

**Assessment of Factors Contributing to Low Positioning of Procurement Departments in
Organisation Structure**

A Case of the Kilimanjaro Christian Medical Centre

By

Dina Kirway

Master of Business Administration (Procurement and Logistics Management)

Mzumbe University, 2006

Organizations normally place procurement department at their lower level In the organization structure. The practice has significant impact to the organization because procurement department fail to contribute effectively towards the organizational goals. The aim of this study was to assess the factors influencing management of the organization placing procurement department at their lower level of organization structure. The concentration of the study was limited to KCMC Referral Hospital a service organization owned by Good Samaritan Foundation (GSF). Primary data were collected through questionnaires. interviews and observation. Secondary data emanated from review or documentary records. Purposive and simple random sampling techniques were used to collect data. Descriptive statistical techniques were used for data analysis and data presentation in form of tables and percentages. The research employed six variables namely: Factors influencing placement of the procurement department at KCMC; level of interference, performance of procurement department at KCMC. perceptions of management towards procurement staff and qualification/ experience of personnel. There are several factors that influence low positioning of procurement department in organizations. They include. Interference from non professionals, negative perception top management towards procurement personnel. Non representation of procurement department interests in strategic decision making organs and non adherence of Public Procurement Act regulation and financial regulations. Recommendations have been suggested on how to improve the current situation at KCMC.