

**ASSESSMENT OF EFFECTIVENESS OF CONTRACT MANAGEMENT ON PROCUREMENT
PERFORMANCE OF ROAD CONSTRUCTION PROJECTS IN TANZANIA: A STUDY OF
TARURA IN IRINGA REGION**

By

Saada Bomani

MBM-PSM/0035/2021

**A Research Proposal Submitted in Partial fulfilment for Award of the Requirement for the
Degree of Master of Business Administration in Procurement and Supplies Management of
the Institute of Accountancy Arusha**

November 2023.

DECLARATION

I, **Saada Bomani**, declare that this dissertation is my own original work, and to the best of my knowledge, it has not been presented for a degree in any other University or any other award.

.....

Signature

.....

Date

CERTIFICATION

I, the undersigned, certify that I have read and hereby recommend for acceptance by the Institute of Accountancy Arusha the dissertation entitled “***Assessment of Effectiveness of Contract Management on Procurement Performance of Road Construction Projects in Tanzania: A Study of TARURA in Iringa Region.***” in partial fulfilment of the requirement for the degree of Master of Business Administration in Procurement and Supplies Management of the Institute of Accountancy Arusha.

.....
Mr. Mishael E. Abduel

(Supervisor)

.....
Date

TABLE OF CONTENTS

DECLARATION	i
CERTIFICATION	ii
TABLE OF CONTENTS	iii
LIST OF TABLES	vi
LIST OF FIGURES	vii
LIST OF ACRONYMS	viii
ABSTRACT	ix
CHAPTER ONE	1
INTRODUCTION AND BACKGROUND OF THE STUDY	1
1.1 Introduction	1
1.2 Background to the Problem	1
1.3 Statement of the Problem	4
1.4 Research Objectives.....	6
1.4.1 General Objective	6
1.4.2 Specific Objectives	6
1.6 Scope of the Study	6
1.7 Limitations of the Study	7
1.8 Significance of the Study	7
1.9 Organization of the Research Report	8
CHAPTER TWO	9
LITERATURE REVIEW	9
2.1 Introduction	9
2.2 Theoretical Literature Review	9
2.2.1 Definition of Concepts and Terms.....	9
2.3 Empirical Literature Review	13
2.3.1 Contract Administration and Performance	13
2.3.2 Contractor Relationship Management and Performance	15
2.3.3 Contract Dispute Resolution and Performance.....	16
2.4 Theoretical Framework	18

2.4.1 Contract Management Theory	18
2.4.3 Principal-Agent Theory	19
2.5 Research Gap	21
2.6 Conceptual Framework.....	22
2.6.1 Contract Administration	24
2.6.2 Dispute Resolution.....	24
2.6.3 Contractor Relationship Management	24
2.6.4 Procurement Performance.....	24
CHAPTER THREE	25
RESEARCH METHODOLOGY	25
3.1 Introduction	25
3.2 Research Design	25
3.3 Research Approach	25
3.4 Area of the Study	26
3.5 Research Population and Sampling.....	26
3.5.1 Target Population	26
3.5.2 Research Sample and Sampling Methods.....	27
3.5.3 Sample Size	28
3.6 Data Collection Methods.....	29
3.6.1 Questionnaires.....	29
3.6.2 Interview	30
3.6.3 Documentary review	30
3.7 Data Analysis Methods.....	30
3.7.1 Content Analysis.....	31
3.7.2 Descriptive Statistics.....	31
3.8 Validity and Reliability of Data	31
3.9.1 Validity	31
3.10 Ethical Consideration.....	32
CHAPTER FOUR	34
PRESENTATION AND DISCUSSION OF FINDINGS.....	34
4.1 Introduction	34
4.2 Response Rate.....	34
4.2 Test of Reliability and Validity	35

4.2.1 Reliability Test	35
4.2.2 Validity Test	36
4.4.1 The Effect of Contractor Relationship Management on Procurement Performance of Road Construction Projects.....	43
4.4.3 The Effect of Contract Dispute Resolution on Procurement Performance of Road Construction Projects.....	48
CHAPTER FIVE	52
CONCLUSIONS AND RECOMMENDATIONS	52
5.1 Introduction	52
5.3 Conclusion of the Study	52
5.3 Recommendations of the Study.....	53
REFERENCES	54
APPENDIX I: QUESTIONNAIRE	60
APPENDIX II: INTERVIEW GUIDE	69
APPENDIX III: BUDGET.....	70
APPENDIX IV: WORK PLAN.....	71

LIST OF TABLES

Table 3. 1: Target Population from TARURA - Iringa Region	27
Table 3. 1: Target Population from TARURA - Iringa Region.....	27
Table 4.1: Response Rate.....	35
Table 4.2 Reliability Statistics.....	36
Table 4.3: KMO and Bartlett's Test.....	37
Table 4. 3: Professional Qualifications.....	38
Table 4. 4: Contract Monitoring and Control.....	40
Table 4. 4: Documentation.....	41
Table 4. 5: Compliance.....	42
Table 4. 5: Commitment.....	45
Table 4. 5: Trust	46
Table 4. 6: Continuous Improvement.....	47
Table 4. 9: Non- Adjudicative Resolution.....	49
Table 4. 10: Adjudicative Resolution Methods.....	51

LIST OF FIGURES

Figure 2. 1: Conceptual Framework.....	23
--	----

LIST OF ACRONYMS

CAG	Controller and Auditors General
GDP	Gross Domestic Product
LGA	Local Government Authority
M&E	Monitoring and Evaluation
OECD	Organization for Economic Co-operation and Development
PE	Procuring Entity
PPA	Public Procurement Act
PPRA	Public Procurement Regulatory Authority
SPSS	Statistical Package of Social Science
TARURA	Tanzania Rural and Urban Roads Agency
TAWA	Tanzania Wildlife Authority

ABSTRACT

The purpose of the study is to assess the effect of contract management on the procurement performance of road construction projects in Tanzania. The principal question to be addressed by this study is, "What is the effect of contract management on the procurement performance of road construction projects in Tanzania?" To answer this question and to achieve the primary objective of this study, the researcher focused on TARURA in Iringa Region as a case study. The study is governed by Institutional Theory, which requires TARURA, in its procurement contract management needs, to put in place effectively administered contracts, manage contractor relationships and handle disputes as required by the procurement law (PPA Act, 2011) and as a norm in all public entities to receive legitimacy; also, the Institutional Theory is supplemented by the Contracting Theory. The research design adopted is descriptive, which allows a detailed description and analysis of the variables under study, describing and presenting their characteristics and explaining their relationships without manipulation. The sample of the target population is composed of 42 respondents who are employees of the TARURA-Iringa region. The study used questionnaires as the primary research instrument, supplemented by interviews and documentary reviews. Data were coded as per the objectives to give distinct differences, and multivariate regression was done to look at the relationship of the variables. The presentation was done through their calculated mean, frequency, standard deviation and correlation analysis of the data collected.

CHAPTER ONE

INTRODUCTION AND BACKGROUND OF THE STUDY

1.1 Introduction

The study ascertained the effect of contract management on procurement performance of road construction projects in Tanzania: a study of TARURA in Iringa Region. In this study, contract management is conceived as an independent variable and procurement performance of road construction projects is the dependent variable. Contract management is measured in terms of contract administration, contractor relationship management and contract dispute resolution, while procurement performance of public organizations is measured in terms of cost-effectiveness and procurement agility. This chapter presents the background of the study, statement of the problem, research objectives (general objective and specific objectives), research questions, significance of the study, scope of the study, limitations of the study and organization of the research.

1.2 Background to the Problem

Fundamentally, procurement contract management is an instrument used by the government to provide essential public services and projects to the citizens. These projects range from buildings, roads, harbours, airports, bridges, highways, subways, railroads, power lines, pipelines, underground structures, water treatment and distribution. However, in the context of procurement, these projects are delivered through efficient contract management by procuring organizations. Larbi *et al.* (2019) reinforce that contract management examines the extent of procuring entities to supervise and monitor the contract performance. Thus, governments expect to achieve the best performance in procurement through effective contract management (Ancarani *et al.*, 2016). Best practices in contract management emphasise the need to inculcate the inherent tenets of success in the procurement process (Lysons & Farrington, 2012). This includes understanding fully what

constitutes a valid contract, terms and conditions of the contract, synergy-driven initiatives with suppliers or contractors, records trail of contractual obligations, business trends in the ever-volatile markets, continuous improvement discourse, degree of contractual probity and most importantly, the applicability of Key Performance Indicators (KPI) when defining procurement performance (Sammons, 2017). According to Rok (2012), better contract management turns out to be a springboard towards efficient government spending in this period of fiscal austerity. The ultimate result when contractual obligations are adhered to by the parties to the contract is sound public service delivery and maintenance of stakeholders' confidence in the government's undertakings.

Howard (2015) asserts that procurement has become global in scope, and this has paved the way for the need for contract management in international transactions. Rolling out a contract lifecycle management (CLM) solution globally brings forth enormous, unique challenges. Global contract management should enable contract effectiveness, contract compliance and efficient risk management across numerous countries as well as multiple regulatory and business environments. In global transactions, customer relations exceed borders as well as business practices and controls (Christopher, 2018). The magnitude of contract administration varies across Organization for Economic Co-Operation and Development (OECD) countries. Portugal and Greece report 20% of the government expenditure, while countries like Japan, Estonia and South Korea register 35% of the government expenditure. In terms of Gross Domestic Product (GDP), OECD countries reported an average share of 12.1% spent on contractual transactions in public procurement in the year 2013. Most industrialized countries across the globe spend at least 10% of their GDP on procurement contracts. This calls for well-functioning public procurement systems to address the contractual obligations of the parties concerned in order to ensure cost-effectiveness and value creation in holistic supply chain management (OECD, 2013).

According to a World Bank report (2012), states that many developing countries in Africa, for example, experience high costs of road construction, but most of the constructed roads are of low quality. The low quality of the roads is due to monopoly power by suppliers of construction materials and services, which do not respect contract management practices, the result of which is the low quality. In Kenya, Yegon and Mbeche (2018) studied the determinants of procurement contract management of select state corporations. The study notes contract relationship with contractual terms as the culmination of procurement performance. In addition, they noted that improving quality contract documentation is essential for the entire contract management process to be successful. Kipkemoi (2018) argues that contract documentation and the entire process of the contract management system should be done according to Public Procurement Act guidelines. Furthermore, public procurement officers in charge of contract management have been stage-managing the contracts to suit their desires, large sums of taxpayer's funds have been lost through legal cases, and the remedy is to have a good contract management legal framework.

In Tanzania, public procurement expenditure accounts for about 75% of its development annual budget. This implies that a lot of money is allocated to the procurement of works and services, which are contractual-based activities. Thus, proper contract management could ensure the proper utilization of resources, which leads to high work performance). Elsewhere, Nsanzimana and Mulyungi (2018) indicate a powerful and positive relationship between contract performance and management techniques as the correlation between project performance and management techniques in the project they studied was at 0. 720, indicating that management techniques affected contract performance of projects at the level of 72% which confirm a significant relationship between management techniques and contract performance of Rwandex - Remera road construction project. A similar observation is noted in Tanzania by Mlinga (2008), which indicates

ineffectiveness in procurement contract management caused by a lack of competent personnel who could manage contract issues.

Studies have indicated that despite all these interventions and however many researches being undertaken on the concept and context of contract management on the performance of construction projects in many countries, a number of weaknesses in the management of contracts are yearly reported (PPRA, 2021), this infers that there is little knowledge known on how contract management can affect procurement performance of public construction projects. It is the aim of the study to find out the effect and challenges and, hence, suggests ways to mitigate them.

1.3 Statement of the Problem

Despite the presence of procurement regulatory bodies in Tanzania, like the Public Procurement Regulatory Authority (PPRA), there are also immense cases of defaulted contracts, nullified contracts, and stalled projects that remain work-in-progress (WIP). These myriads of problems culminate in huge financial losses, time overruns and inconveniences to the target beneficiaries in public universities (Muchungu, 2012). Effectiveness and productivity in the procurement process, specifically in contract management, are crucial for economic development. In Tanzania, particularly in the public sector, there are numerous instances of inefficiency and ineffectiveness that have been recorded to exist (Mwakyelu, 2019). These could have originated from inefficient procurement contract management, which could not ensure timely and within-budget project completion (Nshemereirwe, 2015).

The Auditing Report of PPRA (2018/2019) reported that about 58% of 19 audited Procuring Entity (PE), including Tanzania Rural and Urban Road Agency (TARURA), showed such weaknesses as project supervisors failing to prepare progress reports to the implementation of contracts, amended contracts exceeding 15% of the contract value with no approvals from the legitimate authorities

which is against the Regulation 64 (4) of Public Regulation, 2013. The report further shows that some consultants engaged by PEs could not submit important deliverables as they appear in their contracts. Besides, some projects were executed beyond their contractual period with no evidence of extension and payments were made to the executed works without measurement and inspection.

Also, the CAG report (2021) revealed that Public Institutions paid over TZS 29 billion out of their spending plan, implying poor contract management. The public Institutions reported to be involved in the overpayments included the Tanzania Road Agency (TANROADS). The CAG report and the PPRA auditing report exhibit that there are loopholes in managing road construction contracts, specifically in the administration of the contract, i.e., contract monitoring and control, professional qualifications, documentation and compliance. On the other hand, poor contractor-supplier relationship management has resulted in the rise of disputes, delays in the completion of projects on time and improper management of variations, which in turn affects procurement performance and, ultimately, overall project performance.

It is argued in this proposal that there is scanty literature linking contract management practices and procurement performance, specifically in road construction projects that are under TARURA. Variables used in the present study, i.e., contract administration, contractor relationship management and contract dispute resolution, have hardly been studied and documented in existing literature in an integrated and empirical setting, as stipulated in the subsequent section below. It was the general proposition of this study that proper contract administration, coupled with contractor relationship management and contract dispute resolution, will directly improve procurement performance and ultimately positively influence organizational performance in the public sector. TARURA in the Iringa Region was selected in this study for convenience purposes and as one of

the government functions that implements and manages road construction projects, which requires sufficient managerial skills in managing contracts of the implemented projects.

1.4 Research Objectives

1.4.1 General Objective

To ascertain the effect of contract management on procurement performance of road construction projects in Tanzania: a study of TARURA in Iringa Region.

1.4.2 Specific Objectives

1. To assess the effect of contract administration on the procurement performance of road construction projects in Tanzania.
2. To determine the effect of contractor relationship management on the procurement performance of road construction projects in Tanzania.
3. To examine the effect of contract dispute resolution on procurement performance of road construction projects in Tanzania.

1.6 Scope of the Study

The procurement function of public entities is to ensure that works, goods and services are procured at the most competitive prices and of the required quality as per established procurement contracts.

The study focused on the effectiveness of contract management on the procurement performance of TARURA in the Iringa Region. Specifically, the study concentrated on the effect of contract administration on procurement performance, the effect of contractor relationship management on procurement performance and lastly, the effect of contract dispute resolution on procurement performance.

1.7 Limitations of the Study

Some respondents were not willing to provide full information for fear of being reprimanded by their managers for giving out information that they consider confidential. However, the researcher assured the respondents with regard to the confidentiality of the information that they provided and sought authority from the TARURA-Iringa management to undertake the research.

Access to accurate information from respondents because of divided attention as they desired to safeguard the reputation of the organization, thus hindering information dispatch. Legal and ethical requirements when dealing with respondents hindered cooperation from the respondents; this was mitigated through timely familiarization with the respondents and creating a friendly environment of trust and mutual benefit.

1.8 Significance of the Study

This study intends to ascertain the effect of contract management on the procurement performance of road construction projects of TARURA in the Iringa Region. The study is expected to be of much value to several groups as follows:

- i. To the researcher, the study serves as a partial fulfilment of the requirements for the award for the degree of Master of Business Administration in Procurement and Supplies Management of the Institute of Accountancy Arusha.
- ii. This study is important because it improves the knowledge of procurement, which will help procurement officers to effectively manage the implementation of procurement contracts, which can save time, cost, and achieve organization objectives.

- iii. It will help procurement practitioners and project managers on appropriate ways of managing disputes that normally arise during the implementation of procurement contracts with the focus of avoiding putting a project in jeopardy.
- iv. The findings of the research will help management and decision-makers of public organizations under the study to evaluate their practices and make proper decisions so as to improve their procurement activities by relying on the main recommendations that will be provided in this study.
- v. Through this study, policymakers and individuals who are directly involved in procurement plans especially will be made aware of the key practices of contract management for achieving procurement performance in road construction projects.
- vi. In the world of research and academia, the study will also contribute to understanding the interplay of contract administration, contractor relationship management, dispute resolution and procurement performance in the public sector.

1.9 Organization of the Research Report

The report was organized into five chapters. Chapter one provides the introduction, which consists of background to the problem, statement of the problem, research objectives and research questions, significance of the study and scope of the study. Chapter two presented the review of related literature on the contribution of ethical practices in enhancing procurement performance, covering such aspects as theoretical framework, empirical part and conceptual framework. Chapter three describes the methodology employed in the study, Chapter four discusses the findings of the results, and the last chapter of this report makes a conclusion and recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter provides the reviewed literature related to this study. The reviewed literature includes both theoretical literature and empirical literature. The theoretical literature covers extensive writings from different scholars on issues related to this study, and the empirical literature covers extensive research done by other researchers on issues related to this study.

The chapter also provides explanations of the research gap and the conceptual framework. The conceptual framework provides dependent and independent variables with brief explanations of each variable.

2.2 Theoretical Literature Review

2.2.1 Definition of Concepts and Terms

2.2.1.1 Contract Administration

This procedure involves maintaining an updated form of the contract, controlling and managing contract variations, paying the contractor, managing assets, drafting reports, and terminating the contract (Hansson & Longva, 2014). Contract administration starts with developing clear, concise performance-based statements of work. The statement of work should be the roadmap for contract administration. Therefore, planning for contract administration occurs prior to the issuance of the solicitation. The goal of contract administration is to ensure the contract is satisfactorily performed and the responsibilities of both parties are properly discharged. Effective contract administration minimizes or eliminates problems and potential claims and disputes. A key factor in successful contract administration is communication. It is essential for contract administrators to understand

the provisions of the purchase document, have the ability to communicate contract obligations to all parties involved, and maintain control over the contract performance. A good contract manager ensures that the contract requirements are satisfied, that the goods and services are delivered in a timely manner, and that the financial interests of the agency are protected (Nair. & Vinod, 2015).

Contract managers must have sufficient knowledge of contracting principles as they relate to their responsibilities in administering the contract. It is the contractor's responsibility to perform and meet the requirements of the contract. To do so, contractors sometimes need technical direction and approval from agency personnel. Agency personnel must provide this technical direction and approval in a timely and effective manner. All guidance provided to a contractor must be within the scope of the contract (Trent, 2013). Monitoring focuses on collecting and analyzing information to provide assurance to the acquiring entity that progress is being made in line with agreed timeframes and towards providing the contract deliverables. Monitoring can be undertaken directly by the acquiring entity or through a third-party arrangement. Monitoring the performance of suppliers is a key aspect of P&SM and one that requires a range of skills, in particular, relationship management. It is the responsibility of the P&SM professional to negotiate and agree on appropriate performance criteria at the time the contract is signed, and these measures, together with a commitment to continual improvement, should be clear to all concerned. The level and frequency of performance monitoring are dependent on the value and criticality of the contract to the buying organization; it need not be the P&SM professionals that carry out this function or, indeed, the wider role of contract management; however, the function should always be supported by the P&SM team (Umana, 2019).

2.2.1.2 Contractor Relationship Management

Kakwezi (2012), in a study on procurement contract management in public procurement, noted that contract management activities can be divided into three broad sections: service delivery management, relationship management, and contract administration. In this context, service delivery management involves the full management of all the contractual deliverables, performance levels of the contract, and contract quality. Silvana (2015), in a study on contract management in private-public partnerships, indicates that the aim of contract management is the optimization of the efficiency, effectiveness and economy of service in contractual relationships, balancing costs against risks and actively managing the relationship between procurement parties.

According to the Project Management Institute (2013), all legal contractual relationships generally fall into one of two broad families: either fixed-price or cost-reimbursable. There is a third hybrid type commonly in use called time and materials contract. The fixed-price contract type is recommended, although some projects also prepare team contracts to define ground rules for the project. However, in practice, it is not unusual to combine one or more types into a single contract document. Once the contract has been signed, both parties must meet their obligations under the contract. The contract administrator is responsible for compliance by the contractor to the buyer's contractual terms and conditions and to make sure that the final product of the project meets requirements.

2.2.1.3 Contract Dispute Resolution

Dispute resolution is the process of resolving disputes between parties. If disputes are not properly managed, they may cause project delays, undermine team spirit, increase project costs, and, above all, damage business relationships (Rob & Simon, 2012). With the increase in the number of participants in a construction project, more business interactions and arguments result in an

increase in the number of construction disputes (Robson, 2013). Research in preventing and resolving disputes supports the effort for better understanding and harmonization of different cultures (Sekaran & Bougie, 2013). It was rightly stated, "without understanding there can be no friendship. If one wishes to understand people, one must identify oneself with them. One must study their language, customs and culture, and they will be one's friend". The study of Rob and Simon (2012)) provided a good reference for the common sources of construction disputes.

The sources of construction disputes are largely related to contractual matters, including variation, extension of time, payment, quality of technical specification, availability of information, administration and management, unrealistic client expectations and determination. On the other hand, the works of Sekaran and Bougie, (2013) and Centre for Public Resources suggested that disputes could be caused by cultural and contractual matters, and Osoro *et al.* (2015) believed that conflict of laws and jurisdictional problems could also lead to disputes, and therefore, these sources should not be overlooked. Taking into account the literature, a consolidated list of sources of disputes was developed by Otieno (2010), in his study of dispute management of international construction projects. The list includes variations, extension of time, payments, quality of works, technical specification, and availability of information, management, unrealistic client expectations, risk allocation, project scope definition, poor communication, difference in ways of doing things, lack of team spirit, previous working relationships, adversarial approach in handling disputes, unfamiliar with local conditions, conflict of laws, jurisdictional problems, lack of local legal system, and unclear contractual terms.

2.2.1.4 Procurement Performance

According to Schiele (2007), procurement performance entails how well organizational procurement objectives have been attained. The extent to which the procurement function is able to obtain the

best value for spent organizational money to purchase products and services is the best indicator of procurement performance. This involves two major aspects: efficiency and effectiveness. Procurement efficiency is the association that exists between planned and actual required resources needed to realize formulated goals and objectives as well as their related activities. Effectiveness in procurement takes into consideration various indicators, for instance, delivery management, supplier quality, suppliers' flexibility and profile, inventory incoming on time, order cycle time, material quality defects and documentation.

According to Vaidya Nathan and Deva Raj (2008), effective performance measurement aids managers in making better procurement decisions needed to improve performance and accountability. It enhances the optimal allocation of resources as well as the evaluation of alternative approaches to procurement to allow for increased operational flexibilities. Shalle *et al.* (2014) deduce that procurement performance can be assessed by focusing on delivery, flexibility, quality, cost and technology. Optimal performance attainment is dependent on how current suppliers' relationships are managed so as to ensure constant availability of needed quality supplies at the organization. This will ensure that sourced materials are indeed procured during the right time and at a reasonable cost. Procurement performance strives to enable improvements in the procurement process at the organization so as to improve the quality delivery of firm products and services at the least possible time and cost.

2.3 Empirical Literature Review

2.3.1 Contract Administration and Performance

Gupta, Karayil and Rajendran (2008) reveal that poor contract management causes substantial loss of savings. They also argue that 30 to 70% of each dollar of savings that is negotiated by strategic outsourcing is lost. This happens through spending leakage and the subsequent non-compliance.

They further argue that poorly managed contracts affect the purchasing firm's credibility through a snowball effect. This implies the difficulty of internally selling and enforcing future contracts. For many years, businesses got the whole concept of contract management wrong, hence the heavy fine for non-compliance. It is also important to note that the implementation of a sound contract management process incurs time, cost, and management effort (Sieke, 2008).

First, contract managers experience a challenge regarding unforeseen work. This implies that contract management may result in work that is contrary to the contract terms and conditions. Therefore, it is essential for an organization to define its expectations clearly in the contract. The business requirements should be well documented, and people at all organizational levels and end users should be involved in the development of the requirements and documenting them in the SOW (Young, 2008). Moreover, budget or timeline constraints hamper effective contract management. Angeles and Nath (2007) reveal that contract managers often face this challenge due to unclear project scope and unrealistic timelines and budgets. Thus, to salvage this challenge, it is important to have a clearly defined scope, budget, and timeline for the contract. The study focused on project scope and budget, but this study seeks to examine the effect of contract administration and contractor relationship management on procurement performance.

Oluka, P.N. and Basheka, B.C. (2014), in their study of determinants and constraints to effective procurement contract management in Uganda, adopted an exploratory research design that intended to validate the determinants and constraints of contract management in public sector organizations of Uganda. Data was collected using a closed-ended questionnaire. Significant predictors of determinants for effective contract management were a clear definition of processes and having in place contract management plans, appropriate methods of capturing key lessons from the contract management process, accurate definition of roles and having a knowledgeable contract

manager. At the same time, the major constraints were found to be a lack of political will to monitor contracts, inadequate capacity and lack of integrity. These findings offer a useful foundation for policy and practical improvement in this important area in Uganda. The study did not highlight the effect of dispute resolution on procurement performance, but this study will determine the effect of dispute resolution on procurement performance.

In addition, Hilina (2019) argued that –Purchasing II Organizations need to have strong Contract Administration and is essential to periodically assess where the organization is today in terms of policies, processes, procedures, and performance so as to improve service quality, reduce operation cost and improve appropriate contract performance and compliance, having strong contract management team. Problems obtained from this survey study where there is poor enabling environment, low-risk management practice, unskilled human resources, poor contract change management, low-level information system establishment, and poor assurance and Control system. Tsegaye (2019) also argued organizations should try to give great emphasis on contract management and consumption management of procurement activities in order to develop those practices to a great extent, as they are the major objectives of procurement practices. This study will specifically focus on the effect of contract dispute resolution on procurement performance.

2.3.2 Contractor Relationship Management and Performance

Kakwezi (2012), in a study on procurement contract management in public procurement, noted that contract management activities can be divided into three broad sections: service delivery management, relationship management, and contract administration. In this context, service delivery management involves the full management of all the contractual deliverables, performance levels of the contract as well as the contract quality. Silvana (2015) in a study on the contract management on private public partnership indicates that the aim of contract management is the

optimization of the efficiency, effectiveness and economy of service in contractual relationship, balancing costs against risks and actively manages the relationship between procurement parties.

According to Project Management Institute (2013), all legal contractual relationships generally fall into one of two broad families: either fixed-price or cost reimbursable. There is a third hybrid type commonly in use called time and materials contract. The fixed price contract type is recommended, although some projects also prepare team contracts to define ground rules for the project. However, in practice it is not unusual to combine one or more types into a single contract document. Once the contract has been signed, both parties must meet their obligations under the contract. The contract administrator is responsible for compliance by the contractor to the buyer's contractual terms and conditions and to make sure that the final product of the project meets requirements.

Contract management according to Lin, *et.al*, (2007) focuses on the establishment of the governance structure, contract performance monitoring, contract termination and contract closures after the objective of contracting has been achieved. Zou, *et al* (2007) argued that performance agreement should be supported by creating a governance structure that facilitates productive discussions and offering leverage and incentives to promote the customer's goals. Through knowledge of each party's rights and responsibilities under the agreement, the executives have a context in which to negotiate and can use consistent, negotiated processes to resolve issues whenever possible. This study specifically focuses on the effect of contract administration, contractor relationship management and contract dispute resolution on procurement performance in road construction projects in Tanzania.

2.3.3 Contract Dispute Resolution and Performance

Choy, Chow, Lee and Chan (2007) state that conflicts regarding payments hinders an organization from practicing proper contract management. To solve this, it is necessary to define ways and

processes in the contract to penalize or award on the basis of compliance with the agreement. It is also significant to devise ways of measuring progress and set actual acceptance standards. Panesar and Markeset (2008) also point out that change can be challenging to a contract management team especially if it lacks appropriate measures of handling it. Contract management challenges include lack of cooperation and inflexibility (Wang & Bunn (2004; Nysten-Haarala, Lee & Lehto, 2010). The right way of preparing for change by through structuring the contract in such a way that allows the team to properly identify and review risks weekly. Besides, the contract must incorporate requirements for assessing risks and identifying their solutions. Additionally, an official change control approach needs to be integrated into the contract.

Panesar and Markeset (2008) also point out that change can be challenging to a contract management team, especially if it lacks appropriate measures for handling it. Contract management challenges include lack of cooperation and inflexibility (Wang & Bunn (2004; Nysten-Haarala, Lee & Lehto, 2010). The right way of preparing for change by through structuring the contract in such a way that allows the team to properly identify and review risks weekly. Besides, the contract must incorporate requirements for assessing risks and identifying their solutions. Additionally, an official change control approach needs to be integrated in the contract.

A study conducted by Titus Okinyi and Dr. Willy Muturi (2016) on factors affecting the efficiency of procurement in public Institutions identified Professional qualification, information communication technology, contract management, and procurement planning as factors of procurement performance. Additionally, Abebe (2017) on a study Factors affecting public procurement performance has Procurement planning, staff competency, procurement procedures, and ICT utilization as factors for procurement performance of public procurement performance in Ethiopia. On research conducted on a humanitarian organization with the title Factors affecting procurement

performance of organization: the case of international organization for migration, Ethiopia office Tsegaye (2019) has identified procurement performance of organization is dependent on different factors. This study seeks to assess the effect of contract dispute resolution on procurement performance on road construction projects in Tanzania.

2.4 Theoretical Framework

Defee *et al.* (2010) stated that, good research should be grounded in theory. This study is guided by two theories, namely; Principal-Agent Theory by Jensen and Meckling in 1976 and Powell (1983) and Contract Management Theory proposed by Macaulay (1963).

2.4.1 Contract Management Theory

Contract management theory can be interpreted as category management, contract administration and contracting processes (Knoester, 2005). While category management is about managing the contracting processes initiation, contract management is addressed by Knoester (2005) who speaks of contract management as the management of the engagement administration of all term agreements by which means a contract is closed. He stressed that this is the contract management process for ensuring that the right information is in the right place at the right time, to support the whole of the contracting process. In project disciplines, this can be achieved by distributing contract information to all primary project stakeholders to determine and assess an optimal supply base.

The contracting process is the third interpretation of contract management and is where contract realization is managed. This process is connected to both the category management process and the contract administration process. Contracting processes are initiated by category management and are from there supported by the contract administration process. This administration process is necessary during the whole contracting process in order to assure quality, efficiency and effectiveness (Angelov, 2005).

The theory is relevant to the study as it emphasizes on the right information is in the right place at the right time; the study focused on assess the effect of contract administration on procurement performance of road construction projects; specifically, contract monitoring and control, documentation as well as compliance of the contractual terms and conditions are assed on how they influence procurement performance. Moreover, the study intends ascertain the effect of contractor relationship management of which encompasses continuous improvement, commitment and trust between contractors and public organizations. The contractor relationship management is cemented by the efficient flow of information between the two contracting parties i.e., contractor and procuring entity; this is also supported by the contract management theory.

2.4.3 Principal-Agent Theory

This study was anchored on the Principal-Agent Theory by Jensen and Meckling in 1976. According Jensen and Meckling (1976), agency theory is the study of the agency relationship and the issues that arise from this, particularly the dilemma that the principal and agent, while nominally working toward the same goal, may not always share the same interests. The principal agent problem arises when one party (agent) agrees to work in favor of another party (principle) in return for some incentives. Such an agreement may incur huge costs for the agent, thereby leading to the problems of moral hazard and conflict of interest. Owing to the costs incurred, the agent might begin to pursue his own agenda and ignore the best interest of the principle, thereby causing the principal agent problem to occur (Kivistö, 2007). According to Delves and Patrick (2008), the weakness of the principal agency theory is that it does not even attempt to provide any analytical apparatus by which the principal could distinguish an agent's non-opportunistic performance failures from the opportunistic ones. This problem is especially severe in government-private contractor relationships.

The agency relationship appears whenever one of the parties must rely on the acts of the other. The agency relationship is a contract, under which the principal engages another person (the agent) to perform specific projects on its behalf, delegating decision-making rights. Three further assumptions that are made in the agency theory are the efficiency of the principal's operations depends on the agent's acts and decisions, decisions are made by the parties to the relationship under conditions of uncertainty plus risk and the principal and the agent have conflicting objectives to some extent. (Mofokeng,2012).

Based on the principal – agent theory, procurement managers and all public officials involved in public procurement activities must play the agent role for elected representatives such as contractors and/or service providers. This is very true in Tanzania where the Public Procurement Act bestows the responsibility of compliance with public procurement legal framework on the Accounting Officers of the procuring entities. However, as pointed out by Laffont *et al* (2013), compliance with procurement rules and regulations may represent a principal – agent problem.

Practically, in the contract management it can be viewed as involving at least two parts with different goals, a buyer (procuring entities) and one or more vendors competing for the contract. However, in addition to the agency relationship between buyer and competing vendors, there may be several internal stakeholders possibly with conflicting goals, adding complexity to the procurement process. These groups of internal stakeholders may include the political leaders, the citizens, the interest groups operating with the County, central government, services recipients and the business interest within the County, (Gull, 2010). The other aspect where agency theory applies is the agency relationship between the procurement entities and the contractors; these two parties should work collaboratively to ensure that they attain project's objectives. During management of implementation of road construction contracts, there are disputes and variations which may rise of which if they will

not be handled properly, they put the project in jeopardy but presence of a good contractor relationship management creates a conducive environment on finding appropriate alternatives of resolving the raised issues.

The principal agent theory is related to this study in a way that the government/ procuring entity (principal) and the private contractor (agent) can come into a mutual contractual agreement during implementation of construction contract and explaining the relationship between procuring entity (principal) and contractor (agent) with care taken on attaining value for money. In other words, when the government uses the most of its budget in implementing development projects through contracting with the qualified contractors by implementing them according to the terms and conditions of the contract. In addition, through this theory the researcher is able to derive two variables that will be used in the study in addition to others; one variable is contract administration in terms of professional qualification, monitoring and control, documentation and compliance. The second variable derived was contractor relationship management which involves commitment, trust and continuous improvement. Furthermore, the theory may help the researcher to identify those conflicts and suggest ways to handle them.

2.5 Research Gap

Various studies such as Panesar and Markeset(2008); Lin, *et.al*, (2007); Kakwezi (2012); Hilina (2019); Oluka, P.N. and Basheka, B.C. (2014) show that contract management has been studied inside and outside of Tanzania and revealed that procurement contract management plays a key role in achieving project performance. However, Tanzania is lacking sufficient studies to support the general argument which calls for the need for conducting a comprehensive study in this area of study on the effect of procurement contract management on procurement performance specifically

on road construction projects which are under TARURA. Therefore, the present study is necessary to fill the knowledge gap.

2.6 Conceptual Framework

As presented in Figure 2.1, the relationship between independent and dependent variables is analyzed based on the literature reviewed. Figure 2.1 indicates that the procurement performance (dependent variable) is measured in terms of cost-effectiveness, customer satisfaction and procurement agility. On the side of contract management which is the independent variable, it is comprised of three main practices which are contract administration, contractor relationship management and contract dispute resolution.

Independent Variable

Dependent Variable

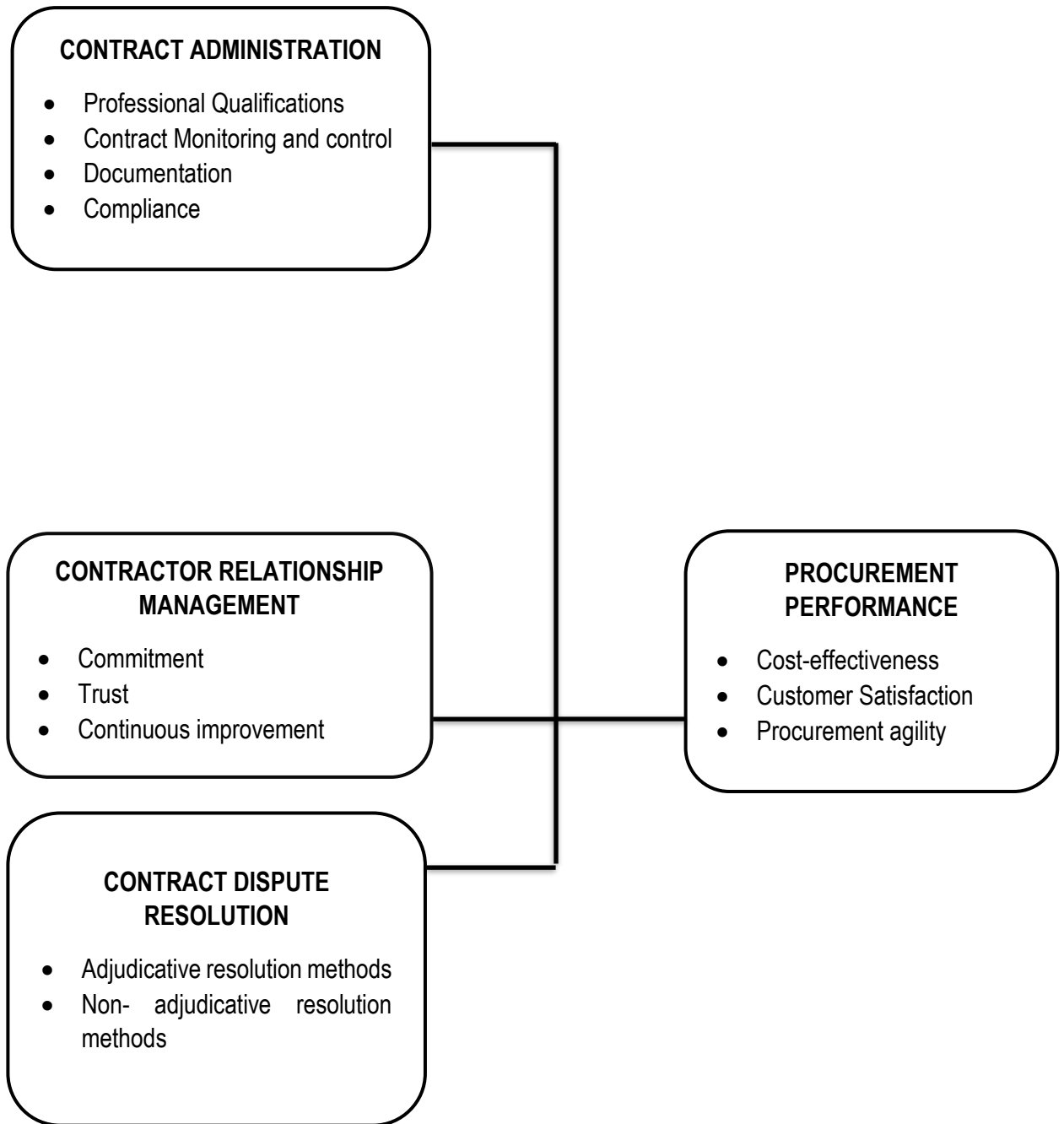


Figure 2. 1: Conceptual Framework

Source: Researcher (2023)

2.6.1 Contract Administration

This procedure involves maintaining an updated form of the contract; controlling and managing contract variations; paying the contractor; managing assets; drafting reports; and terminating the contract (Hansson & Longva, 2014). Contract administration starts with developing clear, concise performance-based statements of work. The statement of work should be the roadmap for contract administration.

2.6.2 Dispute Resolution

Dispute resolution is the process of resolving disputes between parties. If disputes are not properly managed, they may cause project delays, undermine team spirit, increase project costs, and, above all, damage business relationships (Rob & Simon, 2012). With the increase in the number of participants in a construction project, more business interactions and arguments end up with an increase in the number of construction disputes (Robson, 2013).

2.6.3 Contractor Relationship Management

Silvana (2015) in a study on the contract management on private public partnership indicates that the aim of contract management is the optimization of the efficiency, effectiveness and economy of service in contractual relationship, balancing costs against risks and actively manages the relationship between procurement parties.

2.6.4 Procurement Performance

Procurement performance entails how well organizational procurement objectives have been attained. The extent to which procurement function is able to obtain best value for spent organizational money to purchase products and services is the best indicator of procurement performance. This involves two major aspects; efficiency and effectiveness (Schiele, 2007).

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The chapter presents the methodology that is adopted in carrying out this study. Methodology guides the researcher well from conceptualization, data collection to analysis and drawing conclusions. This chapter is divided into the following sub-sections namely; Introduction, Research Design, Research Area, Research Population, Research Sample and Sampling Methods, Sample Size, Data Collection Methods, Data Analysis Methods, Reliability and Validity of Data, Pilot Testing Ethical Consideration.

3.2 Research Design

Research design is a scheme, outline or plans that use to generate answers to research problems (Kumar, 2016). In this study the researcher used a descriptive research design since it exists and often result in the formulation of important solution of significant problems, it is more than just a collection of data, and involves; measurement, classification, analysis, comparison and interpretation of data (Ibid). The design provided proper formulation of the objectives of the study, designing methods of data collection, selecting the sample, processing and analyzing the data and reporting the findings.

3.3 Research Approach

This study employed both quantitative and qualitative approaches in the collection of relevant information. Quantitative data aim to provide further information to supplement the qualitative data. The use of both approaches helped the researcher to complement the weakness of each, therefore

provided an extended room for triangulation of both instruments for data collection and approaches. Quantitative approach gathered quantitative data through close ended questions which appears in questionnaires and qualitative approach gathered data through semi-structured interview (Creswell, 2011), while Qualitative approach gathered data through unstructured or semi-structured techniques as well as interview guide that provided the understanding of underlying reasons, opinions, and motivations.

3.4 Area of the Study

Data were collected at TARURA in Iringa Region headquarter, in Iringa region. The selection of TARURA - Iringa region was based on criteria that, according to URT (2019), in the financial year 2016/2017, unrealistic cost estimates and inadequate funds caused many local government authorities such as Iringa Region and Bahi District failed to complete their procurement projects. Additionally, the major problems facing the operations of the Procurement Management Unit in the TARURA - Iringa region Headquarter are inadequate working facilities, limited knowledge of procurement act and regulations and inadequate staff (URT, 2017; 2018; 2019; 2020). Therefore, TARURA - Iringa region Headquarter is the representative to other public entities in providing a clear picture and reliable information on the effect of procurement contract management on the procurement performance of road construction projects.

3.5 Research Population and Sampling

3.5.1 Target Population

A target population is the specific population about which information is gathered. According to Kothari (2014), a population is a well-defined set of people, services, elements, and events, group of things or households that are being investigated. The target population was composed of 47 employees from different departments such as Procurement Management Unit (PMU), legal,

internal auditing and monitoring and Engineering within TARURA - Iringa region Headquarters (BDC human resource information system, 2022). The respondents were drawn from departments within TARURA - Iringa region which are outlined in the table 3.1 below. Mugenda *et al* (2014) explain that the target population should have some observable characteristics, to which the researcher intends to generate the results of the study. This definition assumes that the population is not homogeneous.

Table 3. 2: Target Population from TARURA - Iringa Region

Cadres of Staff	Population	Percentage
Procurement Management Unit	4	8.51%
Legal Unit	1	2.13%
Internal audit Unit	1	2.13%
Monitoring and Engineering	25	53.19%
Accounts department	6	12.77%
Administration & Human Resource	10	21.28%
Total	47	100%

Source: TARURA - Iringa region human resource information system

3.5.2 Research Sample and Sampling Methods

A research Sample means a small portion of the entire populations. Mugenda *et al* (2014) see a need for using sample due to time and money constraints and often access restriction, sample can be taken as a representative of the whole population whereby its results can be generalized through inferences. Sampling methods are the process of selecting a sufficient number of elements from the population, so that a study of the sample and an understanding of its properties or characteristics

would make it possible for us to generalize such properties or characteristics to the population elements (Mugenda *et al*, 2014).

Both purposive and random sampling methods were used depending on the context, mainly intended for convenience and maximize representativeness of the population of the study. A simple random sample is meant to be an unbiased representation of a group. This technique was used in ensuring that every member of the population had an equal chance of participating in the study. Every staff in TARURA - Iringa region was granted with an opportunity to represent others in the study. This is why there was no criteria for selecting respondents as the researcher picked them randomly. The technique was ease to use and it is accurate representation of the larger population. The researcher decides to use this kind of sampling as each member of the larger population have an equal probability of being selected.

Purposive sampling involves picking on a sample basing on the researcher's judgment to suit his or her research needs. The sampling technique was used in selecting respondents who met the purpose of the study. Considering that the purpose of the study is to assess how contract management affects procurement performance of road construction projects suite in this technique. These was helpful in meeting the purpose of the study. Each subtype of purposive sampling has their own advantages and disadvantages. In general, one of the major purposes of using purposive sampling is that it was easier to make generalizations.

3.5.3 Sample Size

The sample size was drawn from the staff executing the procurement process and user departments within the TARURA - Iringa region headquarters. The reasons for undertaking the sample were to reduce time, money and effort (Creswell, 2014). Therefore, the sample size were drawn from the

total population of 47 staff such are planners, PMU, internal auditing, Monitoring and Engineering and Accounts department using the Yamane (1967) formula as presented below:

$$n = N / [1 + N (e)^2] \dots\dots\dots (i)$$

Whereby:

n= Sample size

N= Total number of Staff = 47

e= Precision = 5%

$$\text{Therefore; } n = 47 / [1 + 47(0.05)^2] = 42$$

The number of respondents included 42 staff such as planners, PMU, internal auditing and Accounts department in TARURA - Iringa region headquarters.

3.6 Data Collection Methods

The data collection is the accumulation of specific evidence that enabled the researcher to properly analyze the results of all research activities and procedures. The main purpose of data collection is to verify the research hypotheses (Singh, 2016). The study used the following methods of data collection; interview and questionnaire to collect primary data and documentary review to collect secondary data.

3.6.1 Questionnaires

The study used questionnaires containing both structured and unstructured questions. Each item in the questionnaire was developed to address a specific objective or research question of the study. Structured questions are closed-ended questions with a predetermined set of responses from which the respondent chose his or her response. This type of questions made it easier for the researcher

to analyze the data and also save on time and cost of the study. Unstructured questions gave the respondent freedom of response which helped the researcher to gauge the feelings of the respondent, he or she uses his or her own words.

3.6.2 Interview

Interview involves the collection of data through direct face to face or verbal interaction between researcher and respondents (Kumar, 2016). This method assisted the researcher to collect qualitative data to a greater extent. To overcome interview resistance; greater flexibility specifically in case of interview guide questions, and the possibility of collecting supplementary information about respondent's personal characteristics and environment that is often of great value in interpreting results (Kothari, 2011). The researcher obtained data relating to the contract management and procurement performance at TARURA - Iringa region headquarter from the selected respondents in their respective departments.

3.6.3 Documentary review

The study used documentary Review method to obtain abundant of information from various documents having the relevant information such as auditor general reports, journals, TARURA - Iringa region procurement reports and online materials regarding to procurement planning on procurement performance Documents (published articles) are bridges for obtaining data from the research (Davies, 2012).

3.7 Data Analysis Methods

Data analysis is an important stage in carrying out scientific research because it establishes the findings to answer the research problem. In this study the data was analyzed through different analysis techniques depending on the specific objectives of the study. Qualitative data from Key Informant Interviews was analyzed using Content Analysis method. First interviews was transcribed

into word document. Then from these transcriptions' key themes and concepts were identified. Basing on the specific objectives of the study, the following data analysis techniques were employed.

3.7.1 Content Analysis

Content analysis is a research tool used to determine the presence of certain words, themes or concepts in qualitative data. Through content analysis, the researcher can quantify and analyze the presence, meanings and relationships of words, themes, and concept (Saunders, (2009). The content analysis was used to analysed data obtained from interview guide and in this case.

3.7.2 Descriptive Statistics

For the first, second and third objective of the study, descriptive statistics will be performed. The analysis is used to show characteristics of variables with respect to the problem of the study. In this study, the main responses were in five point Likert scale, thus the frequency distribution , mean score and mode were used as the main analysis outputs in this case. The frequency distribution were used to show the total response while, the mean score were used to show the average response which can be interpreted as a common response

3.8 Validity and Reliability of Data

3.9.1 Validity

Validity is the degree to which a study accurately reflects the specific concept that the instruments intended to measure (Kombo, 2006). The validity of the instruments for data collection in this study was done through expert review. Experts in research reviewed the data collection instruments and any correction or adjustments were made accordingly in relation to the topic under study. This ensured the validity of data collection tools. Also questionnaires and interview guides was checked by the supervisor and the language used will be simple to every respondents involved in this study.

Comments and guidance provided by the research supervisors and other experts in the field of leadership were of great and valuable inputs in validating the research instruments.

3.9.2 Reliability

Reliability is the degree to which a test is consistent and stable in measuring whatever it is measuring. Reliability requires the administration of the same test to the same respondents twice (Kothari, 2011). After pilot study, data were tested through SPSS to ensure the internal consistency.

The instrument were pre-tested through a pilot study before the actual data collection to enhance reliability. The research instruments were tested to identify possible problems during the main study and clarify on the instrument and appropriateness of the language. The importance of pre- testing a questionnaire according to Creswel (1999) is to help the researcher understand the meaning of the questions to be respondents and how they arrive at their response. The researcher carried out a pilot testing on 10 community members in the district. Test re-test method was applied, where the questionnaires will be administered to the same respondents twice in the span of two weeks.

According to Leedy (2006) when Cronbach alpha is greater than 0.9 (>0.9) it means that the internal consistency reliability is excellent. When it is greater than 0.8 (>0.8) the reliability is good, while greater than 0.7 is accepted and greater than 0.6 is still acceptable. When it is 0.5 to 0.58 is poor and when it is less than 0.5, internal consistency in unacceptable.

3.10 Ethical Consideration

Research ethics are described as an understanding between a researcher and research participants. Mishra (2017) provided for the ethical question of protection against damage and stress, dignity, professional integrity and confidentiality to be observed. For this study to ensure ethical consideration, the researcher applied for a permit to collect data from the TARURA - Iringa

region and was provided authorization to collect data. Respondents were informed of the study's objective and advantages throughout the questionnaire distribution process, as well as their freedom to decline or fully reject participation. The respondents were informed that their responses were kept strictly secret and that their identities not be revealed.

CHAPTER FOUR

PRESENTATION AND DISCUSSION OF FINDINGS

4.1 Introduction

This chapter presents, analyzes and interprets data on the effect of contract management on procurement performance of road construction projects in Tanzania: a study of TARURA in Iringa Region. The study had three objectives namely; to assess the effect of contract administration on procurement performance of road construction projects in Tanzania, to determine the effect of contractor relationship management on procurement performance of road construction projects in Tanzania and to examine the effect of contract dispute resolution on procurement performance of road construction projects in Tanzania

4.2 Response Rate

In this study, a researcher distributed a total of 47 questionnaires to the respondents such Procurement Management Unit (PMU), legal, internal auditing and monitoring and Engineering within TARURA. From the field, only 42 questionnaires were filled and returned to the researcher and this represents 81% response rate which is considered satisfactory to make conclusions for the study. Mugenda and Mugenda (2003) discovered that 50% response rate is adequate, 60% is good and 70% rated very well.

Also, Bailey (2000) argued that a response rate of 50% is adequate, while a response rate greater than 70% is very good. Therefore, the high response rate in this study was attributed to the data collection procedures where the researcher pre-notified the potential respondents/ participants and applied the drop and pick method where questionnaires were picked at a later date to allow the respondents ample time to fill the questionnaires.

Analysis of data from the questionnaires was done through descriptive statistics (mean and standard deviation). Analysis of interview data was done through content analysis based on themes derived from research questions. The chapter is presented into two sections. The first section presents findings and the second section provides discussion of findings.

Table 4.1: Response Rate

Response	Frequency	Percent
Not returned	5	11
Returned and filled	42	89
Total	47	100.0

Source, Field Data (2023)

4.2 Test of Reliability and Validity

In order to determine if data collected are reliable and valid, researcher conducted validity and reliability test. Cronbach's alpha and KMO were used as a scale to measure reliability and validity of data collected respectively.

4.2.1 Reliability Test

In this study the results from the findings of Cronbach's Alpha was above 0.6 for all items, the coefficient are significant as shown in the table 4.2 below.

According to Leedy (2006) when Cronbach alpha is greater than 0.9 (>0.9) it means that the internal consistency reliability is excellent. When it is greater than 0.8 (>0.8) the reliability is good, while greater than 0.7 is accepted and greater than 0.6 is still acceptable. When it is 0.5 to 0.58 is poor and when it is less than 0.5, internal consistency in unacceptable.

The test yielded the Cronbach's Alpha of .890 for three items of objective one, .933 for four items of objective two and .965 for six items of objective three as shown in table 3.2. These results proved that the data collection tools were reliable.

In Cronbach's Alpha, in order to say the data is reliable, the reliability result should be above 0.7.

Table 4.2 Reliability Statistics

Variable	Cronbach Alpha	No. of items	Internal consistency
Objective one	0.890	3	Acceptable
Objective two	0.933	4	Acceptable
Objective three	0.965	6	Acceptable

Source: Field Data (2023)

4.2.2 Validity Test

Factor Analysis was used to assess the structural validity of the 5- Point Likert scale used. Factor Analysis is a technique used to find out and explore few unrelated and conceptually significant new variables (factors) by bringing together related variables. Before factor analysis method can be employed, KaiserMeyer- Oklin (KMO) test should be conducted to test the sufficiency and adequacy of the data obtained and Barlett test should be conducted to test the normality of the distribution in the population (Pallant, 2005). The KMO tests whether partial correlations are small and whether the distribution is sufficient for factor analysis. The KMO value ranges from 0-1, it is interpreted as normal between 0.5 and 0.7, as good between 0.7 and 0.8, as very good between 0.8 and 0.9 and as perfect when it is over 0.9 (Field, 2005). After analyzing data collected on SPSS v.20 the result of KMO was 0.843. This implies that the results of this study were valid.

Table 4.3: KMO and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.843
Bartlett's Test of Sphericity	Approx. Chi-Square	1.169
	df	136
	Sig.	.000

Source: Field Data (2023)

4.4 Findings for Research Objectives

The findings in this section are presented in two sub-sections. The first subsection presents findings for questionnaire data which were analyzed using descriptive statistics (frequencies, tables). The second subsection presents findings for interview data which were analyzed through content analysis.

4.4.1 The Effect of Contract Administration on Procurement Performance of Road Construction Projects

The first research objective of the study was to determine the effect of contract administration on procurement performance of road construction projects. Using a five- point likert scale, the study thought to know respondents rate of agreements on various statements relating to effect of contract administration on procurement performance of road construction projects.

4.4.1.1. Professional Qualifications

The descriptive results on professional qualifications are presented in table 4.4. Professional qualifications at Tarura had the effect of contract administration on procurement performance of road construction projects. Results from the field show that majority of the respondents 23 (54%)

strongly agree that Professional qualifications at Tarura had the effect of contract administration on procurement performance of road construction projects. Furthermore, 11 (26%) also agree with this statement, 5 (12%) of the respondents were neutral on whether Professional qualifications at Tarura had the effect of contract administration on procurement performance of road construction projects or not. 2 (8%) of the respondents disagree with this statement Professional qualifications at Tarura had the effect of contract administration on procurement performance of road construction projects. The results from the field show that people who are signing the contract between the government agency like Tarura and contractors must have a professional in the areas of contract management and their professional must be recognized by the relevant professional bodies like Procurement and supplies professional and technician board (PSPTB). They are regulated and awarded by professional bodies within the relevant industry. They provide a baseline standard for professional expertise and act as a quality mark for people employed in certain industries.

Table 4. 3: Professional Qualifications

Response	Frequency	Percent
Strongly agree	23	54
Agree	11	26
Neutral	5	12
Disagree	2	8
Total	42	100

Source: Field Data (2023)

4.4.1.2 Contract Monitoring and Control

In this sub variable, respondents in the field were requested to indicate the extent in which contract Monitoring and control at Tarura had the effect of contract administration on procurement performance of road construction projects. Data from the field show that majority of the respondents were neutral on whether contract Monitoring and control at Tarura had the effect of contract administration on procurement performance of road construction projects and this was supported by 16 (39%) of the respondents. Furthermore, 10 (24%) of the respondents strongly agree with this statement that contract Monitoring and control at Tarura had the effect of contract administration on procurement performance of road construction projects, 7 (17%) also agree with this statement while minority of the respondents 4 (9%) of the respondents disagree with this statement that contract Monitoring and control at Tarura had the effect of contract administration on procurement performance of road construction projects. It is very important for contract department to monitor the progress of the contract during the construction of roads at Tarura.

Contract monitoring is the process of tracking the performance and status of your contracts to ensure that the obligations within them are being fulfilled as intended. Contract monitoring typically involves reviewing the progress of individual contracts and the data associated with them. It often also involves assessing contract compliance and then identifying and correcting any problems that prop up in the process.

Table 4. 4: Contract Monitoring and Control

Response	Frequency	Percent
Strongly agree	10	24
Agree	7	17
Neutral	16	39
Disagree	4	9
Strongly disagree	5	11
Total	42	100

Source: Field Data (2023)

4.4.1.3. Documentation

The descriptive results on documentation are presented in table 4.5. Documentation at Tarura had the effect of contract administration on procurement performance of road construction projects. Results from the field show that majority of the respondents 22 (52%) strongly agree that documentation at Tarura had the effect of contract administration on procurement performance of road construction projects to a great extent. Furthermore, 8 (19%) also agree with this statement that documentation at Tarura had the effect of contract administration on procurement performance of road construction projects, 10 (24%) of the respondents were neutral on whether documentation at Tarura had the effect of contract administration on procurement performance of road construction projects to a great extent or not. 2 (5%) of the respondents disagree with this statement that documentation at Tarura had the effect of contract administration on procurement performance of road construction projects. Data from the field show that documents are very important in contract

administration because documents have to speaks more than words and what is not documented is not done.

Result from the field show that, contract documentation means all documents which form part of, constitute or evidence the Contract, including these Conditions and any quotations, offers, Orders, acknowledgements of order, acceptances and specifications of the Purchaser or Seller and any documents referred to in any of them.

Table 4. 4: Documentation

Response	Frequency	Percent
Strongly agree	22	52
Agree	8	19
Neutral	10	24
Disagree	2	5
Total	42	100

Source: Field Data (2023)

4.4.1.4 Compliance

The descriptive results on compliance are presented in table 4.5. Compliance at Tarura had the effect of contract administration on procurement performance of road construction projects. Results from the field show that majority of the respondents 19 (45%) strongly agree that compliance at Tarura had the effect of contract administration on procurement performance of road construction projects. Furthermore, 11 (26%) also agree with this statement, 8 (19%) of the respondents were neutral on whether compliance at Tarura had the effect of contract administration on procurement performance of road construction projects or not. 4 (10%) of the respondents disagree with this statement compliance at Tarura had the effect of contract administration on procurement

performance of road construction projects. The results from the field show that contract compliance refers to observance of the norms and procedures outlined in a contract. Often, this involves periodic reviews of an existing contract to determine adherence to compliance mandates and protocols and check for deviations.

Contract compliance is the process of making sure that all parties involved in a contract adhere to its terms. This includes reviewing the contract before signing it, as well as monitoring compliance throughout the duration of the agreement.

Table 4. 5: Compliance

Response	Frequency	Percent
Strongly agree	19	45
Agree	11	26
Neutral	8	19
Disagree	4	10
Total	42	100

Source: Field Data (2023)

The findings presented above concur with the study done by Gupta, Karayil and Rajendran (2008) reveal that poor contract management causes substantial loss of savings. They also argue that 30 to 70% of each dollar of savings that is negotiated by a strategic outsourcing is lost. This happens through spend leakage and the subsequent non-compliance. They further argue that poorly managed contracts affect the purchasing firm's credibility through a snowball effect. This implies the difficulty to internally sell and enforce future contracts. For many years, businesses got the whole concept of contract management wrong, hence the heavy fine for non-compliance. It is also

important to note that the implementation of a sound contract management process incurs time, cost, and management effort (Sieke, 2008).

First, contract managers experience a challenge regarding unforeseen work. This implies that contract management may result in work that is contrary to the contract terms and conditions. Therefore, it is essential for an organization to define its expectations clearly in the contract. The business requirements should be well documented and that people at all organizational levels and end users should be involved in the development of the requirements and documenting them in the SOW (Young, 2008). Moreover, budget or timeline constraints hamper effective contract management. Angeles and Nath (2007) reveal that contract managers often face this challenge due to unclear project scope, and unrealistic timeline and budgets. Thus, to salvage this challenge, it is important to have clearly defined scope, budget, and timeline for the contract. The study focused on project scope and budget, but this study seeks to examine the effect of contract administration and contractor relationship management on procurement performance.

4.4.1 The Effect of Contractor Relationship Management on Procurement Performance of Road Construction Projects

The second research objective of this study was to establish the effect of contractor relationship management on procurement performance of road construction projects. Using a five- point likert scale, the study thought to know respondents rate of agreements on various statements relating to the contractor relationship management on procurement performance of road construction projects.

4.4.2.1 Commitment

In this sub variable, respondents in the field were required to show the extent in which commitment creates contractor relationship management on procurement performance of road construction projects. Majority of the respondents strongly agree that commitment creates contractor relationship management on procurement performance of road construction projects and this was supported by 17 (41%) of the respondents. 13 (30%) of the respondents also agree with this statement that commitment creates contractor relationship management on procurement performance of road construction projects, 10 (24%) were neutral on whether commitment creates contractor relationship management on procurement performance of road construction projects or not. 2 (5%) disagree with this statement. Results from the field show that, for a contract to be well implemented, parties involved in the contract should commit themselves and this will create relationship management on procurement performance of road construction projects.

A commitment agreement is a formal document where the parties agree to undertake certain obligations. A typical example of this would be an agreement between two partners where one agrees to provide capital, and the other agrees to assume responsibility for management.

Table 4. 5: Commitment

Response	Frequency	Percent
Strongly agree	17	41
Agree	13	30
Neutral	10	24
Disagree	2	5
Total	42	100

Source: Field Data (2023)

4.4.2.2. Trust

Respondents in the field were requested to elaborate if trust creates contractor relationship management on procurement performance of road construction projects. In this sub variable, respondents in the field were required to shows the extent in which trust creates contractor relationship management on procurement performance of road construction projects. Majority of the respondents strongly agree that trust creates contractor relationship management on procurement performance of road construction projects and this was supported by 19 (45%) of the respondents. 12 (29%) of the respondents also agree with this statement that trust creates contractor relationship management on procurement performance of road construction projects, 9 (21%) were neutral on whether trust creates contractor relationship management on procurement performance of road construction projects or not. 2 (5%) disagree with this statement. Results from the field show that, for a contract to be well implemented, parties involved in the contract should create trust among themselves and this will creates relationship management on procurement performance of road construction projects.

A trust is a fiduciary relationship in which a trustor gives another party, known as the trustee, the right to hold title to property or assets for the benefit of a third party.

Table 4. 5: Trust

Response	Frequency	Percent
Strongly agree	19	45
Agree	12	29
Neutral	9	21
Strongly disagree	2	5
Total	42	100

Source: Field Data (2022)

4.4.2.3. Continuous Improvement

In this sub variable, respondents in the field were required to show the extent in which Continuous improvement creates contractor relationship management on procurement performance of road construction projects. Majority of the respondents were neutral on whether Continuous improvement creates contractor relationship management on procurement performance of road construction projects and this was supported by 25 (60%) of the respondents. 9 (21%) of the respondents also disagree with this statement that Continuous improvement creates contractor relationship management on procurement performance of road construction projects, 5 (12%) strongly agree that Continuous improvement creates contractor relationship management on procurement performance of road construction projects. 3 (5%) strongly disagree with this statement. Results from the field show that, 'Continuous improvement' is designed to encourage a supplier to come up with innovative solutions during the term of a contract. Opportunities and incentives to do so must

be included at the outset in the contract. In addition, it is necessary to agree terms about an open method of collaboration in order to allow freedom for the innovation. In doing so, you increase the mutual trust between yourself and the supplier and lower the threshold for innovative proposals.

Continuous improvement is the process of making small incremental changes that add up to significant results based on deliberate observation of current processes.

Table 4. 6: Continuous Improvement

Response	Frequency	Percent
Strongly agree	5	12
Neutral	25	60
Disagree	9	21
Strongly disagree	3	5
Total	42	100

Source: Field Data (2023)

The findings presented above concur with the study done by Kakwezi (2012) in a study on the procurement contract management in public procurement noted that contract management activities can be divided into three broad sections that is service delivery management, relationship management, and contract administration. In this context, the service delivery management involves the full management of all the contractual deliverables, performance levels of the contract as well as the contract quality. Silvana (2015) in a study on the contract management on private public partnership indicates that the aim of contract management is the optimization of the efficiency, effectiveness and economy of service in contractual relationship, balancing costs against risks and actively manages the relationship between procurement parties.

4.4.3 The Effect of Contract Dispute Resolution on Procurement Performance of Road Construction Projects

The third research objective of this study was to examine the effect of contract dispute resolution on procurement performance of road construction projects. Using five –point likert scale, the study thought to know respondents rate of agreements on various statements relating to the effect of contract dispute resolution on procurement performance of road construction projects. Respondents described two ways of resolving disputes once occurs such as adjudicative resolution methods and non- adjudicative resolution methods.

4.4.3.1 Non- Adjudicative Resolution

In this sub variable, respondents in the field were requested to indicate the extent in which non- adjudicative resolution as the contract dispute resolution methods of road construction projects. Data from the field show that majority of the respondents strongly agree that non- adjudicative resolution was the contract dispute resolution process preferred by the respondents in the study area and this was supported by 22 (52%) of the respondents. Furthermore, 11 (26%) also agree with this statement that non- adjudicative resolution as the contract dispute resolution methods of road construction projects, 5 (12%) were neutral on whether non- adjudicative resolution as the contract dispute resolution methods of road construction projects or not. 4 (10%) disagree with this statement. Results from the field show that non- adjudicative resolution involved solving the conflict through negotiation/politely, mediation, and escalation. These methods saves time and cost because there is no need for the parties to the court of law.

Negotiation should be the first step taken as soon as it becomes clear that a disagreement will not be resolved without active intervention by the parties. Negotiation is a dialogue between two or more people or parties, intended to reach an understanding, resolve point of difference, or gain advantage in outcome of dialogue, to produce agreement upon courses of action, to bargain for individual or collective. Negotiation merely involves the parties communicating with the objective of settling a given disagreement or dispute. Negotiation should be entered into with a clear objective of understanding the issue and attempting to resolve the disagreement.

In mediation, the goal of mediation is for a neutral third party to help disputants come to a consensus on their own. Mediation can be effective at allowing parties to vent their feelings and fully explore their grievances. Working with parties together and sometimes separately, mediators can try to help them hammer out a resolution that is sustainable, voluntary, and nonbinding.

Table 4. 9: Non- Adjudicative Resolution

Response	Frequency	Percent
Strongly agree	22	52
Agree	11	26
Neutral	5	12
Disagree	4	10
Total	42	100

Source: Field Data (2023)

4.4.3.2 Adjudicative Resolution Methods

Respondents in the field were requested to elaborate if adjudicative resolution methods can be a contract dispute resolution method in road construction projects in the study area or not. Majority of the respondents did not prefer this method for dispute resolution because it takes long time and very costs because the parties may have to go to the court to hear their grievances and this was supported by 16 (38%) of the respondents. 12 (29%) of the respondents also disagree with this statement that adjudicative resolution methods can not be a contract dispute resolution method in road construction projects, 10 (24%) of the respondents were neutral on whether adjudicative resolution methods can be a contract dispute resolution method in road construction projects or not, while 3 (7%) agree with this statement and 1 (2%) strongly agree that adjudicative resolution methods can be a contract dispute resolution method in road construction projects in the study area.

This methods involves litigation, a dispute resolution method by which a party sues another party before a state court somewhere in the world to seek relief. Litigation can be expensive. Litigation is the traditional form of dispute resolution, based on taking action through the courts. A judge sits and listens to argument on the interpretation of the relevant law as applied to the particular dispute and then makes a decision as to who wins and who loses. It can take a longtime before a court gets round to hearing a case after the original dispute occurred and proceeding have started- often several months to year. Court action can be expensive, involving the hiring of lawyers/ solicitors and often barristers.

Arbitration- is a procedure in which a dispute is submitted, by agreement of the parties, to one or more arbitrators who make a binding decision on the dispute. resolves disputes outside the judiciary courts.

Is a private judicial process which involves an independent person called an arbitrator, in hearing and deciding contractual disputes. The arbitrator is not a court judge but a well-qualified individual who both parties agree is suitable for resolving their dispute. Arbitration is a legally based process that involves much of the procedure and type of argument that occurs in court trial. However, arbitration is private, like a court trial, its concerned much more with fair treatment of the parties involved than achieving a precise legal agreement.

Table 4. 10: Adjudicative Resolution Methods

Response	Frequency	Percent
Strongly agree	1	2
Agree	3	7
Neutral	10	24
Disagree	12	29
Strongly disagree	16	38
Total	42	100

Source: Field Data (2023)

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

Three sections were involved in this chapter, namely, conclusions and recommendations originating from the study findings and research objectives.

5.3 Conclusion of the Study

From the above discussion, it can be deduced that contract administration had an effect on the procurement performance of road construction projects. The results from the field show that people who are signing the contract between the government agency like Tarura and contractors must have a professional in the areas of contract management and their professional must be recognized by the relevant professional bodies like Procurement and supplies professional and technician board (PSPTB). Also, It is very important for contract department to monitor the progress of the contract during the construction of roads at Tarura. It was concluded that documents are very important in contract administration because documents have to speaks more than words and what is not documented is not done. In the second objective, the study concluded that, for a contract to be well implemented, parties involved in the contract should commit themselves, should trust each other and should continue making improvement and this will creates relationship management on procurement performance of road construction projects. A trust is a fiduciary relationship in which a trustor gives another party, known as the trustee, the right to hold title to property or assets for the benefit of a third party. In the last objective, the study concluded on two ways of resolving disputes once occurs such as adjudicative resolution methods and non- adjudicative resolution methods, majority of the respondents strongly agree that non- adjudicative resolution was the best contract dispute resolution process preferred by the respondents in the study area, it was further

noted that non- adjudicative resolution involved solving the conflict through negotiation/politely, mediation, and escalation. These methods saves time and cost because there is no need for the parties to the court of law.

5.3 Recommendations of the Study

Based on the above findings and conclusion, the following recommendations should be taken into account as strategies for strengthening contract management on procurement performance of road construction projects in Tanzania.

- (i) Firstly, the parties enter into road construction projects should understand their responsibilities before starting implementing the contract
- (ii) The contract document should stipulate clearly the obligation of the procuring entity and the obligation of the other side in order to avoid any disputes that will affect the implementation of the contract
- (iii) In case the conflict occurs, the parties involved in the contract should choose te best methods of resolving the conflict like negotiation or mediation which saves time and money
- (iv) Also, the parties involved in contract should trust and commit themselves in order to ensure that what agreed between the parties are implemented on time with minimal costs

REFERENCES

- Ancarani, A., Di Mauro, C. and D'Urso, D., 2016. Measuring overconfidence in inventory management decisions. *Journal of Purchasing and Supply Management*, 22(3), pp.171-180.
- Aleksandar, P., Silvana, P. and Valentina, Z.P., 2015. Multiple linear regression model for predicting bidding price. *Technics Technologies Education Management*, 10(3), pp.386-393.
- Angeles, R. and Nath, R., 2007. Business-to-business e-procurement: success factors and challenges to implementation. *Supply Chain Management: An International Journal*, 12(2), pp.104-115.
- Barthélemy, J. and Geyer, D., 2004. The determinants of total IT outsourcing: An empirical investigation of French and German firms. *Journal of computer information systems*, 44(3), pp.91-97.
- Belay, S., 2019. *Assessment of Supply Chain Management Practices: The Case of Hilina Enriched Foods Plc* (Doctoral Dissertation, St. Mary's University).
- Burke, R., 2013. *Project management: planning and control techniques*. John Wiley & Sons.
- Christopher, M. (2018). The Mitigation of Risk in Resilient Supply Chains, Retrieved from www.itf-oecd.org.
- Cheaitou, A., Larbi, R. and Al Housani, B., 2019. Decision making framework for tender evaluation and contractor selection in public organizations with risk considerations. *Socio-Economic Planning Sciences*, 68, p.100620.

- Clewlou, R.R. and Mishra, G.S., 2017. Disruptive transportation: The adoption, utilization, and impacts of ride-hailing in the United States.
- Chow, H.K., Choy, K.L., Lee, W.B. and Chan, F.T., 2007. Integration of web-based and RFID technology in visualizing logistics operations—a case study. *Supply Chain Management: An International Journal*.
- Creswell, J.W., Klassen, A.C., Plano Clark, V.L. and Smith, K.C., 2011. Best practices for mixed methods research in the health sciences. *Bethesda (Maryland): National Institutes of Health, 2013*, pp.541-545.
- Desjardins, R., Thorn, W., Schleicher, A., Quintini, G., Pellizzari, M., Kis, V. and Chung, J.E., 2013. OECD skills outlook 2013: First results from the survey of adult skills. *Journal of Applied Econometrics*, 30(7), pp.1144-1168.
- Davies, N.B., Krebs, J.R. and West, S.A., 2012. *An introduction to behavioural ecology*. John Wiley & Sons.
- Franco, M.R., Tong, A., Howard, K., Sherrington, C., Ferreira, P.H., Pinto, R.Z. and Ferreira, M.L., 2015. Older people's perspectives on participation in physical activity: a systematic review and thematic synthesis of qualitative literature. *British journal of sports medicine*, 49(19), pp.1268-1276.
- Gwaya, A.O., Masu, M. and Wanyona, G., 2014. Development of appropriate project management factors for the construction industry in Kenya. *International Journal of Soft Computing and Engineering*, 4(1), pp.70-76.
- Gupta, R., Karayil, A. and Rajendran, R., 2008. Contract Lifecycle Management. *The DNA of Procurement. Building Tomorrow's Enterprise*. Infosys.

- Hansson, L. and Longva, F., 2014. Contracting accountability in network governance structures. *Qualitative Research in Accounting & Management*.
- Howard, T. (2015). *Strategic Management Research* (2nd ed.) London: *Oxford University Press*.
- Kakwezi, P., 2018. *Determinants and Success Factors for Transient Multidisciplinary Teams in Supply Chains* (Doctoral dissertation, University of Newcastle).
- KIPKEMOI, P., 2018. *Effect of working capital management on financial performance of listed commercial and service firms at Nairobi Securities Exchange Limited Kenya* (Doctoral dissertation, Kabarak University).
- Kumar, V. and Reinartz, W., 2016. Creating enduring customer value. *Journal of Marketing*, 80(6), pp.36-68.
- Klees, S.J., 2012. World Bank and education: Ideological premises and ideological conclusions. In *The world bank and education* (pp. 49-65). Brill.
- Lebow, J.L., Chambers, A.L., Christensen, A. and Johnson, S.M., 2012. Research on the treatment of couple distress. *Journal of Marital and Family therapy*, 38(1), pp.145-168.
- Lysons, K. and Farrington, B., 2012. *Purchasing and Supply Chain Management, Tendering*.
- Malanda, N., 2021. *Effect of Contract Management Practices on the Performance of Contracts for Road Construction at Tarura Head Quarter in Dodoma-Tanzania*.
- Macaulay, S., 1963. The use and non-use of contracts in the manufacturing industry. In *Stewart Macaulay: Selected Works* (pp. 33-58). Springer, Cham.
- Mhando, Y., Mlinga, R. and Alinaitwe, H., *Comparative Study of Factors Leading to Detrimental Variations in Public Building Projects*.

- Nsanzimana, J. and Mulyungi, P., Effect of Contract Management Practices on Performance of Road Construction Projects in Kigali: A Case of Rwandex-Remera Road Construction Project.
- Nshemereirwe, C., 2015. Investigating the Comparability of A'level Subjects as a Basis for University Selection in Uganda.
- Osoro, A., Muturi, W.M., & Ngugi, P.K., (2015), Economic Data Analysis Performance of Supply Chain Systems in the Petroleum Industries in Kenya. *The International Journal of Business & Management*, 3(9), 98.
- Oluka, P.N. and Basheka, B.C., 2014. Determinants and constraints to effective procurement contract management in Uganda: A practitioner's perspective. *International journal of logistics systems and management*, 17(1), pp.104-124.
- Okinyi, T.O. and Muturi, W., 2016. Factors affecting efficiency of procurement in public institutions: a case of public entities in Homabay County. *International Journal of Social Sciences and Information Technology*, 2(2), pp.1-14.
- Otieno G. (2010). Exports Supply response Capacity Constraints in Kenya: A synthesis of Horticulture and Livestock Products, an African Economic Research Consortium Collaborative Research Paper.
- Piper, B., Zuilkowski, S.S. and Mugenda, A., 2014. Improving reading outcomes in Kenya: First-year effects of the PRIMR Initiative. *International Journal of Educational Development*, 37, pp.11-21.
- Robson, A. and Robinson, L., 2013. Building on models of information behaviour: linking information seeking and communication. *Journal of documentation*.

- Rob, T. & Simon, B., (2012). Public Hospitals, Public Policy for the Private Sector Note No. 241, Washington:
- Robson, B. (2013). Real world research: A resource for social scientists and practitioner. New York: John Wiley and Sons.
- Sekaran, U. and Bougie, R. (2013). Research Methods for Business A Skill-Building Approach. 6th Edition, Wiley, New York
- Sieke, M., 2008. *Supply Chain Contract Management: A Performance Analysis of Efficient Supply Chain Contracts*. Kölner Wissenschaftsverlag.
- Schiele, H., 2007. Supply-management maturity, cost savings and purchasing absorptive capacity: Testing the procurement–performance link. *Journal of purchasing and supply management*, 13(4), pp.274-293.
- Shalle, N.I., Guyo, W. and Amuhaya, I.M., 2014. Role of inventory optimization on e-procurement performance in State Parastatals in Kenya. *International Journal of Social Sciences and Entrepreneurship*, 1(10), pp.86-96.
- Taherdoost, H., 2016. Sampling methods in research methodology; how to choose a sampling technique for research. *How to choose a sampling technique for research (April 10, 2016)*.
- Trent, R. (2013). Strategic supply management creating the next source of competitive advantage. Ft. Lauderdale, FL: J. Ross Pub.
- Umana, E. A. (2019). Conflict Resolution Strategies and Organizational Performance: An Exploratory Analysis. *International Journal of Economics, Commerce and Management*, United Kingdom, 7(5).

Vaidyanathan, G. and Devaraj, S., 2008. The role of quality in e-procurement performance: An empirical analysis. *Journal of Operations Management*, 26(3), pp.407-425.

Yegon, K.B. and Mbeche, W., 2018. Determinants of Procurement Contract Management of selected State Corporations in Nakuru County, Kenya. *International Journal of Economics, Commerce and Management*, 6(5), pp.628-629.

APPENDIX I: QUESTIONNAIRE

My name is **Saada Bomani**, a student of Master of Business Administration in Procurement and Supplies Management at Institute of Accountancy Arusha. In partial fulfillment of the requirements for the degree, I am required to conduct research in an area of my interest. My interest in this study is to ***Assessment of Effectiveness of Contract Management on Procurement Performance of Road Construction Projects in Tanzania: A Study of TARURA in Iringa Region***. You have been sampled to participate in this study and the information you give will be used strictly for academic purposes and will never be used against you or your office. The information obtained from you will be kept highly confidential. You are also requested not to write your name on this questionnaire. Fill out the questionnaire and return to me.

Thank you for your cooperation.

Section A: Demographic Information

1. Please indicate the highest level of education attained. (Tick as applicable)

Certificate []

Diploma []

Undergraduate/ degree []

Masters []

Others (specify)

.....

2. Indicate your period of service in the organization

Below 1 years [] 2 to 4 years [] 5 years and above []

3. Gender: Male Female

Section B:

i. Contract administration and procurement performance in road construction projects in Tanzania.

4. Kindly indicate your level of agreement with the following statements on the effect of contract administration on procurement performance of road construction projects at TARURA Iringa Region. Key Use a scale of 1-5, where (1= strongly disagree, 2= disagree, 3= Neutral, 4= Agree and 5= strongly Agree)

No.	Statement	1	2	3	4	5
1.	My organization considers personal qualification on appointing contract implementation teams.					
2.	A professionally qualified contract implementation team is likely to deliver based on the required terms of reference (TORs).					
3.	Contract monitoring and control can ensure mutual satisfaction to both the contractor and the buying organizations.					
4.	Through contract monitoring my organization has been able to get quality and meet the demands of time, budget and scope of many completed contracts.					
5.	Administrators of contracts are supposed to maintain a documentation system of every correspondence that arise before, during and after contracts.					
6.	The organization has ensured that the contract terms are well adhered so as to achieve procurement performance					

5. In what other ways does contract administration affect procurement performance of road construction projects at TARURA Iringa Region?

.....
.....
.....

6. To what extent does contract administration affect procurement performance of road construction projects at TARURA Iringa Region?

- Very great extent []
- Great extent []
- Moderate extent []
- Little extent []
- No extent []

7. Contractor relationship management and procurement performance in road construction projects in Tanzania.

Kindly indicate your level of agreement with the following statements on the effect of contractor relationship management on procurement performance of road construction projects at TARURA Iringa Region. Key Use a scale of 1-5, where (1= strongly disagree, 2= disagree, 3= Neutral, 4= Agree and 5= strongly Agree)

No.	Statement	1	2	3	4	5
1.	We invariably advocate for strong commitment with our contractors on contractual obligations in order to achieve procurement performance					
2.	We believe that a full commitment on transactional activities leads to a good contractor relationship management					
3.	Our concerted efforts on maintaining credibility with our contractors' paves way to strong buyer-contractor collaboration initiative					
4.	We have inculcated a culture of trust with our contractors on contractual activities in procurement processes					
5.	We consistently leverage our contractor's capability by analyzing their performance					
6.	We share information with our contractors in line with the best practices that are subject for implementation on contractual activities					
7.	We always provide feedback to our contractors in terms of their performance					

8. In what other ways does contractor relationship management affect procurement performance of road construction projects at TARURA Iringa Region?

.....

9. To what extent does contractor relationship management affect procurement performance of road construction projects at TARURA Iringa Region?

Very great extent []

Great extent []

Moderate extent []

Little extent []

No extent []

10. Contract dispute resolution and procurement performance in road construction projects.

Kindly indicate your level of agreement with the following statements on the effect of contract dispute resolution on procurement performance of road construction projects at TARURA Iringa Region.

Key Use a scale of 1-5, where (1= strongly disagree, 2= disagree, 3= Neutral, 4= Agree and 5= strongly Agree)

No.	Statement	1	2	3	4	5
1	My organization implements contract enforcement policy to ensure every party involved in the contract administration process performs their responsibility.					
2	In case of a dispute the appropriate procedures are dully followed to resolve the possible differences					
3	Collective bargaining in cases of disputes ensures both parties are satisfied and hence productivity.					
4	There professional ethics are adhered to resolve the possible differences when they arise by both parties					
5	In cases of contract disputes, our organization employs alternative dispute resolution process which contributes to control of cost and contract management.					
6.	To enhance dispute resolution results, our organization has created a conducive environment that ensures each party is free to express its concerns.					

11. In what other ways does contract dispute resolution affect procurement performance of road construction projects at TARURA Iringa Region?

.....

12. To what extent does contract dispute resolution affect procurement performance of road construction projects at TARURA Iringa Region?

Very great extent ()

Great extent ()

Moderate extent ()

Little extent ()

No extent ()

Section C: Procurement Performance in road construction projects

13. Kindly indicate your level of agreement with the following statements relating to procurement performance of road construction projects at TARURA in Iringa Region. Key Use a scale of 1-5, where (1= strongly disagree, 2= disagree, 3= Neutral, 4= Agree and 5= strongly Agree)

No.	Statements	1	2	3	4	5
1.	We often register cost-effectiveness in all contractual activities with our suppliers/contractors					
2.	We have a framework of ensuring cost-effectiveness in procurement activities					
3.	Our inherent synergy-focused drive-in procurement process forms the basis of customer satisfaction					

4.	Our customer satisfaction index necessitates vibrant working relationship					
5.	We always respond to our internal customers complaints as a way of sustaining and enhancing customer satisfaction					
6.	We constantly embrace procurement agility in contractual obligations					
7.	Our strategies on procurement agility enhances our procurement performance					

14. To what extent do contract administration, contractor relationship management and contract dispute resolution affect procurement performance of road construction projects at TARURA in Iringa Region?

Very great extent []

Great extent []

Moderate extent []

Little extent []

No extent []

APPENDIX II: INTERVIEW GUIDE

1. How does contract management influence procurement performance in your institution?
2. How often do you encounter contract variations during procurement proceedings? Please explain
3. Does your institution appoint contract implementation team especially when handling complex and specialized procurement contracts? Kindly explain
4. What are the remedial actions you apply against the contractors who fails to comply with terms and conditions of the contract?
5. Explain the overall performance of the contractors in terms of contract administration in your organization?
6. Does your organization embrace buyer-supplier/contractor collaboration on contractual related activities? If yes or no, please explain the extent to which this supplies phenomenon is handled in your organization.
7. How do you manage procurement records on contractual activities in your organization?
8. What strategies do you apply in your organization in order to ensure sustainable value for money (VFM) on contract and procurement related activities?
9. What is the blueprint of ensuring internal and external customer satisfaction in your organization?

APPENDIX III: BUDGET

S/N	DESCRIPTION OF ITEMS	QUANTITY	UNIT COST	AMOUNT (TSHS)
1.	Transport for data collection and attending dissertation defense	2	60,000/=	120,000/=
2.	Stationary (typing, printing and binding)	5	50,000	250,000/=
3.	Meal and accommodation during data collection	4	75,000/=	300,000/=
4.	Internet services	4	15,000/=	60,000/=
Total				730,000/=

APPENDIX IV: WORK PLAN
FROM JANUARY TO JUNE 2023

Activity	1 st Month	2 nd Month	3 rd Month	4 th Month	5 th Month	6 th Month
Research problem setting						
Scrutinizing the literature available						
Proposal Development						
Submission of Proposal and Presentation						
Distributing questionnaires and collecting data						
Compiling, discussing and analysis data						

for prepare report						
Typing, binding and report production						
Submission of the report and presentation						

APPENDIX V: IAA LETTER FOR DATA COLLECTION

Appendix V: Certificate of English Editing

Appendix VI: Plagiarism