

Thesis Title: Horizontal Purchasing Collaboration in Developing Countries

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Horizontal purchasing collaboration is a popular practice in the public sector in many countries, though developing countries have hardly adopted this practice. The remarkable lack of literature on public procurement in the developing world context could partly explain this. The study provides an understanding of what is happening with respect to behavioural aspects in horizontal purchasing collaboration, why and how the behavioural aspects influence horizontal purchasing collaboration and application of this understanding in developing countries.

Among the key findings, we found out that in developing countries, where planning is less practiced, urgency of the deals can make entities join collaboration, without first anticipating the benefits from the collaboration. The study established that affective commitment, more than instrumental commitment and normative commitment, causes variability in commitment, which makes us conclude that in the initial phases of collaboration, instilling a sense of pride in the participants is vital. The finding that entities are attracted to collaborate with those that provide important and critical resources for which there are few alternative sources of supply is insightful. The study guides that to achieve the benefits of the collaboration, managers should try to increase its level of operation.

The study provides a model to advise how horizontal purchasing collaboration should be handled. An insightful finding that donors need to be involved in all phases of collaboration is more relevant to the developing countries that use relatively more donor resources, and have not been involving donors in several processes. A practical check is also carried out to confirm the relevance of this model and other findings. This provides an empirical basis for practical interventions to issues that have hindered the desired horizontal purchasing collaboration in the developing countries.

Basically, the study shows that in developing countries, horizontal purchasing collaboration should be targeted more at sharing the burden of individual purchasing benefits whereas in developed countries, the focus is more on additional benefits.