Small and Medium Enterprises Participation in Public Tenders: A case of Moshi Municipality, Tanzania

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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.