

KNOWLEDGE OF THE PROCUREMENT SYSTEM AND ITS RELATIONSHIP TO
COMPLETION OF TRANSACTION IN A GOVERNMENT AGENCY IN ILOILO CITY

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ABSTRACT

The primary objective of this study was to determine the knowledge of the procurement system and its relationship to completion of transaction in a government agency in Iloilo City. Specifically, it is intended to determine the profile of the procurement coordinators and persons involved in procurement, the extent of knowledge of the procurement process and practices and the status of completion of transaction. The researcher also investigated the relationships between these variables. The variables related to the problem, however, may not be viewed as real “causes” of the problem, but variables which are associated with or may contribute to the occurrence of the problem. A survey was conducted to the entire population to answer the specific objectives of the study. The questionnaire was divided into four categories to determine the socio – demographic characteristics of the respondents, the extent of knowledge of the procurement process and practice and the completion of transaction. Key informant interviews were also made among selected respondents to gather qualitative data, their insights, experiences and opinions and views about the subject. Data were processed and analyzed using simple statistical tools with the aid of the Statistical Package for Social Science (SPSS) software. Qualitative data from the interview were transcribed and categorized manually. The findings of the study revealed that the respondents are predominantly composed of female regular employees with mean age of 36 years old.

Most of them are staff or hold clerical positions with college degree with at least five years of experience in the government service. Majority have been exposed to trainings and seminars related to procurement. These trainings and seminars are important to improve and develop their knowledge and skills regarding procurement. As to the extent of knowledge of the procurement process, majority of the respondents believed that it is relevant to know the process. For them, knowledge of the procurement system is important for it serves as guide to follow the procurement flow, and likewise, can limit the margin of error and smoothen the flow of transaction. As to the extent of knowledge of the procurement practice, majority of the respondents scored high. Integrity, dedication, commitment and responsiveness to public interest are values or attitudes a person involved in procurement should possess. Knowledge of the procurement practice can prevent temptations (monetary or in kind) and strengthen or make firm one's stand towards his/her work. As such, he/she will not be easily swayed or give in to requests. Following correct procurement procedures can also eliminate or minimize audit observation memorandum issued by the resident auditor. With respect to the status of completion of procurement transaction, majority scored very satisfactorily. The study found out that among the factors that caused delay are the specification and completeness of purchase request, completeness of documentary requirements, laziness and lack of knowledge which leads to poor accomplishment, lack of coordination with co-employees and system of the office. Other contributory factors are voluminous transactions, availability of signatories, and defective or incomplete supporting documents. Statistical analyses reveal that there is significant difference between respondents' knowledge of the procurement process and the status of employment, and length of service. This finding suggests that permanent employees especially those who have stayed longer on the job have better understanding of the procurement system, both in terms of process and practice. Moreover, a significant

difference exists between respondents' knowledge of the procurement practice and exposure to trainings. Finally, statistical tests reveal that the respondents' knowledge of the procurement process itself has a significant bearing on the completion of the transaction. It is recommended that the concerned agency must enhance its procurement system by intensifying trainings and seminars for all personnel involved in the procurement, strengthen and improve personnel selection, recruitment and promotion process as well as provide benefits to performing employees.