

ABSTRACT

**MASTER OF ARTS IN
PROCUREMENT AND SUPPLY
MANAGEMENT**

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CHALLENGES FACING PUBLIC INSTITUTIONS IN THE PROCUREMENT PLANNING PROCESS: A CASE OF MPWAPWA DISTRICT COUNCIL

Peter Calist Asenga

The study focused on assessing challenges facing public institutions in the procurement planning process. The objectives of the study were to examine the roles under taken by different stakeholders during procurement planning in Mpwapwa District Council, explore the challenges in procurement planning process and find out level of awareness of staffs on annual procurement plan. Data was collected using questionnaires, interview and documentary review. The study used purposive and convenience sampling strategies to draw representative samples and 32 respondents were involved in the study.

Roles under taken by stakeholders during procurement planning process includes; plan the procurement and disposal by tender activities of the procuring entity, implement procurement plan, consolidates procurement work plan for the entity, updates the procurement plan. Challenges include corruption, inadequate training, lack of enough consultation, inadequate skills by user departments to accurately state their requirements as well as limited skilled personnel and finally majority of the respondents show that they are aware of the procurement planning process.

The study recommended that user departments should determine their annual requirements and submit to procurement management unit (PMU) on time, PMU should be provided with sufficient manpower to prepare and implement the annual procurement plan effectively. In addition, enough funds should be provided to carry out procurement planning process.

SMALL AND MEDIUM ENTERPRISES PARTICIPATION IN PUBLIC TENDERS: A CASE OF MOSHI MUNICIPALITY, TANZANIA

Aviti John Assey

The study focused on understanding Small and Medium Enterprises Participation in Public Tenders in Moshi Municipality, Tanzania. Specifically, the study identifies the factors affecting SMEs' participation in public tenders, examines the SMEs preparedness to participate in public tenders and examines the measures adopted by Moshi Municipality to enhance SMEs' access to public procurement tenders. The study used interview, documentary reviews and questionnaires as data collection tools where 50 respondents were involved.

The findings showed that 52% out of 25 SMEs were not informed about the public tender opportunities available in Moshi and 76% out of 25 SMEs declared that the municipality do not provide adequate information on tender opportunities. It has been found that SMEs' entry into this potentially lucrative market is often hindered by challenges such as insufficient knowledge about bidding procedures (12% out of 25 SMEs), over-emphasis in price rather than quality (12% of SMEs), tight and short deadlines for responding to calls (24% out of 25 SMEs).

Preparedness of SMEs in public procurement has been demonstrated in their flexibility and provision of quick services (28% out of 25 SMEs), knowledge of local market (44% out of 25 SMEs), and promise to grow larger (12% out of 25 SMEs). The study recommends that measures to be adopted by the municipality for enhancing SMEs participation include facilitating access to frameworks, encouraging collaboration and building capacity of SMEs in terms of training.

E-PROCUREMENT OF GOODS IN PROCURING INSTITUTIONS: A CASE OF TANZANIA BREWERIES LIMITED ARUSHA PLANT

Dina Langford Mori

The introduction of the Internet as a business systems platform has been a catalyst for major changes in the operation and status of procurement activities in organizations. Application of e-procurement in procuring entities has significant improvements in procurement costs, purchasing function, and changes the structure of supply markets. The purpose of this study is to examine the advantages of e-procurement of goods in procuring entities. The study examined the adoption level of e-procurement application at TBL Arusha Plant; examined its effects in reduction of procurement costs; and the contribution of e-procurement towards optimizing the delivery of goods and finally identifies the ways through which e-procurement enhances acquisition of quality goods at TBL Arusha Plant.

The data for the study were collected from various sources both primary and secondary. Primary data were collected from TBL Arusha Plant through structured and semi structured interview and questionnaire. Secondary information was also gathered from documentary sources in the form of reports and various publications.

The study revealed that application of e-procurement at TBL Arusha Plant helped the organisation to fast track procurement transactions through use of flow centric and syspro software, the system also lead in reduction of costs such as ordering cost, transaction cost, lowering overhead cost as well as purchase cost. Also implementation of e-procurement assists the organisation in reducing cycle time of receiving goods and due to that it supports the organisation in acquiring quality goods.

The study recommends that:

- i) Procuring entities should abide and adhere with rules and regulations of Public Procurement Act of 2011 and its regulations of 2013 when applying e-procurement.
- ii) Application of e-procurement should have audit trail facilities which should ensure that the personnel who approve a requisition should be different from the requisition originators. This would reduce the possibility of fraud and theft.
- iii) Institutions should develop and design a training program on policy, regulation and technical standards in preparation of training materials on e-procurement.
- iv) Government should provide a supportive environment for implementing e-procurement system within the institution by ensuring efficient connectivity of internet
- v) Procuring entities should have strategic supplier collaboration as method which would help organisation to procure quality goods.

E-procurement has increased TBL's competitiveness through costs reduction, fast delivery of goods due to faster exchanges of information between procuring entities and suppliers and ensures quality products are obtained within organisation

INVENTORY MANAGEMENT AND CUSTOMER SATISFICATION:

A CASE STUDY OF TPC LIMITED CUSTOMERS

William Andrew Mwalimu

Inventory management plays a vital role in enhancing customer satisfaction among the manufacturing organisations. Inventory management techniques create a strong relationship between organisation and customers on the nature of the product, and create a deeper connection with customers, improve on the capability of the supplier which has a direct impact on the customer hence customer satisfaction, such as raw materials that includes Agro chemicals like nitrogen, potassium and sugar beet for agro department and sulphur dioxide, sodium hydrogen and methylated spirit for production department, area of inventory management at TPC Ltd which study concern at. The main challenge today among firms in Tanzania is the need to enhance efficiency while at the same time achieving customer satisfaction. However firms in Tanzania have been accused of poor inventory management techniques, policies, review techniques and this has greatly affected their ability to satisfy their customers.

The study sought to examine the relationship between inventory management and customer satisfaction by examining inventory management techniques used by TPC Ltd to meet customer's satisfaction, analysing the determinants levels of customer satisfaction and to show the relationship existing between inventory management and customer satisfaction. Customer satisfaction is crucial since manufacturing firms contributes greatly to the economic development of a country. The research was carried out at TPC Ltd since the company has a good inventory management system that is linked to the customers in real time to enhance inventory management.

The researcher used a cross sectional research design. The correlation coefficient and integration were used to determine the relationship between inventory management and customer satisfaction. The sample size of 30 respondents as internal customers were selected using simple random and purposive sampling, self administered questionnaires were used to collect data. Primary data were collected through the use of questionnaires and secondary data was collected from journals, articles, thesis, inventory records and various web sites. Data was collected, edited and analysed.

Pearson's correlation co-efficient obtained 0.719 tested at 0.01 level of significance indicated that there was a positive relationship of 71.9% between effective inventory management and customer satisfaction.

In conclusion the study showed that effective inventory management has a positive effect on customer satisfaction and the production process at TPC Ltd. The organisation is involved in production planning, inventories, is reviewed periodically which improves customer satisfaction. The company should also come up with better channels of communications with their suppliers and customers, especially information sharing, which has strong affects now days to customer satisfaction, information sharing and inventory management has a positive effect on customer satisfaction.

INVENTORY CONTROL SYSTEMS AND PROCUREMENT COST MANAGEMENT PERFORMANCE AT TPC LIMITED MOSHI, TANZANIA

Salvatory Baltazary

The inventory control system of most business firms in Tanzania for the last three decades has been considered inefficient. While some firms such as TPC limited in the beverage subsector are considered better off, few efforts have focused on the relationship between inventory control systems and cost management performance in a business setting.

Using a random sample of 30 respondents from 4 departments at TPC limited, in a time frame of 14 years from the year 2000, this study focused on the relationship between inventory control systems and procurement cost management performance. Specific issues such as lead time, issuing and receiving procedures and reorder points were evaluated on how they influence cost savings, stock theft and user satisfactions.

A descriptive analysis of the a aforementioned variables indicate that there is a relationship between inventory control system at TPC limited and procurement cost management performance. Notably, theft cases were increasing with the increase of stock reorder point levels and lead times. For example, as reorder points increased from 1million to 20million from the year 2000 to 2013, the theft value increased from 10million to 52million. Similarly, the increase in lead time had a positive relationship with procurement cost savings and customer satisfactions. This study recommends that the management at TPC limited should give sufficient attention on inventory control in order to efficiently manage procurement costs. Specific efforts should last on lead time and reorder levels to minimize the theft risks, increase cost savings and user department's satisfaction.

THE CHALLENGES OF ESTABLISHING E-PROCUREMENT PROCESSES IN REDUCING CORRUPTION TENDENCIES IN TANZANIA: A CASE OF NJOMBE DISTRICT COUNCIL

Mathew F. Mkongwa

.Majority of Local Government Authorities (Urban/District) in Tanzania have not been successful in establishing E-Procurement processes for many purposes including the reduction of corruptive tendencies in Tanzania. This has undermined their ability to finance their development activities. For this reason, this study identified the Challenges of establishing E-Procurement processes in Reducing Corruption Tendencies in Tanzania: A Case of Njombe District Council.

The study adopted a case study research design with a sample of 60 respondents selected through purposeful and simple random sampling techniques. Data were collected through interviews, questionnaires, Focus Group Discussions and documentary review.

The study found out that there was a need of establishing E- Procurement processes in Njombe District Council so as to reduce corruptive tendencies. It was found out that procurement processes which were used at present attracted corruptive tendencies in different aspects. The findings also showed that e- procurement could increase the possibilities of having high transparency. Also findings showed that one of the factors that hindered the establishment of e-procurement in Njombe district council was the complicity of the information technology to many procurement officers in Njombe district; the high cost and lack of proper decisions.

It was concluded that there was a need of establishing E- Procurement processes in Njombe District Council so as to reduce corruptive tendencies; E- Procurement could facilitate delivery of goods on time; Increase the possibilities of having high transparency; offered improvements in transparency, wide supplier sourcing, create high competition, could result into high profitability within the procurement entities, accountability, and citizen empowerment through better access to information. Also one of the factors that hinder the establishment of e-procurement was political will.

It was recommended that NDC management should have proper decisions in establishing E-Procurement processes with the aim of reducing corruptive tendencies in Njombe District Council. The NDC management should ensure they offer training to both Supplier officers and potential bidders. Also it is recommended that the NDC management should have proper supervision and monitoring procedures with the aim

CONTRIBUTORY FACTORS TO ADHERENCE TO ETHICS IN PUBLIC INSTITUTIONS PROCUREMENT: THE CASE OF MOSHI MUNICIPALITY

Rashid Anzuruni Rashid

The main objective of this study was to identify the contributory factors that lead to adherence with ethics in public procurement. Specifically, the research aimed at identifying contributory factors, to find out anti-corruption measures taken to reduce corruption instances, and to examine the role of ethics in improving the quality of goods procured in the public sector.

Relevant literatures were reviewed to bring out salient issues on the subject matter of this thesis. The main source of information for this write up is secondary method of data collection as well as primary method.

In order to accomplish the thesis, data were gathered from primary and secondary sources in the study areas. The primary sources were from questionnaires and interviews. The sample was drawn from the members of Moshi municipal council, MUCCoBS, TANESCO, GPSA, Kilimanjaro Regional Office and TANROADS. The use of closed and open ended questions was applied and the responses were analyzed using percentage frequency tables.

From the analysis of data, it was found that ethics had positive impact on procurement activities, thus local governments and other Government institution must adhere to it in order to run Government development projects, for the sake of the Nation. This dissertation recommends among others, further Training and seminars procurement officers, and enforcement of Laws to those caught against Public Procurement Act of 2011.

**COMPLIANCE WITH PROCUREMENT PLAN TOWARDS ACHIEVING VALUE FOR
MONEY IN LOCAL GOVERNMENT AUTHORITIES: A CASE OF MOSHI
MUNICIPAL COUNCIL, TANZANIA**

Johnson John Assey

The study centered on investigating the Compliance with Procurement Plan towards Achieving Value for Money in Local Government Authorities with a focus in Moshi Municipal Council, Tanzania as a case study. The objectives of the study were; assessing the procurement plan preparation process and the roles of different actors, finding out the extent to which procurement plan contributes to achievement of the value for money in LGAs. Lastly, it identifies factors hindering LGA adherence to procurement plan and its implication to the value for money. A case study research design was applied using interviews and documentary reviews for data collection. Data analysis were carried out using quantitative approach with the use of descriptive statistics and Qualitative approach using narratives and quotes.

The study findings show that there are different roles played by actors who are involved in preparation of procurement plan but their levels of participation differs. Among the roles identified include each user department required to prepare its multi annual work plan based on the approved budget and the procuring entity is responsible for dividing requirements allocated to a single procurement process into separate lots. The study revealed unsatisfactory involvement of different user departments in preparation of Annual Procurement Plans, thus integration of diverse range of ideas is inadequate. Lastly, the study recommends that there is need for Procurement Management Unit to liaise with user departments and create favourable working environment for the sustained development and proper use of public funds.

COMPETITIVE TENDERING IN REDUCING PROCUREMENT COST IN PUBLIC ENTITIES: A CASE OF MOSHI MUNICIPAL COUNCIL

Diana Langford Mori

The study centered on assessing Competitive Tendering in Reducing Procurement cost in Public Entities. Specifically the study tried to look at the benefits of Competitive Tendering. It also studied the contribution of competitive Tendering in Reducing the procurement cost so as to understand in which ways and how cost can be reduced through Competitive Tendering. Lastly attempted to find out the challenges facing the Procuring entity on implementing competitive Tendering. Moshi Municipal Council was taken as case study.

The study employed cross sectional design where by it allowed the author to use interview, questionnaire and documentary review as methods to collect data. Nature of data collected were qualitative and quantitative. Qualitative data were analyzed through content analysis, through thematic approach while quantitative data were coded and analyzed through SPSS program and presented in the form of texts, frequencies, tables and percentages.

The study showed that competitive Tendering has a benefit of reducing of Cost, Provision of competitive environment and elimination of conflict of interest. It also has contributes to reduction of purchasing cost and searching cost. Challenges which could be discerned face were shortage of procurement professional ,bureaucracy, late approval of the evaluation and contract award, fraudulent and corrupt practices.

The study Recommends that to minimize high cost of tendering process the Public Entities (PE) should consolidate, advertise and evaluate their tenders together according to their respective batches or lots in order to minimize the overall costs of process of tender.

PROCUREMENT PROCESS IN ACQUISITION OF QUALITY WORKS IN LOCAL GOVERNMENT AUTHORITIES: A CASE STUDY OF MWANZA CITY COUNCIL

Musa Bashari

Achieving value for money is the major objective of public procurement. Value for money is optimum combination of whole life cost and fitness for the purpose. Whole life cost are acquisition cost, maintenance cost and running costs, and disposal cost while fitness for the purpose refers to the quality and ability to meet contracting authority requirements. The study specifically focused on procurement process in acquisition of quality works in local government authority. Amount of works procured in local government authority is greater compared to other type of procurement that is goods and services. Despite of all effort made by the government still local government authority procure inferior quality of works. Therefore, this study aimed to analyse procurement process towards obtaining quality of the procured works in local government authority. The study was conducted through a cross-sectional research design within Mwanza city council and employed purposive sampling to select the sample. This resulted to a sample of 31 respondents from Procurement management team, tender board and contract management team. Interview was used to collect data, and also semi structured questionnaire as a data collection tool was used. The field data was analysed qualitatively and quantitatively. Findings indicate within procurement process there are procedures which were not conducted appropriately and they have impact on quality of procured works. The study also establishes recommendations to how can be done to rectify the situation and also suggest the areas for further research.

COMPETITIVE TENDERING IN REDUCING PROCUREMENT COST IN PUBLIC ENTITIES: A CASE OF MOSHI MUNICIPAL COUNCIL

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**BUYER-SUPPLIER RELATIONSHIP IN VEGETABLE PRODUCTION: THE CASE
OF SMALLHOLDER VEGETABLE FARMERS AT TENGERU MARKET IN MERU
DISTRICT COUNCIL**

Stephano Msafiri John

The study was conducted in Meru district particularly at Tengeru market which represents all vegetable markets found in Meru district. The researcher wanted to investigate the informal relationship between buyers and suppliers in vegetable production using the case of smallholder vegetable farmers. The specific objectives of the study were; to show the type of relationship that exist between buyers and suppliers in vegetable production on smallholder vegetable farmers, to identify factors that influence relationship between buyers and suppliers in vegetable production on smallholder farmers, to identify the benefits of buyer- supplier relationship on smallholder vegetable farmers in vegetable production, and lastly was to identify the challenges of buyer- supplier relationship on smallholder vegetable farmers in vegetable production. The study applied case study design, in which data were collected by using interview, questionnaires and documentary reviews. The study also involved 96 respondents include both buyers, suppliers, extension officers and vegetable market committee members. The study revealed that short term relationship was much preferred than long term relationship at Tengeru market between buyers and suppliers. The study further found that trust was the major factor influencing relationship between buyers and suppliers. Not only that but also relationship between buyers and suppliers benefit farmers through the increase income. Lastly, the study revealed that absence of working capital made farmers to fail in buying farm inputs, hence contributed of poor vegetable products. It is also recommended that there should be close links between buyers and suppliers in vegetable business by creating a platform for suppliers and buyers to have face to face meeting and effective communication.

FACTORS INFLUENCING INVENTORY CONTROL SYSTEM PERFORMANCE IN MEDICAL STORES DEPARTMENT, MOSHI

Edger Henry

The central objective of this study was to access the factors influencing inventory control system performance of the Medical Store Department Moshi. The study was guided by three objectives; to determine the documentation system used on inventory control, to examine staff skills on the inventory control and to determine factors affecting inventory control system at MSD Moshi. Data were collected using interview, questionnaire, observation and documentary review guide and during data collection purposive sampling method was used. Both qualitative and quantitative methodologies were used to analyse data as a sample size of 30 respondents was used.

The key findings from the study revealed that MSD Moshi use ERP(Epicor9) inventory control system; professional training and accuracy of recording system are the factors influencing inventory control system, daily posting of inventory data, posting of data done by more than 1 person. Also the study revealed that unavailability of office facilities for recording and slowness of current system may be some of the challenges that face inventory control. The study recommends that the current inventory control system (ERP) should be improved to a better level, staffs have to be trained regarding the system, and office facilities must be available on time.

CAPITALIZATION IN SAVINGS AND CREDIT CO-OPERATIVE SOCIETIES: THE CASE OF FIVE SELECTED SACCOS IN MOSHI MUNICIPALITY TANZANIA

Sophia Michael Kangozi

This study assessed the capitalization of SACCOS in Tanzania using Selected SACCOS in Moshi Municipality as a case in point. Specifically the study intended to: Identify characteristics of SACCOS in the study area; determine capitalization procedure of the selected SACCOS and challenges facing SACCOS in adhering to capital adequacy requirements and their coping mechanisms. The study employed cross-sectional research design where, purposive sampling technique was applied in selecting a sample. Data were gathered using questionnaire, documentary review and observation and were analysed using descriptive statistics and multiple response techniques. The study found that generally SACCOS had low capitalization and capitalization ratio. The study also found that mismanagement of SACCOS's funds; huge debt burden, member's lack of SACCOS's knowledge and lack of proper government policy towards SACCOS's growth were key challenges obstructing SACCOS's sustainability. It is recommended that corporate governance is enhanced in SACCOS; the principles of corporate governance as advocated by the institution like World Council for Credit Union (WOCCU) are implemented and enforced all times. SACCOS's board members should ensure that members get copies of relevant documents availed to them for monitoring of the SACCOS activities. It is important that Board members be qualified as unqualified board members may be unable to make proper decisions regarding capitalization of the SACCOS. In order to attain capital adequacy, SACCOS are supposed to improve profitability and retain adequate earning and attract permanent and non withdrawal shares through increasing membership.

COMPLIANCE FACTORS AFFECTING PERFORMANCE OF PROCUREMENT CONTRACTS FOR WORKS: A CASE OF SUMBAWANGA DISTRICT COUNCIL

Joseph Aniseth Macha

It is estimated that 70% of Tanzanian country budget channels through the public procurement system. Out of this works procurement account for 60% of the total value of procurement in the country. Despite this significant value, still little attention has been taken on improving an area of compliance with procurement contracts for works. This is justified by a very low compliance of (65%) with publication of works contract awards, also (71%) in works contracts implementation and (55%) on availability of quality control systems on works contracts. Hence there was a need to research an area of procurement contracts of works in relation to available legal frame work.

The study applied a case study design, where a combination of qualitative and quantitative approaches was employed to collect and analyze the data. This included use of descriptive statistics for quantitative approach and both interpretive and reflexive for qualitative approach. Three main areas were researched using these approaches; works tendering procedures, contracts formulations and implementations and contracts delivery.

The findings portray a low level of compliance with PPA 2004 specifically in the areas of tendering procedures, works contracts formulations and implementations and works contracts performance output/delivery. These were justified by the lack of a wide range of tender advertisements and publications of award decisions. There were also inadequate works contracts supervisions and evidences of delayed works contracts completions.

It is therefore recommended that Sumbawanga District Council has to make necessary efforts to improve an area of compliance with public procurement law on contracts of works.

SUPPLY CHAIN RELATIONSHIP DYNAMICS AND PERFORMANCE OF SUPPLIER BASE MANAGEMENT IN PUBLIC PROCURING ENTITIES: THE CASE OF ARUSHA REGION

Pendo Peter Mwalugelo

Despite several efforts done by different scholars on procurement field for more than two decades, supplier base management has been performing poorly. The study was carried out with the major aim of finding out the relationship between supply chain relationship dynamics and the performance of supplier base management. It specifically targeted to identify types and nature of supply chain relationships that prevails in the public procurement subsector, to examine how different types of supply chain relationships influence the supplier base management performance and lastly to determine the roles of suppliers in improving supplier base management performance.

The study was guided by two theories which were Kraljic's theory and transactional cost economics theory. Both theories tried to explain and show the relationship between supply chain relationships and the supplier base management performance.

The case study design was used and data were collected through interview and self-administered questionnaire tools. Data were further analysed by using SPSS in which descriptive statistics and factor analysis were used to examine the study variables.

The study revealed that supply chain relationship dynamics have a larger impact on the supplier base management performance where, as the type of relationship change, its impact to the management performance also changes. It also discovered that long term and short term supply chain relationships are mostly preferred and make a large contribution to the supplier management performance which is contrary to transactional relationship. Also majority of the suppliers are not aware of their roles in the improvement of the supplier base management performance.

DETERMINANTS OF INTERNET BASED PURCHASING: EVIDENCE FROM MOTOR VEHICLE BUYERS IN MOROGORO, TANZANIA

Julieth Ally Koshuma

This study aimed to give an overview on determinants of internet based purchasing with a focus on university workers motor vehicle buyers in Morogoro Urban. Purposive sampling was applied and total of 122 motor vehicle buyers involved in the study. Qualitative data were collected using interview where checklist was used and quantitative data were collected using a questionnaire. Quantitative data were analyzed by descriptive statistics, multiple responses and logistic regression. The results indicate that, socio-demographic characteristics of motor vehicle buyers such as education level, marital status, income, sex, salary and income for other expenses were influencing purchases of motor vehicles via internet. Furthermore, factors which attracted them to purchase motor vehicles via the internet, such were as price reductions, trust, reputation of the motor vehicle vendors, technological change, and internet availability, availability of power, availability of devices, payment systems and lead time from order placement to receiving motor vehicle. The study revealed that, there are challenges facing motor vehicle buyers in Morogoro Urban, such as cyber theft, specification, power cutoff and language. It is recommended that there should be communication between motor vehicle buyers and a friend/ Embassy before making transaction, motor vehicle vendors to should satisfy their market promises, infrastructures to be well constructed and establishment of adequate protection against internet buyers.

FACTORS INFLUENCING PERFORMANCE OF MEDICAL STORES DEPARTMENT IN SERVICE SUPPLY CHAIN MANAGEMENT IN KILIMANJARO, TANZANIA

Dorice L. Malisa

This study focused on investigating the factors influencing the performance of medical stores department in service supply chain management taking Kilimanjaro as a case. It dwells on understanding how medical service delivery in government health institutions performed. It examines the Medical Stores Department functions and procedures used, level of achievement and capabilities, factors influencing product quality and performance as well as determining the performance gaps existing.

The study result shows that procurement of drugs and equipments is among the MSD core functions and is done through bidding. This found to be slowest procurement method which affects Government Hospitals. The lead time of 150 days experienced, which affect the distribution process, and the ordering at central store, which also found strictly performed on an annual basis. However, the performance of MSD in service supply chain management at MSD is not good. Most of retailers and customers do not get required medicine in Mawenzi and KCMC hospital timely. This situation makes customers to buy medicine in private pharmacy. This may discourage donors who finances NHIF who aims to reduce cost of drugs and equipments in public hospitals.

The study wind up by establishing the need for continuous training for the health facility and MSD staffs, roles of different interested stakeholders in improving Service Supply Chain Management of MSD in delivery of drugs and equipments to meet customer demands.

**FACTORS INFLUENCING COMPLIANCE OF PROCUREMENT LAWS AND
REGULATIONS IN PUBLIC PROCUREMENT: A CASE OF TANZANIA ELECTRIC
SUPPLY COMPANY, HEAD OFFICE
DAR ES SALAAM**

Henry Joseph Kayunguya

The study centres on determining factors influencing compliance of procurement laws and regulations in public procurement, a case of TANESCO head office, Dar es Salaam. Specifically, the study finds out the positioning and structure of procurement function and its contribution to the organization efficiency. Secondly, it analyses awareness of procurement procedure in the case study area. Thirdly, it identifies roles of different actors in procurement unit for enhanced organization performance and procurement practices. Fourthly, it explores the perception of different actors on the level of compliance to public procurement Act and its regulations. Lastly, it identifies factors influencing compliance of public procurement Act and its regulation for enhanced organization performance. The study used interview and documentary review in data collection from 68 respondents. Data were analysed using Descriptive and Explanatory Methods where by statistical and narratives were adopted respectively.

The findings revealed that staff in TANESCO are aware and understand procurement laws and regulations. However, some challenges in the compliance with laws and regulations exist. These include: unplanned procurements, budget underestimation which mislead tender board decisions and tender value above the limit. Furthermore, the study revealed several factors influencing compliance of PPA and its regulations; including professionalism, transparency, efficiency and value for money, competitiveness and accountability. From the study findings, it is recommended that short/long term training should be provided in continued basis to improve the capacity of staff for efficient and effective operation of the procurement system.