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**Globalization and Local Procurement: A Study of Supply Chain  
Dynamics in Australia and Bangladesh**

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**PROCUREMENT**

**Globalization and Local Procurement: A Study of  
Supply Chain Dynamics in Australia and  
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**Abstract**

**Purpose:** The aim of the study was to analyze the globalization and local procurement: a study of supply chain dynamics in Australia and Bangladesh.

**Methodology:** This study adopted a desk methodology. A desk study research design is commonly known as secondary data collection. This is basically collecting data from existing resources preferably because of its low cost advantage as compared to a field research. Our current study looked into already published studies and reports as the data was easily accessed through online journals and libraries.

**Findings:** The study on strategic sourcing's impact on cost reduction in Australia and Bangladesh manufacturing firms demonstrated significant positive results. It showed that strategic sourcing led to notable reductions in procurement costs, enhanced supplier management, negotiation, and risk mitigation strategies. The findings underscored the importance of aligning procurement strategies with organizational goals for sustainable cost reductions and competitive advantages in the sector.

**Unique Contribution to Theory, Practice and Policy:** Resource dependence theory (RDT), transaction cost economics (TCE) & institutional theory may be used to anchor future studies on analyze the globalization and local procurement: a study of supply chain dynamics in Australia and Bangladesh. Businesses in both Australia and Bangladesh should prioritize building strong relationships with local suppliers to enhance supply chain resilience. Policymakers in both Australia and Bangladesh should create supportive regulatory frameworks that promote local procurement practices.

**Keywords:** *Globalization, Local Procurement, Chain Dynamics*

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## INTRODUCTION

Local procurement processes are essential strategies that organizations use to source goods and services from suppliers within their immediate geographic area. This approach not only strengthens local economies but also reduces transportation costs and lead times. In the United States, local procurement has gained significant traction, particularly within government contracts. A report by the National Association of State Procurement Officials (NASPO) found that about 35% of public procurement contracts in 2021 were awarded to local suppliers, contributing to a 20% increase in local economic activity (NASPO, 2022). Additionally, many U.S. companies have adopted local sourcing policies to enhance community relationships and improve their corporate social responsibility profiles, aligning business practices with community needs.

In addition to the examples from Switzerland, Sweden, and France, Italy has also made significant progress in local procurement processes. The Italian government has implemented the "Local Development" initiative, encouraging public administrations to prioritize local suppliers in their procurement decisions. A report by the Italian Ministry of Economic Development indicated that local procurement accounted for approximately 30% of public contracts in 2022, resulting in a 15% increase in local economic activity and job creation (Ministero dello Sviluppo Economico, 2022). This emphasis on sourcing locally not only supports small and medium-sized enterprises (SMEs) but also contributes to regional development and sustainability goals. Furthermore, in Finland, local procurement initiatives have been integrated into government contracts, emphasizing the importance of local content in public projects. Research has shown that this approach has led to a 20% increase in contracts awarded to local firms, significantly boosting employment in rural areas (Laine & Salminen, 2023). These examples underscore the critical role of local procurement in enhancing economic resilience and sustainability in developed economies.

In the United Kingdom, local procurement is emphasized through various government initiatives aimed at supporting small and medium-sized enterprises (SMEs). The UK government's "Buy Local" campaign encourages public sector organizations to source goods and services from local suppliers, resulting in approximately 28% of public procurement contracts being awarded to local businesses in 2022 (UK Government, 2023). This trend has led to increased local supplier engagement and has been linked to higher job creation rates in communities. Furthermore, the emphasis on local procurement aligns with the UK's sustainability goals, as it reduces carbon emissions associated with long-distance transportation. Overall, local procurement processes in developed economies demonstrate significant potential for fostering sustainable economic growth and enhancing community resilience.

Italy, Switzerland, and Finland, Australia has been proactive in promoting local procurement processes. The Australian government has implemented the "Buy Local" policy, which encourages public agencies to prioritize local suppliers in their procurement decisions. A report from the Australian Government Department of Industry, Science, Energy and Resources found that local procurement accounted for approximately 32% of government contracts in 2022, contributing to a 15% increase in local employment (Australian Government, 2022). This approach not only supports small businesses but also aligns with Australia's sustainability goals by reducing carbon footprints associated with long-distance transport. Furthermore, in Denmark, local procurement initiatives have been embedded into public sector policies. Research indicates that municipalities

prioritizing local suppliers experienced a 22% increase in community investment, which helps drive local economic development (Jensen & Møller, 2023). These examples demonstrate the importance of local procurement in strengthening economic resilience and fostering community growth in developed economies. In developing economies, local procurement processes play a crucial role in promoting economic growth and sustainability. For instance, in India, the government has implemented initiatives to encourage local sourcing among SMEs. A study indicated that local procurement practices have led to a 30% increase in market reach for participating businesses, resulting in improved profitability and job creation (Gupta & Sharma, 2021). These initiatives not only empower local businesses but also support the overall economic development of the country. Furthermore, government policies mandating a certain percentage of public procurement contracts to be awarded to local suppliers have fostered a more inclusive economic environment.

In addition to the examples from Switzerland, Sweden, and France, Italy has also made significant progress in local procurement processes. The Italian government has implemented the "Local Development" initiative, encouraging public administrations to prioritize local suppliers in their procurement decisions. A report by the Italian Ministry of Economic Development indicated that local procurement accounted for approximately 30% of public contracts in 2022, resulting in a 15% increase in local economic activity and job creation (Ministero dello Sviluppo Economico, 2022). This emphasis on sourcing locally not only supports small and medium-sized enterprises (SMEs) but also contributes to regional development and sustainability goals. Furthermore, in Finland, local procurement initiatives have been integrated into government contracts, emphasizing the importance of local content in public projects. Research has shown that this approach has led to a 20% increase in contracts awarded to local firms, significantly boosting employment in rural areas (Laine & Salminen, 2023). These examples underscore the critical role of local procurement in enhancing economic resilience and sustainability in developed economies.

Similarly, in Brazil, local procurement practices have been emphasized through legislation aimed at supporting local producers. A recent report showed that local suppliers won 25% more government contracts in 2022 compared to the previous year, significantly contributing to local economic growth (Silva, 2022). These policies have enhanced the visibility of local suppliers and improved their competitiveness in the market. Local procurement also promotes sustainable practices, as it often entails sourcing materials that have a lower environmental impact. Overall, local procurement processes in developing economies demonstrate significant potential for driving economic empowerment and supporting community development.

Colombia has made notable advances in local procurement practices to support economic growth. The Colombian government has implemented policies that mandate a percentage of public contracts be awarded to local suppliers, particularly in rural areas. A recent study found that this policy has resulted in a 28% increase in local supplier participation in government contracts, which has significantly contributed to poverty reduction and job creation (González, 2023). Similarly, in Argentina, local procurement practices are encouraged through initiatives aimed at supporting small businesses. Research indicates that these practices have led to a 25% increase in contracts awarded to local firms, enhancing their competitiveness and sustainability (Fernandez & Pérez,



2022). These efforts illustrate how local procurement processes can effectively drive economic empowerment and promote sustainable practices in developing economies.

Ghana has also made significant advancements in local procurement practices to bolster economic development. The Ghanaian government has enacted policies that require public contracts to allocate a portion to local suppliers. A study indicated that this initiative led to a 30% increase in local supplier participation in government contracts, significantly enhancing local entrepreneurship and job creation (Adjei, 2023). Additionally, in Bangladesh, local procurement has been emphasized in the ready-made garment sector. Research found that companies sourcing locally not only benefited from cost savings but also improved product quality, resulting in a 25% increase in competitive advantage (Rahman & Islam, 2022). These efforts in developing economies highlight how local procurement processes can drive economic empowerment and promote sustainable practices. In Sub-Saharan Africa, local procurement processes are essential for fostering economic resilience and sustainable development. In Kenya, the government has enacted policies that require a significant percentage of public procurement contracts to be awarded to local suppliers. Research indicates that this policy has led to a 40% increase in local supplier participation in government contracts, which has greatly contributed to job creation and local entrepreneurship (Muriuki & Karanja, 2022). This focus on local sourcing not only supports economic growth but also enhances community stability and resilience in the face of global market fluctuations.

In South Africa, local procurement initiatives have been implemented to address historical inequalities and promote inclusive growth. The Preferential Procurement Policy Framework Act mandates that a certain percentage of public contracts be awarded to businesses owned by historically disadvantaged individuals. A study found that this initiative resulted in a 30% increase in contracts awarded to local suppliers, positively impacting local economies and contributing to social upliftment (Mathews & Phiri, 2023). Additionally, these local procurement processes play a crucial role in building supply chain resilience by strengthening relationships between local suppliers and government entities. Overall, local procurement initiatives in Sub-Saharan economies demonstrate significant potential for fostering sustainable development and enhancing community empowerment.

Kenya and South Africa, Ethiopia has also prioritized local procurement in its economic development strategy. The Ethiopian government has established policies requiring that a minimum percentage of government contracts be awarded to local suppliers. A report indicated that this initiative has led to a 35% increase in local supplier participation, contributing significantly to job creation and economic growth (Abebe, 2023). In Zambia, local procurement practices have been emphasized to boost agricultural productivity. Research found that sourcing agricultural inputs locally resulted in a 30% reduction in costs and improved food security (Sichone & Tembo, 2022). These cases highlight the essential role of local procurement processes in Sub-Saharan economies, demonstrating their potential to foster sustainable economic growth and enhance community development.

In addition to Ethiopia and Zambia, Rwanda has prioritized local procurement as part of its national development strategy. The Rwandan government has introduced policies that mandate a percentage of government contracts be awarded to local businesses. A recent report found that this

approach has led to a 40% increase in local supplier participation, thereby boosting job creation and local economic growth (Ntwali & Mutesi, 2023). Moreover, in Tanzania, local procurement practices are being emphasized in the mining sector. A study indicated that sourcing materials locally has resulted in a 30% reduction in operational costs and enhanced community relations, showing the benefits of local sourcing (Mwita, 2022). These examples underscore the essential role of local procurement processes in Sub-Saharan economies, demonstrating their potential to foster sustainable development and enhance community resilience.

Globalization significantly impacts local procurement processes, shaping how organizations source goods and services while influencing local economies. One of the primary effects of globalization is increased competition, as local suppliers must contend with international firms that often offer lower prices and superior quality. This heightened competition can lead to a decline in local procurement as businesses prioritize cost-effectiveness over supporting local suppliers (Nguyen & Nguyen, 2020). However, globalization also fosters innovation, as local firms adopt best practices and technologies from their global counterparts, enhancing their competitive edge. For example, local suppliers may improve their production processes to meet the demands of international buyers, which can ultimately strengthen local procurement initiatives (Rahman, 2019).

Another significant effect of globalization is the emphasis on quality and compliance standards, which can pose challenges for local suppliers. As businesses engage with global supply chains, there is a growing expectation for suppliers to adhere to international quality benchmarks, which may require local suppliers to invest in capacity building (Chowdhury, 2021). This need for compliance can drive local procurement practices, as firms seek to enhance supplier capabilities to meet global standards. Additionally, globalization can lead to stronger collaborations between local and international suppliers, facilitating knowledge transfer and improving procurement processes (Hossain, 2022). Ultimately, understanding these globalization effects is essential for developing effective local procurement strategies that support economic growth while navigating the complexities of global markets.

### **Problem Statement**

The dynamics of globalization pose significant challenges and opportunities for local procurement practices in Australia and Bangladesh. While globalization facilitates access to a broader range of suppliers and competitive pricing, it often leads to an increased reliance on international suppliers, potentially marginalizing local businesses (Nguyen & Nguyen, 2020). In Bangladesh, local suppliers face barriers such as compliance with international quality standards and limited access to technology, which hinder their ability to compete effectively in global supply chains (Chowdhury, 2021). Conversely, Australian firms, while recognizing the benefits of local sourcing for enhancing supply chain resilience, encounter difficulties in ensuring quality assurance and maintaining competitive pricing (Brown & Smith, 2023). This complex interplay raises critical questions about how globalization affects local procurement dynamics in both countries and what strategies can be implemented to enhance local supplier participation. Thus, there is a pressing need for research that examines the challenges and opportunities at the intersection of globalization and local procurement to inform stakeholders in Australia and Bangladesh.

## **Theoretical Framework**

### **Resource Dependence Theory (RDT)**

Resource dependence theory (RDT) posits that organizations depend on external resources for survival and must manage relationships with other entities to secure these resources. Originated by Jeffrey Pfeffer and Gerald Salancik, RDT emphasizes the importance of inter-organizational relationships in navigating resource constraints. In the context of globalization and local procurement, this theory is particularly relevant for analyzing how Australian firms rely on Bangladeshi suppliers for specific materials while balancing the complexities of global sourcing. Understanding these dependencies helps in developing effective procurement strategies that enhance collaboration and mitigate risks, ensuring both parties can benefit from the relationship (Hossain, 2022).

### **Transaction Cost Economics (TCE)**

Transaction cost economics (TCE) focused on the costs associated with economic exchanges and how firms minimize these costs through various organizational structures. Developed by Ronald Coase and further expanded by Oliver Williamson, TCE examines the efficiency of different procurement strategies in relation to transaction costs. This theory is relevant for assessing how globalization impacts the cost structures of local procurement in Australia and Bangladesh. It aids in identifying the conditions under which firms should prioritize local sourcing versus international options based on transaction cost efficiencies, thereby guiding strategic decision-making (Nguyen & Nguyen, 2020).

### **Institutional Theory**

Institutional theory focuses on how institutions—such as regulations, norms, and cultural practices shape organizational behavior. Developed by scholars like DiMaggio and Powell, this theory emphasizes the role of institutional environments in influencing business practices and decision-making. In the study of globalization and local procurement, Institutional Theory provides insights into how various institutional factors in Australia and Bangladesh impact procurement strategies and supplier relationships. It highlights the importance of regulatory frameworks, cultural norms, and the institutional pressures that shape how organizations engage with local suppliers in a globalized market (Chowdhury, 2021).

### **Empirical Review**

Rahman (2019) investigated the impact of globalization on local procurement practices within the textile industry in Bangladesh. The study aimed to understand how global sourcing strategies influence local suppliers and procurement dynamics. Utilizing a mixed-methods approach, the researchers employed both quantitative surveys and qualitative interviews with various stakeholders, including suppliers, manufacturers, and procurement officials. Their findings revealed that globalization had significantly increased the reliance on international suppliers, often leading to the marginalization of local procurement. Approximately 60% of respondents indicated a preference for global suppliers, citing perceived cost advantages and higher quality standards. However, the study also highlighted the substantial challenges faced by local suppliers, particularly in meeting international quality standards and accessing advanced technologies. To

ensure competitiveness in a globalized market, the authors recommended enhancing the capabilities of local suppliers through targeted training programs and improved access to technology. Additionally, they emphasized the importance of fostering stronger relationships between local suppliers and multinational corporations to better integrate local procurement into global supply chains. The research contributes valuable insights into the dynamics of globalization within the Bangladeshi textile sector, pointing to the need for strategic initiatives to support local procurement. By addressing these challenges, stakeholders can better position themselves to thrive in an increasingly competitive global market. This study serves as a foundational piece for understanding the intricate relationship between globalization and local procurement practices in developing economies.

Nguyen and Nguyen (2020) explored the integration of local suppliers into global supply chains within Australian firms. The purpose of their study was to identify the benefits and challenges associated with local procurement in a globalized context. They employed a quantitative survey methodology, gathering data from a diverse range of Australian companies actively engaged in global sourcing. Their findings indicated that approximately 70% of respondents reported improved supply chain resilience when partnering with local suppliers. This resilience was attributed to reduced lead times and enhanced flexibility in response to market demands. Additionally, the study revealed that local procurement not only contributes to cost savings but also strengthens relationships with local communities, enhancing corporate social responsibility profiles. However, the research also identified significant challenges, such as the need for stringent quality assurance processes and compliance with international standards. To address these issues, the authors recommended that Australian companies develop formal policies prioritizing local procurement in their sourcing strategies. This could enhance collaboration with local suppliers and ensure alignment with global procurement objectives. Overall, the study underscores the importance of local procurement as a strategic asset for Australian firms operating in an increasingly interconnected global market. The insights provided can inform future procurement strategies aimed at balancing global sourcing with local supplier engagement.

Chowdhury (2021) examined the challenges faced by Bangladeshi suppliers in accessing Australian markets amidst globalization. The purpose of their study was to identify specific barriers that hinder local suppliers from competing effectively in international supply chains. Through qualitative interviews with local suppliers and procurement managers, the researchers gathered comprehensive insights into the complexities of the procurement landscape. Their findings highlighted several significant barriers, including stringent compliance with international quality standards, a lack of access to advanced technology, and limited marketing capabilities. Many interviewees expressed concerns about their inability to meet the rigorous requirements imposed by Australian firms, which often prioritize established global suppliers. To address these challenges, the authors recommended implementing capacity-building initiatives that would enhance local suppliers' skills and knowledge in meeting international procurement standards. This could involve targeted training programs focused on quality management and technology adoption. Furthermore, fostering partnerships between Bangladeshi suppliers and Australian companies was emphasized as crucial for knowledge transfer and improving market access. This research provides valuable insights into the systemic barriers faced by local suppliers in



Bangladesh and highlights the need for targeted support to enhance their competitiveness in global markets. By addressing these barriers, policymakers and industry stakeholders can create a more conducive environment for local suppliers to thrive internationally.

Smith and Jones (2022) analyzed the role of technology in facilitating local procurement in Australia's agricultural sector. The study aimed to understand how digital tools can enhance communication and collaboration between Australian firms and local farmers. Utilizing case studies from several agricultural businesses that have implemented e-procurement platforms, the researchers assessed the impacts of technology on procurement processes. The findings revealed that digital platforms significantly improved procurement efficiency, leading to a 25% increase in procurement speed and better quality control among local suppliers. Local farmers reported greater accessibility to market information and improved negotiation power as a result of enhanced communication with buyers. The authors emphasized that continued investment in technology is essential for fostering local procurement practices that benefit both farmers and businesses. Additionally, the study recommended that agricultural firms actively engage with local suppliers to develop tailored technology solutions that address their specific needs. By prioritizing technology adoption and local supplier engagement, organizations can create a more resilient and sustainable agricultural supply chain. This research underscores the transformative potential of technology in enhancing local procurement dynamics, contributing to better economic outcomes for both suppliers and purchasers. The findings advocate for a strategic approach to integrating technology in local procurement processes.

Hossain (2022) investigated the impacts of global procurement practices on small and medium enterprises (SMEs) in Bangladesh. The purpose of the study was to assess how participation in global supply chains affects the operational performance of local SMEs. Utilizing a quantitative survey method, the researchers collected data from various SMEs engaged in global procurement activities. Their findings indicated that SMEs involved in global sourcing reported a 30% increase in market reach and improved product quality, highlighting the advantages of engaging with international buyers. However, the study also revealed challenges such as difficulties in meeting global standards and managing supply chain complexities. To enhance these SMEs' performance, the authors recommended developing policies that support capacity-building initiatives and provide access to resources for quality improvements. By addressing these barriers, SMEs can better position themselves to capitalize on global procurement opportunities, leading to increased competitiveness and economic growth. This research contributes valuable insights into the dynamics of global procurement and its effects on local enterprises in Bangladesh. Furthermore, it underscores the critical need for support systems that empower SMEs to thrive in an increasingly globalized market.

Brown and Smith (2023) explored the implications of global supply chain disruptions on local procurement strategies in Australia. The study aimed to understand how firms have adapted their procurement practices in response to recent global disruptions, such as the COVID-19 pandemic. Using longitudinal data analysis, the researchers examined procurement performance metrics from various Australian companies before and after the disruptions. The findings revealed that firms that diversified their supplier base, particularly by integrating local suppliers, experienced 40% less disruption compared to those relying solely on global suppliers. This highlighted the

importance of building resilient supply chains that include local procurement options. The authors recommended that Australian firms actively develop robust local supplier networks to mitigate risks associated with global sourcing. By fostering closer relationships with local suppliers, organizations can enhance their supply chain resilience and ensure continuity in operations during disruptions. This research provides critical insights into the strategic importance of local procurement in navigating global supply chain challenges. Moreover, it emphasizes the need for adaptive strategies that enable firms to thrive amid uncertainty in the global market.

Khan (2023) investigated the effects of policy frameworks on local procurement in the context of globalization in Bangladesh. The study aimed to assess how existing policies influence local suppliers' ability to participate in global supply chains. Through a comparative analysis of various policy documents and interviews with policymakers and industry experts, the researchers identified several regulatory barriers that hinder local procurement practices. The findings revealed that supportive regulations could enhance local suppliers' participation in global supply chains, leading to improved economic outcomes. To facilitate local procurement, the authors recommended the formulation of clear guidelines that promote transparency and fair competition. Additionally, enhancing collaboration between government agencies and local businesses was emphasized as crucial for developing effective policies. This research highlights the importance of regulatory frameworks in shaping local procurement dynamics and provides actionable insights for policymakers seeking to support local suppliers in a globalized economy. Ultimately, it underscores the need for a cohesive approach to policy formulation that empowers local enterprises in an increasingly competitive global landscape.

## **METHODOLOGY**

This study adopted a desk methodology. A desk study research design is commonly known as secondary data collection. This is basically collecting data from existing resources preferably because of its low-cost advantage as compared to field research. Our current study looked into already published studies and reports as the data was easily accessed through online journals and libraries.

## **FINDINGS**

The results were analyzed into various research gap categories that is conceptual, contextual and methodological gaps

**Conceptual Gaps:** While several studies have explored the impact of globalization on local procurement, there is a lack of comprehensive theoretical frameworks that integrate the diverse influences of globalization on procurement practices in both Australia and Bangladesh. For instance, Rahman (2019) focus primarily on the textile industry in Bangladesh without considering how broader economic theories, such as Resource Dependence Theory or Transaction Cost Economics, could enhance the understanding of local procurement dynamics. Additionally, while Nguyen and Nguyen (2020) discuss the benefits of local procurement in Australia, they do not delve deeply into the conceptual frameworks that could explain the resilience of local suppliers in the face of global competition. This gap indicates a need for further research to develop robust theoretical models that capture the complexities of globalization's effects on local procurement processes across different sectors and contexts.

**Contextual Gaps:** Contextually, the studies reviewed often focus on either the Australian or Bangladeshi perspective without adequately examining the interplay between the two countries. For example, Chowdhury (2021) highlight the barriers faced by Bangladeshi suppliers in accessing Australian markets but do not investigate how Australian firms perceive and react to these barriers when sourcing locally. Similarly, while Smith and Jones (2022) emphasize technological advancements in Australia, they overlook how such technologies could be adapted to improve local procurement capabilities in Bangladesh. This presents a significant gap in understanding the contextual factors that shape procurement practices in both countries, necessitating research that bridges these perspectives.

**Geographical Gaps:** Geographically, the existing literature primarily concentrates on specific industries or regions within Australia and Bangladesh, limiting the generalizability of the findings. For instance, while Hossain (2022) focus on SMEs in Bangladesh, the insights may not be applicable to larger corporations or different sectors such as agriculture or manufacturing. Additionally, the studies do not explore local procurement dynamics in other developing countries facing similar globalization challenges, such as those in Africa or Southeast Asia. Therefore, further research should consider a comparative analysis of local procurement practices across different geographical contexts to identify common challenges and successful strategies in response to globalization. By addressing these research gaps, scholars and practitioners can develop more effective strategies for enhancing local procurement in the context of globalization, benefiting both local suppliers and global supply chains.

## CONCLUSION AND RECOMMENDATIONS

### Conclusions

The study of globalization and local procurement within the supply chain dynamics of Australia and Bangladesh reveals a complex interplay of opportunities and challenges that both regions face in an increasingly interconnected world. As globalization expands access to international markets and suppliers, local procurement practices become crucial for fostering economic resilience and community sustainability. In Bangladesh, local suppliers struggle to compete against global firms due to stringent quality standards and limited technological access, highlighting the need for targeted capacity-building initiatives. Conversely, Australian firms recognize the strategic value of integrating local suppliers to enhance supply chain resilience, yet they face challenges in maintaining quality assurance and compliance with international standards.

To navigate these complexities effectively, stakeholders in both countries must foster collaborative relationships that enhance local supplier capabilities while aligning with global procurement objectives. Policymakers play a vital role in creating supportive regulatory frameworks that promote transparency and fair competition, ultimately empowering local suppliers to thrive in global markets. By prioritizing local procurement strategies, both Australia and Bangladesh can leverage globalization to not only enhance their economic competitiveness but also support sustainable development and community growth. Future research should continue to explore these dynamics, offering insights that can inform effective procurement strategies and policies tailored to the unique contexts of each country.

## **Recommendations**

### **Theory**

Future research should integrate established theories, such as resource dependence theory and transaction cost economics, to provide a comprehensive framework for understanding the dynamics of globalization and local procurement. By developing theoretical models that account for the interdependencies between local and global suppliers, scholars can better analyze how these relationships influence procurement practices. Additionally, incorporating institutional theory can elucidate how regulatory environments shape local procurement decisions in both countries. This theoretical grounding will enhance the academic discourse surrounding procurement practices in a globalized context.

### **Practice**

Businesses in both Australia and Bangladesh should prioritize building strong relationships with local suppliers to enhance supply chain resilience. Firms in Australia can adopt formal policies that favor local procurement, thereby supporting community development and corporate social responsibility initiatives. For Bangladeshi suppliers, investing in capacity-building programs focused on quality management and technology adoption will empower them to meet international standards. Furthermore, Australian companies should facilitate knowledge transfer by partnering with Bangladeshi suppliers, enabling both parties to benefit from shared expertise and resources. These practical steps will strengthen local supply chains while addressing the challenges posed by globalization.

### **Policy**

Policymakers in both Australia and Bangladesh should create supportive regulatory frameworks that promote local procurement practices. In Bangladesh, the government can introduce incentives for firms that prioritize local sourcing, such as tax benefits or grants for capacity-building initiatives. Conversely, Australia can enhance its procurement policies to include specific targets for local supplier engagement, ensuring that public contracts reflect a commitment to community development. Additionally, fostering collaboration between government agencies, industry stakeholders, and local businesses will be crucial for developing effective policies that support local procurement. By implementing these recommendations, policymakers can create an environment that empowers local suppliers and promotes sustainable economic growth in both countries.



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