

EFFECT OF PROCUREMENT MANAGEMENT PRACTICES ON PERFORMANCE OF MANUFACTURING FIRMS IN FEDERAL CAPITAL TERRITORY, NIGERIA

¹ADEBOWALE Adedokun Abraham & ²IBRAHIM, Abdullahi

¹Department of Business Administration, Nasarawa State University Keffi

²Department of Business Administration and Management, Hussaini Adamu Federal Polytechnic
Kazaure, Jigawa State
ibrahimabdullahi101@gmail.com

Abstract

The declining level of manufacturing sector's contribution to the Gross Domestic Product (GDP) of Nigeria is worrisome and calls for an inquiry into the activities of manufacturing firms and hence this study which examined the effect of procurement management proxied by procurement planning and contract management on performance of manufacturing firms in FCT Nigeria. Survey design was adopted, whereas structured questionnaires were administered to a sample of 384 who are employees at management level of the selected firms. Multiple regression analysis was employed to test the hypotheses formulated and the result indicates that procurement planning and contract management have significant positive effects on performance of manufacturing firms. The study therefore recommended that manufacturing firms should review their procurement planning activities on a regular basis so as to identify and eliminate those areas/activities that no longer conform to reigning standards or best practices. This will ensure continuity in the effective performance and in addition not undermine the already recorded success(es). Also, manufacturing firms should deploy the use of Artificial Intelligence (AI) in their contract management and evaluation process. This will reduce cost and ensure that quality is adequately checked and controlled at every point of the process with little human effort.

Keywords: Contract management, Manufacturing Firms, Performance, Procurement, Procurement planning.

INTRODUCTION

The manufacturing industry plays a crucial role in driving economic growth by producing essential goods and services, which is why many nations prioritize supporting this sector (Haraguchi et al., 2017). Globally, manufacturing accounted for 12.3 million jobs in early 2021, marking a 6.34% increase from the previous year (Bureau of Labor Statistics, 2022). In China, manufacturing significantly boosted GDP in 2021, while in Nigeria, its GDP contribution rose from 11.79% in 2020 to 14.18% in 2021 but declined to 10.12% by early 2023 (Anyalewechi, 2021; NBS, 2023). Beyond production, service delivery in manufacturing—encompassing product design, customer support, and order fulfillment—is increasingly vital for competitiveness, customer loyalty, and global market integration (Zamolo, 2021). In Nigeria, manufacturing is key to economic development due to its potential for wealth and job creation, but it faces challenges from advancing technologies, competition, and shorter product lifecycles. To adapt, firms are employing strategic practices especially in the area of procurement management to maintain competitiveness (Wanjau et al., 2010; Choi, 2021). Procurement in an organization supports operations by assuring the prompt acquisition of high quality, low cost, inputs and raw materials. The continuous expansion of procurement requirements and operations necessitates procurement personnel with the necessary skills and understanding of current technology for procurement management.

Procurement management also evolving as progressive organizations shift their focus from price-per-piece to concentrate more attention on Total Cost of Ownership (TCO) and best value whereby executive decision-makers who embrace these procurement best practices will lead the way to real savings, improved productivity and stronger financial performance. Therefore, procurement practices are a set of activities undertaken by an entity with a view to promoting effective and efficient management of its supply chain (Sollish & Semanik, 2012).

Procurement planning is a critical function within procurement that significantly enhances the efficiency and effectiveness of public institutions (Basheka, 2020). It ensures that resources are allocated

strategically to support organizational goals and improve service provision. Effective procurement planning has also been identified as a key channel for ensuring reliable performance (Mwakiru et al., 2022). Additionally, training plays a vital role in enhancing personnel knowledge, skills, and behavior, leading to improved performance, higher productivity, and better organizational outcomes (Mullins, 2003). Contract management is a vital part of a procurement process in achieving the procurement performance objectives and the overall organization's objective hence without effective contract management, procurement objectives may not be fully achieved within defined time, budget and quality (Jolly, 2022). Contract management can impact the performance of manufacturing firms in Nigeria by ensuring timely deliveries, reducing risks, and improving cost efficiency. It could enhance operational efficiency by clearly defining obligations and minimizing disputes, leading to stronger supplier relationships and better performance (Masuruli, 2021).

The Nigerian manufacturing sector is considered a driver of economic growth of the nation with the existence of firms operating in different sub-sectors. In recognition of this, the government has initiated deliberate programmes to revamp the sector and these include but not limited to the Nigerian Industrial Revolution Plan (NIRP), which focuses on revitalizing and growing various sectors including agro-processing and solid minerals by fostering local production and reducing dependence on imports. The government also introduced policies such as tax incentives and import tariff reductions to encourage domestic manufacturing not forgetting the National Enterprise Development Programme (NEDEP) established to offer support to small and medium-sized enterprises (SMEs) through financial and technical assistance. However, it was observed after a careful observation that most manufactured products in Nigeria are characterized to be below international standard products which has limited their export potential. To worsen things, the contribution of Nigeria's manufacturing sector to the nation's GDP has experienced fluctuating trends. For instance, in the second quarter of 2021, the sector contributed 14.18% to the GDP, reflecting a growth compared to 2020's 11.79%. However, this contribution dropped to 10.12% in the first quarter of 2023, indicating a decline. This calls for an investigation into the internal activities of these manufacturing firms with the need to eradicating this ugly trend and hence this study which examined the effect of procurement management proxied by procurement planning and contract management on performance of manufacturing firms in FCT Nigeria.

Research Hypotheses

H₀₁: Procurement planning has no significant effect on performance of manufacturing firms in FCT Nigeria.

H₀₂: Contract management has no significant effect on performance of manufacturing firms in FCT Nigeria.

LITERATURE REVIEW

Procurement Management

According to Chikwere et al. (2022), procurement management is the overarching function that describes the activities and processes to acquire goods and services. Importantly, and distinct from “purchasing”, procurement involves the activities involved in establishing fundamental requirements, sourcing activities such as market research and vendor evaluation and negotiation of contracts. It can also include the purchasing activities required to order and receive goods. Also, procurement management is the acquisition of works, goods and/or services. It is favorable that the goods/services are appropriate and that they are procured at the best possible total cost of ownership to meet the needs of the purchaser in terms of quality and quantity, time, and location. Corporations and public bodies often define procurement as the processes intended to promote fair and open competition for their business while minimizing exposure to fraud and collusion (Masuruli, 2021).

Procurement management refers to the acquisition of goods, services and works by a procuring entity using public funds (World Bank, 2018). According to Organization for Economic Cooperation and Development (OECD) (2007), procurement plays a crucial task in safeguarding fruitful control and

supply of inputs that are important for the organizations. It also plays an important function in fostering best management practices that reduce the possibility of mismanagement in use of resources meant for public.

The procurement management subject can undergo improvement which can in turn help in contributing to institutions' performance. Good procurement practices impact organizations' objectives achievements and value addition to the goods and services offered (Cha, et. al., 2014). In contrast to traditional procurement processes whose focus was on transactional rather than relationship behavior, cost-cutting of purchases, profit of short-term improvement, and lowering prices; the present purchasing and supply approaches, the procured goods and services can deliver good long-term organization's values and goals (Kabega, 2016). This includes co-operative negotiation with suppliers, reduction in number of suppliers, quality communication with suppliers, and the creation of long-term relations with the identified good suppliers as these procurement practices are associated to improvement in the procurement performances (Leiyan, 2016).

Procurement Planning

Procurement Planning is the process consisting of various steps concerned with futuristic decisions and the impact of choices made today (Thai, 2018). Ocharo (2019) asserts that procurement planning is identified as a factor and the plan describes all the goods from the outsourced suppliers required to support the needs of various departments. For the project needs to be outlined, the supplies should allow adequate budgets as well as proper procurement planning. However, the attention of departments is attracted by the annual procurement plans to the opportunities of procurement through the outlook of strategic procurement, supported by the details of the procurement planning. It was found out that procurement plans influence performance. This is because they provide focused and efficient utilization of the available resources, help in planning, process of budget and provision of adequate funds.

Shah and Hasan (2016) also stated that the beginning phase in the procurement is a planning process which identifies the outcomes and objectives of the procurement. Firms define buying requirements based on the firm's final customer demand. In this step of collecting information, it is very important to define requirement and analyse the supply market because the complexity of this process will vary from case to case. To fulfil the requirement, firms need to define and explain what is needed and will be produced, gather information, identify the proper solution and determine the specification of goods and equipment.

Contract Management

Contract management is the process of ensuring that the supplier/ contractor honors their negotiated contract terms. It requires attention to detail and the ability to process information from various parts of the project to ensure approved procurements are met. Effective contract evaluation practices result in reduced operating costs, stronger bargaining position during the next occasion of negotiations in case of any, and efficient service delivery. It includes ensuring compliance, acting as the contact or issues relating to service quality and dispute resolution as well as managing any payments or clauses negotiated into the contract (Basheka, 2020).

According to Public Procurement and Disposal Regulations (2006), the procurement unit is charged with the responsibility to monitor contract management by user departments to ensure implementation of project contracts in accordance with the terms and conditions of the contracts. On the other hand, the responsibility of the user department vis-à-vis project contract management include, among others; reporting any departures from the terms and conditions of the contract to the procurement unit; forwarding details of any required variations to contracts to the procurement unit for consideration and action; and finally maintain and keep records of contract management and undertaking conformity assessments of supplied goods, works and services with the specifications of the project contract documents. All these actions are important aspects of the procurement project monitoring and control

process embedded in the procurement legal framework to aid effective project implementation (Rehmatulla, et al., 2017).

Rono (2017), pointed that the main purpose of contract monitoring is to promote economical and efficient procurement. To achieve efficient procurement, the performance of existing suppliers should be monitored continuously. Some firms have developed specific criteria in terms of monitoring supplier performance, for example: the quality of goods and services, delivery times or deadlines, after-sales service, documentation accuracy, responsive action and general collaboration.

Performance

Performance is the capacity to meet predetermined goals. Accordingly, a company's capacity to achieve planned results as assessed against its intended outputs is referred to as its business performance. This definition includes results pertaining to financial performance, market performance, and shareholder return (Richard et al., 2016). According to Begonja et al. (2016), business performance can also be defined as an organization's capacity to meet or exceed predetermined targets or goals that have been agreed upon by its investors over a specific time period. This capacity enables the organisation to realise special or unnecessary set goals relevant to a business's progress in the market. According to Richard et al. (2016), performance refers to a company's capacity to provide the anticipated results as compared to its intended outputs, which includes results pertaining to shareholder return, market performance, and financial performance. On the other hand, Yadav et al. (2015) characterise company performance as both a multidimensional phenomenon and a central marvel in commercial ideologies. Nevertheless, in any area of human life prospects, performance generally correlates with the achievement of objectives and goals. However, this study measured performance using an operational framework developed by Mbah and Maduafor (2022) containing items as they relate to product quality, service speed, number of product varieties, productivity and services rendered, increase in number of customers.

Procurement Planning and Performance

Oenga et al. (2022) investigated the impact of procurement planning on the efficiency of procurement processes in public universities in Kenya's Eastern region. Using a descriptive research design, the study targeted 94 departmental heads from five universities, achieving a 97% response rate. Analysis through a linear regression model and chi-square tests revealed a statistically significant positive relationship ($p = 0.000$, coefficient = 0.285) between procurement planning and procurement effectiveness. The study emphasized the importance of involving user departments in procurement planning to enhance process efficiency and provided recommendations for policy improvements and further research. However, post-estimation tests were not conducted.

Awuah et al. (2022) explored the impact of procurement planning on the procurement performance of public tertiary institutions in Ghana. The study examined three aspects: procurement planning, control, and monitoring, using a causal research design and cross-sectional data from employees of various tertiary institutions. Data analysis was conducted through SPSS, with results showing that all three variables positively and significantly influenced procurement performance. The study recommended staff training on procurement processes to enhance institutional success and stronger auditing measures to address procurement breaches. However, the study did not establish how its findings could inform policy-making or connect its results to the empirical literature reviewed.

Kariuki (2020) examined the effect of procurement planning on service delivery by solid waste collection firms operating under Public-Private Partnerships (PPPs) in Nairobi City County, Kenya. The study used a census approach, distributing questionnaires to managers or supervisors of 51 private companies involved in waste collection. Procurement planning was assessed through transparency, political influence, and bureaucracy as key indicators. Results indicated that procurement processes significantly influenced service delivery, explaining 26.7% of variability ($R^2 = 0.267$) with a positive impact ($p = 0.000$). A unit change in procurement processes resulted in a 0.306 improvement in service delivery, highlighting the importance of well-structured procurement planning for enhanced service outcomes.

Contract Management and Performance

Masuruli (2021) investigated the impact of contract management practices on procurement performance in Tanzania's Ministry of Finance and Planning. The study focused on three key aspects: contract administration, risk management, and dispute resolution. A sample of 81 respondents provided data through interviews, questionnaires, and document reviews, analyzed using SPSS with descriptive, correlation, and regression techniques. The findings showed that all three practices positively and significantly affected procurement performance. However, the study lacked a review of broader empirical literature and did not conduct post-estimation tests, limiting the robustness of its conclusions. These results underline the importance of structured contract management in public procurement.

Adanu et al. (2021) investigated the impact of contract evaluation on organizational performance within Metropolitan, Municipal, and District Assemblies (MMDAs) in Ghana's Ashanti Region. Using a cross-sectional survey and quantitative methods, they targeted all MMDAs, selecting a sample of 113 participants from an initial population of 253 through purposive sampling. Data were collected via questionnaires and analyzed using the Probit Regression Model, revealing a significant positive relationship between procurement practices—including planning, sourcing, and contract management—and organizational success. The study highlighted the importance of balancing all procurement dimensions to enhance performance but noted the absence of post-estimation tests, limiting result robustness.

Komakech (2020) studied the relationship between contract management and service delivery in Uganda's Serere District Local Government, using a case study and correlation research design with qualitative and quantitative methods. Data were gathered from 134 respondents via questionnaires and interviews, yielding a 67.2% response rate. Findings indicated no significant relationship between contract administration and service delivery but revealed a significant positive link between delivery management and service delivery, accounting for 28.3% variation. The study emphasized the importance of procurement planning and recommended establishing an independent Contract Management Department within Procuring and Disposing Entities (PDEs) to enhance contract tracking, improve communication, and ensure continuous improvement. However, these findings may not generalize to Nigeria due to contextual differences.

Pião et al. (2020) explored the adoption of contract evaluation in Brazilian chemical companies through questionnaires distributed to members of the Brazilian Chemical Industry Association (ABIQUM) and 37 associated firms. The study highlighted that while the companies lacked a prescriptive supplier selection model incorporating social and environmental criteria, many adhered to stricter standards than required by legislation and actively supported suppliers in improving their social-environmental performance. Organizational policies and managerial commitments reflected a focus on these issues, though this was not consistently integrated into procurement practices. The findings suggest organizational efforts to address social and environmental concerns without fully operationalizing them within procurement processes.

Wanjiku (2019) examined how contract evaluation, outsourcing, strategic alliances, and vendor-managed inventory influence the performance of food and beverage manufacturing firms in Kenya. Using a descriptive research design, structured questionnaires were distributed to 197 heads of procurement departments, achieving a 77% response rate. Data were analyzed through descriptive and inferential statistics, including multiple regression using SPSS version 22. Findings indicated that reverse logistics, outsourcing, strategic alliances, and vendor-managed inventory positively impacted organizational performance. However, as the study was conducted in Kenya, the findings may not necessarily align with contexts in Nigeria.

Agency Theory of Procurement System

The agency theory of procurement is an agency model developed by Lupia (1998), which analyzes and postulates that service delivery requires a specification of procurement. Principal-agent theory is more

accurately described as a family of formal models addressing related concerns with similar styles of analysis. It is not much of a stretch to suppose that for any given actors labeled “principal” and “agent,” and any pattern of interaction between the two, a principal-agent model can be written down with that pattern as an equilibrium outcome and modelers might consider it a parlor game of sorts to do it. Given that, one must be aware of claims to “test” principal- agent theory empirically in any broad sense. By the same token, it is always possible to defend any status quo interaction between a “principal” and an “agent” as reflecting the greatest degree of service delivery to which the agent can be held by the principal, given various informational asymmetries and commitment problems. Thus, from the above theory, the principal-agency theory underpins this study. This explains how effective procurement may affect the service delivery of a firm in a number of ways. The theory includes the extent to which there is support for sustainable procurement at the strategic organizational level and the degree to which organizational practices and hierarchy accelerate or impedes sustainable procurement.

METHODOLOGY

The research design adopted for the study was the survey research design. The population of the study consists of manufacturing companies in FCT Abuja, registered with the Corporate Affairs Commission (CAC) with a minimum of five (5) years in operation. In accordance to the information provided and available data, only one hundred and twenty-nine (129) manufacturing firms in Abuja meets the aforementioned requirements (A comprehensive list is provided in the appendix). As such the target population of this study comprised 129 selected manufacturing firms in FCT Abuja, while respondents for the study were the owners/or managers of the selected companies or an equivalent position as directed by a particular firm. This study adopted census sampling technique because it is suitable when carrying out a study where the population is small and manageable, it allows the inclusion of the entire population to be used as the sample size. Structured five-point likert scale questionnaire was designed and made into copies for each respondent in the sample size. The questionnaire was subjected to reliability test using the Cronbach Alpha and all the indicators reveal an alpha value greater than 0.60 which is the minimum threshold recommended by Sekaran (2006). Multiple regression analysis with the aid of SPSS was employed to test the hypotheses earlier formulated. The model for the multiple regression analysis to test the two hypotheses formulated is specified thus:

$$PRF = \beta_0 + \beta_1 PRP + \beta_2 CTM + e$$

Where: PRF = Performance, PRP = Procurement planning, CTM = Contract management, β_0 = Intercept, β_1, β_2 = Coefficient of independent variables, e = error term.

RESULTS AND DISCUSSIONS

The study administered a total of 129 copies of questionnaire out of which ninety-one (91) were completely filled and returned for analysis giving a response rate of 71%. All analyses thereafter were done using the 91 valid responses.

Table 1: Correlations

		PRP	CTM	PRF
PRP	Pearson Correlation	1	.690**	.545**
	Sig. (2-tailed)		.000	.000
	N	91	91	91
CTM	Pearson Correlation	.690**	1	.487**
	Sig. (2-tailed)	.000		.000
	N	91	91	91
PRF	Pearson Correlation	.545**	.487**	1
	Sig. (2-tailed)	.000	.000	
	N	91	91	91

** . Correlation is significant at the 0.01 level (2-tailed).

The table above shows the correlation result of the variables under study. The result revealed a positive relationship between procurement planning and contract management on performance however,

procurement planning had the highest relationship with performance which stood at 0.545. The independent variables also showed positive relationship among themselves which stood at 0.690 which is still below the 0.80 multicollinearity threshold (Berry & Feldman, 1985).

Table 2: Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.772 ^a	.597	.591	.896	1.566

a. Predictors: (Constant), CTM, PRP

b. Dependent Variable: PRF

Table 3: ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	268.650	2	67.113	42.239	.000 ^b
	Residual	305.820	88	.803		
	Total	450.000	90			

a. Dependent Variable: PRF

b. Predictors: (Constant), CTM, PRP

Table 4: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.292	.219		5.901	.000		
	PRP	.398	.065	.341	7.223	.000	.312	1.909
	CTM	.213	.064	.201	4.031	.000	.312	1.909

a. Dependent Variable: PRF

The R-square above indicates that 59.7% of the variation in performance is explained by procurement planning and contract management while the remaining 40.3% could be explained by other factors not included in this study. The f-statistics stood at 42.239 accompanied by a p-value of 0.000 which indicates the fitness of the model to measure the association between the variables under study.

Hypothesis one was stated that procurement planning has no significant effect on the performance of manufacturing firms in FCT Nigeria. From table 4 above, it was revealed that procurement planning (PRP) has significant effect on performance (PRF) as indicated in the t-value of 7.223 with a p-value of 0.000. Hence the null hypothesis is rejected while the alternative hypothesis which states that procurement planning has significant effect on performance of manufacturing firms in FCT Nigeria is accepted. The finding implies that manufacturing firms in the study area engage in good procurement planning activities such as taking decisions whether to produce the goods or services in-house or source them externally among others and these activities has helped in their performance. This finding agrees with the earlier research that has shown that procurement planning has a significant positive effect on performance (Oenga et al., 2022; Kariuki 2020).

Hypothesis two stated that contract management (CTM) has no significant effect on performance of manufacturing firms in FCT Nigeria. From table 4 above, it was revealed that contract management (CTM) has significant effect on performance (PRF) as indicated in the t-value of 4.031 with a p-value of 0.000. Hence the null hypothesis is rejected while the alternative hypothesis which states that contract management has significant effect on performance of manufacturing firms in FCT Nigeria is accepted. This finding implies also that contracts being award by manufacturing firms are being monitored and evaluated on regular basis and hence the significant effect it has on performance. Similar findings have been reported in literature that contract management has a significant effect on performance (Masuruli, 2021; Adanu, et al., 2021).

CONCLUSION AND RECOMMENDATIONS

The study examined how procurement planning and contract management impact the performance of manufacturing firms in the Federal Capital Territory (FCT), Nigeria. The data collected was analyzed using multiple regression analysis, and the findings showed that both procurement planning and contract management are important factors that significantly contribute to the performance of these firms.

Therefore, the study recommends that:

- i. Manufacturing firms should regularly assess and update their procurement planning activities to ensure they remain aligned with current standards and best practices. By doing so, they can eliminate outdated practices and maintain the momentum of past successes, while ensuring that future performance gains are not compromised. This proactive approach supports continued improvement and helps sustain long-term success in procurement and overall firm performance.
- ii. Manufacturing firms should integrate Artificial Intelligence (AI) into their contract management and evaluation processes to reduce costs and improve efficiency. By leveraging AI, firms can automate key tasks, such as quality control and contract monitoring, reducing human error and effort. This ensures that quality standards are consistently maintained while streamlining operations. Additionally, AI can enhance decision-making, enabling firms to respond to issues more promptly and effectively, leading to better-managed contracts and improved overall performance in manufacturing settings.

References

- Anyalewechi, C. (2021). Nigeria's manufacturing sector records real GDP growth of 3.49% in Q2 2021. Available at: <https://nairametrics.com/2021/08/26/nigerias-manufacturingsector-records-real-gdp-growth-of-3-49-in-q2-2021/>
- Awuah, G., Anane, A. & Egyir, S.K. (2022). The effect of procurement process on procurement performance of public tertiary institutions in Ghana. *World Journal of Advanced Research and Reviews*, 13(02), 121–130.
- Basheka, B. C. (2020). Determinants of unethical public procurement in local government systems of Uganda. *International Journal of Procurement Management*, 3(1), 81-94.
- Begonja, M., Čiček, F., Balboni, B. & Gerbin, A. (2016). Innovation and business performance determinants of SMEs in the Adriatic region that introduced social innovation. *Economic Research*, 29(1), 1136-1149 <http://doi.org/10.1080/1331677X.2016.1213651>
- Bureau of Labour Statistics (2022). Industry employment and output projections to 2022. www.bls.gov/opub/mlr
- Chikwere, D., Chikazhe, L. & Tukuta, M. (2022). The influence of public procurement practices on service delivery: insights from Zimbabwe's Rural District Councils. *Journal of Tianjin University Science and Technology*, 55(9)
- Choi, T. M. (2021). Risk analysis in logistics systems: A research agenda during and after the COVID-19 pandemic. *Transportation Research Part E: Logistics and Transportation Review*, 145, 102190.
- Cole, C. (2007), "Value creation in e-business", *Strategic Management Journal*, 22 (6-7): 493–520
- Haraguchi, N., Cheng, C. F. & Smeets, E. (2017). The importance of manufacturing in economic development: Has this changed? *World Development*, 93, 293-315.
- Jolly, K. (2022). Effect of Contract Management Practices on Procurement Performance a Case of Nyarugenge District. *International Journal of Scientific Research and Management (IJSRM)*, 10(12), 4293-4302. <https://doi.org/10.18535/ijssrm/v10i12.em03>
- Komakech, R.A. (2020). Contract management and service delivery in local governments in Uganda. *International Journal Advances in Social Science and Humanities*, Vol. 08(2),01-23.
- Kyengo, A. (2012). Effect of procurement on performance of constituency development fund projects in Kenya: case study of kikuyu constituency. Retrieved from Jomo Kenyatta University of Agriculture and Technology, Department of Entrepreneurship and Procurement

- Masuruli, F. (2021). The effect of contract management practices on the procurement performance in public procuring entities in Tanzania: A case of the Ministry of Finance and Planning. *Journal of Management*, 4(3), 4-11.
- Mbah, S.I. & Maduafor, C.A. (2022). Knowledge management and organizational performance of pharmaceutical manufacturing firms in Enugu State, Nigeria. *International Journal of Innovative Information Systems*, 10(4):24-41.
- Mullins, D.R. (2003). Accountability and coordination in a decentralized context: Institutional, fiscal and governance issues. Washington, DC: American University.
- Mwakiru, W.M. & Barasa, P.W. (2022). Influence of public procurement practices on service delivery in Kilifi County government, Kenya. *European Journal of Logistics, Purchasing and Supply Chain Management*, 10(2), 15-35.
- Ocharo, K. J. (2019). Factors affecting procurement performance: A case of Ministry of Energy. *International Journal of Business and Commerce*, 54-70.
- Oenga, N.O., Thogori, M. & Wabwire, M.J. (2022). Influence of procurement plan on the effectiveness of procurement process among public universities in eastern region, Kenya. *International Journal of Economics, Business and Management Research*, 6 (2), 34-40.
- Rehmatulla, N., Smith, T. & Tibbles, L. (2017). The relationship between EU's public procurement policies and energy efficiency of ferries in the EU. *Marine Policy*, 75:278-289.
- Richard, P. J., Devinney, T. M., Yip, G. S., & Johnson, G. (2016). Measuring organizational performance: Towards methodological best practice. *Journal of Management*, 35(3), 719-742. <http://doi.org/10.1177/0149206308330560>
- Rono, T. K. (2017). Effects of procurement practices on organizational performance in public sector: A case of East African Portland Cement Company Ltd. *International Journal of Business and Commerce*, 48-61.
- Shah, S. & Hasan, S. (2016). Procurement practices in project-based manufacturing environments. *MATEC Web of Conferences* 76, 02007
- Sollish F. & Semanik J. (2012). *The Procurement and Supply Managers*. Desk Reference. 2nd Ed. USA, New Jersey: Wiley & Sons.
- Thai, K. V. (2018). *International Handbook of Public Procurement*. Ontario, Canada: CRC Press.
- Wanjau, K., Gakure, R., & Kahiri, J. (2010). *The Role of Quality in Growth of Small and Medium Enterprises and Economic Development in Kenya*. Nairobi: Scientific Conference Proceedings.
- World Bank (2018) World Bank report. *Organization Studies*, 27.5: 613-634.
- Yadav, K. K., Gupta, N., & Kumar, V. (2015). A Review on Current Status of Municipal Solid Waste Management in India. *JES*, 37, 206-217.
- Zamolo, A. (2021). Top 7 manufacturing trends for 2022. <https://www.beekeeper.io/blog/manufacturing-trends/>

Research Questionnaire

	Procurement Planning (PPL)	SA	A	U	D	SD
PPL1	Our firm procures based on needs identification initiated by user departments.					
PPL2	Purchases are made based on materials planned ensuring that items purchased are on schedule					
PPL3	Our firm decides whether to produce the goods or services in-house or source them externally.					
PPL4	Decisions are taken on funding the applicable procurement rules and method					
PPL5	Our firm prepares a timetable for procurement process to serve as a guideline					
PPL6	The market environment hampers our procurement planning decisions.					
	Contract Management (CMT)					
CMT1	Our firm has effective risk control for contract monitoring					
CMT2	Our firm measure/reports contractors' performance					
CMT3	Evaluation is done by matching specification against contract performance					
CMT4	Requests for information is made in a timely manner by both parties					

CMT5	There is timeliness of submission of claims for payment by contractors					
CMT6	Our firm approves contractors request for extensions					
	Performance (PRF)					
PRF1	There is improved product quality					
PRF2	There is increase in service speed in recent time					
PRF3	There is increase in number of product varieties					
PRF4	There is increase in productivity and services rendered					
PRF5	Observed increases in number of customers					