

# Knowledge of Hospital Staff on the Procedures and Obstacles to Public Procurement in Ghana.

## ABSTRACT

Healthcare is an essential part of human life and cannot be disregarded whether for an individual, a family or a state. A conscious and a planned effort must be taken by the state to make sure that goods and services are made available and accessed through effective and efficient procurement systems. The purpose of the study was to examine hospital staff's knowledge on application, procedures and obstacles to public procurement at Oda Government Hospital in Ghana. A mixed method approach using survey and interview guide was used to solicit information from the hospital staff and the Procurement Manager. Data was analysed using descriptive statistics and Kendall Coefficient of Concordance. The study revealed that the procurement procedures followed the recommended guidelines. The highest mean was scored for application and familiarity with the Public Procurement Act (PPA) whereas verification of documentation, opening tenders for bidding and publishing contract awards were the key procurement procedures. Major obstacles identified included bureaucracy, lack of skilled personnel and adhoc membership of the tender team. The Medical Superintendent and the hospital Administrator were the officers responsible for policy approval and supervision of the Public Procurement Act. There is a need to enforce adherence to the Public Procurement Act and ensure regular training of staff and stronger stakeholder participation in the procurement processes to equip the staff with knowledge and skills on the application of the Public Procurement Act.

Keywords: Public procurement, hospital staff's knowledge, procedures, obstacles, Ghana

## 1. INTRODUCTION

Procurement plays a significant role in determining the availability of, and access to health commodities. Procurement is an essential function within every organization: every organization needs supply of materials, and procurement is responsible for organising this. If carried out badly, materials do not arrive, or the wrong materials are delivered, in the wrong quantities, at the wrong time, with poor quality, at too high a price, low customer service, and so on. The World Health Organization [1] estimates that about one-third of the world's population lack regular access to essential medicines due to stockouts and shortages of these essential commodities typically as a result from many interrelated issues, including bottlenecks in the procurement process.

Uyarra and Flanagan [2] indicated that public procurement is the acquisition of goods and services by government or public sector organisations. European Union [3] emphasized that government procurement is important for both governance and business and this has also grown to become more and more complex. Hospitals operate to facilitate a healthier population, enhance productivity and to boost the economy. Hospitals by their mandate are required to deliver services to the communities they serve.

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41 Procurement is as essential as a function which requires that both public and private institutions  
42 in their bid to acquire goods and services must be diligent and prudent as its effects affects  
43 service delivery negatively if not done well [4]. Public procurement must be seen in two ways  
44 thus internal demands in the form of stakeholders' expectations whereas transparency, integrity,  
45 accountability and exemplary behaviour by actors as the external demands as suggested in [5].  
46 According to World Bank [6] low-income countries have the highest share of public  
47 procurement in their economy at 14.5% of GDP, followed by upper-middle income countries at  
48 13.6%.

49  
50  
51 Arrowsmith [7] stressed that the legal framework through laws and regulations make sure that  
52 their application can bring about accountability, transparency, and integrity to protect the public  
53 purse. The Public Procurement Act (PPA), 2003 (Act 663) was enacted and provisions were  
54 made in it for application in the acquisition of goods and services. According to Arney and  
55 Yadav [8] public procurement takes place in an environment surrounded by other systems such  
56 as economic, political, social and legal systems and a change in any of these systems provides  
57 both opportunities and challenges for public procurement.

58  
59 One of the pillars of the Public Procurement Act 663, 2003 is to improve governance, value for  
60 money and prudent spending so the developmental goals are achieved. The provisions within the  
61 Act must be applied and adhered to by all entities under the Central government in the area of  
62 public procurement. It is obvious that on paper the Act looks good, but its application or  
63 misapplication is a major concern because of the outcomes. OECD [9] stressed that a sound  
64 procurement system needs competent professional workforce equipped with the required skills  
65 and knowledge to make a public procurement efficient and effective.

66  
67 Irrespective of the importance of public procurement on government's expenditure it is worrying  
68 as there is a lack of transparency on the procedures for awarding contract [10]. Mahmood [11]  
69 suggested that the quality of public administration could be improved through responsible  
70 accountability which is an integral part of good governance. Georghiou *et. al.*, [12] indicated that  
71 there is a need for wider engagement on policy measures for public procurement. According to  
72 Tadelis [13] public procurement regulations put certain constraints on contracts and awards  
73 mechanism that public procurement agencies can use. Onyinkwa [14] compliance with the Act  
74 could be dependent on ethics and understanding of the Act.

75 Onyango [15] stressed that stricter compliance of laid down procurement procedure can lead to  
76 organizational performance thereby enhancing its profits. According to Oyuke and Shale [16]  
77 firms must employ procurement practices that will contribute most to the attainment of corporate  
78 goals. Habonimana [17] indicated that public procurement as resource allocation can have  
79 economic and political connotations. It is no doubt that a strong and solid regulatory framework  
80 has the ability to strengthening procurement systems, the worrying issue is that it becomes sterile  
81 if not backed by efficient enforcement mechanisms [6].

82 Shaw [18] indicated that corruption and bloated prices by officials through public procurement  
83 was cited as a major challenge. Adusei and Awunyo-Vitor, [4] revealed that well-managed

84 procurement activity in the public sector has the potential to mitigate risk through a better  
85 allocation of risk. OECD [10] stressed that more can be gained from honesty, professionalism  
86 through greater transparency, fair competition and zero corruption by stakeholders. Thai [5]  
87 (2009) pointed out that gaps in the procurement procedures motivate officials to be corrupt and  
88 take advantage of the deficiencies of the system.

89 European Commission [19] suggested that all procurement officers could be asked to sign a  
90 declaration for each procurement procedure to confirm they have no interest with any  
91 participating tenderer as a way to improve safeguards upon corruption. Arrowsmith [7] stressed  
92 that collusion between parties in the procurement processes leads to bloated prices for work done  
93 and in some cases no work is done but payments have been made. OECD [10] advised that some  
94 contractors will not bid for projects when they perceived the system will not be transparent and  
95 fair. Preuss and Walker [20] individual factors and organizational factors if not managed  
96 effectively could hamper sustainable procurement.

97  
98 Thai [5] indicated that indeed all governmental entities of rich and poor countries are struggling  
99 in the face of unrelenting budget constraints that have led to public demand for increased  
100 transparency in public procurement. Public-sector entities responsible for procurement of  
101 essential medicines and health commodities in developing countries often lack the technical  
102 capacity to efficiently ensure supply security [21]. Arney and Yadav [8] stressed that under strict  
103 public scrutiny and pressures to be transparent, many agencies continue to use archaic  
104 procurement methods and depend on inflexible forecasts and cumbersome tendering processes.

105  
106 Auditors General Report [22] revealed that GH¢15,700.00 was a misappropriation of revenue,  
107 GH¢18,260.00 for procurement of sub-standard Out-Patient Department (OPD) forms and  
108 procurement of vehicle for the acting Chief Administrator all these happened at Korle-Bu  
109 Teaching Hospital in Accra one of the 211 governments hospitals in Ghana. The procurement of  
110 the official vehicle was not in the hospital 2014 approved Procurement Plan and Budget and was  
111 not approved by the Board. Interestingly the official registered the vehicle in his name before  
112 reverting it into the hospital's name after using it for two and a half months.

113  
114 On the sub-standard forms, officials did not check the quality of items as against specification  
115 but went ahead to make full payment for goods the hospital could not use. The report further  
116 disclosed that GH¢70.1million was mismanaged by some officials and financial irregularities in  
117 2015 which cost the government almost GH¢53.2million. There is evidence of wasteful  
118 expenditure and loss of public funds. Almost sixteen years of the existence of the Public  
119 Procurement Act 2003, its implementation and operation had prevailed and made gains in some  
120 areas, but its adherence is much to be desired [22].

121  
122 With the existence of the Public Procurement Act, the processes not followed as required and the  
123 question remains as to what would have happened if the Act was not in existence. These are  
124 worrying as healthcare remain vital in every country's development and the ability to offer the  
125 goods and services to within the hospital such that the public purse is not misappropriated  
126 considering the effect it will have on the welfare of the citizenry; It is against this backdrop that  
127 the study was conducted to explore hospital staff's knowledge on the Public Procurement Act in

128 relation to its application, compliance, and challenges at the Oda Government Hospital in the  
129 Eastern Region of Ghana.

130

## 131 **2. METHODOLOGY**

132

### 133 **2.1 Study Setting**

134 Oda Government Hospital was established in 1927 to serve as the District Hospital for the  
135 District (now Municipal Hospital). The hospital provides a range of services and is one of the  
136 four hospitals in the Eastern Region with Physiotherapy Equipment. The Birim Central  
137 Municipality comprises 243 communities with an estimated area population of about 151,318.  
138 The hospital sees an average of 300 patients per day with daily bed occupancy rate of 86  
139 patients. The hospital has a total bed capacity of 174 for the maternity, female, male and  
140 paediatric wards with staff strength of 223.

141

### 142 **2.2 Research Design**

143 This study adopted the mixed method approach utilizing both qualitative and quantitative  
144 methods. Leavy [23] indicated that mixed methods research involves collecting, analysing, and  
145 in some way integrating both quantitative and qualitative data in a single project. Yin [24]  
146 differentiated quantitative research and qualitative research as deductive approaches to a research  
147 process aimed at proving, disapproving, or lending credence to existing theories while inductive  
148 approaches to knowledge building aimed at generating meaning. The quantitative aspect was  
149 done through questionnaire administration via the staff's whiles the qualitative approach was  
150 done for the Procurement Manager through a structured interview. This was a sequential mixed  
151 methods study where administration of the questionnaire took place first before interviewing the  
152 Procurement Manager.

153

154 The popularity of the mixed approach was confirmed by Tashakkori and Creswell [25] indicating  
155 that the mixed method approach embraces more than simply combining qualitative and  
156 quantitative methods but, rather reflects a new "third way" of epistemological paradigm that  
157 occupies the conceptual space between positivism and interpretivism. Similarly, Leavy [26]  
158 stressed that mixed method research may result in a comprehensive understanding of a  
159 phenomenon under investigation because of the integration of quantitative and qualitative data.

160

161 The justification of the mixed method approach in this study is that the strength of one method  
162 can be used to overcome the weakness of another method. Moreover, narrative and non-textual  
163 information can add meaning to numeric data while numeric data can add precision to narrative  
164 and non-textual information.

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### 167 **2.3 Population, sampling procedure and sample size**

168 Bethlehem [27] indicated that a target population of a study is the population that should be  
169 investigated. It is also the population to which the outcomes of the survey refer. The author went  
170 on to say that the elements of a target population are often people, households or companies. The

171 target population for the study comprised of staff and management of Oda Government Hospital.  
172 Dorofeev and Grant [28] stressed that purposive sampling may be justified in surveys of small  
173 populations particularly in business-to-business surveys, where it might, for instance, be  
174 unthinkable to allow certain major companies not to be included. Purposive sampling was used  
175 to select the ninety-one respondents from the various directories of the hospital.

176  
177 The justification of adopting purposive sampling for this study is in line with the thoughts of  
178 Lavrakas [29] stressing that nonprobability samples are generally purposive, or theory driven  
179 meaning they are gathered following a criterion that a researcher believes to be satisfying to  
180 obtain typological representatives. The inclusion criterion were all hospital staffs placed in a  
181 supervisory role by the hospital. This ensured that sufficient staffs from all the main directories  
182 (diagnostic, medicine, surgery, technical service, supply chain management unit and accident &  
183 emergency unit) of interest were used to be able to describe with confidence their patterned  
184 similarities and differences. Purposive sampling was used to select the ninety-one staffs from  
185 the various directories of the hospital. The composition of the sample size of the directories were  
186 diagnostic (10), medicine (16), surgery (9), technical service (15), supply chain management unit  
187 (12), administration (19) and accident & emergency unit (10).

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## 190 191 **2.4 Data collection instruments**

### 192 **2.4.1 Questionnaires**

193 Adusei [30] indicated that questionnaires have been successfully used for a number of years in  
194 many studies and recent advances in knowledge about questionnaire methods and data entry  
195 technology have made them even more effective. The questionnaire was self-administered  
196 through drop-and-collect technique due to the capability of the hospital staffs to fill it by  
197 themselves due to their literacy level and knowledge on the issues in the questionnaire. The self-  
198 administered questionnaire helps to avoid interviewer bias and gives the study the opportunity to  
199 ask more complex questions. Another advantage is that it gives the respondents enough time to  
200 consider their answers as compared with the interviewing technique where the interviewee  
201 requires an immediate response. The questionnaire administration took place at the Oda  
202 Government Hospital and some staff took it home to fill in their spare time. Before the  
203 fieldwork, a pilot study was done on the questionnaires by soliciting comments from three  
204 experts on the topic which was helpful for the final output for the fieldwork. The fieldwork took  
205 two months to complete the distribution and collection of the questionnaires from the  
206 respondents.

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### 209 210 **2.4.2 Interview Guide**

211 Interviews hold a prominent place among research methods in the social and behavioural  
212 sciences. The purpose of the interview is to collect detailed information and provide inputs into  
213 the design and content of the questionnaire. According to Tracy [31], interview is interaction  
214 between two persons discussing a theme of interest to them. Holloway [32] indicated that

215 interview gives the interviewee the opportunity to describe experiences in detail and to give their  
216 perspectives and interpretations of these experiences. The purpose for using interview is that it  
217 helps to obtain unique information or interpretation held by the person interviewed. Finding out  
218 about “a thing” that the researchers were unable to observe themselves [33]

219 Seidman [34] indicated that for the interviewer, there is always an element of being there with  
220 the interviewee which can afford the opportunity for observation above and beyond what the  
221 interview itself is designed to do. The author went on to say that because interview is an  
222 encounter and interaction between interviewer and interviewee the interviewer can draw on  
223 observational data from the interactions to better understand the responses offered.  
224 Consequently, data were collected via semi structured interview with the Procurement Manager  
225 of Oda Government Hospital on public procurement related issues which the output of the  
226 questionnaire cannot reveal from the study.

## 227 **2.5 Data Analysis**

### 228 **2.5.1 Quantitative Analysis**

229 Descriptive statistics was used to analyse the data with the aid of Statistical Package for the  
230 Services Solution (SPSS) version 14.0. Descriptive statistics such as frequencies and percentages  
231 were used to present the sample characteristics and that of the procurement procedures of the  
232 Oda Government Hospital reported using composite bar charts. According to Ross and Willson  
233 [35] descriptive statistics are used to characterize a sample and include computations that do not  
234 require any inference about a population and prove to be useful when sample sizes are not large.  
235 Using the frequencies and the percentages were to report the summary statistics.

236  
237 Assessing the staff knowledge level on the PPA, the authors made use of the mean score and  
238 reported using bar chart. Heiman [36] indicated that a mean is a score located at the  
239 mathematical center of a distribution. Using the mean score to report staff’s knowledge level on  
240 the PPA was appropriate as it describe the interval data. Field [37] stressed that one very  
241 important reason for using mean is that it uses every score which the mode and median ignore in  
242 most of the scores in a data set. The high mean score corresponds to “agree” in their responses.  
243 Kendall’s coefficient of concordance ( $W$ ) was used to rank the items identified as the obstacles  
244 on public procurement implementation. Field [37] stated that Kendall’s coefficient of  
245 concordance is a nonparametric test used to find out if there is an agreement or concordance  
246 among raters or judges of number of objects/individuals. The interpretation of the value of ( $W$ ) is  
247 high agreement when ( $W$ ) = 1, no agreement when ( $W$ ) = 0. The study used the Kendall’s  
248 coefficient of concordance to measure the degree of agreement of the rankings by the staffs of  
249 the hospital.

250  
251 Data reliability which is a measure of internal consistency and average correlation was measured  
252 using Cronbach’s Alpha Coefficient, which ranges from 0 to 1 as stated in [38]. The higher the  
253 alpha coefficient value means there is consistency among the items in measuring the concept of  
254 interest. The questionnaire consisted of four (4) sections comprising open and close-ended  
255 questions in addition was a five-Likert scale type of questions. The entire questionnaire had forty  
256 (40) questions. The scale reliability respectively for knowledge application on the Act and the  
257 obstacles to the implementation of the Act were .946 and .975. All values are within the  
258 acceptable range and greater than the cut-off point of 0.70 suggested by many researchers. This  
259 shows the reliability of the scale for the internal consistency of this study.

260

## 261 **2.5.2 Qualitative Analysis**

262 The interview analysis adopted Wolcott three dimensions of qualitative research approach which  
263 are description, analysis and interpretation as cited in [39]. The description touched on what the  
264 researcher wants his/her readers to see that the researcher saw, while the analysis looked at what  
265 the researcher wants his/her readers know that the researcher knows. The interpretation which is  
266 the last stage considers what the researcher what his/her readers to understand that the researcher  
267 thinks the reader should understand.

268 The study considered all the ethical issues and its compliance in conducting the study in terms of  
269 respondent's voluntary consent to be part of the study, assurance of their privacy in terms of  
270 confidentiality and anonymity.

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272

273

## 274 **3. RESULTS AND DISCUSSION**

### 275 **3.1 Demographic Data of Respondents**

276 The staffs' age distribution between 18 to 29 years represents (20%), 30 to 40 years represents  
277 (50%), 30% accounted for those over 50years. The 30 to 40-year group were in the majority and  
278 an indication that the workforce is vibrant and energetic to offer good healthcare with the needed  
279 dedication and commitment to work; on their gender composition, female representation was  
280 40% and males were 60%. This is not surprising as the nature of the job and tasks performed  
281 needed a balance from both sexes. In terms of educational qualification, 24% had a postgraduate  
282 certificate, 40% had obtained a first degree and 36% held diploma certificates from various  
283 fields. This is an indication that as staffs they had the knowledge to appreciate the study and  
284 understand what the study was aimed at. Likewise, a period of working experience from one to  
285 five years and six to ten years each accounted for 60% and 30% respectively. Those with more  
286 than 10 years represented 10%. This information depicts the rich working experience of the  
287 respondent's which will bring to bear in terms of need especially in the health sector and hospital  
288 in particular. The following representation of the directories; diagnostic (n=10, 11%), medicine  
289 (n=16, 18%), surgery had (n=9, 10%), technical service had (n=15, 16%), supply chain  
290 management (n=12, 13%), administration (n=19, 21%) and accident & emergency unit with  
291 (n=10, 11%). The staffs from the various units that took part in the fieldwork were middle  
292 management level and senior management team including the medical superintendent, pharmacy  
293 officer in charge, procurement officers, hospital administrators, storekeepers, physician  
294 assistants, nurse managers, and laboratory technicians among others.

295

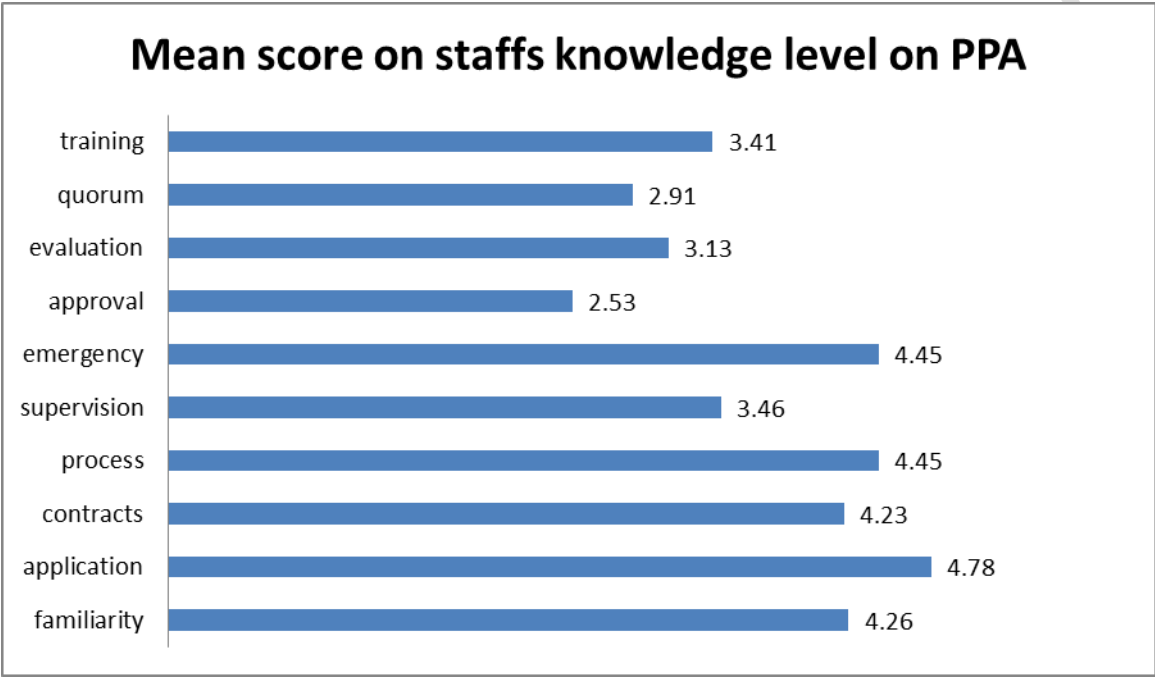
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### 297 **3.2 Staff's knowledge of the Public Procurement Act (Act 663)**

298 The discussion presents the mean score of the constructs. It is important to indicate that the  
299 application of the Act will not make any positive and huge impact if implementers of the Act are  
300 not abreast with issues in the application of the Act. Figure 1 indicates the mean score of the ten  
301 themes with the highest mean score of 4.78 affirming that the staffs are aware that the Oda

302 Government hospital applies the PPA as this was ranked first. The lowest ranked theme had a  
 303 mean score of 2.53 indicating the need for a procurement plan before approval can be made on  
 304 procurement as this was not popular among the majority of the respondents. The staffs indicated  
 305 that except emergency goods and services all contracts awarded must go through the tender  
 306 committee. The staffs were of the view that the procurement plan must be prepared and approved  
 307 before the requisition is put in for procurement as this was not popular among the staffs.

308



309

310 Figure 1. Staff s knowledge on PPA

311 It is evident from Figure 1 that the level of knowledge regarding the Act was very high. In all the  
 312 statements about the Act, which was presented to the staff, they expressed views which showed  
 313 that they had some level of knowledge about the Public Procurement Act (Act 663). The Act  
 314 stipulates that all public sector institutions are required to fully apply the Act to their  
 315 procurement system. The staffs knowledge about this statement in the Act was collaborated by  
 316 96% of the total sample with a mean score of 4.78 on a five Likert scale who strongly agreed to  
 317 the fact that the Act is applicable to the Oda Government Hospital indicating 4% with inadequate  
 318 knowledge or uncertain about the PPA application as the study reported the mean scores.

319

320 All contracts must pass through the procurement process and goods and services required for  
 321 emergency purposes not going through tender exhibited a strong and sufficiency level of  
 322 knowledge of the Act as it was ranked 2<sup>nd</sup> with a mean score of 4.45 representing 90% agreement  
 323 from the staffs' perspectives. In spite of the staff's experiences on the job they still believe  
 324 training programmes was necessary to upgrade their knowledge on the Act. This was evident  
 325 from the staffs as 68% of them agreed to the need for it to sharpen their skills on the Act. In  
 326 general, the results suggest that staff knowledge on the application of the PPA in Oda  
 327 Government Hospital is fairly high as a positive predictor that the staff will apply the PPA



effectively if all things be equal. The result affirms the views of Onyinkwa [14] stressing that understanding of the Act leads to better compliance.

Although the call for strict adherence to rules and regulations in the public procurement cannot be over emphasized it becomes rhetoric if implementers for the Act do not have a fair appreciation of the Act hence the study explored the familiarity of the PPA by the staff. It was revealed that 4.26 representing 85% of the sample staffs had an advanced appreciation and familiar of the Act. Conducting monitoring and evaluation in public procurement holds enormous benefits as it provides an avenue for constant feedback, easy identification of potential challenges, opportunities to incorporate innovation and track progress. In terms of monitoring and evaluation, 62% of the sampled staffs were on top on the subject which is a bit worrying as 38% of the implementers of the Act might not be diligent in their services due to their ignorance of the consequences of the Act. There is a need for a better sensitization on the matter to create awareness of the need for it. This result would benefit from Adusei and Awunyo-Victor [4] of the need for implementers of the Act to be diligent in their duties on procurement.

### 3.3 Procurement Procedures of Oda Government Hospital

There is no doubt the importance of the PPA, but it will be of no essence if it is not compiled by the government agencies and the state-owned enterprises. For institutions and organisations to comply with any procurement system, certain modalities such as tendering, bidding, advertising, documentation and review processes must be put in place. Consequently, the study sought to find out whether or not the Procurement Committee Members of the hospital comply with the Act by examining how the various modalities are utilised in the procurement process. As one of the modalities for ensuring compliance, staffs were asked if contracts for the supply of goods and services were advertised to the public, (85%; n = 77) of the staffs confirmed that contracts are advertised but (15%; n = 14) disagreed with that procedure. On the issues of the publication of contract awards (84%; n = 76) of the staff confirmed that awards are published as compared to (16%; n = 15) disagreed with that procedure.

Table 1: Procedures used by Oda Government Hospital for procurement of Good and Services

The procedure used by hospital	Responses Category	Frequency	Percentage
Hospital advertise contracts	Yes	77	85.00
	No	14	15.00
	<b>Total</b>	<b>91</b>	<b>100.00</b>
Contracts awards published	Yes	91	100.00
	<b>Total</b>	<b>91</b>	<b>100.00</b>
	Publication of adverts and awards of contracts	Yes	76
No		15	16.00
<b>Total</b>		<b>91</b>	<b>100.00</b>

Tenders opened for bidding	Yes	91	100.00
	<b>Total</b>	<b>91</b>	<b>100.00</b>
Modalities for reviewing complaints from suppliers and contractors	Yes	72	79.00
	No	19	21.00
	<b>Total</b>	<b>91</b>	<b>100.00</b>
Rely on only suppliers with good standing in the supplier index	Yes	64	70.00
	No	27	30.00
	<b>Total</b>	<b>91</b>	<b>100.00</b>
Documentation verification before awards of contracts	Yes	91	100.00
	<b>Total</b>	<b>91</b>	<b>100.00</b>

**Source:** Fieldwork, 2018

359 Table 1 as revealed by the staff indicated that all the ninety-one which is 100% stated  
360 categorically that to the best of their knowledge all procurement goes through verification of  
361 documentation from suppliers of goods and services; and contractors. This is of essence to make  
362 sure that the right thing is done from the commencement of placing the requisition for the  
363 service. This must be in line with the provision of the budget allocation and definitely with the  
364 compliance of the provisions in the PPA. The result will benefit from the suggestion from  
365 European Commission [19] that all procurement officers should be asked to sign a declaration  
366 for each procurement procedure to confirm they have no interest with any participating tenderer  
367 as a way to improve safeguards upon corruption.

368 One of the pillars for supply chain sourcing is the ability and the capacities of the user  
369 departments to select the right suppliers with both financial and capability resources to deliver  
370 the needs of the customers and meeting the right specifications. Respondents were asked to  
371 indicate whether it is necessary to use suppliers with good standing in the records of the hospital  
372 books through their working experience with them or by their industry ratings and word-of-  
373 mouth recommendation from the industry. The sixty-four staffs representing 70% was of the  
374 view that the hospital must select suppliers of good standing as this will ensure that the right  
375 thing is done since the suppliers have been in a similar situation and have the capabilities and  
376 competencies to deliver the contract on time. On the other hand, twenty-seven respondents  
377 representing 30% indicated that it does not necessarily mean that a supplier must be selected  
378 because the supplier is in good standing. The hospital must open its doors to search for multiple  
379 sourcing than single sourcing for the purposes for value for money and consequently cost-  
380 cutting. The results confirmed World Bank [6] assertion that the Public Procurement Act must  
381 make sure that there is a control system, standardized procurement procedures, transparent  
382 institutional framework, proficient procurement staff and provision of measures on anti-  
383 corruption. This will enable the hospital procure quality goods and services with the end user in  
384 mind who are mostly patients accessing healthcare and the staff themselves.

385  
386 The Procurement Act also requires entity committees to put in place modalities for reviewing  
387 complaints from suppliers and contractors regarding procurement entities. Table 2 indicated that  
388 (79%; n = 72) staff confirmed that they have put in place measures to review complaints as

389 compared to (21%; n = 19). This revealed that not all staff are reviewing complaints as should be  
390 which is a requirement by the Act for institutions to put in place modalities for reviewing  
391 complaints from their suppliers.

392 The staffs agreed unanimously that all contracts are published as well as tenders opened for  
393 bidding with a 100% representation respectively. This is significant from the awareness,  
394 observation and the knowledge of the staff concerning the PPA. There is an indication that the  
395 procurement processes of the Oda Government Hospital do not take place in secret as relevant  
396 stakeholders were aware of the processes through the various outlets for communication. The  
397 result is in line with (Georghiou *et. al.*, [12] stressing the need for wider engagement on policy  
398 measures on public procurement for effective collaboration. Also as indicated by Mahmood [11]  
399 the quality of public administration can be improved through responsible accountability which is  
400 an integral part of good governance.

401

### 402 **3.4 Interview with the Procurement Manager**

403 The interview with the Procurement Manager revealed some insights on the procurement  
404 activities at the Oda Hospital. During the interview it came up that “*the PPA has had a positive*  
405 *effect and has improved the procurement practices of the hospital and further stressed that the*  
406 *hospital since 2004 observe the PPA in their procurements*” It is not much of a surprise as this is  
407 what the PPA intends to achieve to avoid wastage of state funds. The response aligns with  
408 Onyango [15] advising that stricter compliance of laid down procurement procedure can lead to  
409 organizational performance thereby enhancing its profits. The Procurement Manager further took  
410 the interviewer through the procurement procedure of the Oda Government Hospital where it  
411 was indicated that “*The procedure includes the approval of a request, solicitation of offers,*  
412 *evaluation of tenders, awarding of contracts, delivering of goods, inspection and acceptance of*  
413 *goods and managing the project*”. The response supports the European Union [3] pointed out  
414 that government procurement is important for both governance and business. It can be said that if  
415 the hospital religiously goes through the whole procurement procedure without any compromises  
416 there is the possibility that value for money can be attained through enhancing transparency from  
417 key stakeholders to the process.

418

419 On policy approval and the supervision of the PPA, the Procurement Manager responded that  
420 “*this is done through the office of the Medical Superintendent and the Administrator of the Oda*  
421 *Government Hospital*”. The Procurement Manager indicated “*that he does not think that the Oda*  
422 *Government Hospital has sanctioned any contractor or supplier due to non-performance which*  
423 *implies that the hospital puts certain measures in place to achieve quality for money*” while on  
424 the other hand contractors or suppliers do their best as professionals to meet the needs and  
425 demands of the hospital requisition of service. Interestingly the Procurement Manager “*rated the*  
426 *Oda Government Hospital on compliance to the Act as five on a scale of one to five*”. The  
427 Procurement Manager, when asked a follow-up question, stated that in terms of documentation  
428 of their procurement activities “*they send electronic copies of their procurement plan to the*  
429 *Public Procurement Authority*”. This result support Arrowsmith [7] stressing that the legal  
430 framework through laws and regulations must make sure that its application can bring about  
431 accountability, transparency, and integrity to protect the public purse.

432  
 433 On barriers that affect his performance in the use of the PPA. The Procurement Manager  
 434 responded that *"it is worrying as the system cannot take advantage of the competencies and the*  
 435 *capabilities of some suppliers to bid low-value contracts as they are not encouraged to do so"*.  
 436 The Procurement Manager further stressed *"not having the expertise to make use of the Act*  
 437 *creates problems for implementers who can lead to non-compliance to the processes of the Act"*.  
 438 There is a need for regular update of knowledge on the Act through seminars and workshops.  
 439 This response aligned with World Bank [6] insisting that accountability and transparency in  
 440 government purchases guided with the adherence of the Public Procurement Act can reduce  
 441 corruption with stricter enforcement of the Act. Furthermore, the result shares an opinion with  
 442 Adusei and Awunyo-Vitor [4] suggesting that procurement is as essential as a function that both  
 443 public and private institutions in their bid to acquire goods and services must be diligent and  
 444 prudent as it affects the bottom line negatively if not done well. □

445  
 446 The Procurement Manager indicated when asked about inputs made to help the Oda Government  
 447 Hospital on the implementation of the Act; his response was that *"due to the important roles the*  
 448 *Nurses played in the hospital administration it will make a big difference if the inclusion of the*  
 449 *Nursing administrator in the composition of the tender committee for Oda Government*  
 450 *Hospital"*. It will not be out of order if the inclusion of the Nursing Administrator is not purely  
 451 on stakeholder's involvement and participation. Thai [5] suggested that public procurement must  
 452 meet the internal demands of many stakeholders' expectations. This must be one of the reasons  
 453 why the hospital administration deemed it wise to include the Nursing Administrator for  
 454 governance's sake and most at times they are the users of more than half of the hospital's  
 455 commodities.

456  
 457 On the benefits of compliance to the PPA, the Procurement Manager said: *"it has helped improve*  
 458 *financial levels, added value and helped reduce corruption"*. It can be inferred that stricter  
 459 adherence to the Act and possible sanctions for offenders has put fear in implementers to make  
 460 sure that the public purse is protected since they will be held accountable for their stewardship.  
 461 The response agrees with OECD [9] stressing that honesty, professionalism through greater  
 462 transparency, fair competition and zero corruption by stakeholders are positive pillars of public  
 463 procurement.

### 465 3.5 Implementation obstacles of the PPA

466 The section assesses the hospital staff's concerns on the implementation obstacles of the PPA  
 467 through the mean rank using Kendall's Coefficient of Concordance for the ranking. The  
 468 Kendall's Coefficient of Concordance of ( $W^s = 65.2\%$ ) implies that 65.2% agreed to the overall  
 469 ranking with the firm belief that indeed the challenges cut across among the hospital staff. the  
 470 discussion in Table 2 would center on the three high mean scores and the least three mean rank  
 471 considering the constructs.

472  
 473 Table 2: Kendall's Coefficient of Concordance on PPA implementation obstacles

Construct	Mean rank	Ranking
Controlling than facilitating the procurement process.	7.23	6 <sup>th</sup>
Difficult for innovativeness in the procurement process	9.84	3 <sup>rd</sup>

Cheapest service is obtained but not the best in terms of quality	2.59	11 <sup>th</sup>
The procurement process is very bureaucratic	12.45	1 <sup>st</sup>
Difficulties in applying the Act.	8.30	4 <sup>th</sup>
Ad-hoc memberships of tender board affect the procurement process.	10.30	2 <sup>nd</sup>
Limited logistics slows down the work of the tender committee.	6.18	9 <sup>th</sup>
Lack of requisite skills by the tender committee in the procurement process.	6.18	9 <sup>th</sup>
Rewarding tender committee members for their services.	7.05	7 <sup>th</sup>
External pressure to subvert the procurement process.	3.52	10 <sup>th</sup>
Suppliers do not search for adverts on procurement	7.40	5 <sup>th</sup>
The Act is making the procurement of goods and services risky	3.52	10 <sup>th</sup>
Suppliers lack the needed documents for the tendering process	6.46	8 <sup>th</sup>

474 **Source:** Fieldwork, 2018

475 From Table 2 it can be observed that the highest mean rank is 12.45 which was ranked first  
476 implied that the entire sampled hospital staffs were in concordant with each other on the  
477 construct indicating that the procurement processes are very bureaucratic. In practice, there  
478 might be a challenge that can slow down the operations of the hospital due to the bureaucratic  
479 nature of the procurement system. The result is in alignment with Tadelis [13] stressing that  
480 public procurement regulations put certain constraints on contracts and awards mechanism that  
481 public procurement agencies can use.

482 There is wisdom in the usage of the ad-hoc membership on the tender board if used  
483 appropriately. The challenge of the hospital staff had to do with the frequent changes in the  
484 membership of the tender board which affects the procurement process, and this had a mean rank  
485 of 10.30 which was ranked 2<sup>nd</sup>. Alluding to the fact that the longer the membership stays the  
486 better it becomes in terms of experience in the tendering process which is in a positive direction  
487 but this same strength can be a weakness as it can also corrupt members if members on the board  
488 lack integrity and honesty. The result supports the assertion by Arrowsmith [7] that a conflict of  
489 interest by key players in the procurement process is a challenge. However, OECD [9]  
490 suggested that more can be gained from honesty and professionalism of procurement staffs in  
491 enhancing value for money throughout the procurement processes irrespective of how long the  
492 board stays. Majority of the staffs agreed that the Act does not allow for the introduction of  
493 innovative techniques in the procurement process

494 The Act ensures that the cheapest service is obtained but not the best in terms of quality and  
495 value for money had the very least mean rank of 2.59 indicating that the staffs do not see it as a  
496 major concern hence it was ranked 11<sup>th</sup>. External pressure to subvert the procurement processes  
497 as the Act has made the procurement of goods and services very risky had a mean score of 3.52  
498 representing the second very least of the ranking at the 10<sup>th</sup> position which indicated that the  
499 staffs believe that as much as it is a challenge to them it is of least concern to them. To carry out  
500 the compliance of the Act in a most effective manner, there is the need for the tender committee  
501 to have access to all the logistics to carry out their duties and responsibilities, add value and save  
502 the taxpayers money.

503 On whether limited logistics slows down the work of the tender committee the responses that  
504 came out had the same mean rank of 6.18 and ranked at 9<sup>th</sup> position, the third least of the  
505 challenges encountered. This was attributed to the non-availability of items from the logistics  
506 perspective. The finding calls on the hospital to improve its functions and operations to ensure  
507 compliance. The gap between the highest rank and the least mean is 9.86 mean score. This  
508 implied that they do not see the possibility that those constructs will affect negatively the  
509 potency of the PPA to achieve its intended objectives. This result does support Oyuke and Shale  
510 [16] that firms must employ procurement practices that will contribute most to the attainment of  
511 their corporate goals. The result further aligns with Habonimana [17] on the need for the  
512 government to resource its agencies to create value through public procurement.

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#### **4. CONCLUSIONS AND RECOMMENDATIONS**

517 Procurement and its management must be seen as a core function of public financial  
518 management and be treated with all seriousness to protect the public purse. An efficient and  
519 effective public procurement system significantly can influence the provisions of government  
520 services such as the building of hospitals and healthcare delivery. Procurement puts a financial  
521 burden on hospitals and must be treated with all seriousness irrespective of the type of hospital  
522 whether the hospital is a teaching hospital, regional or district, private, public, government or  
523 not-for-profit.

524 The study concludes that staff's awareness and the application of the Public Procurement Act  
525 (Act 663) were high which can promote the effective implementation of the Act. The study  
526 further affirms the need for periodic training of respondents and reinforces an improved  
527 application and compliance of the Act. The interview with the Procurement Manager confirms  
528 the conscious awareness of the need to comply with the Act to avoid sanctions and possible  
529 prosecution and this has enhanced transparency and accountability in the procurement process.  
530 At the heart of the implementation challenges is the bureaucratic nature of the procurement  
531 process which is attributed to the Public Procurement Act (Act 663)

532 The paper suggests that the hospital must update the knowledge of its staff on the PPA through  
533 meetings, seminars, training, and workshops. It is important for all key stakeholders to  
534 understand and appreciate the demands of the Public Procurement Act to be assured of the  
535 transparency and fairness of the procurement process. Moreover, there is a need for adequate  
536 remuneration to be given to the tender evaluation committee to ward off any temptation of  
537 corruption.

538  
539

#### **CONSENT AND ETHICAL APPROVAL**

541 The ethical considerations were adhered to in terms of getting the consent of the participants and  
542 their participation of the study was voluntary.

543

544 **COMPETING INTEREST DISCLAIMER**

545 Authors have declared that no competing interests exist. The hospital name used for this research  
546 is commonly and predominantly selected in our area of research and country. There is absolutely  
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