ABSTRACT

The present study intended to examine "The Influence of Procurement Practice on Organizational Performance" a case study of Arusha City Council (ACC). The study had the following specific objectives, to evaluate the influence of procurement planning, professionalism and supplier selection on organization performance within the public sector. The organizational performance was considered as a composite of the degree of compliance to laws and regulations as well as meeting value for money requirements as in the context of PPRA and NAOT performance audits in Tanzania,

The researcher adopted the qualitative research design with non-probability or purposive sampling techniques to get a sample of 50 respondents from a population of 250ACC respondents. A descriptive research design was used and data mainly qualitative in nature, were collected through questionnaire, interview and documentary review. Data analysis used qualitative and quantitative statistics and were analyzed using frequency tables and charts, with the aid of appropriate computer applications.

Based on the findings the study revealed that organization has no procurement training programs to enhance employee skills, there was inadequate training in procurement practices that lead to poor performance of organization, the organization has no documented policies that guide training in procurement practices and there was no periodic supplier audits undertaken to correct compliance errors.

The study concluded that, procurement planning, ethical professionalism and supplier selection has a significant influence to the organization performance in terms of ability to achieve VfM and complying with procurement legislation in force in Tanzania. The study recommends that Arusha City Council should engage competent staff to handle procurement in efficiently and effective manner by providing enough time for their staff to attend trainings and seminar concerning procurement especially those led by PPRA and PSPTB so as to get competent personnel.

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