# The Effects of Organizational Influence, Purchase Importance and Trust on Public Purchase Decision — A Mediation Analysis of Organizational Emotions

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Abstract-Literature review of public buying behavior is gradually expanding; however, there is still a gap of this field in Southeast Asian countries in general and Vietnam for specific. For that reason, this research from the guidance of previous organizational buying behavior studies developed a theoretical framework and hypotheses in order to examine whether the factors of organizational, purchase importance and level of supplier trust affected emotions of the organization, which in turn influenced the organizational behavior on its supplier choices. The result drawing from 421 respondents working in various educational institutions of Dong Nai province, Vietnam did confirm the direct impacts the three factors organizational buying decision; whereas emotions organization exerted its mediating role on the set of relationship effects. Implications from this paper would be applied for both current local and regional institutions to implement and turn into practical management activities in their buying decision.

Index Terms—Organizational emotions, organizational factor, organizational purchase decision, purchase important, supplier trust.

# I. INTRODUCTION

Departments in public sector see buying as a fundamental activity which has the multiple impacts on the effectiveness and efficiency on the operation. At the same time, the increasing opportunities to suppliers from public sector market underlines the importance of studying in this area so that they can actively respond with new products and services. The focus is placed on the significance of the buying center: a group of people belongs to different departments of the organization who take part in and influence in the buying [1]-[3]. However, such understanding organizational behavior may be difficult to gain because the situation is characterized by "a multi-phase, multi-person, multi-departmental, and multi-objective process" [4].

Unlike private sector, public environment has its own characteristics that makes the the context special. Procurement in public sector, which refers to the purchasing of public goods, services and public works by government agencies and public authorities, differentiates purchase decision from private sector in a number of ways, especially due to the highly regulated and politically constrained environment in the public sector [5], [6]. Additionally, the

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demand for public accountability and openness to media also contribute to the distinct context of public purchasing [7].

It has been indicated the crucial role of public procurement in boosting the national economic prosperity [8]. A very large percentage of a governments' economy accounts for the purchase decision; thus, it is important to ensure governmental agencies are implementing the cost-effective and sensible methods to provide public services [9]. Ref. [10], on the other hand, pointed out the fact that inefficiency and incompetence of the overall management of procurement function which had contributed to the excessive loss of public funds seemed to generally match the current situation in Vietnam. Lately, the alarming amount of 30,000 billion VND investments being "buried" in several slow on-going projects such as Thai Nguyen Steel expansion, Dinh Vu Polyester, Ninh Binh Fertilizer, are on the risk of all lost. In other case, the over calling upon the concept of centralized purchasing, whose benefits mostly accounts for synergy effects such as volume discounts and reduced duplicating work activities [11] has turned out to be 'one size fits all' in purchasing guidelines. It means the total investment which seems beneficial for some areas, but due to the lacking of asynchronous development in fundamental resources and incapability of fully exploiting what has been purchased in the others, causes a hug loss for the public fund. It might result from the inflexible and rigid procurement during the decision making process [12].

Even there has been a number of official guidelines published every year in the attempt to reduce overspending, the problem seems not to be significantly solved. That is why it is important to go further to examine major factors affecting purchasing decision in public sector. Unfortunately, despite many research has been conducted over the world around this matter, there is still a dearth of ones focusing on Southeast Asia context in general and Vietnam for specific. Therefore, in order to gain a better understanding of how a public institution make purchase decisions, this research will pay attention on a number of general public sector questions within the situation of industrial environment. In particular, this study is seeking to identify the factors of supplier trust, importance of purchase and organizational which have been found to have major effects on organizational purchase decision through several previous literature. Specially, the study also sheds light on a new aspect of organizational emotions as a mediating function on the set of relationships. It is noted that the basis of considerable body of information would include knowledge of industrial buying behavior.

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#### II. LITERATURE REVIEW

Purchase decision transpired in industrial context, as well as public sector has been agreed upon to be complex and involving many people in considering choices among others. In late 1960s, a number of authors started to try to define, describe and categorize the purchase process in an emerging trend of interest in studying and understanding this field. Ref. [2] initially stressed the complexity of decision making and communication in large companies and proceeded to develop a conceptual framework for analyzing the buying processes of organizations. To be in line, [3] published his "model of industrial buyer behavior" whose main contribution was its conceptualization of joint-decision process in organizational buying and discussions of conflict resolution options among members of buying group. Ref. [1], [13] and [14], on the other hands, helped to classify purchases in which, factors and their effects on organizational behavior varried in different situations. More recent studies including ones of [15], [16] focused on analyzing factors related to individual within an organization such as their influence and involvement, communication offers to each other, amount of information required in buying process in order to understand how industrial buyers made decisions. Behaviors decision-making unit were naturally encompassed by these individual influences since it consists of individual making decisions which was one-person originated and affected by number of affective inputs [17].

That has triggered a trend in studying emotions considered related to individuals in organizational decisions [18]. Even the work of [19] emphasized the cognitive aspects in making rational options of organizations by scrutinizing options for a satisfactory solution, still suggested that individuals' choices were guided by their emotions. In other words, individuals' selections were led by emotions that they expected to experience after their choosing action. Similarly, works of [20], [21] examined the role of emotions in decision making. Despite increasing recognitions of emotions in nature, most studies paid attentions more on personal aspects, examining how choices were influenced by his or her emotions rather than organizational situations [22]. Such research focus created a dearth of exploring the possible collective, systemic, and dynamic properties of emotions in organizations. It was mostly due to the separation of reasons and emotions, so that if organizational decision making was a cognitive process and influenced by 'factors' or 'drivers', there was no place for emotions [18]; and the strong association emotions with personal features rather than organization's [22]. However, [23] advocated emotions were evidence and contribution to factor of B2B buyers. This implied role of emotions raises a questions about how exact the impact it has on organizational decision making. Therefore, this study will put organizational emotions under examination as a mediating mediator and its effect on the relations between a number of factors such as organizational influence, trust and purchase importance and organizational purchasing behavior, which are probably considered most related to aspects of emotions.

The first independent variable of this research will focus on how buying task, organizational structure, buying process and behavior of the buying members that appear to shape the organizational behaviors towards the purchase decisions. Obviously, public sector organizations are far apart from private sector organizations in objectives as well as variation in output difference, which possibly results in differing in adopting purchasing process [24]. In such context, a variable of organizational proposed by [2] relating to the mentioned constructs was found to be helpful in describing organizations as a whole in the impact on buying decision. Also, [25] axiomatically agreed that rational/hierarchical nature of organizational structures produced certain emotions among its members whose meanings would be further negotiated interpersonally through 'conversational' ritual, loyalties, and power. Hence, this research will put the effects of organizational influence into examination under the mediating examination of organizational emotions.

Second, we will put concentration on the dimension of supplier trust, commitments by which members of decision-making unit perceive that certain of supplier can response to the requirement. Unarguably, in order to reduce risk and uncertainty, especially in important purchase decision, choosing the right supplier to cooperate with is extremely crucial. Ref. [26] indicated that intangible factors such as relationship with vendors, supplier reputation, services promised were what industrial buyers ultimately relied on in their choosing process, by giving out the success illustration of IBM in their capability of delivering what buyers believe the company promised. Moreover, the extent to which a supplier can persuade the buyer of the superiority of the associated services to other suppliers of salesperson implies emotions in decision making. Therefore, the factor of trust will be included in this research.

The final focusing perspective on organizational decision making is the level of purchase importance. The more importance of a purchase is perceived, the more detail information is needed [27], and there are more participation and involvement of members; thus affecting the choice of organizational suppliers.

#### A. Organizational Purchase Decision

Ref. [2] defined organizational purchase decision as a theoretical framework for the decision-making process used in formal organizations to establish the need for purchased products and services and identify, evaluate, and choose among alternative brands and suppliers. Most organizational purchase decisions were made by decision-making unit which includes various people from diversified backgrounds [28]. Each individual, by offering communication, was able to influence other members in making purchasing decision [14], or changed the evaluation rating of products/services [29]. In this study, the authors only focus on how a particular supplier is selected by a public organization in the purchase decision.

### B. Organizational Emotions

Emotions were defined as intersubjective, a product of the way systems of meaning are created and negotiated between people [30], [31]. Whereas the influence of emotions in decision-making of individual was commonly agreed upon, researchers of organizations had long time considered emotions as generally irrelevant. However, according to [32], even organizations were often described as rational

enterprises due to its capability of capitalizing on human's rational thoughts and actions to maximize the organizational benefits, rationality and emotions were interpenetrate and interchangeable in the decision-making process.

The study of [22] generally showed how emotions affected organizational decision making; that was emotions of an individual affected not only their own actions but also the actions of other members within the organization due to the systemic nature of emotions. Depending on the level of organizational roles and relationships, connections between actions and emotions, and even emotions themselves appeared more significantly. On the other hand, [18] argued that organizational emotions, which had the function of guiding attention to the need to reprioritize goals, happened when the emotions of members within the organizations caused attention to be directed to the reprioritization of goals. In the context of organizational purchase, it means the extent of how a certain supplier choice is affected in the need of fulfilling the purchasing goal requirements. In such cases, the role of salesperson is also stressed in persuading the buyer of superiority associated with products and services that will be able to be delivered by seller firms [16]. Emotions extruded from both salesperson and selling firm increase the probability that certain supplier can be chosen by the industrial buyer.

#### C. Organizational Factor

Factor of organizational defined how authorities and responsibilities were assigned to individual and determined which tasks were allocated to the members within the organization with which available resources to achieve organizational goals [33]. The difference in the procurement of public sector from private sector; for example, being more highly regulated and politically constrained [5], [6] particularly made it important to examine the factor of organization. For example, [34] argued that centralization of the organizational structure was formed by the degree of authorial hierarchy, which affected not only communication process, but also how commands and instructions flew within the defining discretion and liberty an individual has. On the other hand, [35] indicated the organizational factors such as the mission, goals, and objectives of an organization determined attitude of individuals towards many projects. The behavior of individual would be shaped and distinct from when he or she function alone. Indeed, according to [19], individual's behaviors were reflected through the "proper" image whereby conscious preferences were ignored and instead, decision making was based on rules, routines, identities and roles.

In order to make clear the role of organizational factor, set of four constructs proposed by [2] was helpful in understand its influences on purchase decision. They included buying tasks, organizational structure, buying technology and people:

- Tasks—the work to be performed in accomplishing the objectives of the organization
- Structure—subsystems of communication, authority, status, rewards, and work flow
- Technology—problem-solving inventions used by the firm including plant and equipment and programs for organizing and managing work

# • People—the actors in the system

#### D. Supplier Trust

The factor of trust, as defined by [36], was "the 'willingness to take risk,' [...] the level of trust is an indication of the amount of risk that one is willing to take." This could be explained by organizational buyers' perspectives on supplier choice as "ultimately relied on intangible factor such as vendor relationship, company reputation, service promises, and level of trust, to make their supplier decisions" [26]. In the market, especially where many sellers now tended to transfer to solution provision rather than simply selling products by providing an integrated bundle of products and services [37], [38]; trust, therefore was necessarily required because the buyers could not foresee the activities' outcomes.

The term as an analysis construct were classified either interpersonal trust or interorganizational trust [39], [40]. The focus of this study would be on interorganizational trust or supplier trust, which was the extents of trust that members of a focal organization placed on the partner organization [41], and thus, of one the buyer organization had to the seller

#### E. Purchase Importance

Finally, the level of purchase importance referred to the decision-making unit members' perception of the related impacts of the purchase on organizational production and profitability [14]. Ref. [42] further defined the concept as instrumental to the functioning, effectiveness and performance of the organization. The construct has as well been specifically examined on the effect on participation and influence [43], [15]. It was due to the formation of informal communication networks though which adequate information was necessarily acquired for the decision-making process in order to decrease the level of risks taken [27].

#### F. The Theoretical Framework

Based on the review of literature discussed above, a list of hypotheses bout the relationships to each other are proposed as followed:

- H<sub>1.1</sub>: Organizational factor directly affects organizational emotions.
- H<sub>1,2</sub>: Supplier trust directly affect organizational emotions.
- H<sub>1,3</sub>: Purchase importance directly affects organizational emotions.
- H<sub>2.1</sub>: Organizational factor directly affects organizational purchase decision.
- H<sub>2.2</sub>: Supplier trust directly affects organizational purchase decision.
- H<sub>2,3</sub>: Purchase importance directly affects organizational purchase decision.
- H<sub>2.4</sub>: Organizational emotions directly affect organizational purchase decision.
- H<sub>3.1</sub>: The effect of organizational factor on organizational purchase decision is mediated by organizational emotions.
- H<sub>3.2</sub>: The effect of supplier trust on organizational purchase decision is mediated by organizational emotions.
- H<sub>3.3</sub>: The effect of purchase importance on organizational purchase decision is mediated by organizational emotions.

#### III. METHODOLOGY

#### A. Questionnaire Design and Data Collection

This research applied the quantitative approach to emphasize quantification in the collection and analysis of data. The questionnaire established was based on major concepts and arguments discussed earlier in literature review. Most of the items using five-point Likert-scale ranging from 1 to 5, were equivalent from strongly disagree to strongly agree respectively.

The data collection procedure was consisted of two stages. In the first pilot test, the questionnaire was distributed to 50 different members who are in charge of different educational organizations in Dong Nai province to figure out whether it was understandable, logical, and measurable. After reviewing and refining the questions, another second full-scale study would be conducted. The total number of 421 qualified responses was fully collected under convenience sampling method.

#### B. Data Analysis

All of the information collected from the questionnaire was typed into a spreadsheet in Microsoft Excel and then coded, analyzed, and checked for errors prior to further statistical analysis. SPSS software was used to analyze collected data. Cronbach's alpha was used to test the validity and reliability of the data. Afterward, exploratory factor analysis (EFA) would present the number of factors that gave explanation on the maximum variance to the data. And lastly, multiple regression and path analysis would be employed to test the hypotheses.

#### C. Factor Analysis and Reliability

In this study, two groups dependent and independent variables were put under the exploratory factor analysis (EFA) accordingly. Kaiser-Meyer-Olkin and Barlett's test with Varimax rotation and Principal Component Analysis extraction method were performed. As a result, the KMO index for both dependent variables (KMO=0.851) and independent variables (KMO=0.887) were greater than 0.6 [44]. Additionally, Barltlett's test of Sphericity of both groups were significant (Sig.=0.000), which shows sufficient correlation between these factors.

TABLE I: SUMMARY OF DEPENDENT VARIABLES

Factors	Number of items	Cronbach's Alpha (N=421)
1. Organizational Purchase Decision (ORPURDE)	6	0.818
2. Organizational Emotions (OREMO)	5	0.887

Table I indicated the result of dependent variables, which were organizational purchase decision and organizational emotions. The factor loading of all items were far above the minimum required level (0.5) [45] and the Cronbach's alpha value which measured the internal consistency between items in the two variables were 0.818 and 0.887 accordingly. Ref. [46] reported that Cronbach's Alpha was acceptable when it equaled to 0.6 and good when the value exceeded 0.7.

Similarly, the factor loadings of all items in independent group were higher than 0.5 and the Cronbach's coefficient

alpha values among independent variables were above 0.70, which equaled 0.814, 0.804, and 0.743, for supplier trust, purchase importance and organizational factor presented in Table II.

TABLE II: SUMMARY OF INDEPENDENT VARIABLES

Factors	Number of items	Cronbach's Alpha (N=421)
Supplier Trust (TRUST)	5	0.814
<ol><li>Purchase Importance (IMPORPUR)</li></ol>	4	0.804
Organizational Factor (ORGFA)	4	0.743

#### IV. RESEARCH FINDING

#### A. Profile Sample

TABLE III: DEMOGRAPHIC INFORMATION

		Frequency	Percentage
Organization	Kindergarten	94	22.3
types	Pri., sec., high school	115	74.8
	Gov. edu. Organizations	12	2.9
Student	<100 students	2	0.5
number	100 - 500 students	178	42.3
	500 - 1000 students	124	29.3
	>1000 students	117	27.8
Yearly	< 4 times	292	69.3
purchase	4-10 times	125	29.7
frequency	> 10 times	4	1.0
Purchase	<10 million VND	56	13.3
budgets	10 – 50 million VND	238	56.5
	50 - 100 million VND	72	17.1
	>100 million VND	55	13.1

Most of respondents of the survey were in charge in board of director with 58%. Meanwhile, people from deputy of financial department and chief accountant accounted for 23% and 10% accordingly. Only 9% were the others responsible for the procurement. Table III continuously illustrated the profile of the respondents who belonged to three different kinds of institutions categorized in institutions' student number, yearly purchase frequency and purchase budgets. In general, major number of respondents were from the group of primary, secondary and high school (74.8%). Meanwhile, 22.3% were from kindergartens and less than 3% were from the groups of governmental educational organizations. It could be implied that the second group accounted for the most educational institutions in Dong Nai province. For the category of student number, the major institutions surveyed had around 100-500 students accounting for nearly 50% and only 2 had less than 100 students. At the same time, the yearly purchase frequency of most of organizations lied at the group of less than 4 times with 70% but only 1% transpired more than 10 purchase decisions each year. Lastly, in the purchase budgets, major organizations spent less than 50 million VND (69.8%) every year. 55 organizations, on the other hand, accounting for 13.1% had the budgets up to more than 100 million VND for purchasing.

## B. Factor Effecting Organizational Emotions

#### 1) Correlations between variables

Table IV showed the positive correlations between dependent variable (ORPURDE) and three independent

variables of TRUST (r=0.604, p<0.05), IMPORPUR (r=0.515, p<0.05), and ORGFA (r=0.631, p<0.05), and the mediating variable of OREMO (r=0.542, p<0.05). These result indicated that the level of supplier trust, purchase important and organizational factor had a positive relations to the purchase decision of organizations.

TABLE IV: PEARSON CORRELATIONS BETWEEN VARIABLES OF THE RESEARCH MODEL.

	ORPURDE	1	2	3	4
1. TRUST	0.604*	1.000			
2. IMPORPUR	0.515*	0.441*	1.000		
3. ORGFA	0.631*	0.571*	0.553*	1.000	
4. OREMO	0.542*	0.596*	0.522*	0.604*	1.000
Mean	4.06	3.97	3.85	4.01	3.94
Std. Deviation	0.489	0.540	0.608	0.459	0.422

Note: \* Significant level at p < 0.05.

# 2) Direct effects of independent variables on organizational purchase decision

TABLE V: EFFECT COEFFICIENTS BETWEEN IVS AND OREMO

Variables	Unstandardized Coefficients (B)	t- value	Sig.
	1.253	9.074	0.000
1. TRUST	0.261	4.934	0.000
2. IMPORPUR	0.147	6.339	0.000
3. ORGFA	0.272	7.700	0.000

Note: Dependent Variable: OREMO: Organizational Emotions

- Predictors: TRUST, IMPORPUR and ORGFA
- ANOVA: F = 132.722, Sig. =000, p < 0.05.
- Model summary:  $R^2 = 0.488$ .

It could be seen from Table V, the R Square was 0.488, which meant that 48.8% of variance in the mediating variable (Organizational emotions) was explained by the independent variables. The relationships were recognized as significant if significant value was smaller than 0.05 [40]. From the table, the three variables TRUST (B=.261, p<0.05), IMPORPUR (B=0.147, p<0.05), ORGFA (B=0.271, p<0.05). This meant every 1 standard deviation changed in TRUST, or IMPORPUR, or ORGFA would lead to an increase in OREMO of 0.261, 0.147 or 0.271 respectively.

# 3) Direct effects of independent variables on organizational purchase decision

The result from Table VI showed that  $R^2$ = 0.512, which meant that 51.2% of variance in dependent variable (ORPURDE) was explained by the research model. It could also be seen in the table that all the independent variables' significant values were smaller than 0.05. Thus, it could be concluded that all the independent variables including TRUST (B=0.271, p<0.05), IMPORPUR (B=0.130, p<0.05), ORGFA (B=0.339, p<0.05), and HEDPER (B=0.101, p<0.05) provided significantly positive effects on ORPURDE. This meant that every 1 standard deviation of change in TRUST, or IMPORPUR, or ORGFA, or OREMO would lead to a change in ORPURDE of 0.271, or 0.130, or 0.339, or 0.101 respectively.

TABLE VI: EFFECT COEFFICIENTS BETWEEN IVS AND ORPURDE

Variables	Unstandardized t- value Coefficients (B)		· · · · · · · · · · · · · · · · · · ·		Sig.
	0.730	4.256	0.000		
1. TRUST	0.271	6.596	0.000		
2. IMPORPUR	0.130	3.742	0.000		
3. ORGFA	0.339	6.646	0.000		
4. OREMO	0.101	1.825	0.000		

Note: Dependent Variable: ORPURDE: Organizational purchase decision

-Predictors: TRUST, IMPORPUR, ORGFA and OREMO

-ANOVA: F = 109.012, Sig. =000, p < 0.05

-Model summary:  $R^2 = 0.512$ 

#### 4) Significant of indirect effects

In order to test whether the indirect effected occurring due to the mediating factor organizational emotions were significantly supported, bootstrapping method was applied as suggested by [47]. In a case such that at the confidence interval was 95%, if a zero (0) was not included between the lower boundary (LL) and the upper boundary (UL) interval, it could be stated that the indirect effect was different from zero, or the mediation was significant. Otherwise, when zero (0) was between the 2 boundaries, the indirect effect was insignificant. According to the result from Table VII, the indirect effect of TRUST on ORPURDE through the mediation of OREMO was calculated falling within the range of 0.172 (LL) and 0.373 (UL). Similarly, the indirect effects of IMPORPUR and ORGFA on ORPURDE through the factor of OREMO were also lying between the range from 0.060 to 0.198 and from 0.207 to 0.476. Clearly, at 95% confidence interval, zero was not included in these ranges. Therefore, it could be concluded that the indirect effects of the three independent variables on ORPURDE mediated by OREMO were significant at p<0.05 (two-tailed).

TABLE VII: DIRECT, INDIRECT, AND TOTAL CAUSAL EFFECTS

Variables	Causal effects			LL	UL
	Direct	Indirect	Total	-	
5. TRUST	0.271	0.026	0.297	0.172	0.373
6. IMPORPUR	0.130	0.015	0.145	0.060	0.198
7. ORGFA	0.339	0.027	0.366	0.207	0.476
8. OREMO	0.101		0.101		
Total	0.841	0.068	0.909		

Note: confidence level is 95%

# 5) The causal effects of impulse buying

Table VII presented briefly the causal effects of independent variables on Organizational purchase decision mediated by the variable of Organizational emotions. Regardingly, ORGFA had the strongest impact on ORPURDE with ( $\beta$ =0.366), followed by TRUST ( $\beta$ =0.297). IMPORPUR showed the weakest total effect on OPRUDE with with  $\beta$  value only equaled 0.145. The total effect of these factors on IMBU was 0.906, which direct effects of TRUST, IMPORPUR and ORGFA accounted for a large percentage of 93% ( $\beta$ =0.841), whereas the indirect effects of those factors on the dependent variable ORPURDE were only 7%.

The Fig. 1 below illustrated the causal effects of independent variables and mediating variable on Organizational purchase decision by graph. To summarize, Supplier trust, Purchase importance and Organizational factor

all had both direct and indirect effects on Organizational purchase decision which were mediated by the factor of Organizational emotions.

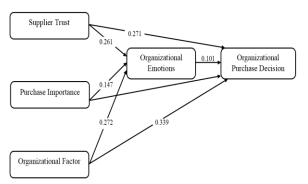


Fig. 1. Path coefficients of hypothesis testing.

Note: All coefficients in the model were significant at the 0.05 level

#### V. DISCUSSIONS AND RECOMMENDATION

#### A. Discussion

The findings in this research were consistent with the previous literature review. In line with the research of [4], [15], [48], this research implied the importance of purchase and organizational factor did affect the participation and involvement within the decision- making unit in the need to acquire adequate information on the purchasing products or services. That was, when public organizations in Dong Nai province made decisions, the purchasers concerned about the importance of the purchase to the organizations' operations. The factor of organization such as buying task, organizational structure, buying technology and attitude of other members also drew a strong impact in the process. The factor of trust, on the other hand, was in line with the work of [16] in the effect on increasing the possibility a certain supplier is selected by an organization. This empirical study also shed light on the factor of organizational emotions as a mediator. As the result, the three independent variables: supplier trust, purchase important and organizational factor had both direct and indirect impacts on the buying decision of the organizations.

Due to the lack of time and budget, this study still little knew about how organizational behavior and buying decision changed when put in different purchase situations. Other factors such as commission and individual factor were also found to be related in the the decision-making process in some papers so that the additional investigations of these factors merit the future work. In short, future researchers could extend this research's findings to other sectors or enlarge in scale, perhaps to the national level to further comprehensively investigate the situation. By that mean, the literature review of purchase decision transpired in organizations in Southeast Asia would be strongly expanded and help to set a cross-sectional and cross-national result comparison.

# B. Implications of Purchase Decision Occurred in Public Sector

## 1) Implications for public organizations

The result showed that organizational factor among three

independent variables played the most important role that affected the purchase decision (B = 0.339, p < 0.05). Additionally, the descriptive result implied that most of the decisions were made by the board director of the organization, who might, especially in technical and complex purchases, lack of expertise experience. As a consequence, it was one of the reasons leading to the inefficient use of public fund in rational senses. Because specification and monitoring of purchases associated with the administrative cost remain issues [49], it would be necessary for a change in public sector where the front-line professionals should be empowered to exercise their specialty [12]. At the same time, according to [50], it is apparent that local authorities should enhance required skills such as contract management, networking, negotiations with different type of organizations and relationship building for multi-organizational teams.

Secondly, even the synergic benefits from centralized purchased in public sector has been recognized [51] such as the minimization of administrative work and administration duplication [52], the concept needs to be used with thoughtful considerations, especially ones with high level of importance and large-scale impact to avoid over-spending as 'one size fits all'. The acts requires the purchasers of excel managerial skills, and the ability of estimating all possible scenarios of the purchases. They should be ensured the necessary amount of flexibility in making decision and considering what the best fit for each particular situation. It also stresses the need of 'strategic purchasing' in long-term which includes activities of planning, implementing, evaluating and controlling of the purchase function [53], [54].

On top of that, the accountability of the procurement needs more increasing attentions to avoid power abuse, fraud and corruption. Ref. [55] pointed out public purchasers who committed frauds could totally not be awarding the best and lowest biding but justifying to preferred candidates with the excuse of considerations for widening national interests. They might even sought to arrange competition to discourage firms from biding. Such phenomenon is typically true in the context of Vietnam that needs to be cautious.

## 2) Implications for organizational suppliers

At the same time, the study made a confirmation of supplier trust in the positive effect on the supplier choice from the organization. It was showed that the organizations tended to choose the supplier which were capable of putting the company's interest at first and delivering what were promised. This implies the advantage of being chosen that big suppliers had due to its reputation rather the small ones. However, they need to ensure their products and services offered with quality with comparable price to maintain the long-term relationship with the organizations in the future. The role of sales people is also enhanced, especially in complex offers, which is in line with the study of [56]. This creates opportunities for the small supplier to join in as comparable alternatives such as the same products and services with equal price and availability. In addition, the smaller suppliers also need to offer unique features to the buyers in the problem solution so that they can be differentiated from the others.

Moreover, studies in this field indicated that very often selling firms approached and spent time dealing with people without real buying power [24]. Therefore, this paper suggests that the sellers should contact with the right ones who have the power in making the purchase decision for the purpose of cost-saving and then offer the company's solution and build trust with them.

#### VI. CONCLUSION

The purpose of this paper was to report the results of a study which was carried to find out a number of major factors that affected the principal aspects of public purchasing in Dong Nai province, Vietnam. It contributed to the necessity to expand the organizational literature in Southeast Asia when most of previous research originated from Western countries. In summary, the results completely matched with the hypotheses and the theoretical framework proposed in this study. Supplier trust, the importance of purchase and especially organizational factor have proved to be important in the effect on the supplier choice in organizational purchase decision. The research also confirmed the role of emotions in organizational in the procurement which also need to be paid attention on. To summarize, the research's outcome did not only contribute some practical implications for public purchase but also give some implications and theoretical implementations for further research studies.

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