



**BUSITEMA  
UNIVERSITY**  
*Pursuing Excellence*

**PROCUREMENT PRACTICES, STAKEHOLDER ENGAGEMENT AND PROJECT  
PERFORMANCE IN LOCAL GOVERNMENTS: A CASE OF SIRONKO DISTRICT**

**BY**

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## DECLARATION

I Wofuma Gorden, hereby declare that this dissertation entitled “*Procurement Practices, Stakeholder Engagement and Project Performance*” is my novel piece of work, and it has never been submitted for any award at any institution of higher learning, nor, concurrently being presented in candidature of any other degree, and that all materials sources used for this thesis are fully acknowledged.

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## APPROVAL

This is to confirm that this research report titled “*Procurement Practices, Stakeholder Engagement and Project Performance*” has been approved and submitted with our consent as the nominated and authorised internal supervisors.

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## **DEDICATION**

This work is dedicated to my lovely Parents (Mr Napagate Paul, and Wegosasa Mary) who taught me to always put God first in all my life accomplishments.

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## **LIST OF ABBREVIATIONS**

IPM	-	Impressive Project Management Statistics
KPMG	-	Klynveld Peat Marwick Goerdeler
MoSPI	-	Ministry of Statistics and Program Implementation Report
OAG	-	Auditor General's Report
PMI	-	Project Management Institute
PPDA	-	Public Procurement and Disposal of Public Assets
SDLG	-	Sironko District Local Government
SDQPR	-	Sironko District Quarterly Performance Report
UGX	-	Uganda Shillings
UK	-	United Kingdom
UNRWA	-	United Nations Relief and Works Agency
USA	-	United States of America

## **DEFINITION OF KEY TERMS**

- Procurement Practices:** Refers to procedures, guidelines, processes or methods that govern the acquisition of public goods, services or works (Akech, 2006 & Ruparathna, 2015).
- Stakeholder Engagement:** Is the process by which organisations positively involve individuals, groups, organizations or corporations that have interest and power to affect or be affected by project execution (Greenwood, 2007; PMBOK, 2013).
- Project Performance:** Is defined as the completion of project objectives as measured against predetermined indicators of cost, time and quality (Sambasivan & Soon, 2007).

## **ABSTRACT**

A plethora of literature indicates that procurement practices are the key antecedent of project performance. However, this relationship remains incomplete/unexplained without a third process variable. Therefore, the purpose of this study was to establish the effect of procurement practices on the performance of public construction project through stakeholder engagement. The study specific objectives were to examine the effect of procurement practices on the performance of construction projects, to establish the effect of procurement practices on stakeholder engagement, to determine the effect of stakeholder engagement on the performance of construction projects, and to examine the mediating effect of stakeholder engagement on the relationship between procurement practices and performance of construction projects. The study was anchored on the conceptualization of agency and stakeholder theories. The study adopted a cross-sectional quantitative research design. The study target population was 213 public construction projects, out of which a sample size of 132 public construction projects were selected using Krejcie and Morgan's Table of (1970) to represent the study. The study used a closed-ended structured questionnaire as a tool for data collection. The data were checked for validity using Content Validity Index, and reliability using Cronbach Alpha test. Data were entered in SPSS and analysed using descriptive statistics, correlation, regression and process macro. The results from correlation analysis indicated that there is a positive relationship between all the study variables. Also, the regression analysis results revealed that procurement practices significantly affect performance of construction projects; procurement practices significantly predict stakeholder engagement; stakeholder engagement significantly affect performance of construction projects; and finally stakeholder engagement partially mediates the relationship between procurement practices and project performance. The study concluded that stakeholder engagement mediates procurement practice and project performance. The study recommended that all public procuring entities should embrace the philosophy of stakeholder engagement as a decisive mechanism for enhancing performance of public construction projects. Further research could attempt to establish the moderating role of stakeholder engagement on the relationship between procurement practices and project performance.

**Keywords: Procurement Practices, Stakeholder Engagement, Project Performance**