

Payment to Suppliers; Assessment of Efficient Public Service Delivery in the Local Government

Jean Petorio Caples

njeancap@gmail.com

Student, Masters in Public Administration, Davao del Norte State College, Panabo City, 8105, Philippines

Abstract

Late payment to suppliers is an interminable issue of the past yet still exists in this present era of a digitalized and automated world. And the government is expected to take action in clashing this issue. In effect, prompt and timely payment to suppliers in the government organization is vital for business operation and sustainability of a local enterprise. Thus, this study instituted that payment to suppliers is a public service that demands efficiency and effectiveness from the procuring entities. This study aimed to assess the payment situation in the Provincial Government of the Davao Region and identify the root causes attributed to the delay. The sequential explanatory method is used in investigating 150 payment claims that were processed from October 1, 2018, to March 31, 2020, followed by probing 14 informants and participants from the group of employees and suppliers involved in the process. The results divulged that the province processed and paid suppliers within an average of 122 days, or 77 days late. The impeding factors emerging from the analysis are the organizational silo, employees' competencies, operational system and policy, administrative lapses, and the organization's culture. As such, this study recommends the following measures; alignment of the payment process procedures, strengthening the human resources, and exemplifying sound leadership.

Keywords: late payment; organizational culture; efficient public service delivery; financial transaction process

1. Introduction

Payment to suppliers is a business transaction by which government organization processes their obligations for the resources and supplies necessary for the operations. It is an undertaking to support local businesses and merchants wherein sources of expenditures are funded by the taxpayers and available to the public (Indeed Editorial, 2022). Shittu (2020) defined public service as the activities done in any government capacity for the advantages and benefits of the public domain and the interests of the general public. And public service delivery is the extent of the services that meet or exceed the expectations of the general public or customers from the service providers (Shittu, 2020). Thus, it is worth noting that timely payment by the government sector is anticipated by most suppliers to help build and succeed in their businesses. Bell and Tyler (2016) insisted that the government sector as purchaser should recognize its crucial role by granting incentives, support, and sustainability for local businesses, particularly Small and Medium Enterprises (SMEs). Thus, Miller and Wongsaroj (2017) asserted that SMEs are the backbone of the economy of the country because they sustain growth, generate employment, develop entrepreneurial skills, increase trade, and contribute to export earnings. Hence, the government is responsible for helping SMEs operate their businesses

efficiently and supporting their investments because these give more value to the community.

However, the issue of late payments by a government department is a global problem (Naing, 2014). This claim is supported by Connel (2014) because late payment in the public sector is a problem in many countries worldwide. And the issue remains a persistent struggle in the business performance of the economy and may even prove to be the death knell of many small enterprises (Wright, 2020). Accordingly, Kastner (2017) stressed that late payment resulted in poor cash flow failing suppliers to pay their employees on time adversely affects their businesses and daily economic activities. And this problem became a serious concern because it plays a significant role in the survival of local enterprises (Connel, 2014). Contrarily, ending the issue of late payment is a worthy ambition shared by many governments, stakeholders, and individual businesses globally but the problem has still resisted a simple definition, and the solution remains elusive for all (Schizas, 2015).

Rationally, the government plays a crucial role in promoting welfare for its citizens and providing quality services satisfying customers' needs. Government actions or governance are functioned by the different departments and agencies tending toward efficient and effective service delivery (Shittu, 2020). The usual business operating activities in government operations include licensing permits, revenues, taxes, and payments to employees and suppliers. As further defined by Shittu (2020); and Faseluka (2010), public service is the totality of the services engaged by the people and materials like financial resources from the state or government to provide welfare services to the general public. Therefore, the government should take measures and assess the satisfaction of its citizenry. Coherently, Brillantes (2005) introduced that one of the yardsticks of good governance is the efficiency and effectiveness in the delivery. Likewise, growing customer expectations are also the key metric in public sector performance (Public Sector Research Centre, 2007). Thereby, Bell and Tyler (2016) emphasized that payment on procurement activities certainly must respond to the effectiveness concerning customer satisfaction (suppliers). And the outcome of public service delivery should include citizen mechanisms and beneficiary feedback monitoring customer engagement throughout the service delivery system (ASEAN Guidelines on Public Service Delivery, 2020).

Though payment delay by the government is a more challenging problem to overcome (Bell & Tyler, 2016), still on-time payment is very crucial for the survival of local businesses. The government organization is being challenged now on how effective the delivery of public services is in the aspect of timely payment to suppliers. In addition, though various scholars carried out related studies but still no best method to introduce procurement payment transactions (Karanja, 2014). However, several laws and directives are mandated to crack down the late payments. Like in 2011, the European Commission adopted Late Payment Directive (2011/7/EU) to harmonize rules on payment terms for commercial transactions. It sets a 30-day target for the public sector to pay businesses, contractual freedom of 60 days unless otherwise agreed, payment of interest for late payment, and can bring issues to court. Likewise, in 1982 the US Government passed the Prompt Payment Act requiring Federal agencies to pay their bills on time and add on interest for penalties when payments are late and availing discounts. Evenly, the Victorian Government came up with the Australian Supplier Payment Code (ASPC) in 2017, committed to prompt and timely payment within 30 days and guiding suppliers on payment procedures. Moreover, in countries in South Africa, if the government fails to pay suppliers within 30 days, this is already considered financial misconduct (Naing, 2014).

The Philippines, one of the developing countries, is also struggling to attain efficiency in delivering services in the public sector. The local government organizations have no standards in processing business and other transactions but they are mandated to re-engineer and streamline the procedural process in dispensing respective duties. The issue of late payments becomes less significant for national and local government concerns because there is no specific law protecting small local businesses and limited studies on late payments conducted in the country. Although problems are not given much emphasis, in reality, timely payment is very crucial for the survival of local businesses. And it can also attract more investors. Thus, the national government established implementing bodies and instrumentalities to regulate and harmonize the efficiency and effectiveness of public service delivery. One of the agencies is the Philippine Government

Procurement Policy Board (GPPB) which issued guidelines to all Procuring Entity to tender payment not later than forty-five (45) days after the request of payment accompanied by an invoice to ensure that the goods and services were delivered/performed (Annex 6, Manual of Procedures for the Procurement of Goods and Services). Hence, this directive serves as a measure in determining the public sector awareness of timely payment in the Philippines setting. Significantly, the said mandate was issued to gauge and measure how the local government adheres to and values the provisions.

The province is a local government organization in the Philippines committed to sustaining a business-friendly environment for rural and urban development. It also aspires to develop a skilled and certified workforce to participate in the knowledge economy and global arena. As an organization dealing with public transactions and delivering services to its citizens, the occurrence of delay in the local government is inescapable. The province is not an excuse for payment delays attributed to causal factors interfering with the procedures. Therefore, this study aimed to assess and investigate the processing system to discern problems and address the issues affecting efficient business processes. Hence, this paper provides contextual evince and insinuates direction assisting local governments in developing a positive organizational culture toward timely payment to their suppliers.

The first phase of investigation (quantitative) monitored payments on commercial transactions by tracking down the flow of documents to determine the extent of the delay. This stage assessed how the provincial government complies with PGGB mandates stipulated in the Philippine Government Accounting Manual (Volume 2). The results were presented to the informants and participants to grasp their views and apprehensions toward the results. Their experiences and understanding of the processing system technically disclosed the underlying factors hampering the flow of payment transactions process.

1.1 Review of Related Literature

1.1.1 Late Payment by the Government

To enlighten us about late payments, Prosser (2019) explained that “late” is defined by the agreed payment terms made during the sales and when there’s no timetable agreement and failed to pay after 30 days upon the delivery with invoices these already considered late. Making payments beyond this period can drastically affect the businesses and daily economic activities of the business enterprises. As argued by Miller and Wongsaroj (2017) Micro, Small, and Medium Enterprises (MSMEs) are the backbone of the economy because they play a vital role in economic and social development. The MSEs contributed to value-added activities and provided job opportunities that brought innovation and inclusive growth in rural and urban areas. In some instances, the public sector is their important market thus, the improvement of procurement practices by removing obstacles and boosting SMEs involvement is a key priority (Asian Development Bank, 2012). Governments at all levels should always consider and stand for their suppliers because they are valuable proponents of society. On the other hand, Naing (2014); and Solomon (2013) affirmed that late payment by government departments is one of the crucial factors pushing small businesses out of their ventures. And late payments in the public sector are a large majority compared to private entities (Connel, 2014). Relatively, Loader (2015) argued that SMEs' perception of the government procurement process was frustrating and biased against them.

This paper contributes to the theoretical understanding of late payment by instituting facts on why the government organization is prone to the deferred payment transaction process. Firstly, since the government is a large buyer, it has a bargaining power to exert over small suppliers (Conte et al., 2020; Gaudin, 2018; Valletti, 2011). It has market power and becomes unmindful of a longer payment duration or even obtaining late payment beyond agreed terms. There is also the possibility of an additional by-product of buyer power which is significant when the government procures a large fraction of the suppliers' sales (Conte et al., 2020). Hence, the suppliers are persistent in having constant engagement because the sector with less trade with the

government could have lower profits (Conte et al., 2020). Secondly, late payment is not seen as an issue by the government given the fact that on the side of the payer, it seems unimportant if an invoice is paid late because there is often no explanation given when the payment is eventually received by the suppliers (Miller & Wongsaroj, 2017). And thirdly, the prevalence of business culture and ethics (DPME, 2020; Baily, 2019). How things have been done habitually becomes a usual practice, so if once accustomed, it develops a culture. Ideally, this creates a comfort zone for the organization.

1.1.2 Government Organizational Structure and Behavioral Ethics

According to deWaal et al. (2019), some silo forms are being set up in most organizations because it is a practical way to operate efficiently. The organizational structure is suitably aligned with the distribution and delegation of authority and responsibility to achieve the work goal. The department, the team, or the group of people were separated from other parts with a distinct process and specific tools to accomplish their tasks (Laoyan, 2022). And the strategic setting creates boundaries that are advantageous for work focus, distinctiveness, and accountability (Waal et al, 2019). However, when employees from different departments failed to work together and ignored open communication with each other, consequently hampering the company's productivity. Thus, Frans & Henk (2012) argued that a *silo* resulted from splitting organizational outputs involving coordination which negatively affects relationships among individuals within the teams, the organizational structures and physical environment, the managerial experiences, and intergroup relationships. The silo mentality claimed by Waal et al. (2019) has resulted from an inherited organizational structure, working procedures, or system that fails to adapt to the growth and development of the business and its goal.

The organizational practices of government personnel are the indispensable component of creating public trust and confidence (Gabriel & Castillo, 2019). Further, the human workforce and management leadership are the key players in depicting culture and behavior. Hence, the prevailing organizational work ethic and culture reflect the public sector performance creating an impression of how particular government offices do their jobs (Gabriel & Castillo, 2019). The culture as defined by Salamon et al. (2016); & Treviño(1985) is a set of assumptions, values, and beliefs shared by all members within the organization as manifested in the forms of norms, legends, customs, and selection of role models. How the organization applies and discharges its responsibilities is reflected in how ethics are valued. The evidence of Miller and Wongsaroj (2017) signified that late payments are the product of general business culture. As such, Mullen (2017) suggested that culture should not neglect whether it's strictly internal because it manifests the delivery of services, procedural processes, and the organization's relationships and interactions with customers.

Organizational successes or failures are believed to be at the heart of leadership (Agyemang, 2016). The management or governance drives every organization to enhance service delivery for the expected result. As further explained by Agyemang (2016), the leaders are primarily responsible for the progress and development of the organization entrusted to oversee and supervise the implementing processes to achieve the agency's goals and agenda. However, in cases where managers have a negative attitude toward others and lack a commitment to organizational goals, it implies pessimism which creates conflicts and destroys cooperative working relationships resulting in the deterioration of the agency's collaboration (Waal et al., 2019).

1.1.3 Human Workforce or Employees

Employees' efforts and contributions play a significant part in the overall goals and direction of the organization (Martinelli, 2018). Achieving the set goals is the most relevant factor in the good performance of the employees. The management or administration needs to ensure that their employees are treated well and given value because they are the essential assets of an organization. And according to Martinelli (2018), poorly trained employees can feel undervalued and tend to reduce productivity, loyalty, and engagement, and

they will likely make the same careless mistakes often. Moreover, according to the Assessment Report on Public Service Delivery Systems in the ASEAN Member States (2021), an organization that develops a humanitarian, affectionate culture for the employee is expectedly to outperform those employees treated as an instrument, being exploited and manipulated in their labor. Lai and Lin (2017) suggested that staff training is necessary for building a well-rounded team relatable to the organization without barriers from its environment. As such, developing a good relationship and soliciting members' feedback is needed to enhance service delivery. Therefore, the change process originated from the leadership because, without the dedication and commitment of all players, change is impossible (Naing, 2014).

1.1.4 Factors Causing Payment Delays

Relevant studies related to late payment were carried out and identified some common factors causing the delay. The findings from the investigation of Peters et al., (2019) revealed that the common elements are the inexperienced employees who were processing late payments in government construction projects. Based on the result, the overextended time in resolving payment issues requires additional meetings between contractors and employers thus, resulted in the delay. This finding confirmed the study of Naido (2004) that the human resources lack of technical skills and coordination are among the most important variables affecting efficient service delivery. Likewise, the study on Ethical Work Climate Influence Payment Discipline by Salamon and Mesko (2015) lacked empathetic concerns that significantly influenced the delay of payments. Considering that the employees involved in the process are significant factors affecting the outcome of the payment transactions, their competencies and skills in the procurement process and empathetic concerns towards the documents are necessary to eliminate the occurrence of delay.

In the study by Hasmori et al. (2012), the reasons for late and non-payments among contractors in Malaysia are claims with inadequate supporting attachments, miscalculation of claims, and submission without following the exact procedures. While the study of Karanja (2014) divulged challenges affecting payment to suppliers in the government sector are procurement regulation, demand for transactions and ethics, adequately trained staff, poor training, resistance to change on the implementation of the Public Procurement Disposal Act, influence by external stakeholders and the size of the institution. In the study of Rogowski (2017), payment delays broached that these are not just results of erroneous and incompetent business behavior in granting trade credit or culture that determine payment morale. The more powerful factors of late payments are; structures of business relations and support within the organization, the norms and hierarchies, relative market power, process cycle, financial foundation, the legal framework (norms and regulation), and operational errors (complicated procedures) (Rogowski, 2017).

1.1.5 Addressing the Issues of Late Payment

According to Brown (2018), the government is a powerful economic strength that can make a significant difference for small suppliers by creating a new standard for the commercial world. Thus, the government should ensure public-sector procurement leading toward quick payment processes. Maque and San Jose (2017) introduced four (4) aspects in improving the processing payment of procurement; the policies, people, process, and practices. The payment process system in the government should focus on and emphasize these aspects to where management leadership from the top management should religiously take responsibility.

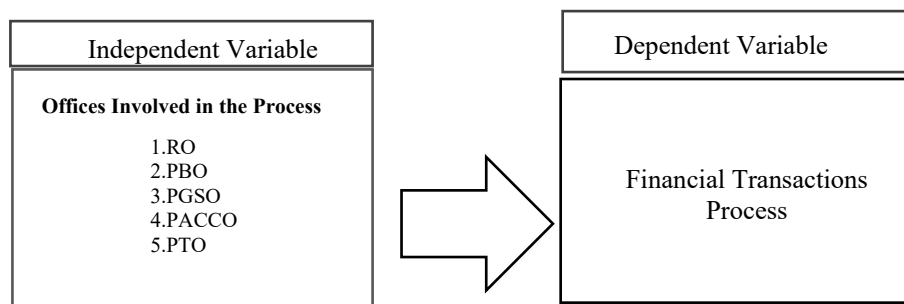
A good policies and procedures provide fundamental directions for personnel in managing payments according to expectations and the customers' needs (Timely Payment of Suppliers Report, 2018). To help ensure that local businesses receive their money and satisfy their expenses, Zurcher (2019) insinuated setting a vivid payment term. The timelines are specified, and the alternative timelines for any instances are subject to reconsideration. Likewise, Karanja (2014) denoted negotiating how the payments are managed as the most

important consideration before choosing a supplier. Furthermore, to improve the payment situation, Ansah (2011) suggested enforcing clauses for contracts, imposing charges on overdue accounts, and creating a payment department responsible for monitoring delayed payments and imposing penalties on those who failed to pay on time. Likewise, Hasmori et al. (2012) recommended establishing a payment department responsible for keeping records of clients with late payment history. And the further imposition of punishment for payment failure based on stipulated contracts.

On the other hand, Hemmige et al. (2018) argued that to understand the processing system, government agencies need to communicate effectively, encourage stakeholders and other participants, and implore their opinions regarding the procurement process. Concerned departments will consult the end users' needs, set a clear functions statement, and consider payment process time by eliminating common problems and inefficiencies in the processing. Henceforth, procurement is presumed as a complex activity wherein program teams are perceived to correctly define their needs and then go after the perfect solution. Usually, the nature of work in the government is performed in a sequence that takes ample lagged time since one team has to wait for the other team before working on their specific steps as part of the process. In that event, Uwen (2016) introduced the workflow chart that identifies the actual procedures or flow of documents posted to provide information and guidance to all concerned. A worked guide that is regularly updated and made available to the transacting public.

1.2 Conceptual Framework

The timeliness or the duration of the entire process is the dependent variable and the offices involved are the independent variables in this study. This indicates that timeliness in processing payment transactions in the Provincial Government is dependent on the offices/departments involved in the process.



1.3 Theoretical Framework

1.3.1 System Theory of Organization

This theory introduced that organizations are composed of many subsystems that do not need to relate to each other but work together to form the whole. In the context of an organization, the term system is an entity comprised of parts set to accomplish a particular objective (Sharma, 1990; & Gilchrist, 1984). This was explained further by Sharma (1990); and Churman (1968), that the organization as a social system has inherent features: (1) its subsystem is part of a supra system for continual interaction with each other, (2) the

objective to accomplish is definite, (3) in the context of an organization, implies an entity composed of a set of parts created to accomplish set objectives (4) there are measures of performance evaluation, and (5) the management is vital for its operation. In addition, according to system theory, the structure of each component system is hierarchical and independent of each other to the extent that one cannot function without the support of the other (Lai & Lin, 2017).

1.3.2 Open System Model

This study is aligned and bounded by the concept instituted by Open System defined by Efandi and Shuhada (2021): and Cummings and Worley (2015) that an organization is in a broader context of the environment that influences each other because the organization interacts with its environment. A system is a set of interrelated parts bordered by boundaries engaged by people from other systems converted into outputs that serve a purpose in other systems, in various areas, a border, the conversion of inputs into results, integration, and adaptability (Clawson, 2008). Likewise, Efandi et al (2021) incited that the applications of the system model at the organizational level show that an organization operates in an external environment takes inputs from the environment, and processes them using social and technical processes to yield results or outputs. The said outputs are returned to the environment as feedback in dealing with organizational functions. Thus, to recognize how the organization functions well, it is necessary to examine concerns about inputs, process systems (integral design), and how these two dimensions are aligned to configure results (Efandi & Suhada, 2021).

Input is the inflow of energy and information from the environment comprised of human resources like the knowledge, competencies, and expertise of individuals involved in the process.

Environment. The environment has three (3) categories mentioned by Efandi et al (2021), & Cummings and Worley (2015), the general environment (external forces that directly or indirectly affect the organization, the task environment (organizational structure represented by suppliers, consumers, stakeholders), and the perspective environment (the perceptions and representation of general and work environment).

Transformation or process system refers to the method by how the organization converts inputs into outputs that involve the following activities (Efandi et al, 2021; & Cummings & Worley, 2015)

- Strategy exemplifies the way an organization uses its resources to achieve set goals and attain competitive advantage.
- Technology refers to the equipment or machinery used in production processes, workflows, and work methods.
- The structure is an effective tool for dividing the functions within the organization (as a whole) into sub-units assigning tasks to groups or individuals.
- The management process includes information processing, decision-making, and operation control. It helps comprehend quality performance, determine deviance from goals and objectives, make relevant decisions, and communicate organizational performance results.
- Human Resources Management includes selection, development, training, assessment, and rewards and incentives to the members of the organization.
- Culture depicts the basic assumptions, beliefs, values, and norms shared and believed by the members and accepted that serve as the guiding principle of the perceptions, thoughts, and actions among members of the organization.

Output is the overall result and is seen as a measure of how the component design in the organization contributes to effectiveness in achieving goals. These include productivity, performance, stakeholders' satisfaction, customer satisfaction, and the welfare of the members of the organization. As hinted by Efandi et al. (2021); and Rahimi (2020), once the yielded output is undesirable and does not conform to the target, this can be a problem indicator to examine in the organization/s existing process.

1.4 Statement of the Problem

The Provincial Government has 20 departments and offices processing daily financial payment transactions for various claims. Each office is considered a Requisitioning Office (RO) or the end-users of procured goods and services having their own respective liaison and administrative officers in charge of the procurement and payment activities. The process evolved with five (5) departments with distinct roles in accomplishing the transactions; Provincial General Services Office (PGSO), Provincial Budget Office (PBO), Provincial Accountant's Office (PACCO), Provincial Treasurer's Office (PTO) and Requisitioning Office (RO). And since all these offices have their respective tasks and responsibilities, delayed payment to suppliers becomes an issue because no particular office is deemed responsible or accountable for the delay. Apparently, there are several challenges in the systems and procedures perceived by the employees involved in the processing. As such, this study aimed to determine the extent of the delay and identify the factors causing the delay.

1.5 Hypothesis Development

Chigbu (2019) argued that the use of a statistical tool is not necessarily required to prove, confirm, disprove, nullify, verify, or refute the hypothesis of a study. To provide direction on a scientifically justified conclusion by either confirming or proving the circumstances, the use of a hypothesis is a fundamental part of any research work. The financial payment process in the provincial government defines the organization's performance toward efficient public service delivery in the aspect of payment to suppliers. As an organization, the province is a system comprised of different departments/offices that work independently for their respective tasks and responsibilities to achieve the agency's overall goals. And though some offices are the best performers in their field yet payments to suppliers are of less regard. As Schlueter and Tessler (2018) asserted that the complex bureaucracy in the government presents a series of obstacles in procurement since the responsibilities are spread across multiple offices and departments with little insight into the broad aspect.

Hypothesis 1: The extensive delay in the payment process is contributed by the Offices Involved in the process. This is because a silo form of organization exists in the provincial government.

According to Yornu (2020), a procurement system can only be effective when strategic supply chain management is employed which can be directly or indirectly involved in the flow of information, materials, and funds throughout the stages. The payment stage of the procurement cycle requires an efficient and prompt process, hence key players should effectively fulfill any request. To carry these out, the Assessment Report on Public Service Delivery Systems asserted that a competent workforce is necessary, capable men and women committed to realizing goals and efficient service delivery.

Hypothesis 2: Employees' competencies and lack of training regarding procurements become a challenge in processing payment claims in the province.

The operational approach within the organization indirectly affects several existing systems such as work methods, administration and business process control, and human resource management system (Efandi et.al., 2020). According to ASEAN Report 2021; and Boyne et al (2020) the impact of organizational culture on organizational performance is expected to be higher when results are emphasized over procedures. Maque and San-Jose (2017). Thus, Paul and Boden (2011) suggested the four aspects of improvements in payment to procure management: policies, people, processes, and practices:

***Hypothesis 3:** The existing procedural process, computerized system program, policy implementation, and transacting public and leadership management in the provincial government contributed to the performance outcome of the timely payment.*

The impact of organizational culture on organizational performance is expected to be higher when the organization emphasizes results over procedures (ASEAN Report 2021; & Boyne et al., 2002); approach to human resources, strategic planning, and strategic content. As such the payment performance suggests what culture the province had toward business transaction processes. Gabriel and Castillo (2019) emphasized that the prevailing work ethics and organizational culture reflect public performance, an impression of how the local government offices carried out their work. On the other hand, improvement in the public service delivery posited by management style contributed to better organizational performance (Assessment Report on Public Service Delivery Systems in the ASEAN Member States, 2021).

***Hypothesis 4:** The current process situation in the province reflects the organizational payment culture that became traditionally acceptable to every involved in the process.*

2. Methodology

This study used the sequential explanatory method to collect, analyze, and integrate both quantitative and qualitative data since this method helped in gaining a better understanding of the research problem (Ivankova et al., 2016). The data collection instruments used were a tracking sheet, (determine timeliness), key informant interviews (KII), Focus Group Discussion (FGD), second-hand data, and observations. Tracking the data is a primary alarm that motivates teams to improve their time management (Reitsma, N.D.). And both the KII and FGD are used to gather ideas and opinions on a particular topic (Brown 2013). The second-hand data were sourced from the e-files of the computerized program and logbooks of the concerned offices. The observations were made by observing business processes and work behavior in every office involved and taking down notes on the results of observations.

The first phase quantified the total number of days expended in processing 150 commercial Disbursement Vouchers (DV). The name of payees or suppliers were picked at random from PACCO-released logbooks covering the period from October 1, 2018, to March 30, 2020. The information for each transaction was gathered from the recorded files stored in the computerized program utilized by offices involved in the processing. These are recorded then in the tracking sheet for tabulation. The timetable monitoring commenced with the dates invoices or delivery receipts were received and concluded on the date of the accountant's advice of check (ready for release). In this study, measuring payment performance started from the invoice with the items marked "received" up to the time paid. Recorded data in the tracking sheet were tabulated by manually counting the number of working hours (8 hours per day), excluding Saturdays, Sundays, and Holidays. In getting the average number of days, the total number of hours is divided by the number of documents and divided by 8hrs/day.

After the tabulation, the results were presented to eight (8) key informants and seven (7) participants for them to explain and further elucidate to determine the causes and factors of the delay. An interview guide

questionnaire validated by experts in the field of study was used to collect the views and opinions of the participants. The qualitative analysis in this study was carried out by interpreting and describing the findings from the informants and participants associated with the theoretical framework of the open-system model. After obtaining interpreted results, data integration is executed to obtain a comprehensive apprehension of the situation of the payment practice.

3. Results and Discussions

The discussions of the findings described the condition of the payment situation that transpired in the provincial government from the extent of delay and the factors affecting the process. The analysis adhered to the theoretical framework implied by the open-system diagnostic model. The results are presented by relating first the output, that is the extent of the delay. And further explains the eminence of the input by exploring how the organization responds and processes these inputs and their inference to the environment. The discussions are as follows; The extent of delay in processing payment to suppliers in observance of PGBB mandates. The dynamics of problems arousing on the side of the employees involved in the process. The strategies employed within the organization include work methods, management and business processing, and the human resource management system. And finally, its implication to customers, suppliers, employees, and stakeholders.

Table 1 shows that RO, PGSO, and PACCO are the biggest contributor to the delay in making payments to suppliers. And the province was able to observe payments with almost three (3) times more than the number of days prescribed by the law.

Table 1: The actual average number of working days spent by the Offices involved in the Process.

<i>Offices Involved in the Process</i>	<i>Average No. of days Processing</i>
Requisitioning Office (RO)	45.2 days
Budget Office	2.3 days
Gen. Services Office	38.8 days
Accountant's Office	35 days
Treasurer's Office	1.3 days
The average number of days processing the documents (whole duration)	122.7 days

Table 2: Number of Days late as prescribed in the GPPB guidelines

<i>Actual Average Number of days spent for the entire process</i>	<i>Number of Days prescribed by the PGBB</i>	<i>Number of days late as to compliance</i>
122.7 days	45 days	77.7 days

H1: The extensive delay in the payment process is contributed by the Offices Involved in the process. This is because a silo form of organization exists in the provincial government.

Based on the analyzed data, the agency's compliance with the PGBB mandate is far-reaching because of the silo form that existed in the provincial government. The results showed that RO, PGSO, and PACCO dominantly contributed to the extensive delays. These offices had different functions towards the documents following their procedural steps. Laoyan (2022) asserted that this situation occurs because of various processes to follow and specific measures to utilize in completing their tasks. Though all these offices considered RO or end users to have the same obligation and responsibilities, they neglected one primary undertaking to pay their suppliers on time. Since having their respective functions to fulfill within the organization, it seems like the problems can now be difficult to identify and address since no particular department is held accountable and responsible for the whole process (Ethics in Procurement, 2019).

Another factor seen as a contributor to the delay is the size and structure of the organization. The number of departments and offices with daily payment transactions is ample enough to accumulate voluminous documents to be processed. Though most of the departments are situated within the government premises, buildings are not interconnected, even considering walking distance still need a vehicle ride to the main building. Likely, the demographic location of the three (3) hospitals required hours of travel that signified the transaction process was a tedious task to handle. As such, this situation affects the effectiveness of timely handling of payment processes. As such, Agyemang (2016) affirmed that the size and structure of the organization affect the effectiveness and efficiency of the implemented processes and procedures.

The RO influence the outcome of processing since they are the end-users, and the results showed that RO alone consumed the whole duration as mandated by the PGPPB regulations. As expressed by the informants, and participants, the ROs were reluctant and inattentive in handling their documents. Thus, the delay usually started at the RO level due to negligence and deferred compliance with their returns.

"The requisitioning offices mostly have an attitude of just submitting or forwarding the documents without reviewing or ensuring that their documents are complete and correct. It seems like they let the Accounting Office check/verify first their documents before complying/ completing their financial transactions". (KIRA)

On the other hand, the PGSO is mainly responsible for procurement activities and played a crucial role in the payment process, particularly the Warehouse and Record Inventory Division (RID). From receiving the delivered items, inspection, delivery to end-users, and payment process are accounted to these offices. Thus, time constraints and human power are common challenges. In some instances, like during the delivery, the supporting documents are endorsed to the end-users (RO) for them to accomplish such as Acceptance and Inspection Report (AIR), Requisition Issue Slip (RIS), Inventory Custodian Slip (ICS), and Property Acknowledgement Receipt (PAR) which took much time before submitting back to the PGSO.

"It takes almost seven days as to the delivery alone of the supplies or items. Hence, delay happens even in our level especially when the time frame was not accurately followed" (KILL)

"If approval or reply takes a bit longer can also take the voucher to wait until this paper is ready to support the payment". (KIBB)

Meanwhile, the PACCO is responsible for auditing and accounting for all financial transactions engaged in the provincial government. In relation to the payment transactions, this office has an assiduous role because it determines the validity and acceptability of the transactions. The issues and problems encountered at this office are challenging for the auditors and employees involved in the processing. One of the primary concerns

was the volume of payment transactions against the number of auditors was insufficient to accommodate claims submitted every day. Numerous payment transactions were hoarded and piled for several days before completing this stage. Subsequently, the findings and interpretations by the Auditors varied from one to another, and there was no uniformity and consistency in checking documents. And in some instances, different comments were on the same and alike transactions.

“Since the auditing procedure is manually done, auditors could not accommodate all the transactions forwarded to them. The number of auditors is not enough to accommodate the volume of the documents forwarded for a particular day. And imagine the transactions thicken by the supporting docs, it can consume several hours to audit. Hence, it limits the capacity of the auditors to check the submitted documents for a particular day”. (KICM)
The auditors have different basis and interpretations of the supporting documents. They have no uniformity in checking claims, why one auditor approved certain paper, the other one will not”. (KIBB)

H2: *Employees’ competencies and lack of training regarding procurements become a challenge in processing payment claims in the province.*

Every office department in the province has its respective liaison and administrative (supply) officers responsible for preparing and processing payment claim documents. The primary responsibility of the liaison is to bring the documents and facilitate the needful requisites to complete the process, while the administrative officer is tasked to prepare and generate attachments to support the payment claims. However, to fulfill their duties becomes a challenge to both the RO and offices involved in the payment transaction processes. This was manifested by the numerous transactions returned to the ROs for further compliance and correction. The incorrect and flawed claims were returned to the liaison for compliance. Sometimes, they were forced to find or secure documents out of their knowledge. They were liable for the speedy process, where initiative and common sense are necessary to comply and settle what is required. Being a liaison is not a simple task since it obliged basic procedural knowledge in all aspects of procurement. Most of the liaisons don’t have any training/seminars related to the payment processes. Though some underwent training others had learned through experience and exploration. However, this job became the training ground for newly hired employees.

“One problem with RO is making the financial transaction process the training ground for the newly hired”. (KIBB)

“They lacked knowledge of the proper procedures and appropriateness of attachments in every transaction they are processing with “. (KIRA)

They also lacked motivational support. Moral and motivational support drives the employees to do more and inspires them to accomplish their responsibilities. However, most informants shared that they lacked attention, even simple moral support from their office/department. Nobody is willing to lend help though sometimes they have granted simple favors.

“That’s become my burden since nobody wants to help or assist me. When I’m on leave, my papers/documents will have to wait for me. There’s no moral support from them” (KIQM)

“Sometimes, they have to ask what I need that they will provide it. In some instances, snacks. But mostly no appreciation or recognition is heard from them”. (KIWL)

Supposedly, the primary task of a liaison is to bring and submit only the documents following the process flow. But still, they were given additional functions to accomplish. Despite holding the lowest

position/designation where most were Salary Grade III/Utility Positions under casual and mostly Job Order status, they also have aspirations and expectations for promotion someday.

"I used my situation and voluminous transactions against me. For so many years, I was stagnant with my salary Grade 1 position". (KIILL)

I'm Salary Grade 2 equivalent to Messenger, something that must be seen or be justified by upgrading because the outcome and result of the docs rely on me. (KITL)

H3: The existing procedural process, computerized system program, policy implementation, and the transacting public and leadership management in the provincial government contributed to the performance outcome of the timely payment.

Payment to suppliers is the final stage of the procurement process and before tendering payment, several steps are needed to undergo. As observed and testified by the informants and participants, the province had no detailed process procedure in the flow of payment transactions and the progression can only be learned by asking the old or experienced employees handling the same tasks. Even at the RO level, there is no specific documentation and proper billing management as to payment concerns. Frequently, processing can only be done when the suppliers initiate a call and verify their claims. The entire payment process merely relies on familiarization and exploration of what to do, how to do and where to go next to complete the process. Another issue regarded by this study is the compliance and submission of the payment documents. The checklists of documentary requirements as specified by PACCO served as the outline and parameters for verifying and auditing payment transactions. However, preliminaries and prerequisites in compelling those supporting documents have no clear directives and whose responsibilities are accounted for. This resulted in misconception and distortion to where the persistence of returned transactions is unsurprising.

"Like, with the amendments on the required supporting attachments. We are caught unaware of the changes or additional docs because there's no proper info dissemination or even memos regarding processing including the effectiveness and other clarification. We only learned about those updates during the return of our documents". (KTLL)

The provincial government is well equipped with advanced technology and impressive information management system programs as a component of e-governance. However, an exclusive payment management system program has not been developed yet. The online Procurement and Supply Information Management System (PASIMS) had been successfully launched and efficiently functioning right now but it does not cover the payment stage of procurement. Another relevant computerized program is the Financial Management Information System (FMIS), an online system that generates information from the preparation of the Obligation Requests (OBR) from the RO level up to the disbursement of checks at the PTO level. However, only the PBO initiated and implemented this program. The old and existing Financial Management System (FMS) is still being used by PACCO and PTO wherein the flow and activities of the payment transactions can be viewed but once an approving officer declined to use the system, the transactions (documents) are hardly traced. And since this program is an outmoded one, a system glitch/error is typically encountered, hence the eliciting delay. Likewise, the PGSO-RID is in charge of the payment process for the regular procurement and has no computerized system yet that links to PBO, RO, PACCO, and PTO. It is imperative when these five (5) offices that carry crucial functions have linkages through a suitable system program that would provide easy access not only to the employees involved in the process but to the transacting public in general.

“If there are any changes or updates and even renovations regarding processing, these must be for the information of everybody. Proper dissemination of the clear direction to all involved and affected by the changes”. (KIRA)

As claimed by Brown (2018) slow payments are usually caused by lengthy payment terms which turn small businesses into bankrupt. How much more if there are no payment terms stipulated in the contract of purchase? This is the case for the provincial government of Davao del Norte. There is no specific payment term agreement indicated in the contract (PO) between the supplier and purchaser (the province). The only term provided on the contract is “on account” as defined by Tuovilla (2020), it is an accounting term used to denote that the purchase or sale of goods and services is on credit. The term “on account” only represents vagueness for it simply signifies “procure now and pay it on a later date” (Market Business News, 2022). Hence, no exact date for the payment deadline, and the purchaser (government) has the power to decide when to pay its suppliers. The said agreement is somehow disrespectful on the part of the supplier because they have to wait for an unreasonable period before receiving payments. And because of these unsettled accounts, negative externalities such as the market activities of the supplier are disrupted, and payments of their employees, as well as their suppliers, are postponed (Brown, 2018). Inversely, when it comes to the delivery terms for the procured supplies and services, a clear and absolute number of days is set forth which serve as the basis for the liquidated damages to be imposed against the supplier.

“Like me, in my case, if I am the supplier, it's better if I assert first the payment date so that there's a basis to enforce payment. If there's a payment term agreement that failed to be fulfilled, a demand letter or notice will be issued as a for complaint”. (FGD3)

Every department in the province has its respective administrative management functionaries. From the Department Head down to the supervisory level, the responsibilities in delivering efficient service were accounted to them. It believes that there is no existing organization without an office that carries out administrative duties and functions and its success depends on effective office administration. The managerial approaches and values towards individual performance can strongly influence what kind of office culture and working environment exists. In some instances, the ROs neglected their obligations towards payment claims as well as fair employee treatment. The result showed that the ROs were reluctant and inattentive in handling their documents and blame was always dragged into the liaisons.

“The requisitioning offices mostly have an attitude of just submitting or forwarding the documents without reviewing or ensuring that their documents are complete and correct. (KIRA)

“In our office, the work is not divided equally among the employees, we don't lack manpower, the only missing is fair and equal treatment in imposing tasks and responsibilities among the group (KIQM)

The managerial approaches and values towards individual performance can strongly influence what kind of office culture and working environment exists. And according to Lykken (2017), the management and department leadership should take heed in valuing the importance of each department's efficiency. The individual efficiency of each department is important in attaining prompt processes and when each component is obliged to do its parts, delays are certainly eliminated (Lykken, 2017). But then again, whatever excuses for the delays, radically, the situation promotes an impression of unethical culture which reflects the leadership management of the provincial government (Foster Back, 2013). This implies that completion duration relied on how the office organization understood and valued the importance of prompt payment. The issue of efficiency is now deflected on the office management administration of the provincial offices. Furthermore,

the provincial government organization is not a body of grouped people by chance but rather a well-defined entity. It is an organized body that was systematically structured equipped and harnessed with the knowledge to reach the set agency's goal.

H4: *The current process situation in the province reflects the organizational payment culture that became traditionally acceptable to every involved in the process.*

Though suppliers kept on complaining about the delay but no other option was given to them because the provincial government is their major client. So, they're forced to do all means to promptly secure their payments. Thus, the payment process procedure in the province was unrelenting for many years and the payment practice became traditionally acceptable to every involved in the process. On the other hand, adjustment and acceptance on the part of personnel involved in the process of any amendments in implementing payment practices.

"Of course, suppliers are living with it as their business are sustained by engaging with the Government that's why representatives from the commercial suppliers had to do a thing, even bribery just to have a continuous chain of supply with the government". (FGD3)

"As a liaison, we need to adjust everything in all circumstances. We can do nothing about the changes in the implementation. For me, every administration has a different style of management so whatever procedures they wanted, we have no choice. (FGD5)

4. Summary and Conclusion

This study aimed to evaluate the performance of the province in terms of payment to suppliers and identify underlying factors impeding the process. This research carried out the organizational management style, leadership, and personnel capacities toward the payment transaction process from the local government perspective. The result showed that the province failed to adhere to the mandates provided by the GPBB almost three (3) times more than the prescribed number of days. And the delays were contributed by the RO, PGSO, and PACCO. Considering the composition of the province with various departments and offices, the existence of an organizational silo remarkably affects the processing system. And since the payment system practices lasted for several years, and as supported by various literature, the issue of efficiency is now deflected on the leadership management administration of the provincial government organization. What was habitual became a usual practice, and when accustomed, it developed a culture. Unfortunately, this culture becomes the comfort zone of all key players within the organization.

Several challenges along the process were faced affecting the timely payment to suppliers. The competency of employees or workforce primarily caused the delay in the payment process. Being the input, incompetency, and demotivation are primary factors for inefficiency and low performance in accomplishing tasks. And since the outcome and results of work done relied on the abilities of the administrative and liaison officers, they must have to be equipped with knowledge as well as motivational support. As such, the top management and department leadership should take heed in valuing the importance of each employee's efficiency. All the individual parts of the organization needed to come together to succeed and achieve the agency's goals.

It discerned that the province has no clear payment term policy but instead on "accounts" which signifies credit that suppliers tend to wait until the payment is ready. However, the delivery term was stipulated and served as the basis for LD computation against the suppliers. This case implies that completion duration relied on how the concerned office understood and valued the importance of prompt payment. On the

other hand, the nonexistence of an actual standard procedural guide creates misunderstanding and inappropriateness in complying with the documents and using the right track of activities. Though the province had already adopted enhanced information system technology still lacked a specialized program exclusively designed for the payment transaction process that provides easy access to all involved in processing.

5. Recommendations

The following recommendations are suggested to address issues with deferred and late payments in the province.

1. Employees' empowerment through learning interventions and motivational support is needed to develop productivity in the workplace. To undergo training and seminars related to procurement and payment processing by the employees involved in processing will help improve skills and competencies. Some of these are the Salient Features of RA 9184 or PGPPB, COA Memo Circulars, RA 11032 Ease of Doing Business, and Other related topics to equip all key players with the basic knowledge and understanding. The provision of these interventions will depict that the payment transaction process is highly regarded and is taken seriously by the administration.
2. Imploring sound leadership and proactive management by the Requisitioning Office is a significant factor in minimizing the payment delay. The Department Heads and Administrative Officers are also held liable regarding procurement matters and payment disruptions. Their actions toward the problem will signify their concerns about their people and the welfare of other constituents. They should take part and be responsible for all activities and undertakings carried out by their offices. For any technicalities or difficulties toward payment claims, this should not be left unattended, and not force the liaisons to take action beyond their competencies. In such a way, good leadership prevails through prompt action that will smoothen the process.
3. The imposition of Payment Term Policies is seen to address deferred and delayed payment issues in the province. Implementing clear payment terms that quantify timeliness is an advantageous option that enables suppliers to manage their cash flows efficiently. Economically, it sustains their business operations and further develops growth. Therefore, ensuring that the province values and recognizes the importance of local businesses and their contribution to the community, this measure is worth notable. Moreover, it serves as a determinant factor of the effectiveness and efficiency of service delivery once fulfilled and realized in the province.
4. Streamlining procedural payment processes. The aligned and systematic payment procedure typically provides easy access and quick processing flow.
 - a.) One of the proposed devices is the business process guidebook, a directive of the entire procedural steps comprising a well-defined set of requirements for all types of claims. This instrument will help eliminate errors and frequent returns of documents due to lacking and inappropriate attachments. The features of this guidebook contain basic actions or processes taken in a particular office and its corresponding documentary requirements. Aside from this handbook, it is important to comply with and religiously observe the citizens' charter for the offices mainly involved in the process namely PGSO, and PACCO. and PTO.

b.) Another component proposed by this study is the invention of a payment program system with linkages throughout offices involved in the process. The capturing and registration of data commenced from the delivery of items (PGSO Level) down to the final tender of checks to the claimants or suppliers (PTO-Cash Division). All stages of activities can be easily traced and monitored as to the status of documents so that in cases of problems, an immediate imposition of appropriate action can be taken.

c.) And finally, the establishment of a payment department or division responsible for handling and tendering payments to suppliers. With this effect, the team becomes responsible and accountable for any delay and is obliged to resolve any dispute. Thus, the prompt payment culture as a manifestation of effective service delivery in the province is becoming a primary objective.

REFERENCE

- Agyemang, A. (2016). Efficient Customer Service Delivery: The Perspective of Organizational Leadership. *International Journal of Business and Management* *Invention*, 5, (10), 113-121 file:///F:/2023%20ALL%20REF/leadership.pdf
- Anonymous (N.D.). Seven reasons for employee demotivation. *Michael Page* <https://www.michaelpage.co.uk/advice/management-advice/development-and-retention/seven-reasons-employee-demotivation>
- Ansah, S. (2011). Causes and Effects of Delayed Payments by clients on Construction Projects in Ghana. *Journal of Construction Project Management and Innovation*, 1(1), 43-44. <https://journals.co.za/doi/10.10520/EJC51128>
- Asian Development Bank (2012). *SME Development Government Procurement and Inclusive Growth*. (Publication Stock No. ARM125221-3) <https://www.adb.org/sites/default/files/publication/30070/sme-development.pdf>
- Bell, S. & Tayler, Y. (2016, May 31) Government procurement – a path to SME growth? *Worldbank*, <https://blogs.worldbank.org/psd/government-procurement-path-sme-growth>
- Brown, D. (2018, September 20). The Public Sector can set the example on supplier payments. *Asia Analysis*, <https://www.openaccessgovernment.org/supplier-payments/52296/>
- Brown, M. (2013). Focus Group vs. Key Informant Interview-which is better? Marianne Brown Consulting <https://www.sandiegograntwriter.com/focus-groups-vs-key-informant-interviews-better/#:~:text=Both%20focus%20groups%20and%20key, discuss%20complex%20ideas%20in%20depth>
- Castillo, L., & Gabriel, A. (2019). Transparency and Accountability Practices of Local Government Units in the Philippines: a Measurement from the Ground. *Public Organization Review*, 20, 437-457. <https://doi.org/10.1007/s11115-019-00450-8>.
- Checherita-Westphal, C., Klemm, A., & Vifers, P. (2016). Governments' payment discipline: The Macroeconomic Impact of Public Payment Delays and Arrears. *Journal of Macroeconomics*, 47, 147-165. <https://doi.org/10.1016/j.jmacro.2015.12.003>.
- Chigbu, U. E. (2019). Visually Hypothesising in Scientific Writing: Confirming and refuting Qualitative Research Hypothesis Using Diagrams. *MDPI*, 7(1), 22 <https://doi.org/10.3390/publications7010022>
- Connel, W. (2014). Economic Impact of Late Payments. European Economy- Economic Papers. European Commission. <https://ideas.repec.org/p/euf/ecopap/0531.html>
- Conti, M., Elia, L., Ferrara, A. R., & Ferraresi, M. (2021). Government Late Payments

- and Firms Survival: Evidence from the EU. *The Journal of Law and Economics*, 64(3), 603-627, <https://doi.org/10.1086/713502>
- Department of Business Innovation & Skills. (2013). *Building Responsible Payment Culture*. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/273436/bis-13-1234-building-a-responsible-payment-culture.pdf
- Efandi, S., & Shuhada, M.N. (2021). Corporate Development Using Open-System Diagnostic ModelP International journal of Research Publication. 69(1), 228 – 234 DOI: 10.47119/IJRP100691120211651
- Frans, C. & Henk, G. (2012). The impact of silo mentality on team identity: An organisational case study. *SA Journal of Industrial Psychology*. 38. 10.4102/sajip.v38i2.993. https://www.researchgate.net/publication/270026708_The_impact_of_silo_mentality_on_team_identity_An_organisational_case_study
- Foster Back, P. (2013, November 6) Paying late: An Ethical Business Issue. *The Guardian*. Retrieved <https://www.theguardian.com/sustainable-business/blog/paying-late-ethical-business-issue>
- Government Procurement Policy Board GPBB. *Manual of Procedures for the Procurement of Goods and Services*. (Vol 2, Annex 6). <https://www.gppb.gov.ph/downloadables/forms/GPM%20-%20Vol.2.pdf>
- Indeed Editorial Team (2022, June 25). *What Are Public Services? (Definition and 23 Examples)*. <https://www.indeed.com/career-advice/finding-a-job/what-are-public-services#:~:text=A%20public%20service%20is%20a,benefit%20various%20groups%20of%20in,dividuals.>
- Ivankova, N. Creswell, J., & Stick, S. (2006). Using Mixed-Methods Sequential Explanatory Design. *Sage Journal*. <https://journals.sagepub.com/doi/10.1177/1525822X05282260>
- Karanja Karanja, A. N. (2014). *Factors Affecting Payment of Suppliers in the Public Sector* (Doctoral dissertation). University of Nairobi <http://erepository.uonbi.ac.ke/handle/11295/76097>
- Kastner, J. (2017, November 1). Employers could be penalised for delaying salaries in Philippines. *CIPD Asia*. <https://www.cipd.asia/news/philippines-delaying-salaries>
- Laoyan (2022, November 26) - Organizational silos: 4 common issues and how to prevent them. *Asana*, <https://asana.com/resources/organizational-silos>
- Lai, C, & Lin, S.H. (2017). *System Theory*. John Wiley & Sons, Inc. DOI: 10.1002/9781118955567.wbieoc203
- Lykken, D. (2017, December 16). The Importance of Smooth Transitions in the Business Process. Linked in, <https://www.linkedin.com/pulse/importance-smooth-transitions-business-process-david-lykken>
- Maque, I. & San-Jose, L. (2017). Understanding and Solving Late Payment: The Role of Organizational Routines. *Management international / International Management / Gestión Internacional*, 22(1), 146–156. <https://doi.org/10.7202/1053694ar> <https://id.erudit.org/iderudit/1053694ar> DOI: <https://doi.org/10.7202/1053694ar> p148
- MBN Market News (2020). On account – definition and meaning. Retrieved, October 19, 2022, from <https://marketbusinessnews.com/financial-glossary/on-account-definition-meaning-2/>
- Miller & Wongsaroj (2017). The Domino Effect: the impact of late payments. Plum Consulting. file:///F:/THESIS-JOURNAL/elsevier/Domino-Effect-Late-Payments-Research-Sage.pdf
- Mullen, R. (2017, April 4). 5 Ways to Improve Service Delivery in Your

Organization. *Replicon Blog*. <https://reginaolgamullen.com/2017/08/02/5-ways-to-improve-service-delivery-in-your-organization/>

Naido, G. (2004). Leadership and Governance for Sustainable Public Service in South

African Public Organization. (PhD thesis, University of Pretoria), School of Public Management

and Administration (SPMA), <http://upetd.up.ac.za/thesis/available/etd-03302005-105316/>

Naing, Myo. (2016). Expediently Expediting: Payment of Suppliers at National Department of Energy, Research Gate, <https://doi.org/10.13140/RG.2.1.3261.5929>

Peters, E., Subar, K., & Martin, H. (2019). Late Payment and Nonpayment within the Construction Industry: Causes, Effects, and Solutions. *Journal of Legal Affairs and Dispute Resolutions in Engineering and Construction*, 11(3), <https://ascelibrary.org/doi/full/10.1061/%28ASCE%29LA.1943-4170.0000314>
doi:10.1061/(asce)la.1943-4170.0000314

Prosser, D. (2019, November 8). How Big Business Systematically Pay Their Suppliers Late. *Forbes*. <https://www.forbes.com/sites/davidprosser/2019/11/08/how-big-businesses-systematically-pay-their-small-suppliers-late/#7b4088104eb0>

Public Sector Research Centre (2007). *The road ahead for public service delivery*. https://www.pwc.com/gx/en/psrc/pdf/the_road_ahead_for_public_service_delivery.pdf

Reitsma, T. (N.D.). Why Is Time Tracking Important? People Managing People <https://peoplemanagingpeople.com/articles/what-is-time-tracking/>

Rogowski, W. (2017). Payment Delays: Their Reasons, Scale and Consequences. *Journal of Management and Financial Sciences*, 10(30), 91-114, DOI: <https://doi.org/10.33119/JMFS.2017.30.6>

Salamon, T., & Mesko, M. (2016). Can an ethical work climate influence payment discipline?. *Journal of Industrial Engineering and Management* 19(1), 1. DOI: <http://dx.doi.org/10.3926/jiem.1537>

Schizas, M. (2015, May). *Ending late payment PART 3: REFLECTIONS ON THE EVIDENCE. Part3*. The Association of Chartered Certified Accountants. <https://ethics.org.au/ethics-in-procurement/>

Sharma, C.L. (1990) Systems Theory and Organisational Management. *Indian Journal of Public Administration*, 36(2), 193-208 <https://doi.org/10.1177/0019556119900203>

Shittu, A. K (2020). Public Service and Service Delivery. *Research Gate*. DOI:10.1007/978-3-319-31816-5_4005-1

Singh, A., & Na, V. (2017 March). MSMEs Contribution to Local and National Economy. MicroSave – Briefing Note, #168 https://www.microsave.net/files/pdf/BN_168_MSMEs_Contribution_to_Local_and_National_Economy.pdf

The ASEAN Secretariat. (2021). Assessment Report on Public Service Delivery Systems in ASEAN Member States. (ISBN 978-623-6945-38-4). Jakarta, ASEAN Secretariat, https://asean.org/wp-content/uploads/2021/09/Assessment-Report-on-Public-Service-Delivery-Systems-in-ASEAN-Member-States_FIN-1.pdf

The Ethics Alliance (2019). *Ethics in Procurement Report*: The Ethics Alliance. <https://ethics.org.au/wp-content/uploads/2019/08/ETHICS-IN-PROCUREMENT-PAPER.pdf>

Uwem, Z. (2016, August 13). How To Save Your Accounts Payable Team From Late Payments Once And For All. *Pyrus Blog*. <https://pyrus.com/en/blog/accounts-payable-late-payments>

Waal, A., Weaver, M., Day, T., & van der Heijden, B. (2019). Silo-Busting:

- Overcoming the Greatest Threat to Organizational Performance. Sustainability,11(23),6860
<https://doi.org/10.3390/su11236860>
- Wright, I. (2020, January 21). *Why the new Government must act on late payments*.
Specfinish, <https://www.specfinish.co.uk/why-the-new-government-must-act-on-late-payments/>
- Yornu, I.K. (2020). Assessing the Effectiveness of Procurement Systems in Achieving
Quality. African Journal of Procurement, Logistics & Supply Chain Management. 1(3),38-56.
DOI: 10.15373/22501991
- Zurcher, P. (2019, October 15). Choosing and Defining Invoice Payment terms.
Quick Books Blog. <https://quickbooks.intuit.com/ph/resources/invoicing/choosing-and-defining-invoice-payment-terms/>