affecting public services and completion deadlines of projects.

Reduction in the level of public service means reduced standards in health care, education, infrastructure among others, negatively, affecting the country’s development and poverty reduction initiative.

The organization of procurement, procurement entities’ capacity to conduct public procurement, internal and external controls, anti-corruption measures and prevailing practices all came under sharp public criticisms.

This study sought to have a critical look at the role effective planning can have on effective procurement services to the MMDAs and for that matter the citizens whose interest the various MMDAs serve. The researcher adopted the usage of questionnaire in collecting data for this study. This stemmed from the position of wanting to ascertain the extent to which various Assemblies adopted good planning schemes and strategies the procurement entities at the MMDAs practices as prescribed by the public procurement authority.

1.3 Statement of the Problem

One of the challenges of governance with Ghana’s Procurement activities is planning. So much money passes through procurement, making it expensive for the government of Ghana. Even though successive governments are aware of the problem of corruption in procurement, planning of procurement activities prior to purchases has received lackadaisical approach by government buyers in Ghana. Buyers for governments in Ghana have the notion that buying does not need any planning and for that matter, no strategy at all. They think that buying can be done anytime and therefore precious time should not be spent at all in planning to buy for governments. The MMDAs unfortunately believe that they can buy just by passing stipulated spending thresholds to officers various qualified officers and that is all they will need to fulfill the requirements of the procurement law. This practice has nurtured not only lawlessness in government procurement but has inculcated the tendency of haphazard buying and for that matter reckless spending at the MMDAs. Thus putting more pressure on the scarce government funds consequently creating distrust among donor partners.

Section 21 (1) of the procurement act 2003, (act 663) emphasises planning as a vital component of government procurement at of the procurement law 2003 (act663). The law spells out the requirements that must be prior to buying for government. This simplifies the procurement processes for all government buyers, ensuring that utmost care is taken to buy and at the right time and also to ensure accountability. The numerous corruption cases in government procurement activities which oftentimes result in the government of Ghana to set up investigating commissions buttresses this fact. Many probes in government expenditure do show various levels of corruption in government procurement which is not palatable to the tax payer and all stakeholders of governance.

It is for the above reason that this paper is set out to investigate the reason behind why planning is downgraded as unimportant to government procurement and the causative factors as well. The assessment of public funding is paramount as moneys spent by government of any country belong to the tax payer. The government is therefore obliged to account for this moneys through probity. In Ghana, the public procurement law was promulgated by the government in the year 2003 and it is better known as public procurement act (PPA) 2003 (act 663).

It was constitutionally mandatory that all public organisations and institutions applied the Act to their procurement operations. However, a quick look shows that some public firms-enterprises and MMDAs go
contrary to this obligation and for which reason many commissions after commissions have been mandated/empowered to recover stolen government monies. MMDAs are accused of embezzlement of state funds as a result of disregarding the directives and tenets of the PPA provisions. The 2013 Auditor-General’s report showed that managements at the Assemblies continued to preside over procurement irregularities which contravened expressed provisions in the procurement laws.

The irregularity in government procurement practices can be traced to many factors otherwise the mere acceptance that there is corruption in procurement will be difficult to ascertain. Causative factors such as lack of transparency in procurement, cost manipulation, deliberate delays, and lack of strategic planning for procurement activities and in the practice to influence corruption have all been identified as factors that need consideration.

It is in the face of the above public procurement challenges that the research was carried out to emphasise the need for planning public procurement, adhere to the tenets of the plan and to procure within the procurement budgets for governments.

1.4 Objectives
The objective for this paper was drawn for the very role of planning as stipulated as a vital requirement in the procurement law of 2003 (act 663) and as a requirement for achieving cost effectiveness by the procurement entities within an effective procurement plan as an instrument of value for money for the government of Ghana. Therefore the objectives of this paper is to investigate planning in contract packages prior to the award of contracts by the MMDAs, to include the estimated cost for each contract package, the procurement methods used and the processes, steps and times for public procurement activity.

To assess how Ghana’s Procurement law is used in planning and manage government expenditures in procurement activities at the MMDAs.

1.5 Research Methodology
The study covered the various departments of the assemblies sampled and/or operating under the assembly. These include procurement department which is the main stakeholder here, the planning department which is also responsible for the overall procurement planning and the budget departments. Procurement Act 2003, (act 663) and the Public Procurement Board of Ghana were the referential points to benchmark the procurement operations of the various assemblies which were selected as a case study for the research work.

The population for this study was estimated to involve major stakeholders, procurement officers, and other management members, (financial officers, budget and rating etc.) in the procurement process of the assembly. The researcher used a census in arriving at the sample (population) for the purpose of this study because the researcher was expected to be working with a smaller population.

Computer data analyses software such as the use of Microsoft Excel software was the main tool employed to analyze the data in order to help interpret results.

2.0 Theoretical Framework
2.1 Introduction
This chapter reviews works done on planning in government procurement activities. The research focuses on the public procurement planning in MMDAs in Ghana. It also looks at Ghana’s procurement process prior to the enactment of the Procurement Act 2003 (Act 663), the legal and regulatory framework of the public procurement Act. Procurement principles affecting performance and performance assessment in public procurement will be reviewed.

In this chapter, a number of relevant literatures will be reviewed on the techniques and methods for procurement planning and its impact on the procurement entities at the MMDAs.

Finally, the chapter will review the challenges affecting the Public Procurement Entities in their operations.

2.2 Definition of Procurement
Procurement is the processes required to acquire works, goods and services from outside the performing organization. It is favorable that the goods/services are appropriate and that they are procured at the best possible cost to meet the needs of the purchaser in terms of quality and quantity, time, and location, Weele, Aryan, Van, 2010.

According to Hunja, 2001 and revised in 2004, procurement is the process by which large amounts of public fund are utilized by public entities to purchase goods, works and services from the private sector.

Procurement has been central to the management of any operation because it is vital to get the necessary goods and services of the right quality at the right price and at the right time for operations to continue seamlessly. According to Cox et al, 1998, procurement by departments and agencies is a big business. It covers every aspect of the process of determining the need for goods and services, buying, delivery and storage.
The London Contracts and suppliers Group, defines procurement as a full range of activities related to purchasing goods, services and works. It can range from contracting an entire service to purchasing small assets such as office equipment.

The procurement process does not end at the commissioning or contract award stage, it involves the thorough planning which but spans the entire life cycle of the product or services from inception and design through to contract management and disposal of any redundant asset. Jessop et al, 2005, stressed that failure to do strategic procurement can put achievement of the organizations’ objectives and output at risk, and can result in additional costs. On the other hand, stock piling of goods can be wasteful.

The World Bank, 2003, estimated the annual value of public procurement for goods, works, and consultancy services at 600 million US dollars representing about 10% of the country’s GDP. Therefore, public procurement is an integral function of governments in both developed and developing countries as the gigantic financial outflows has a great impact on their economies that needs prudent management, Thai, 2001. Thus the cautious handling of public procurement functions is fundamental to achieving economic, socio-political, and other objectives of government.

2.3 Definition of Planning
Wikipedia, the free encyclopedia, 2016, defines Planning (also called forethought) as “the process of thinking about and organising the activities required to achieve a desired goal. It involves the creation and maintenance of a plan, such as psychological aspects that require conceptual skills and that “there are even a couple of tests to measure someone’s capability of planning well. As such, planning is a fundamental property of intelligent behaviour. “The encyclopedia also states that “planning has a specific process and is necessary for multiple occupations (particularly in fields such as management, business etc.). In each field there are different types of plans that help companies achieve efficiency and effectiveness.”

Other authors will not make any attempt to define planning but defines what plan is before making the attempt to define planning. It simply means that planning is based on a plan or one can get plan from planning. Whichever way ones looks at plan and planning both have one thing in common; to achieve a goal and satisfy needs. In the light of this statement, Nickols, Fred, 2016, defines planning as “the activity of preparing a plan” and defines a plan as a set of intended outcomes (ends) coupled with the actions by which those out-comes are to be achieved (means) and to plan, then, is to specify the ends sought and the means whereby they are to be attained. Therefore, effective planning must be strategic. At least three levels of strategy and planning are widely accepted and they are:

-Enterprise level planning
-Business unit level planning and
-Functional level planning.

2.4 Reasons for Procurement Planning
Significant procurement planning and development of sound procurement strategies lead to consistently better value for money; higher quality project and service delivery; improved opportunities for sustainable procurement; and reduced risks to the agency. International strategic procurement benchmarking organisations such as the Aberdeen Group reports that ‘best-in-class’ organisations strategically source 82 percent of their spend, and achieve twice the cost savings per procurement activity, compared with industry average companies. By investing effort in the planning and management of significant procurements the procurement function can add value to the government procurement, Australian department of housing, 2010.

According to Wrexham county borough council document, 2016, in the United Kingdom, Business plans and other planning documents are vital to winning agreement and support. Writing a strong, clear proposition can mean the difference between a project going ahead or surviving or not. It adds that it’s invaluable for one primary reason - it forces you to come to terms with your business idea and in terms of government procurement planning it forces MMDAs and the procurement entities to sell procurement ideas in order to attract government and possible donor funding for government projects.

According to Deme, Andrea, 2009, pp procurement planning is seen to be important, and even more so in large and complex, multi-year and/or multi-million dollar requirements, where people will change over time or requirements will evolve and where risk and scrutiny increases. Nevertheless it would appear that good planning is not done as often as it should be. As a key project activity, the need for planning appears to be underemphasized at the initial stages of procurement projects but the absence of it is highlighted at projects’ end. Procurement Planning is supported and encouraged by project management experts and government departments such as MMDAs who procure works, goods and services costing millions of dollars (cedis) for and on behalf of government for government projects, because the procurement/resulting contract can lead to dissatisfaction and time-consuming detours when it is not done; and its absence is usually the causal factor identified when auditing the entrails as to what went wrong, Deme, Andrea, 2009.
The strategic importance of procurement simply does not permit it to be done anyhow which will cost money and shall defeat the government aim of achieving value for money. Therefore, “the purpose of procurement planning is threefold: first, to clarify and quantify (to the extent possible) the technical, cost, and schedule objectives of the procurement; second, to define the plan for accomplishing the objectives; and third, to determine a methodology for evaluating performance against defined objectives during the time that the contract is being carried out. Whether or not a procurement plan is required depends on the complexity of the requirement, the sensitivity of the requirement, and/or the estimated value of the requirement.

The Threefold Purpose of Procurement Planning

- Clarify and quantify
- Plan for accomplishing the objectives
- Methodology for evaluating performance against defined objectives

The standard principles of public procurement states that Public procurement should understand its purpose in relation to the organisation and constituency that it serves. That the purpose should be clearly stated in written form at, through the development of missions, vision and value statements that is specific to the procurement function. This statement underscores the importance of public procurement.

Good procurement planning is essential to optimize the contribution of the procurement function towards achieving the overall goals of the organization. It supports:

- Transparency.
- Development of Key Performance Indicators (KPIs) according to milestones and accountabilities set in the procurement plan, and use of the same to monitor performance.
- Effective and timely solicitation of offers, award of contracts and delivery of the goods, services and works required.
- Early requisition to reduce any delays in procurement and timely delivery to project sites.
- Early identification of right commodities and quantities to meet programme needs.
- Sourcing the right suppliers on time to avoid cutting corners under rush procurement to meet deadlines or budget expenditure.
- Effective supply strategy and timely programme and project implementation.
- Avoidance of unnecessary exigencies and urgencies, enabling full competition and full compliance with standard rules and procedures.
- Sufficient time to fully explore alternative procurement approaches, such as joint bidding with other organizations and use of LTAs of others.
- Strengthened procurement power vis-à-vis suppliers.
- Obtaining best prices for aggregate requirements.
- Establishment of criteria to measure effectiveness of the procurement function.
- Systematic and procedurally correct procurements.
- Development of long term agreements.

Procurement planning clarifies what is needed and when it is needed to both user and buyer. The donor agencies together with the World Bank and its affiliate institutions are all interested in good procurement plan. It is said that effective procurement planning enables the UN organization and its staff to work smoothly to achieve the organisation’s goals with the right quality and quantity of inputs in place; ineffective procurement planning may result in failure to achieve those goals, putting in jeopardy the first right and refusal (FRR) and procurement principles; and causing damage to the credibility of the organisation, (Interagency Procurement Working Group (IAPWG), 2006).

2.5 Consequences of Not Planning a Project

Procurement cannot be downplayed by any government, including that of Ghana. Past governments did not
perceive the importance of procurement as a function in the administration of Ghana until the promulgation of the procurement law, also known as the public procurement act 2003 (act 663). Hence, so much money went down the drain; meaning so much of scarce government resources had not been accounted for because the function was handled by unprofessionals and therefore lacked accountability. The management of procurement therefore was unstructured, with anybody calling themselves government officers in charge of purchasing. The best that could be said about government procurement then was that the government only knew that a certain amount had been provided for procurement activities and nothing more than that. That rendered public procurement costly and exposed procurement to ridicule. Governments were not obtaining value for money this way.

Lack of procurement planning is a sure cost for governments and a sure means for allowing individuals to syphon scarce government funds for procurement because procurement was disorderly done. Effective procurement planning must have the ability to reduce government spending and for that matter to reduce cost of government business. It is now an established fact that in many governments and commercial organisations procurement has now become recognised as a fundamental enabler of business strategic achiever and a preferred procurement planning must have the ability to reduce government spending and for that matter to reduce cost of government business. It is now an established fact that in many governments and commercial organisations procurement has now become recognised as a fundamental enabler of business strategic achiever and a preferred method for achieving sustainable cost reduction. It is often a source of opportunity for process simplification with technology enablement and a window into understanding what is really going on in operations through data and information. Poor procurement planning has been one of the major stumbling blocks to the economic development of Africa and it is clear that a number of African countries have not paid adequate attention to the proper management of public resources with its daring consequences, (Basheka, 2004), Celestine, Joan Onyango, (2012).

When projects are reactively executed in the absence of a project execution and controlled plan (PECP), it results in increased costs and wasted time because the contractors/suppliers shall not be able to use effective planning strategy. The lack of a PECP for the reactivation of projects mean that neither the overall project nor the scope of work cannot be broken down and organised in a logical and systematic manner. Another evidence is that lack of PECP, makes tracking, traceability, and accurate reporting extremely difficult.

These factors also introduced a high impact risk profile of,
- Loss of overall control of the project budget, schedule, and resources
- Scope responsibilities not clearly defined and understood
- Inefficiencies leading to increase of support hours for no tangible benefit to owner
- Lack of control over changes to scope
- Meaningless and unworkable project schedules where impacts from proposed changes could not be gauged
- The project organisation does not reflect the requirements of the work
- Underuse of some resources and overburdening of others
- Project documentation and close-out deficiencies
- Purchased material and equipment tracking issues, Epeaus. 2012.

An important, albeit often ignored aspect of planning, is the relationship it holds to forecasting. Planning predicts what the future should look like for multiple scenarios. Planning combines forecasting with preparation of scenarios and how to react to them. Planning is one of the most important project management and time management techniques. Planning is preparing a sequence of action steps to achieve some specific goal. If an entity does it effectively, they can reduce much the necessary time and effort of achieving goals. A plan is like a map. When following a plan, they can always see how much they have progressed toward given project goal and how far they are from the project’s destination. This means that for effective procurement to take place, planning of the day to day, week by week, month by month activities are most likely to enable governments to achieve value for money which is the core aim of public procurement planning.

2.6 Effect of Procurement Planning In Local
According to Agubala, Rosemary and David, Mbura, Kiarie, 2014, Agaba, J. Shipman, 2007, explains that procurement planning is the process used by companies or public institutions to plan purchasing activity for a specific period of time. Economic commission of Africa, 2003, defines procurement planning as the purchasing function through which the organisation obtains products and services from external suppliers. A good procurement plan will go one step further by describing the process you will go through to appoint those suppliers contractually, Tumugabiirwe, Kennedy, 2014.

Purchases must be economical and efficient. This means that they should be based on market prices and should be able to generate saving. It also means that bad practices such as irresponsible procurement leading to wastage, wear and tear of stocks, over invoicing, unplanned expenditure, shortage of goods when needed, poor quality products and similar factors to be avoided, Joan, Celestine, Onyango, 2012.

Procurement must take a thoroughly professional view of its role in business as a whole and that must
include planning, Bailey, Farmer, Jessop & Jones, 1998. Any such procurement begins with the planning decision to make the purchase, and this will involve in the first place, deciding whether there is a need for the particular goods or services, ensuring that the purchaser has the legal powers to undertake the transaction, obtaining any relevant approvals within the government hierarchy and arranging the necessary funding, Arrowsmith, Linarelli & Wallace, 2000, Bailey, P; Farmer, D; Jessop, D, and Jones, D., 1998.

2.7 Factors and People to Consider In Procurement Planning

2.7.1 Staff Competence

Procurement planning is the primary function that sets the stage for subsequent procurement activities, according to Basheka, 2008. The importance of procurement planning therefore, according to this statement, means that both the planning and execution of procurement must be done by people with the competence and expertise (qualified professionals). Any mishandling of public procurement is delaying of government projects which also means delaying the progress of the citizenry. For a successful public procurement does not come like that; this means that certain processes and people have to come together to achieve an effective public procurement, Basheka, B., 2008.

The importance of procurement planning also means that qualified planners alone be involved with it. Where procurement is a stand-alone department, it is suggested that the head of the department leads the planning team. Fortunately, the public procurement law (663) also includes the regional directors of planning, a representative of the attorney general forming the core of the tender team that ensures that all tender by public procurement entities are done according to procurement plan for the MMDAs, (public procurement act 2003, act 663).

2.7.2 Factors for Good Public Procurement Planning

To constitute a good public procurement plan depend on the ingredients that make a workable, cost effective and localness (i.e. where the plan for the MMDAs are able to achieve government programmes for the local MMDAs) of the plan.

2.8 Planning Strategies

A good procurement plan needs to be strategic and yet be able to satisfy the beneficiaries who are mostly the people the government agencies such as the MMDAs serve. The Pareto principle is one such strategic considerations. “The Pareto Principle has expression in many fields of procurement. One is that a small number of categories represent the majority of the total spend and a small number of suppliers cause a disproportionate number of the problems. The principle has also evolved into the ‘80:20 rule’, which underpins many situations in economics and management where scarce effort needs to be focused to best effect. For example, if 20% of all purchase transactions account for 80% or more of the total spend, focusing on these acquisitions, so that managerial effort is used to best effect can optimise the return on procurement effort. Pareto analysis is usually seen as one dimensional, as it does not consider the business impact of the categories, or the market complexity”, (CIPS, procurement guidelines).

2.8.1 Top Management Support

The accent of top management to the final procurement plan is very important, In a recently conducted survey (Larson et al., 2007), among senior members of the council of supply chain management professionals, top management support is identified as the most important facilitator for implementation of procurement planning, Apiyo, Rosemary Ogubah, Mburu, David Kiarie, 2014.

2.8.2 The procurement budget

There cannot be a good procurement budget without a plan, and there can be no procurement without a budget to fund it. Planning is a process that consists of many steps and the bottom line is that planning is not concerned with future decisions but rather with the future impact of decisions made today, Thai, 2004. The irony here is that, in Ghana until the year 2003, there was no procurement law at all and this made public procurement a free for all activity with little or no consideration of planning at all. The consequence is obvious; there was a massive abuse of public funds as a result of lack of procurement guidelines. This situation swamped procurement activities, making public procurement vulnerable to corruption and aggravating to the disrespect for the function. It must be emphasised here that the introduction of the procurement law has minimised the abuse of public procurement in Ghana. Procurement in Ghana can be said to follow planned processes thereby controlling resources that are stipulated in the procurement budgets to the various MMDAs.

3.0 Research Methodology

This chapter presented the methodology employed to collect data to achieve the core objective which was to assess the performance of the Procurement practices at assemblies in the light of transparency in procurement. The major components for the research method included the research design, research population, sample and Sampling techniques, research instruments and methods for collection and analysis of data and presentation. This
study sought to assess the “Importance of Planning on Effective Procurement Delivery at the Decentralised Departments of Governance in Line With The Procurement Act 2003, (Act 663) Of Ghana: The Case Of Metropolitan, Municipal and District Assemblies (MMDAs) in the Western Region of Ghana”.

3.1 Research Design
The research design was the framework or plan that the researcher used to cover the detailed outline of how the research investigation took place. It provided the overall structure for the procedures that the researcher followed, how the data was collected, what instruments was employed, how the instruments were used and the intended means for analysing the data that was collected.

The exploratory method of research was used to conduct the survey. The necessity for the use of exploratory method for the work was that a smaller sample population was involved, which means that only a small group of people were involved, interviewed to tap from their knowledge and experience. The reason behind this was that, the assemblies generally have fewer staff made up various officers, and secondly, the procurement and stores department have average of two officers at each assembly. Officers at the Assemblies with information relevant to the problem at hand and these people were randomly selected to participate to expand the sample size and to have a good representation of the population involved.

Exploratory research was used in collecting data for this study because it had the ability to provide very rich meaningful information, answer questions concerning the current status of the subject of the study, economical and also was convenient for the study involving interviews.

3.2 Population
The population for this study comprised all officers and heads of department who were involved in public procurement activities within the various Assemblies. The study ensured that questionnaire sampled respondents with rich experience or background in the area of study and their activities directly or indirectly had a bearing on the performance of the procurement practices within the Assemblies and they had a common binding characteristic. The population here also means the total respondents from fifteen MMDAs across the Western region whose staff were selected to answer the questionnaire distributed.

The sample for this study referred to all the fifty five (55) officers who were involved in procurement practices at the assemblies, whose views were collected for the evaluation of the study. The sample size was the same as the population due to the smaller number of officers involved and having similar characteristics from fifteen MMDAs across the Western Region of Ghana.

The non-probability sampling technique was used to provide a wide range of alternative techniques to select samples based on subjective judgement. The researcher made use of a census data in the survey because the respondents had a lot of knowledge on the issue and were in a better position to give detailed and relevant information and objectives needed for the research. It was the appropriate method used for very small samples and interview surveys.

3.3 Research Instrument
This study made use of data from two different sources namely, primary and secondary sources of data to gather the relevant information. The primary data used questionnaire with both close ended and open ended questions. This provided a bit more relaxed position for the respondents to answer the questions. Also, semi structured questions were used to access personal information from respondents.

Also the qualitative nature of the research made it necessary for the use of this semi structured interview. Finally this method was to gain the trust of the officers involved in the procurement operations at the various Assemblies as well as a deeper understanding of responses. Answers to the questions, both closed and open-ended, posed were ticked or marked and written on the questionnaire and collected as this made it easier to keep and to analyse information with little personal views from and by the researcher. The primary data was collected from all the respondents in the sample frame. The analysis of the study was substantially based on the data.

3.4 Secondary Source
Various publications of foreign and local origin, books, journals, articles, reports obtained mostly from, PPA, Public entities and the internet on the subject to obtain additional information in order to answer the questions set in the statement of problem.

3.5 Data Analysis Procedures
The data analysis of this study consisted of focusing the analysis, categorization of the data, identifying patterns and connections within and between categories and interpreting and combining evidence, to draw empirically based conclusions. Qualitative method was used to analyze the data. Computer data analyses software such as the use of Microsoft Excel spreadsheet was the main tool employed to analyse the data in order to help interpret
results.

The data was presented in tabular, and narrative forms. In analysing the data, descriptive statistical tools such as tables showing responses and percentages were basically used. The justification for the choice of the programme was that, the technique was able to facilitate word processing and data analysis very easy and gave accurate percentages as presentations.

4.0 Data Analysis and Discussion

This section presents the analysis of data gathered from the field with the aid of questionnaire. The study wished to generate opinions from the study respondents on the performance assessment on the procurement practices of the MMDAs.

Issues discussed here comprise the general information of the respondent, Procurement procedure including planning, and execution and monitoring; Principles affecting procurement and procurement challenges affecting various Assemblies.

Using a closed and opened-ended interview questions, the opinions of the respondents were collected and was analyzed with the aid of Microsoft Excel spreadsheet and tables.

Table 4.1: Preparation of Public Procurement

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>55</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No Answer</td>
<td>0</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>55</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field survey at MMDAs

The question sought to determine whether the MMDAs prepare procurement plan before contracts are awarded or procurement activities commence within the year as prescribed by the Public Procurement Act 2003 (Act 663).

The Procurement Act mandates all public institutions to prepare a procurement yearly public procurement to direct all procurement entities with their procurement activities.

Table 4.1 shows that all fifty five (55) respondents, representing 100% from the MMDAs’ agreed that they prepare procurement plans for the year’s procurement activities to guide the procurement entities to procure. This means that the procurement entities (MMDAs) understand the requirement provision in the procurement act 2003 (act 663) that they cannot buy without the procurement plan as directed in Ghana’s procurement law.

Table 4.2 Time for Preparation of Procurement Plan

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Week</td>
<td>7</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>1-2 Months</td>
<td>43</td>
<td>78</td>
<td>91</td>
</tr>
<tr>
<td>3-4 Months</td>
<td>2</td>
<td>4</td>
<td>95</td>
</tr>
<tr>
<td>Uncertain</td>
<td>3</td>
<td>5</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>55</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field survey at MMDs

The question which analysis is shown on table 4.2 was meant to look at the minimum period of time that is used for the preparation of the procurement plan. This was because the timely preparation of the procurement plan relate also to the timely manner in which government procurement activities commence in order for her to provide timely for her people.

Table 4.2 indicates that out of the total sampled, seven respondents, representing 13%, indicated that it took one month to prepare procurement plan, forty three respondents, representing 78% stated that it takes one to two months, two respondents, representing 4% stated that it takes three to four months, while three respondents were uncertain as to the time to take to prepare a procurement plan. The variations in the number of months for a government procurement entities for the same assignment which is directed by the same document that is the procurement law of Ghana is much of concern. However, since the majority stated one to two months, it can be concluded that the maximum number of moths to prepare a complete procurement plan for the MMDAs is two months.

The question analysed below was to seek for the sources of information that informs the preparation of the procurement plans. This was because for a good and effective procurement plan need to be prepared based on various defined variables.
Table 4.3 Information Used for Procurement Plan

<table>
<thead>
<tr>
<th>Responses</th>
<th>Very Low</th>
<th>Fairly Lowest</th>
<th>Low</th>
<th>High</th>
<th>Fairly High</th>
<th>Very High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stores Record</td>
<td>3</td>
<td>2</td>
<td>11</td>
<td>3</td>
<td>23</td>
<td>13</td>
</tr>
<tr>
<td>Previous Years Record</td>
<td>2</td>
<td>1</td>
<td>5</td>
<td>14</td>
<td>24</td>
<td>9</td>
</tr>
<tr>
<td>Request From Department</td>
<td>2</td>
<td>1</td>
<td>8</td>
<td>20</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>Forecast of Demand</td>
<td>2</td>
<td>8</td>
<td>9</td>
<td>10</td>
<td>24</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>9</td>
<td>11</td>
<td>26</td>
<td>35</td>
<td>91</td>
<td>48</td>
</tr>
</tbody>
</table>

Source: Field survey at MMDs

Between high and low, 52 respondents affirmed using request from the user department as the basis for preparing the procurement plan, forty seven respondents said they use previous years’ procurement records for the preparation of procurement plan, thirty nine respondents answers using stores records, whilst thirty six respondents said they used demand forecast for the preparation of the procurement plan. Since the majority chose the use of request for procurement as the information that determines the preparation of the procurement plan, it can be concluded that even though other sources of information are equally significant and are used often the preparation of the MMDAs’ procurement plans are often informed by the departmental user requests.

Table 4.4 Content of Procurement Plan

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>80% to 100%</td>
<td>20</td>
<td>36</td>
<td>36</td>
</tr>
<tr>
<td>50% to 80%</td>
<td>32</td>
<td>58</td>
<td>94</td>
</tr>
<tr>
<td>Below 50%</td>
<td>3</td>
<td>5</td>
<td>100</td>
</tr>
<tr>
<td>TOTAL</td>
<td>55</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field Survey at MMDAS

This question sought to know to what extent the content of the procurement plan as stated in table 4.3 was employed in the preparation of the procurement plan.

Table 4.4 shows that twenty respondents, representing 36% of the respondents said the MMDAs procurement requirements are employed 80% to 100% in the preparation of the procurement plan, thirty two responses representing 58% said about 50% to 80% MMDAs requirements are made up of about included in the preparation of the public procurement plan whilst the remaining three respondents representing 5% said the preparation of the public procurement only captures below 50% of the MMDAs procurement requirements. It can categorically emphasised above and average of fifty percent of that the public procurement entities’ procurement requirements are captured or considered in the preparation of the procurement plan for the MMDAs. Even though what can be described as a very significant number of responses stated that below fifty percent requirements are considered this figure must not be discounted as this could mean that other unbudgeted considerations are also considered. This may have the ability to throw the public procurement budget off the estimated amount.

Table 4.5 Causes of Delays in Procurement

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>7</td>
<td>12.7</td>
<td>12.72</td>
</tr>
<tr>
<td>Agree</td>
<td>35</td>
<td>63.6</td>
<td>76.4</td>
</tr>
<tr>
<td>Disagree</td>
<td>8</td>
<td>14.5</td>
<td>90.9</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>3</td>
<td>5.5</td>
<td>96.4</td>
</tr>
<tr>
<td>Uncertain</td>
<td>2</td>
<td>3.6</td>
<td>100.0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>55</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Source: field survey at MMDAs

It must be emphasised here that the public procurement plan is a prescription of the public procurement law and therefore the effectiveness of the public procurement plan indicate the overall success of the Public procurement act 2003 (act 663). This question was to seek for answers to whether the public procurement plan as prescribed by the PPA contributes to any delays in implementing the PPA as a whole

Table 4.5 indicates that seven respondents representing 12.7% strongly agreed to this question that the adherence of the procurement act and for that matter the procurement plan sows down or delays the public procurement processes. A whooping number of thirty five respondents representing 63.6% agreed with the above question, eight respondents, representing 14.5% disagreed to the question, three representing 5.5% strongly disagreed to the question an two respondents representing 3.6% were uncertain about whether the
implementation of the procurement law with its plan slows or delays procurement activities at the MMDs. It is established by the analysis that majority of the respondents agreed that going by the prescription of the procurement law and the plan for that matter slow public procurement activities.

### Table 4.6 Procurement outside Procurement Plan

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Often</td>
<td>3</td>
<td>5.5</td>
<td>5.5</td>
</tr>
<tr>
<td>Often</td>
<td>18</td>
<td>32.7</td>
<td>38.2</td>
</tr>
<tr>
<td>Occasional</td>
<td>24</td>
<td>43.6</td>
<td>81.9</td>
</tr>
<tr>
<td>Not At All</td>
<td>10</td>
<td>18.2</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>55</strong></td>
<td><strong>100</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: field survey at MMDAs

This question sought to clarify the reason for the majority answer in table 4.6, that is, the fact that majority of the respondents stating that the implementation of the procurement law slows down public procurement activities.

Table 4.6 shows that three respondents, making up of 5.5% of the respondents stated that very often the public procurement plan considers requirements outside the procurement budget and therefore the procurement plan. Eighteen respondents, representing 32.7% of the respondents said often times procurement is done outside the procurement plan; twenty for respondents, representing 43.6% stated that procurement outside the procurement plan is occasionally done with ten respondents representing 18.2% having no idea at all about whether procurement is done outside the procurement plan or not. It can be established here that often times public procurement is done outside the procurement plan and this may account for some of the delays in the award of contracts to suppliers and suppliers since the procurement budgets may not be able to support the intruding requirements or new budgets will have to be done thus delaying the procurement processes by putting strain of government finances.

### Table 4.7 Causes of Delay Procurement Plan

<table>
<thead>
<tr>
<th>RESPONSES</th>
<th>Lowest</th>
<th>Low</th>
<th>High</th>
<th>Higher</th>
<th>Highest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Too Many Levels Of Approval</td>
<td>4</td>
<td>1</td>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delays In Release Of Funds</td>
<td>1</td>
<td>1</td>
<td>15</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Approval For Uncaptured Requirements</td>
<td>3</td>
<td>11</td>
<td>15</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Poor Response To Invitation For Tender</td>
<td>4</td>
<td>14</td>
<td>12</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Lengthy Specified Procedures</td>
<td>7</td>
<td>11</td>
<td>10</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>11</strong></td>
<td><strong>33</strong></td>
<td><strong>35</strong></td>
<td><strong>38</strong></td>
<td><strong>15</strong></td>
</tr>
</tbody>
</table>

Source: Field Survey at MMDAs

This question sought for some of the possible causes of delays in public procurement inspite of the presence of the procurement plan. 19

Table 4.7 shows that between low and high, twenty eight (28) respondents stated that intrusion by unapproved requirements outside the procurement plan is the major cause of delays in public procurement activities, this is followed by delays in the release of funds either for procurement activity with twenty seven (27) respondents agreeing to this. Fourteen respondents also said that poor responses to tender was the cause of delay. Thirteen (13) respondents also stated that lengthy specified procedures such as having to follow every prescribed details by the procurement law and for that matter the procurement plan was a major contributor to public procurement delays, whilst six respondents stated that too many approvals is a factor in the delay of public procurement activities. The analysis here buttresses the fact stated in 4.6 that there is a higher likelihood that inspite of the procurement budget for the MMDs, other considerations which are oftentimes unbudgeted are also considered, thus, delaying procurement activities at the MMDAs.
Table 4.8 Supplier Inability to Deliver

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Cumulative percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very High</td>
<td>7</td>
<td>12.7</td>
<td>12.7</td>
</tr>
<tr>
<td>High</td>
<td>48</td>
<td>87.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Low</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uncertain</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>55</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field Survey at MMDAs

This question asked to seek for answers to how the MMDAs would grade the activities of their suppliers including the activities of contractors

Table 4.8 shows that of the total respondents sampled, seven, making up of 12.7% of them graded their suppliers very high in terms of their ability to supply or deliver on time. Forty eight of the responses graded the suppliers high, with none grading them low. This result indicate that suppliers, including contractors, will deliver on time and in line with the tenets of the procurement plan when all other inhibiting factors are eliminated from the supply chain.

Table 4.9 Payment to Suppliers/Contractors

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Cumulative percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>within a month</td>
<td>18</td>
<td>32.7</td>
<td>32.7</td>
</tr>
<tr>
<td>2-5 months</td>
<td>18</td>
<td>32.7</td>
<td>65.4</td>
</tr>
<tr>
<td>6 months</td>
<td>12</td>
<td>21.8</td>
<td>87.2</td>
</tr>
<tr>
<td>1 year +</td>
<td>4</td>
<td>7.3</td>
<td>94.5</td>
</tr>
<tr>
<td>Uncertain</td>
<td>3</td>
<td>5.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>55</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: field survey at MMDAs

This question sought to highlight whether delays in payment could also affect the implementation of the procurement plan in any way.

Table 4.9 indicates that eighteen respondents, representing 32.7% of the population of respondents stated that the MMDAs pay contractors and suppliers within a month after certificate of contracts are submitted. Eighteen respondents representing 32.7% also stated that it takes two to five months for payments to be made to suppliers and contractors. Twelve respondents representing 21.8% indicated that MMDAs pay contractors and suppliers within six months; four respondents representing 7.3% said payment is done after one year whilst three respondents representing 5.5% said they were uncertain as to when payment for goods, works and services are effected. The conclusion is that about 65% of the respondents agree that payment for works, contract and services are made within one to five months.

Value for money is the theme for the procurement law, therefore to achieve value for money means effective public planning. The question sought to solicit information on whether the introduction of the public procurement law in Ghana since 2003 has achieved value for money for governments.

Table 4.10 Value for Money through Procurement Act

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>24</td>
<td>43.6</td>
<td>43.6</td>
</tr>
<tr>
<td>Agree</td>
<td>31</td>
<td>56.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Disagree</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strongly Agree</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uncertain</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>55</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Source: Field Survey at MMDAS

Table 4.11 indicates that twenty four respondents representing 43.6% of the total respondents strongly agree that the introduction of the public procurement law has helped public procurement entities to achieve value for money with thirty one respondent making 56.4% of the respondents agreeing to the question. It can therefore be concluded under this premise that all the respondents agreed that the introduction of the procurement law has brought about discipline in procurement.
5.0 Summary, Conclusion and Recommendation

This chapter outlines the summary of the study. The findings are presented in direct response to their specific objectives. Some recommendations have been outlined in this chapter to help improve the performance of the procurement function at the various MMDAs.

5.1 Summary of Findings

The research sought to access the importance of planning on effective public procurement delivery at the decentralised departments of governance by specifically looking at the extent to which the MMDAs follow the requirements of the PPA 2003, 663 on the planning of the procurement operations. It must be noted there that all procurement budgets depend on good procurement planning in order to effectively manage the scarce government resources. This makes researching into procurement planning a good exercise in order to emphasise the need for effective planning the necessity to reduce cost of public procurement at the MMDAs. After a series of reviews and analysis of the raw data collected, the following findings were outlined.

Firstly, the research result indicated that the procurement entities (MMDAs) understand the requirement provision in the procurement act 2003 (act 663) that they cannot buy without the procurement plan as directed in Ghana’s procurement law.

Secondly, while three respondents were uncertain as to the time to take to prepare a procurement plan. The variations in the number of months for a government procurement entities for the same assignment which is directed by the same document that is the procurement law of Ghana is of much concern. However, since the majority stated one to two months, it was seen that the maximum number of months to prepare a complete procurement plan for the MMDAs is two months.

Thirdly, since the majority chose the “use of request” for procurement as the information that determines the preparation of the procurement plan, it can be realised that even though other sources of information are equally significant and are used often, the preparation of the MMDAs’ procurement plans are often informed by the departmental user requests.

Furthermore, though what can be described as a very significant number of responses stated that below fifty percent requirements are considered, this figure must not be discounted as this could mean that other unbudgeted considerations are also considered. This may have the ability to throw the public procurement budget off the estimated amounts.

Additionally, it is established by the analysis that majority of the respondents agreed that going by the prescriptions of the procurement law, and the plan for that matter, slows down public procurement activities at the MMDAs.

Again, it was realised that oftentimes public procurement is done outside the procurement plan and this may account for some of the delays in the award of contracts to suppliers and suppliers since the procurement budgets may not be able to support the intruding requirements. Therefore new budgets by necessity have to be done thereby contributing to the delaying of the procurement processes and putting strain of government finances.

The analysis here buttresses the fact stated on table 4.6 that there is a higher likelihood that inspite of the procurement budget for the MMDs, other considerations which are oftentimes unbudgeted are also considered further delaying procurement activities at the MMDAs.

This result indicate that suppliers, including contractors will deliver on time and in line with the tenets of the prescription of the procurement plan when all other inhibiting factors are eliminated from the supply chain.

About 65% of the entire respondents agree that payment for works, contract and services are made within one to five months.

It can therefore be concluded under this premise that all the respondents agreed that the introduction of the procurement law has brought about discipline in procurement.

5.2 Conclusions

The emphasis on procurement planning cannot be overemphasized in procurement. Effective procurement budget is often depended on many factors including an effective procurement plan. It is important to note at this point that procurement planning is a major stakeholder in achieving value for money in public procurement performance.

However, it is established from the literature review that, effective procurement planning also depend on the planners, that is qualified expert and professional planners whose expertise are necessary to form the input in this case. It is also realised that the professional from within the public procurement department are major stakeholders in ensuring that public procurement achieves its goal of achieving value for money; after all it is the procurement departments which will see to the final execution of the procurement plans for the MMDAs.

It is also concluded that the procurement law established sanity into public procurement activities in Ghana and at the MMDAs for that matter since 2003. However, there are certain inhibiting activities that are contributing to delays in contract award and service provisioning such as delays in payment of contract and
services provided.

It is established through the research outcome that government can be seen to be efficient if plans for public procurement activities are adhered to with minimal intrusions in the form of additional unbudgeted requirements which has the propensity to expand procurement activities with the consequence of bloating public procurement budgets, veering off the procurement plans and delaying the execution of procurement activities at the MMDAs. This way the Ghana government will stay within its procurement budget and be disciplined financially.

It is also concluded that suppliers and contractors will deliver on time and according to the procurement plan if they are paid as jobs are completed and certificate of contract are submitted.

Majority of the respondent indicated that the adherence to the prescription, that is, the processes and procedures for procurement to commence slows down public procurement activities. If this position is anything to go by, it is an indication that the processes have to be review. Reviewing of the processes means that something must be done about the thresholds and the officers involved at every stage of the planning processes as indicated in the procurement law of the country.

It is also established that, the content of what makes a good procurement plan is not properly clarified. Hence, the majority of the respondents picking unrelated requirements as considerations for the preparation of the procurement plan.

5.3 Recommendations

In the light of the discussions, findings and the conclusions, the following recommendations were hereby outlined:

Since demand analysis and speculations are a vital part of procurement performance, staff responsible for procurement planning must be well vested in procurement analysis in order to move away from the traditional way of procurement to a more scientific means of calculating not only demand but what the researcher refers to as speculative demand forecast. This will provide a concrete picture of speculative prices and so place the procurement entities in the position to know beforehand and to provide effective advise on procurement as government advisors to impact the grassroots levels.

The weakness in the responses indicating low levels of knowledge about the content of public procurement plans means that even at the MMDA levels procurement activities must be categorised into buyers, analyst in addition to planners. By the role of planners shall be to plan procurement activities for the MMDAs. The role for buyers shall strictly be that for buying according to the procurement plans, whilst that for the analyst shall be to analyse procurement situations according to changing commodity prices and variations of prices on the open markets among others.

A study of the analysis above indicates that most respondents believe that going by procurement law, and therefore the procurement plan slows down public procurement activities. This may be viewed in two major ways, that is, firstly, that the processes prescribed by the procurement law is cumbersome considering the bureaucratic nature of it and secondly that the procurement entities have their hands tied up in a way, making it impossible to decide on procurement issues unbudgeted and intrusive requirements to procure outside of the procurement plan. Considering the two scenarios above, it is recommended that a thorough review of the existing procurement plan in order to either reduce the bureaucratic stages in working with the law or provision is made for prompt availability of pressing procurement needs for the MMDAs.

For the above to be effectively considered, it is recommended that MMDAs are computerised and networked for procurement ledger entries to be constantly updated. The introduction of fool-proof softwares may contribute to transparency in procurement performance as well as effective demand forecast based on automated reports. To ensure consistent fool-proof, softwares for this purpose may be coded and only authorised staff are allowed to make corrections and adjustments though with justifications.

It is also recommended that procurement plans are adhered to because of the scarce government resources. All urgent requirements must be done through interim procurement budgets that may have serious consequence by throwing the annual procurement budgets off.

At the MMDAs the procurement function must be made an independent department with its own management staff accountable to a higher authority, maybe the procurement counsellor and not under the head of finance as it is now.

4.4 Limitation of the Study

The research was limited to selected executives or staff of various assemblies which hitherto was to cover all the managers in the various units of the assemblies who were involved in the administrative procedures of procurement operations. The researcher again was faced with serious time constraints in conducting this study, considering the time for the administering and answering of the questionnaire. One major setback was the fact that even though procurement was a major activity at the MMDAs each assembly had not more than two persons directly engaged in procurement. Hence limiting the number of respondents for this work. In-spite of the
shortcoming the researcher managed to assess fifteen out of the twenty two MMDAs in the Western Region.

References

• Department of Housing, Australia & Public Works, (2010), Planning For Significant Procurement, Procurement Guidance. Procurement transformation Division
• Nickols, Fred, (2016), Strategy, Strategic Management, Strategic Planning, Strategic Thinking, Published Paper
• Andrea, (2009), Why Is It Important To Undertake Good Planning, Before Undertaking a Procurement Process? FMI, IGF Journal.]
• Wrexham County Borough Council, (2016), Document Entitled Business Planning, UK
• Capital Projects,” Northwest Territories, Public Works and Services, (2009), Procurement Guidelines, Australia
• Shapiro, Janet, (2001), overview of planning, CIVICUS: World Alliance for Citizen Participation
• Cox, Andrew, etal, (1998), Earlsgate Press 147 Luddington Road, Stratford-upon-Avon, Warwickshire, CV37 9SQ, UK
• Interagency Procurement Working Group (IAPWG), 2006, Procurement Practitioner's Handbook, Revision 1.1, UNGM]
• United Kingdom
• Thai, K. V. (2004), Introduction to Public Procurement, 1st Edition, Florida Atlantic University
• Basheka, Benon, (2008), Procurement Planning and Local Governance In Uganda: A Factor Analysis Approach, Uganda Management Institute
• Public Procurement Act, 2003 (Act 663) of the Republic Of Ghana.
• Tumugabiirwe, Kennedy, (2014), Procurement Planning and Service Delivery in Local Government, Institute of Management Science, Abarara University,
• Agaba, E, J, Shipman, (2007), "Public Procurement Reform in Developing Countries: The Ugandan Experience." Boca Raton, FL: Academics Press
• Deme, Andrea,(2009), Why Is It Important to Undertake Good Planning, Before Undertaking a Procurement Process?, FMI, IGF journal

• [https://www.cips.org/knowledge/procurement-glossary/p/ (accessed 13/07/2016)].

Links

• Http://Www.Ungm.Org/Areas/Public/Pph/Ch03s01.Html (Accessed 01/07/16)
• Http://Epeusconsulting.Com/WpContent/Uploads/2012/12/Consequences_Of_Lack_Of_Planning_And_Conflicts_Of_Interest_In_Key_Supplier.Pdf
• [https://www.cips.org/knowledge/procurement-glossary/p/ (accessed 13/07/2016)].