



The Impact of Employee Proficiency on Tanzanian Procurement Contract Management; Evidence from Higher Learning Institutions

Shikunzi Obadia ^{a*} and Germanus Chole ^a

^a *Department of Business Management, Institute of Accountancy Arusha, P.O.BOX 2798, Arusha, Tanzania.*

Authors' contributions

This work was carried out in collaboration between both authors. Both authors read and approved the final manuscript.

Article Information

DOI: 10.9734/JEMT/2024/v30i41200

Open Peer Review History:

This journal follows the Advanced Open Peer Review policy. Identity of the Reviewers, Editor(s) and additional Reviewers, peer review comments, different versions of the manuscript, comments of the editors, etc are available here: <https://www.sdiarticle5.com/review-history/112273>

Original Research Article

Received: 29/12/2023

Accepted: 04/02/2024

Published: 22/03/2024

ABSTRACT

The impact of employee proficiency on Tanzanian procurement contract management; Evidence from higher learning institutions. Interviews, documentary reviews and questionnaires were used as the methods of data collection. The Statistical Package for Social Sciences (SPSS) computer software version 22 was used specifically for the purpose of analyzing the quantitative, while qualitative data were analyzed through content analysis. The findings revealed that an employee should be committed and well-skilled and also that an employer should train their staff on different issues related to procurement contracts management, assigning these tasks to the employees who are experienced enough, as all this leads to effective procurement contracts management. Staff competency has a significant positive influence on performance in procurement contracts management. The more the staff become competent in managing procurement contracts, the more the performance is improved. This indicated that staff are the key factors that will enable the

*Corresponding author: E-mail: shikunziobadia@gmail.com, sobadia@iaa.ac.tz;

organization to achieve its procurement contractual goals. It was discovered that many staff attended various training and seminars offered by regulators like Public Procurement Regulatory Authority (PPRA) and other professional bodies like the Procurement Supplies Professional and technician Board (PSPTB), therefore it was their fault that affected the effective management of procurement contract in Tanzania higher learning institutions. The study recommended that there must be regular training on procurement contract management for the public staff. The public sector should ensure that their employees are well-trained and educated on procurement contract management issues as it will enable the organization to have employees who will formulate and execute procurement contracts effectively and enable the organization to improve its procurement performance. Higher learning institutions should ensure their procurement officers receive procurement training frequently as needs arise due to frequent changes in procurement policies, procedures or laws. Higher learning institutions should train their employees to increase their skills in the interpretation of the contract. It is considered that well-experienced personnel in contract management are likely to perform great and enable the organization to perform well in contracts.

Keywords: Employee proficiency; management; procurement contract and higher learning institutions.

1. INTRODUCTION

The growing significance of procurement contract management in improving public procurement performance implies that PEs should hire qualified personnel to handle procurement contracts. Mrope [1] claims that “low-skilled and understaffed procurement unit personnel are the main cause of Tanzania's poor contract management performance in many PEs. The adopted laws, rules, regulations, and procedures pertaining to the procurement are therefore not being applied correctly. Through the Procurement and Supplies Professionals and Technicians Board (PSPTB), which is in charge of expanding and providing training for procurement professionals regarding their professional conduct, the Tanzanian government has made multiple attempts to combat incompetence and guarantee effective contract management in public procurement entities”. According to the definition provided by Kolani and Miroga [2] “contract management refers to the systematic procedure of ensuring compliance with the terms of a contract and the timely fulfillment of obligations by all involved parties”. “Furthermore, it is essential to address the aforementioned concerns pertaining to payment, policy specifics, and contract implementation” (Kolani & Miroga, 2019).[2]. The effective management of contracts entails the establishment of protocols for the creation, execution, and evaluation of agreements in a manner that optimizes advantages while mitigating expenses and vulnerabilities [3].

Through the Public Procurement Act PPA, [4] its amendments in 2016, and the Public

Procurement Regulations (PPR) of 2013, the government has introduced provisions such as Regulation 114 of General Notice (GN) 446, which require each Procuring Entity to be responsible for the effective management of any procurement of goods, services, or works for which it is undertaking. These provisions aim to achieve effective contract management for all Procuring Entities in public procurement. They also require each Procuring Entity to monitor the costs and timely delivery of goods and services in the correct quantities and to the quality specified in each contract; monitor the progress and timely completion of works in accordance with the terms of each contract; and take measures to correct or discipline deviations from the observance of contract terms.

A contract management capability is an assurance of effective contract management and achieving value for money. There are many things that are involved in the management of contracts which require so many parties to participate in different forms. Marco, [5] “it is important to have the capabilities in order to ensure that the terms and conditions are well adhered to and in the end, the contract achieves what is intended to deliver for both parties”. According to the Controller and Auditor General (CAG) Report (2016) “there was a loss of public funds due to improper contract management. For example, Capital Development Authority had entered into a contract for consultancy services of the valuation of the fixed assets register. Due to improper management of the contract the consultant had already been paid the whole amount of the contract price but the services had not yet been delivered”.

The impact of staff competency on procurement contract performance was not found by Zanana and Kariaku (2017) in their study on the effects of relationship management on project contract performance. In their study on the factors influencing and impeding effective procurement contract management, Uluka and Basheka (2012) concentrated on the difficulties in managing relationships rather than the impact of procurement contract capability on achieving value for money. Similarly, Athuman and Bisama (2018) studied the effectiveness of contract management on value for money in the public procurement of goods; however, this study was broad in nature and ignored the role that relationship management, staff competency, and organizational capability play in achieving value for money procurement. Furthermore, a study by Waigwa (2016) on the variables influencing the management of procurement contracts in public security agencies did not demonstrate the connection between the achievement of value-for-money procurement in the public sector and the capability of procurement contracts in terms of staff competency, organizational capability, and relationship.

“Governments are increasingly entering into contracts with third parties and these contracts are complex which leads to Government facing a lot of challenges” (Crawford, 2019). PPRA (2018) auditing report shows the number of weaknesses found during auditing which affect the management of contracts as follows; PMU being headed by a person with no relevant professional qualifications, inadequate number of staff and lack of training to PMU on public procurement law, poor record keeping by PMU on procurement and contract management, Regarding the tender board, poor internal control, inadequate budget and poor relationship management among the stakeholders.

PPRA observed that Members of the Tender Board had no knowledge of public procurement law to manage procurement proceedings, Internal Audit Unit lacked knowledge of public procurement which constrained them with the techniques to audit procurement issues. PPRA report (2019) also indicated that “the procuring entities will suffer the loss of around TZS 23.7 Billion as the result of inappropriate procurement contract management procedures which are being applied by the Procuring Entities” (PPRA, 2018). “Despite of number of trainings provided by PPRA, and PSPTB each year and advice being given on issues that have been discovered

during the given auditing, still there are problems with contract management which lead to poor implementation of procurement contracts which lead to high cost during procuring of goods which is highly facilitated with poor quality and late delivery of the goods” [6].

CAG report of 2021/22 found out that eight PA & oBs did not demand performance securities for 77 executed contracts amounting to TZS 46.16 billion from successful tenderers contrary to Regulation 29 of the Public Procurement Regulations, 2013 which requires the successful tenderer to submit performance security, and Paragraph 11.2 of PPRA Guideline for securities of February 2022 required performance securities to be submitted prior to the signing of the contract and a person within a Procuring Entity who contravenes the requirement, shall be liable to a penalty in accordance with Section 104 of Public Procurement Act, Cap 410. A list of PA & oBs with inadequate contract performance securities including Muhimbili University of Health and Allied Sciences, Institute of Adult Education, Tanzania Institute of Education etc.

PPRA, [7] revealed that during the financial year, 2018/2019 some PEs did not prepare contract progress reports, delayed payments to suppliers, their supervisors or contract managers were not appointed by accounting officers (AOs), some of the agreements were executed without performance guarantees, progress reports and measurement sheets were not attached with payment certificates, payments to suppliers for sampled tenders were not certified by user departments, contracts were executed without quality assurance plan, securities were not managed appropriately, contracts record system was poor, communication systems between stakeholders were not clearly established, AOs did not handle properly contractual complaints submitted by bidders, goods were paid for but not delivered. This provides evidence of the incompetence of the staff employed to execute contract management activities. In response to this the researcher sought to examine the influence of staff competence on management of procurement contracts particularly in higher learning institutions in order to provide a detailed understanding of the employees’ competencies influence on procurement contract management issues.

This study sought to establish the Influence of staff competence on the management of procurement contracts in Tanzania based on a

case study of higher learning institutions in Tanzania, the gap arose because many studies in Tanzania have been concentrated on contract management in local government authorities. The reason for selecting higher learning institutions as a case study was based on the fact that these are one of the Government institutions within a large number of procurement transactions being done. Hence, higher learning institutions are the study area which was able to serve as a good criterion for this research study.

To bridge the -indicated gap for reviewed literature, the researcher was motivated to establish the Influence of staff competence on the management of procurement contracts in focused on staff competency and management of procurement contract.

1.2 Statement of the Problem

According to the CAG Report [8] “there were several weaknesses in the management of public procurement contracts for works. These included inappropriate signing of contracts, lack of significant contract information, insufficient quality assurance plans, liquidated damages were not applied for delayed works, and completed works were not tested to ascertain whether they had attained the specifications required”

Similarly, the CAG Report (2016) revealed that “there was a loss of public funds due to improper contract management. For example, the Capital Development Authority entered into a contract for consultancy services for the valuation of fixed assets register. Due to improper management of the contract the consultant had already been paid the whole amount of the contract price but the services had not yet been delivered. Existing studies have attempted to generalize the government’s spending little attempts made to identify the effectiveness of work and contract management in achieving value for money”

Moreover, “the lack of public procurement professionals, development plan and strategy, and failure of the Procuring Entities (PEs) to comply with the existing procurement standards, procedures, lack of procurement planning and budgeting have often resulted in the recurring of emergency procurement” [9]. “Most of the public procurement contracts has not been able to meet the intended strategic objectives expressed in the contract. A number of PEs were not able to execute contract management effectively which

resulted in failure to meet the expected objectives of the contract” [10,8,11].

For example at the University of Dar es salaam, Contracts awarded to unregistered contractors worth TZS 12.78 billion, the report of CAG 2021/22 found that the Bureau for Industrial Cooperation (BICO) was established under the faculty of engineering in the year 1990, was registered as a local engineering consulting firm on 15 June 1999 and by the Engineer Registration Board and the Engineering Material Testing Laboratory on 26 February 2016. However, I found that BICO implemented a total of 98 projects from 2017/18 to 2019/20 for renovation and rehabilitation of the University Infrastructure for TZS 12.87 billion, although BICO was not registered as a contractor with the Contractors Registration Board contrary to Section 10 of Contractors Registration Act, 1997 as amended by Section 9 and 10 of the Contractors Registration (Amendment) Act, 2008. Additionally, in all undertaken works there were no interim certificates for payments to certify the work done.

Also, Contracts signed without being vetted by the Attorney General or Legal Officer TZS 45.71 billion and USD 7.75 million. Regulations 59 and 60 of the Public Procurement Regulations 2013 as amended by regulations 2 and 3 of the Public Procurement (Amendment) Regulations, 2016 stipulates that any formal contract whose value is above one billion shillings and that is procured through international competitive tendering shall be vetted by the Attorney-General before the contract is signed by the parties. Tenders not vetted by the Attorney General are void and the tender whose value is below one billion shillings has to be vetted by a Legal Officer of a procuring entity. My review of the process for awarding tender and management of the contracts during the financial year under review 2021/22, found eight PA & oBs signed contracts of TZS 45.71 billion and USD 7.75 million without being vetted by AG or Legal Officers. There is an increasing case of non-vetted signed contracts which is risky as it exposes the PA & oBs to legal disputes that might negatively affect the management of the contracts

With all these case studies, the question comes to mind are the people involved in procurement and contract management are enough competent to discover these malpractices. Or are the people involved in procurement and contract management not aware of what is going on? This

study aims to assess the Influence of staff competence on the management of procurement contracts but it focused specifically on staff competency and their influence in management of procurement contracts. The reason behind concentrating on these in contract management is due to the fact that many studies have focused on the factor facilitating contract management and few studies have been done on the same area and this is where the gap lies.

2. LITERATURE REVIEW

2.1 Theoretical Literature Review

2.1.1 The Resource-Based Theory (RBV)

According to Dejmaj (2004), “the organization has to look inside to find the resources that can be used to compete against its competitors or in other ways the theory has given a great emphasis on the resources for the organization to succeed. Resource can be tangible and intangible including skills, human resources, effective systems and many others that can assist the organization to compete effectively”. “A firm’s application of a number of resources both tangible and intangible which is at its disposal is what forms a foundation for the competitive advantage of a given firm” (Wernerfelt, 1984; Rumelt, 1984, Penrose, 1959). “In order for the short-run competitive advantage to be transformed into a continuous competitive advantage it is required for the firm’s resources to have a heterogeneous nature and not perfectly mobile” Teraf (1993).

“Effectively, this translates into valuable resources that are neither perfectly imitable nor substitutable without great effort” Barney (1991). In addition, through a sophisticated and consistent bundling of actions; their common strengthening can assist in adding different individual capabilities.

This theory enhances that an organization should have the required resources which can be used to effectively manage procurement contracts which include the human resources which process different contract management skills, financial resources and also being able to maintain relationships among the contracting parties. As some of the literature such as Park and Kim, (2018) explained staff competence and organization capabilities are what form contract management capabilities.

2.1.2 Competency theory

“The work of McClelland & McBer in the 1980s established the competence theory. The authors defined competency as the underlying characteristic of an individual that is causally related to criterion-referenced effective and/or superior performance in a job or situation. Since then a number of competency frameworks have been developed by different project management institutes. Crawford” (as cited in Boyatzis, 1982 & Spencer, 1993), puts a model of competence that integrates knowledge, skills, demonstrable performance, and core personality characteristics, noting the last, personality characteristics, as challenging to develop and assess through training.

2.2 Empirical Literature Review

“Staff competence as part of Procurement contract management capability involves many elements that contribute to it including, knowledge of contract management, contract document interpretation, education level, and experience which enable the procuring entity to ensure quality goods are procured at a minimum cost and timely delivery” (Service, 2018).

Wambui, (2017), described staff competence as the level of excellence, skill, and quality of individuals of a certain profession, whereby employees must have the necessary skills and knowledge to be able to undertake their assigned duties and responsibilities. It is very important to consider an individual’s skills and knowledge when recruiting new employees. Employees therefore must be competent and preserve integrity and openness in their dealings in order to encourage and build trust in the people whom they serve. According to Baily *et al.*, (2008), having thorough knowledge of an organization’s mission and objectives, as well as performance metrics and guidelines, requires good qualifications.

Lyson and Farrington (2012) assert that “procurement as a profession calls for skills based on theoretical knowledge, prolonged training and education, competence based on tests and examinations, and practising and adhering to the professional code of ethics”. “Thus, an effective procurement system requires that the procuring entity is staffed with procurement professionals, trained and recognized by the respective procurement professional body” [12]. Raymond, (2008), “on

the other hand, revealed that a lack of procurement skills and knowledge leads to corruption which ultimately impedes compliance with procurement rules and regulations in procuring entities and adversely affects performance". Wambui, (2017) conducted "a study on the factors affecting contract management in the acquisition of goods and services. The study revealed that staff competency is an essential factor to be considered by an organization during contract management".

"The increasing importance of procurement suggests that only well-trained and qualified personnel should be employed to manage the process. If procurement officers are not professionally trained and lack awareness about all regulations in relation to procurement and related procedures, then serious consequences including breaches of codes of conduct occur, leading to the application of unsound procurement practices and therefore declined organizational performance" (Rendon, 2010). Joyce (2014) conducted "a study on contract management practices in Kenya. The study exposed that appropriate contract management practices, including contract relationship management, contract administration, monitoring and acceptance management, and proper dispute resolution, as well as using effective contract evaluation procedures while employing a contract management team with relevant skills, qualifications, knowledge and experience, will definitely enable the government of Kenya to save billions of taxpayers' money".

Robert Yin, (2019) pointed out that "in order to inspire extraordinary performance in procurement contract management, management needs to foster a positive work environment that motivates procurement employees to work efficiently in their assigned duties that, in turn, greatly influence contract and procurement performance as managers lead to employee's job satisfaction by working towards reducing their complaints and grievances; this will improve on turnover, absenteeism and termination and, consequently, contribute to enhanced punctuality and employee morale, which has a positive association with contract management performance".

In another study by Marco, (2013) on the 'Effectiveness in contract management in Tanzania', the author noted that employee communication and the general system of

communication within the organization, together with required knowledge, and skills accompanied the financial capability, amicable resolution of disputes by the contact management team, positively affect the contract management and the procurement performance within the organization.

2.3 Conceptual Framework

Conceptual framework refers to the research tool that outlines the possible courses of action or preferred approach to undertake the study (Goddard and Melville, 2001). The conceptual framework provided a clear path for the study as it acted as the basis of the findings. It involved staff competence as an independent factor and procurement contracts management as a dependent factor.

2.4 Operational of Variables

Competent employees need to develop and ensure an effective or superior performance in their current and future jobs. Kuijpers, (2010) discerns "three important types of competencies at work. First, functional competencies are defined as the knowledge and skills necessary for employees to successfully perform their jobs". "These functional competencies are based on the employees' tasks and roles and, hence, differ according to the industry and function" (Kuijpers, 2010). "Second, learning competencies are defined as the individual characteristics of an employee that enable him/her to develop new functional competencies" (Kuijpers, 2010). According to (Lindley, 2002), "learning competencies increasingly gain importance in the work environment since the rise of the knowledge economy and the growing need for flexibility make it important for employees to continuously invest in their development". "Finally, career competencies are described as the individual characteristics of an employee that enable him/her to guide his/her functional and learning competencies in the right direction" (Kuijpers, 2010).

Interpretation of contract documents is very important in achieving value for money in terms of timely delivery, reasonable and lowest cost and good quality. In order to manage a contract, there has to be a contract document which acts as a guide on how both parties will participate and achieve what is required. Contract documents have many terms which help or motivate both parties to perform their parties

effectively. For example, there are terms covered in the general condition of the contract and special condition of the contract which stipulate the cost of delaying paying the bidder or when the bidder will delay delivering the items the liquidated damages that will be charged on his part.

“These terms motivate both parties to perform effectively on their parties and not being able to understand these terms it leads to a cost increase as the Procuring Entity will incur costs by delaying paying or will incur costs by not requesting Performance security which is an essential part of the contract and tender document. There are different contract documents for different procurements and they have different terms and conditions. Good examples are the documents which are being provided by PPRA they differ depending on the type of Procurement. There is a contract for works, goods, Consultancy services and non-consultancy services. One has to be capable of interpreting these documents to enable the organization to procure an item at a reasonable cost and hence attain value for money” (PPRA, 2019).

“Knowledge of the contract-related terms is crucial for effective contract management which leads to timely delivery, low cost and quality. One has to be capable of defining the contract-related terms to know what they mean and what the

implication of such terms is. Mostly these terms have positive and negative impacts which can cause loss if not well understood and can be an advantage if it will be well understood”. (Park & Kim, 2018). “Understanding different contract terms and theories that are being used in the contract is very important in managing contracts and most of the problems that a country faces in contract related are based on a poor understanding of the contract terms and related theories as a nation it ends in entering into a contract that has bad impact to the nation” (McPhee, 2006).

3. METHODOLOGY

3.1 Research Design

A descriptive research design was used in this study. The descriptive design was employed in the study. The design was used to describe the characteristics of the independent variables (Private interests/Personal gains, Nepotism and Political or external influence). This was appropriate to obtain information concerning the current status of the phenomenon to describe what the current situation is with respect to the variable of the study. Gronhaug (2005) asserts that in descriptive design the problem is structured and well understood fact Mugenda and Mugenda (2006) agree that descriptive design is most preferred because it gives a report on things as they actually are.

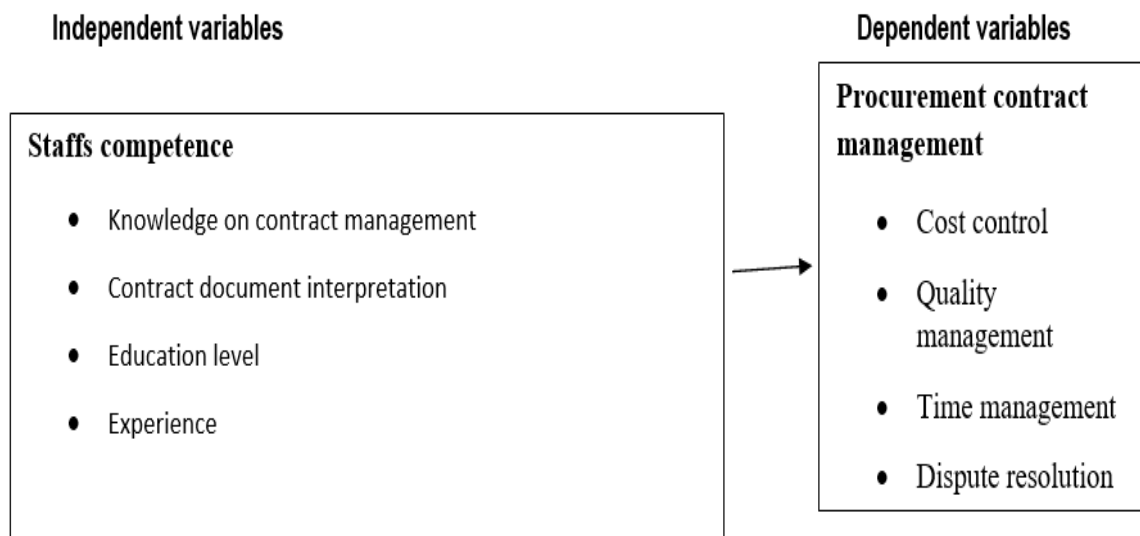


Fig. 1. Conceptual framework model
Source: Researcher (2023)

3.2 Sampling Frame and Sample Size

The sampling frame also known as the source list or sampled population, refers to a list of ultimate sampling entities; it is a physical representation of the target population and comprises all the units that are potential members of the sample (Kothari, 2005). In this study, our sampling frame was a list of all departments engaged in procurement and consisted of staff from all management levels, procurement and user departments to ensure that all areas concerned with procurement were covered.

The sampling frame describes the list of all population units from which the sample was selected (Mugenda and Mugenda, 2006). This study targets a sample size of 27 respondents which represents 30% of the target population. He contended that in descriptive studies, a sample of 30% of the population is recommended as a good representation. Furthermore, he asserts that sampling is part of the statistical practice concerned with the selection of individuals or observations intended to yield some knowledge about a population of concern, especially for the purposes of statistical inferences. They advise that a researcher would have to use 30% of the total target population as a sample size for it to be accepted as a good representative sample. Creswell (2009) argued that the use of a reasonable sample is appropriate because it is a quick, inexpensive, efficient and accurate means of assessing information about the population. Thus 30% is representative of data for analysis.

3.3 Sample Size

From a total population of 40 employees, a sample size of 30 employees was taken. The researcher considered the chosen sample size as suitable because it fulfilled the requirements of efficiency, representative, reliability, flexibility and precision of the study as propounded by Cooper and Schindler (2008); Mugenda and Mugenda (2006) and Creswell (2009). The following table indicates the sample size determination for this study.

3.4 Population

Population refers to the group of units with common features in which a researcher is interested. In this study, a population consists of user departments, Accounting Officers, PMU,

tender board, legal department, auditors, and Procurement officers. Total populations of 40 respondents were involved in this study.

3.5 Sampling Techniques

3.5.1 Probability sampling procedure

Simple random sampling refers to the sampling technique in which every member of the population has an equal chance of being selected (Kothari, 2014). User departments and procurement officers were selected using this procedure or technique and this technique eliminates all elements of bias during selecting a representative sample.

3.5.2 Non - probability sampling procedure

In this study, a researcher used judgmental or purpose sampling as a procedure in selecting the Accounting Officer, PMU, tender board, legal department and auditors. The mentioned procurement officers were asked to take part in the study with the aim of giving more insight into the study. In addition, a purposive sampling technique was adopted in conducting this study to gain insight into the phenomena. Also, it is considered the most appropriate method for collecting members of a population that are near and readily available for research purposes.

3.6 Methods of Data Collection

This study utilised both primary and secondary data. This study used a questionnaire as a research instrument to collect the data relating to the independent variables. A researcher believed that it is through questionnaires that the respondents were able to provide information at their own prudence or discretion. Hence, it helped to avoid any direct influence contrary to other methods like interviews where the researcher may have a direct influence in moulding respondents' answers. Questionnaires were used among the respondents (user departments, Accounting Officer, PMU, tender board, legal department, auditors, and Procurement officers) in the study area.

3.6.1 Pre-testing of the questionnaire

In this study, a researcher pre-tested the instrument before being used. The purpose of this testing was to obtain responses in order to complete research objectives, to test whether the wording of questions is suited and clear to the

understanding of the respondents, to develop a suitable procedure for administering the instrument with reference to field conditions and to test whether the content of the instrument is relevant and adequate (Henn, 2016). Furthermore, this act of pre-testing the questionnaires aimed to assess whether the questions are answerable, clear, specific, interconnected and substantial (Punch, 2010). The whole process enabled the researcher to fine-tune the questions, also some ambiguous questions were removed and others were re-phrased. After revision, the questionnaires were duplicated and ready for use.

The interview was used as the method of data collection. This method involves face-to-face interviews between the researcher or interviewer and the interviewees or the respondents. The method was used to collect information from the respondents that questionnaires could otherwise not be able to collect.

Secondary data, refers to the process of collecting information from previous works (Gay, 2011). Secondary data was obtained from books, internet- PPRA Website, Procurement Acts, journals and newspapers as indicated in the literature review. The Statistical Package for Social Sciences (SPSS) computer software version 22 was used specifically for the purpose of analyzing the quantitative data.

3.7 Processing and Analysis

Descriptive statistics were performed. The analysis was used to show the characteristics of variables with respect to the problem of the study. The main responses were in a point Likert

scale, thus the frequency distribution, mean score and mean were used as the main analysis outputs in this case. The mean score was used to show the average response which can be interpreted as a common response.

4. RESULTS AND DISCUSSION

4.1 The Influence of Staff Competence on the Management of Procurement Contract

Under this research objective, the researcher sought to determine the role of conflict of interest on procurement performance. Respondents were to respond by ticking the most appropriate option ranging from 1=strongly disagree 2=disagree 3=Undecided 4=agree 5=strongly agree. Respondents indicated their perception toward three items in the questionnaire as shown below. The scale of mean score interpretation was as follows: Based on the mean values, the mean score of 1 to 1.8 represent Strongly Disagree, 1.81 To 2.60 represents disagree, 2.61 To 3.40 represents undecided, 3.41 To 4.20 represents agree and 4.21 To 5.00 represent strongly agree.

“Contracts can be of different forms and they involve many terms that need to be well understood and interpreted” (URT, 2013). In this variable, four elements were used to measure the competence of the staff who are managing the contract and its effect on the performance of the procurement contract as shown in the table below. Also, this variable has also been used by different researchers. Example of the studies includes Park & Kim, (2018), Stanberry, (2004), Marco, (2013)

Table 1. Sample Size

Department	Population Size	Sample size
Procurement Department	10	$10/40 \times 36 = 9$
User Department	22	$22/40 \times 36 = 20$
Tender board	08	$08/40 \times 36 = 07$
TOTAL	40	36

Source: Researcher (2023)

Table 2. Target population

Department	Population Size
Procurement Department	10
User Department	22
Tender Board	08
TOTAL	40

Source, HR Data Base, 2023

Table 3. The Influence of staff competence on the management of procurement contract

	Descriptive Statistics				
	N	Minimum	Maximum	Mean	Std. Deviation
Knowledge of contract management	36	1	5	2.33	1.394
Contract document interpretation	36	1	5	1.97	1.183
Education level	36	1	5	3.64	1.313
Experience	36	1	5	3.81	1.283
Valid N (listwise)	36				

Source: Field Data (2023)

The researcher sought to examine the Influence of staff competence on the management of procurement contracts. Respondents were to respond by ticking the most appropriate option ranging from 1= Strongly Disagree, 2 = Disagree, 3 = Undecided, 4= Agree, 5= Strongly Agree. The scale of mean score interpretation was as follows: Respondents had to respond to five items in the questionnaire under this section. The results of the analysis are shown in Table 3. Based on the mean values, a mean score of 1 to 1.8 represents Strongly Disagree, 1.81 To 2.60 represents disagree, 2.61 To 3.40 represent undecided, 3.41 To 4.20 represent agree and 4.21 To 5.00 represent strongly agree.

As reflected in Table 3, the mean score differed from one item to another. This shows that respondents had different opinions about how staff competence affects the management of procurement contracts in Tanzania's higher learning institutions. Specifically, respondents agreed that procurement officers and contract managers were more educated on all the issues related to procurement contact by attending various courses conducted by professional bodies and other regulatory authorities like PPRA and PSPTB with a mean score of (M=3.64 and S. D= 0.313). furthermore, results from the field showed that the people involved in contract management were more experienced in handling different issues related to procurement contracts with a mean score of (M=3.81 and S.D= 0.283) while other respondents agreed that Knowledge of contract management and Contract document interpretation were the main factors that affect the effective management of procurement contract in Tanzania higher learning institutions with the mean score of (M= 2.33 and S.D= 0.394, Mean= 1.97 and S.D= 0.183). Findings from the field indicated that experience and level of education were not the main issues because staff involved in procurement contracts were more educated and experienced but the

challenges they faced according to respondents' views were that some of the staff were not conversant with the contract document interpretation and Knowledge on contract management.

It was discovered that many staff attended various training and seminars offered by regulators like Public Procurement Regulatory Authority (PPRA) and other professional bodies like the procurement supplies professional and technician board (PSPTB), therefore it was their fault that affected the effective management of procurement contract in Tanzania higher learning institutions.

5. DISCUSSION OF THE FINDING

From descriptive analysis the study exposed that the majority of employees have approved that their staff are competent enough as a result of effective procurement contracts management performance, this simply indicated that staff's commitment, experience, skills and being well trained have a positive impact on procurement contracts management. This study aligns with that of Rendon (2010), which revealed that procurement staff should be wellskilled based on hypothetical information, continue workshops training and education, and be committed and well-experienced, as it will enable effective manage the procurement contracts. The interview of the respondents exposed that the commitment of the staff is the key factor in influencing effective contract management which enables the organization to attain VFM.

The revelation was in agreement with Lysons and Farrington's study [13] which revealed that staff competency has constructive impacts on procurement contracts management and argued that an organization which is staffed with incompetent staff is more likely to have poor procurement contracts management. Staff

competence has a positive contribution indicating a 27.8% on procurement contracts management, which was statistically significance with a p value of .030. The same results were mentioned by Joyce, (2014), who elaborated that employing staff with the necessary skills, experience and well-trained, has a positive contribution on effective contract management. Also, Robert Yin, (2019), discovered a positive contribution between staff competency and effective procurement contracts management and concluded that managers should assign competent staff to manage procurement contracts.

Lyson and Farrington [13] deduced “that procurement is a professional which needs skills based on theoretical knowledge, education, prolonged training, competence based on examinations and tests and adherence to a professional code of ethics”. “Therefore, for effective procurement system, needs or requires a PE to be staffed with trained procurement staff, procurement professionals and procurement staff who are recognized by the respective procurement professional body like PSPTB in Tanzania” (Soudry, 2007).

“It is believed that the poor performance of PEs has been associated with incompetent procurement staff, and inadequate procurement staff” (Aketch, 2015). “As a result, the established regulations, procedures and rules are not constantly applied. In this regard, it is advisable that all procurement staff and other people involved in the procurement process are required to be familiar with the procurement rules and regulations. Therefore, professionalism in public procurement does not only relate to the levels of qualifications and education for the working force but also to the professional approach in the conduct of business activities” (Raymond, 2018).

6. CONCLUSION

The findings revealed that an employee should be committed and well-skilled and also that an employer should train their staff on different issues related to procurement contracts management, assigning these tasks to the employees who are experienced enough, as all this leads to effective procurement contracts management. Staff competency has a significant positive influence on performance in procurement contracts management. The more

the staff become competent in managing procurement contracts, the more the performance is improved. This indicated that staff are the key factors that will enable the organization to achieve its procurement contractual goals.

It was discovered that many staff attended various training and seminars offered by regulators like Public Procurement Regulatory Authority (PPRA) and other professional bodies like the Procurement supplies professional and Technician Board (PSPTB), therefore it was their fault that affected the effective management of procurement contract in Tanzania higher learning institutions.

7. RECOMMENDATION

There should be regular training on procurement contract management for the public staff. The public sector should ensure that their employees are well-trained and educated on procurement contract management issues as it will enable the organization to have employees who will formulate and execute procurement contracts effectively and enable the organization to improve its procurement performance.

Higher learning institutions should ensure their procurement officers receive procurement training frequently as needs arise due to frequent changes in procurement policies, procedures or laws.

Higher learning institutions should train their employees to increase their skills in the interpretation of the contract. It is considered that well-experienced personnel in contract management are likely to perform great and enable the organization to perform well in contract.

DISCLAIMER

This paper is an extended version of a repository document of the same author.

The repository document is available in this link: <http://repository.iaa.ac.tz:8080/xmlui/bitstream/handle/123456789/1863/OBADIA%2c%20Shikunzi%20and%20MWANGA%2c%20Mohamed.pdf?isAllowed=y&sequence=1> [As per journal repository article can be published as a journal article, provided it is not published in any other journal].

COMPETING INTERESTS

Authors have declared that no competing interests exist.

REFERENCES

1. Mrope NP. Professional Challenges in Implementing the Public Procurement Act. *Materials Management Journal*. 2018;34.
2. Kolani JS, Miroga JB. Influence of contract management on supply chain performance of state corporations in the ministry of energy. *The Strategic Journal of Business & Change Management*. 2019; 6(4):571-587
3. Hassan AJ, Omwenga JQ. Contract management and procurement performance of State Corporation in Kenya. *International Journal of Social Science and Humanities Research (IJSSHR)* ISSN 2959-7056 (o); 2959-7048 (p). 2023;1(1):47-73.
4. PPRA. Public procurement Act Number 7 of 2011. Dar es salaam Government Printers; 2011.
5. Marco S. Effectiveness in Contract Management in Tanzania. 2013;85. Available: <https://www.google.com/webhp?client=opera&sourceid=opera&ie=UTF8&oe=UTF8>
6. CAG. Annual Report. Control Auditor General, For 2018/2019. Population Policy Compendium. 2019;1–6. Available: https://doi.org/10.1007/978-1-349-07782-3_161
7. PPRA. (2010). PPRA Annual Performance Evaluation Report for the Financial Year. 2010/11.
8. Controller and General Auditor (CAG), (2014). “Annual report on the audit of the financial statements for the Central and Local Government Authorities for the financial year 2013/2014”
9. Ministry of Finance (MoF), Technical Audit Report of June for Road Works in Dar es Salaam Tanzania; 2012.
10. Pinda M. Responsible Supply Chain. An opening speech in the 2nd Annual Conference of the Procurement and Supplies Professionals. AICC: Arusha. Tanzania; 2011.
11. Ivambi SS. Challenges Affecting Procurement Processes in Public Organizations in Tanzania: The Case Study of Parastatal Pensions Fund-Head Quarters-Dar Es Salaam. Unpublished Master of Project Dissertation Management of the Open University of Tanzania; 2016.
12. Lowe D. Commercial Management Theory and Practice. Chichester, West Sussex: Wiley- Blackwell; 2013.
13. Lysons K. Farrington B. Purchasing and supply chain management. 7th edition, Harlow: Pearson; 2006.

© Copyright (2024): Author(s). The licensee is the journal publisher. This is an Open Access article distributed under the terms of the Creative Commons Attribution License (<http://creativecommons.org/licenses/by/4.0>), which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

Peer-review history:
The peer review history for this paper can be accessed here:
<https://www.sdiarticle5.com/review-history/112273>