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The Effect of Procurement Risk Management and Organizational Performance of Public Institutions in Tanzania



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Procurement Risk Management and Organizational Performance of Public Institutions

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ABSTRACT

Purpose: The aim of the study was to examine the effect of procurement risk management and organizational performance of public institutions.

Methodology: The study adopted a desktop research methodology. Desk research refers to secondary data or that which can be collected without fieldwork. Desk research is basically involved in collecting data from existing resources hence it is often considered a low-cost technique as compared to field research, as the main cost is involved in executive's time, telephone charges and directories. Thus, the study relied on already published studies, reports and statistics. This secondary data was easily accessed through the online journals and library.

Findings: The study highlights the importance of effective procurement risk management in promoting institutional efficiency, accountability and service delivery. Procurement risk management practices, including risk identification, risk assessment, risk mitigation and risk monitoring, have the potential to minimize procurement irregularities, reduce operational disruptions, control costs and improve the utilization of public resources. However, their contribution to organizational performance depends on effective implementation, institutional capacity, management commitment, regulatory compliance and continuous monitoring of procurement activities.

Unique Contribution to Theory, Practice and Policy: The study was anchored on Supply Chain Risk Management Theory, Agency Theory and Transaction Cost Economics Theory. The study recommended that public institutions prioritize risk management interventions, minimize procurement delays, prevent financial losses, strengthen supplier relationships and improve value for money. This study could inform the Ministry of Finance and other relevant government authorities in strengthening procurement policies, institutional capacity development and accountability mechanisms.

Keywords: *Procurement Risk Management, Organizational Performance, Public Institutions*

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INTRODUCTION

Organizational performance in public institutions reflects the ability of government agencies, ministries, state corporations and other public organizations to achieve institutional objectives while delivering quality services. It is commonly assessed through service delivery, operational efficiency, employee productivity, accountability and effective resource utilization. Unlike private organizations, public institutions emphasize public value, citizen satisfaction and the achievement of government objectives. Lim et al. (2022) emphasize the importance of public service motivation and employee empowerment in improving organizational performance, while Han and Moynihan (2022) highlight the role of performance information in strengthening institutional outcomes.

In the United States, organizational performance in public institutions is associated with employee motivation, psychological empowerment and effective management practices. Lim et al. (2022) examined the relationship between public service motivation, psychological empowerment and perceived organizational performance in the US federal government. Their findings established that public service motivation and psychological empowerment positively influenced organizational performance. Similarly, Han and Moynihan (2022) found that managerial use of performance information for strategic planning was positively associated with improved student performance in Texas public schools. These findings demonstrate that employee motivation, empowerment and evidence-based decision-making are important determinants of organizational performance in public institutions.

In the United States, organizational performance in public institutions is commonly associated with management quality, employee productivity, accountability and the effective utilization of public resources. Government agencies increasingly rely on performance management systems, strategic planning and evidence-based decision-making to evaluate institutional effectiveness. These approaches enable public organizations to establish measurable targets, monitor employee contributions and assess whether institutional activities translate into improved service delivery. Research in public administration further demonstrates that management practices, employee autonomy and clearly defined responsibilities influence organizational effectiveness. This suggests that public institutions achieve better performance when management systems are aligned with institutional objectives and employees are provided with appropriate guidance and flexibility to execute their responsibilities.

In Japan, organizational performance in public institutions is strongly associated with performance measurement, administrative efficiency and the achievement of service delivery objectives. Yetano et al. (2021) examined the diagnostic and interactive use of performance measurement and management systems in Japanese local government departments. The study investigated how different applications of performance management systems and organizational conditions, including bureaucratic culture and environmental predictability, influenced organizational performance. Their findings established that introducing performance measurement systems alone was insufficient to guarantee improved performance. Instead, the effectiveness of these systems depended on how government departments utilized performance information in their organizational contexts. The researchers further established that bureaucratic culture had a positive relationship with performance in the Japanese setting. These findings demonstrate that

organizational performance in public institutions depends not only on adopting formal management systems but also on integrating performance information into institutional decision-making and administrative practices.

In Jordan, organizational performance is particularly reflected in the efficiency, accessibility and quality of services provided by government institutions. Nawafleh (2022) investigated the relationship between development programmes and service efficiency in public-sector institutions, while examining the moderating role of electronic government. The study employed a quantitative cross-sectional research design and collected information from 4,492 service recipients using questionnaires. Structural equation modelling was applied to establish the relationships between development programmes, e-government and service efficiency. The findings indicated that development programmes explained 52% of the variation in service efficiency, whereas e-government directly accounted for approximately 1% of the variation. However, the interaction results demonstrated that e-government strengthened the positive relationship between development programmes and service efficiency. These findings suggest that organizational performance improves when public institutions invest in employee and institutional development while integrating appropriate digital technologies to enhance service delivery.

In Ethiopia, organizational performance in public institutions is increasingly associated with employee engagement, institutional effectiveness, productivity and the achievement of organizational objectives. Gede and Huluka (2024) examined the effects of employee engagement on organizational performance in Ethiopian public universities. The study adopted quantitative and qualitative approaches, using descriptive and explanatory research designs. Data were collected from 365 personnel across three public universities, while structural equation modelling was employed to examine the relationships between employee engagement and organizational performance. The findings established that employee vigor, dedication and absorption had significant positive effects on organizational performance. These findings demonstrate that public institutions are more likely to achieve their objectives when employees are committed, motivated and actively involved in institutional activities. The study therefore highlights the importance of employee engagement, workforce commitment and effective human resource management in improving organizational performance.

In Ghana, organizational performance in public institutions is assessed through administrative effectiveness, task completion, employee productivity and the quality of public service delivery. Rasul et al. (2021) examined the relationship between management practices, organizational performance and task clarity in Ghana's civil service. The researchers used observational data obtained from a survey covering 45 government organizations and administrative information on more than 3,600 tasks undertaken by civil servants. Their findings revealed considerable differences in management quality and task completion across government organizations. The study established a positive relationship between management quality and task completion, particularly where employees were given greater autonomy and discretion in performing their responsibilities. However, management practices emphasizing incentives and monitoring were negatively associated with task completion in certain circumstances, particularly where tasks lacked clarity. These findings suggest that organizational performance in public institutions

depends on appropriate management practices, clearly defined responsibilities and the ability of employees to exercise professional judgment.

In South Africa, organizational performance in public institutions is closely linked to employee motivation, administrative capacity, accountability and the effective delivery of government services. Fernandez and Madumo (2024) investigated the influence of remuneration for elected officials and bureaucrats on organizational performance in South African local government. Using panel data from municipalities, the researchers examined whether compensation levels influenced the delivery of public services. Their findings established that increasing remuneration for bureaucrats, rather than elected officials, could improve the delivery of labour-intensive public services. However, the study also found that higher remuneration could encourage some bureaucrats to disregard public expenditure regulations, thereby weakening accountability. These findings demonstrate that organizational performance is influenced by the ability of public institutions to attract, motivate and retain competent employees. Nevertheless, remuneration policies must be supported by effective internal controls and accountability mechanisms to ensure that improved employee incentives translate into better institutional outcomes.

In Tanzania, organizational performance in public institutions is increasingly associated with strategic leadership, institutional effectiveness, operational efficiency and the achievement of public service objectives. Haule and Mushi (2024) examined the effects of strategic leadership practices on organizational performance at Kigamboni Municipal Council in Tanzania. The study adopted a quantitative cross-sectional research design and collected data from 61 respondents comprising councilors and municipal employees. Multiple regression analysis was used to establish the relationship between strategic leadership practices and organizational performance. The findings revealed that strategic leadership practices explained 25.0% of the variation in organizational performance ($R^2 = 0.250$; $F(4, 54) = 4.495$, $p = 0.003$). Specifically, the existence of a written municipal vision, mission and goals had a positive and statistically significant influence on organizational performance ($\beta = 0.486$, p less than 0.001). However, the formal strategic direction-setting process demonstrated a negative relationship with organizational performance ($\beta = -0.560$, $p = 0.002$). These findings suggest that formal strategic planning does not automatically translate into improved institutional outcomes unless appropriate implementation arrangements are established. The study therefore highlights the importance of strategic leadership, clear institutional direction and effective implementation in improving organizational performance in public institutions.

In Uganda, organizational performance in public institutions is increasingly measured through institutional efficiency, effectiveness, strategy implementation and the achievement of government objectives. Nuwagaba et al. (2023) examined the impact of strategy implementation on the performance of Ugandan state agencies. The study adopted a quantitative cross-sectional research design and surveyed 160 state agencies, collecting information from members of their respective top management teams. Organizational performance was assessed through efficiency and effectiveness, while strategy implementation was examined through operationalization and institutionalization. The findings established that institutionalization had a positive and statistically significant relationship with organizational performance (p less than 0.001). However, operationalization demonstrated a positive but statistically insignificant relationship ($p = 0.140$).

These results indicate that integrating strategic objectives into organizational structures, culture and routine administrative practices is important for improving public-sector performance. The study further highlights the importance of leadership, communication, resource allocation and supportive organizational cultures in ensuring that public institutions translate strategic plans into measurable results.

In Kenya, organizational performance in public institutions is particularly important because government ministries, county governments, state corporations and public agencies are responsible for providing essential services and promoting socioeconomic development. Their performance is commonly evaluated through service delivery, operational efficiency, employee productivity, accountability and the achievement of institutional targets. Oyugi et al. (2023) examined the relationship between board practices and organizational performance among government-owned entities in Kenya. The study targeted 234 government-owned entities, from which 153 returned completed questionnaires, representing a response rate of 65.38%. Organizational performance information was obtained from performance contracting reports, while correlation analysis and structural equation modelling were used to examine the relationship between board practices and institutional performance. The findings established that board practices explained 61.9% of the variation in organizational performance. Furthermore, board practices had a positive and statistically significant effect on organizational performance ($\beta = 0.787$, $t = 5.980$, p less than 0.05). These findings demonstrate that effective corporate governance, accountability, internal controls and strategic oversight are important determinants of institutional performance. The study further suggests that public institutions can improve their effectiveness by strengthening board oversight, promoting transparency and ensuring responsible utilization of public resources.

Procurement risk management is an important organizational practice that involves the identification, assessment, mitigation and monitoring of risks associated with the acquisition of goods, works and services. In public institutions, effective procurement risk management promotes transparency, accountability, regulatory compliance and efficient utilization of public resources. It can be conceptualized through four dimensions: supplier risk management, procurement compliance management, contract risk management and procurement fraud risk management. Supplier risk management involves evaluating suppliers' reliability, financial stability and capacity to fulfil contractual obligations, thereby minimizing supply disruptions (Ho et al., 2015). Procurement compliance management ensures adherence to procurement laws, regulations and institutional policies, reducing legal risks and procurement irregularities (OECD, 2023). Contract risk management focuses on controlling contract delays, cost overruns and supplier non-performance, while procurement fraud risk management involves establishing internal controls to prevent corruption, collusion and other procurement irregularities (World Bank, 2023).

Organizational performance, the dependent variable, refers to the extent to which public institutions achieve their objectives through effective service delivery, operational efficiency and responsible resource utilization (Andersen et al., 2016). It can be assessed through service delivery efficiency, operational efficiency, goal attainment and accountability (Rasul et al., 2021). Effective procurement risk management can improve organizational performance by minimizing procurement disruptions, controlling expenditure, reducing irregularities and ensuring the timely availability of goods and services (OECD, 2023; World Bank, 2023). Consequently, the current

study examines procurement risk management as an independent variable comprising supplier risk management, procurement compliance management, contract risk management and procurement fraud risk management, and establishes how these dimensions individually and collectively influence organizational performance in public institutions.

Problem Statement

Public institutions in Tanzania are expected to achieve organizational objectives through efficient resource utilization, accountability, transparency and effective service delivery. However, procurement activities expose these institutions to various risks, including supplier failure, non-compliance with procurement regulations, contract delays, cost overruns and fraudulent practices. Despite ongoing procurement reforms, weaknesses in procurement planning, contract administration and internal controls continue to affect public-sector performance. The Controller and Auditor General's Annual General Report for the 2024/2025 financial year identified contracts worth TZS 40.3 billion that were awarded between 80 and 365 days beyond prescribed timelines. The report also identified TZS 6 billion in payments for undelivered goods and unauthorized contract variations worth TZS 66.08 billion and USD 2.28 million. These findings indicate persistent procurement management challenges that may undermine operational efficiency, accountability and effective service delivery in public institutions (Controller and Auditor General, 2026).

Empirical evidence further demonstrates the need to strengthen procurement risk management in Tanzania. Mwalukasa and Sallwa (2024) examined procurement risk management strategies among public procuring entities and identified procurement planning, regulatory compliance and contract management risks as important institutional challenges. Similarly, Changalima et al. (2023) established that supplier monitoring positively influenced procurement performance among public procuring organizations in Tanzania. However, existing studies provide limited evidence on how different dimensions of procurement risk management jointly influence broader organizational performance. In particular, the effects of supplier risk management, procurement compliance management, contract risk management and procurement fraud risk management on service delivery efficiency, operational efficiency, goal attainment and accountability require further investigation. Therefore, this study seeks to examine the effect of procurement risk management on organizational performance of public institutions in Tanzania.

Theoretical Framework

Supply Chain Risk Management Theory

Supply Chain Risk Management Theory is associated with the work of Jüttner (2005), Tang (2006), and Manuj and Mentzer (2008). The theory explains how organizations identify, assess, mitigate, and monitor risks that may disrupt the flow of goods, services, and information across supply chains. It emphasizes the importance of proactive risk identification, supplier evaluation, contingency planning, and continuous monitoring to minimize uncertainties and maintain operational stability. The theory assumes that organizations can improve their performance by anticipating potential disruptions and implementing appropriate strategies to reduce their likelihood and consequences.

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The theory is relevant to the study because public institutions in Tanzania depend on reliable suppliers, effective procurement processes, and timely delivery of goods and services to achieve their organizational objectives. Supplier risk management enables institutions to assess suppliers' reliability, financial capacity, and ability to meet contractual obligations, thereby reducing supply disruptions. Similarly, contract risk management helps institutions identify and address potential contract delays, cost overruns, and supplier non-performance. By strengthening procurement risk identification, assessment, and mitigation, public institutions can improve operational efficiency, ensure continuity of service delivery, and enhance organizational performance.

Agency Theory

Agency Theory was developed by Jensen and Meckling (1976). The theory explains the relationship between principals, who delegate responsibilities, and agents, who perform tasks on their behalf. It assumes that agents may pursue personal interests rather than organizational objectives, particularly when information asymmetry and weak monitoring mechanisms exist. Consequently, effective monitoring, accountability, transparency, and internal control systems are necessary to minimize agency problems and ensure that agents act in the interests of the principals.

The theory is relevant to this study because public procurement involves relationships among government authorities, procurement officers, suppliers, and other stakeholders. Procurement officers are expected to use public resources responsibly and comply with established procurement laws and institutional policies. However, inadequate supervision, conflicts of interest, corruption, and information asymmetry may expose procurement processes to fraud and non-compliance risks. Procurement compliance management and procurement fraud risk management are therefore important in strengthening transparency, accountability, and control over procurement activities. Effective application of these measures can reduce resource wastage, promote responsible financial management, and improve the overall performance of public institutions in Tanzania.

Transaction Cost Economics Theory

Transaction Cost Economics Theory was developed by Williamson (1979, 1981). The theory explains how organizations structure and manage transactions to minimize costs associated with searching for suppliers, negotiating agreements, monitoring contractual obligations, and enforcing contracts. It identifies uncertainty, transaction frequency, and asset specificity as important factors influencing transaction costs. The theory assumes that organizations can achieve greater efficiency by selecting appropriate governance mechanisms and establishing effective contractual arrangements to control opportunistic behaviour and reduce transaction-related risks.

The theory is relevant to this study because public institutions incur various costs when acquiring goods, works, and services. Poor contract administration, supplier opportunism, procurement delays, cost escalation, and disputes can increase procurement expenses and undermine institutional performance. Contract risk management helps public institutions establish clear contractual obligations, monitor supplier performance, and address potential variations or disputes. In addition, supplier risk management supports the selection of capable and dependable suppliers, reducing the likelihood of costly procurement failures. Effective management of these risks can minimize transaction costs, improve resource utilization, strengthen operational efficiency, and enhance organizational performance in public institutions in Tanzania.

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Empirical Review

Lawerteh (2015) examined procurement risk management in Ghana's public sector, focusing on public health agencies in the Greater Accra Region. The study sought to identify risks associated with different stages of the procurement process, assess their effects on procurement activities and establish appropriate risk management strategies. A case study research design was adopted, with procurement practitioners from public health agencies serving as the target respondents. Primary data were collected using questionnaires and analyzed through descriptive statistics, particularly mean score ranking, with the assistance of SPSS Version 20. The findings identified 32 procurement-related risks, 12 potential impacts and 16 risk management strategies. Seven of the identified risks were classified as major, while three of their impacts were considered critical or significant. The study further established that all 16 proposed risk management strategies were important in addressing procurement-related challenges. The findings emphasized the importance of procurement risk identification, assessment and mitigation throughout the procurement cycle. The researcher recommended continuous professional development for procurement personnel and effective monitoring of public procurement entities by regulatory authorities to minimize procurement risks and improve institutional efficiency.

Nyangoma (2013) investigated procurement risk management and contract performance in the public sector, using Ngora District Local Government in Uganda as a case study. The study aimed to identify risks associated with procurement processes, establish indicators of contract performance and examine the relationship between procurement risks and contract implementation outcomes. A case study research design incorporating both quantitative and qualitative approaches was employed. Primary data were collected through self-administered questionnaires, observation and structured interviews. Pearson's product-moment correlation coefficient and regression analysis were used to establish relationships between procurement risks and contract performance. The findings identified inadequate specifications and weaknesses in procurement planning as important risks affecting contract implementation. The study further established a positive and statistically significant relationship between procurement process risk management and contract performance. It emphasized that contract performance indicators should be identified early and communicated to service providers before contract implementation. The researcher recommended developing a strong risk management culture, strengthening procurement planning and establishing comprehensive procurement policies to improve contract performance and public sector effectiveness.

Amoah (2018) examined the management of procurement risk issues at Ghana Technology University College (GTUC) in Ghana. The study sought to establish the relationship between procurement risks, organizational performance and the effectiveness of procurement risk management interventions. An exploratory cross-sectional research design was adopted, involving 30 university employees, including four procurement officials. Primary data were collected using structured questionnaires and interviews with procurement personnel. The findings revealed that procurement risks and challenges did not have a statistically significant effect on organizational performance. However, qualitative evidence indicated that procurement-related challenges contributed to poor service quality, slow work processes and ineffective teaching and learning activities. The study further identified institutional interference, procedural disruptions and

resource constraints as major procurement risk issues. It established that effective management of these challenges could reduce procurement-related risks by approximately 39%. The researcher recommended simplifying bureaucratic procurement procedures, improving budget and procurement planning, employing qualified procurement personnel and strengthening staff training and development. These findings demonstrate the importance of addressing procurement risks to enhance service delivery and organizational effectiveness in public institutions.

Mwalukasa and Sallwa (2024) investigated the effects of procurement risk management strategies on the performance of public procuring entities in Tanzania. The study specifically examined procurement risk management practices among public higher-learning institutions registered by the National Council for Technical Education and Vocational Training. The Principal-Agent Theory guided the investigation, while a convergent parallel mixed-method research design was adopted. The study employed a census approach involving all 16 public higher-learning institutions in Dar es Salaam. Primary data were collected using structured questionnaires and interviews. Quantitative data were analyzed using descriptive statistics and multiple regression analysis, while qualitative information was examined through thematic analysis. The findings identified non-compliance risks, procurement planning risks, managerial risks, contract management risks and project delays as major challenges affecting the performance of public procuring entities. The study established the importance of developing appropriate procurement risk management strategies to address these challenges. The researchers recommended that public institutions strengthen procurement planning, invest in staff capacity development, promote ethical procurement practices and improve compliance with procurement regulations. The findings demonstrate that effective procurement risk management is essential for improving institutional performance and ensuring the efficient utilization of public resources.

Maitaria and Makhamara (2024) examined the influence of procurement risk management policies on the performance of the Kenyatta International Convention Centre (KICC) in Nairobi City County, Kenya. The study sought to establish how procurement risk management policies contribute to identifying, assessing and mitigating risks associated with procurement operations. A descriptive research design was adopted, targeting 336 employees drawn from human resources, finance, procurement, information technology, planning, sales and marketing departments. A sample of 101 respondents was selected through stratified random sampling. Primary data were collected using semi-structured questionnaires containing Likert-scale questions and analyzed through descriptive and inferential statistical techniques using SPSS Version 22. The findings established a positive and statistically significant relationship between procurement risk management policies and organizational performance. The study further demonstrated that identifying and assessing potential procurement risks enabled the institution to implement proactive mitigation measures and improve procurement operations. The researchers recommended strengthening supplier selection procedures, establishing centralized contract management systems and conducting comprehensive assessments of financial, operational, reputational and compliance risks. The findings highlight the importance of institutionalizing procurement risk management policies to enhance operational efficiency and organizational performance.

Atisa (2024) investigated the influence of supply chain risk management practices on the procurement performance of commercial public entities in Kenya. The study specifically examined the implementation of risk identification, risk assessment, risk mitigation and risk monitoring practices and their effects on procurement cost, lead time and quality. A descriptive cross-sectional survey research design was adopted, targeting all 79 commercial public entities in Kenya. A census sampling technique was employed, while primary data were collected using semi-structured questionnaires administered electronically through Google Forms. The study focused on establishing the extent to which public entities incorporated systematic risk management practices into their procurement operations. The findings provided an empirical basis for examining how identifying, assessing, mitigating and monitoring supply chain risks could improve procurement outcomes. The study recommended strengthening risk management practices across public entities to minimize procurement inefficiencies, control costs, improve delivery timelines and enhance the quality of procured goods and services. These findings are relevant to organizational performance because procurement efficiency contributes to institutional productivity, resource utilization and service delivery.

Emil and Muya (2026) examined the effect of procurement risk management processes on procurement performance in crude oil supply projects at the Tanzania Petroleum Development Corporation (TPDC). The study specifically investigated risk identification, risk assessment, risk mitigation and risk monitoring. A quantitative cross-sectional survey research design informed by agency theory was adopted. The study targeted 124 employees drawn from risk management, procurement, internal audit, legal and upstream functions, from whom 101 usable responses were obtained through stratified random sampling. Primary data were collected using structured questionnaires and analyzed using descriptive statistics, Pearson correlation and multiple linear regression with IBM SPSS Version 27. The findings established that all four procurement risk management processes had positive and statistically significant effects on procurement performance. Risk identification had the strongest influence, followed by risk assessment, risk mitigation and risk monitoring. Collectively, the four processes explained 84.8% of the variation in procurement performance. The researchers concluded that systematic identification and assessment of procurement risks are essential for improving procurement outcomes, while mitigation and monitoring complement these processes. The study recommended strengthening risk identification mechanisms and integrating risk management practices into procurement project implementation.

Osekeny, Alinda and Kansiime (2021) investigated risk management and financial performance in a public sector context in Uganda. The study examined the influence of risk identification, risk assessment and risk control on the financial performance of public sector organizations. The researchers adopted a mixed-method approach, incorporating quantitative and qualitative evidence to assess the effectiveness of risk management practices. The findings established a significant positive relationship between risk identification, risk assessment, risk control and financial performance. However, the qualitative findings revealed weaknesses in organizational risk management, including incomplete identification of potential risks, inadequate root-cause analysis and difficulties in assessing the likelihood of risk occurrence. These weaknesses were attributed to limited staff commitment, inadequate technical skills, time constraints and insufficient access

to reliable information. The study recommended strengthening risk identification and assessment procedures, improving staff capacity and ensuring access to accurate information to support effective risk control. Although the study examined organizational risk management rather than procurement-specific risks, its findings provide relevant evidence that systematic risk management contributes to improved financial performance in public institutions.

METHODOLOGY

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

FINDINGS

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

Conceptual Research Gap

The reviewed studies reveal a conceptual gap in the comprehensive examination of procurement risk management and organizational performance. Lawerteh (2015), Nyangoma (2013) and Amoah (2018) examined procurement risks and their implications for procurement and institutional outcomes, while Mwalukasa and Sallwa (2024), Maitaria and Makhamara (2024), and Emil and Muya (2026) investigated various procurement risk management strategies and processes. However, the studies do not comprehensively establish the individual and combined effects of procurement risk identification, risk assessment, risk mitigation and risk monitoring on overall organizational performance. The current study seeks to address this gap by examining these four dimensions and their influence on operational efficiency, resource utilization, service delivery and institutional effectiveness in public institutions.

Contextual Research Gap

The reviewed studies reveal a contextual gap arising from differences in institutional mandates, organizational structures and procurement environments. Lawerteh (2015) focused on public health agencies in Ghana, Nyangoma (2013) examined a local government in Uganda, while Mwalukasa and Sallwa (2024) investigated public higher-learning institutions in Tanzania. Similarly, Maitaria and Makhamara (2024) examined Kenyatta International Convention Centre in Kenya. These institutions have different procurement requirements, financial capacities and operational structures, which may influence procurement risk management practices. Furthermore, several studies concentrated on procurement or contract performance rather than overall organizational performance. The current study seeks to address this gap by examining procurement risk management within the operational context of public institutions and its influence on organizational performance.

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Geographical Research Gap

The reviewed studies reveal a geographical gap because most investigations were conducted in selected locations in Ghana, Uganda, Tanzania and Kenya. In Kenya, Maitaria and Makhamara (2024) focused on Nairobi City County, while Atisa (2024) examined commercial public entities nationally. Similarly, Lawerteh (2015) and Amoah (2018) concentrated on Ghana, whereas Nyangoma (2013) examined Uganda. These geographical concentrations may limit the generalizability of findings due to differences in procurement regulations, institutional capacity, supplier markets and economic environments. The current study seeks to address this gap by investigating procurement risk management and organizational performance within the specific geographical and institutional setting of the proposed study.

CONCLUSION AND RECOMMENDATIONS

Conclusion

The study on procurement risk management and organizational performance of public institutions in Tanzania highlights the importance of effective procurement risk management in promoting institutional efficiency, accountability and service delivery. Procurement risk management practices, including risk identification, risk assessment, risk mitigation and risk monitoring, have the potential to minimize procurement irregularities, reduce operational disruptions, control costs and improve the utilization of public resources. However, their contribution to organizational performance depends on effective implementation, institutional capacity, management commitment, regulatory compliance and continuous monitoring of procurement activities. The study is expected to provide empirical evidence on the relationship between procurement risk management and organizational performance, thereby contributing to existing theoretical knowledge, managerial decision-making and public procurement policy development. Ultimately, the study emphasizes the need for public institutions in Tanzania to adopt systematic and proactive procurement risk management practices to strengthen institutional performance, transparency and accountability.

Recommendations

Theory

The study is expected to contribute to existing procurement and organizational performance theories by integrating Supply Chain Risk Management Theory, Agency Theory and Transaction Cost Economics Theory to explain the relationship between procurement risk management and organizational performance in public institutions in Tanzania. Its theoretical contribution lies in extending these theories to public procurement environments, where accountability, regulatory compliance, resource constraints and stakeholder interests influence procurement decisions. By examining risk identification, risk assessment, risk mitigation and risk monitoring as distinct dimensions, the study could provide a comprehensive understanding of how procurement risk management practices influence operational efficiency, resource utilization and institutional effectiveness. The findings could further strengthen theoretical explanations of how effective procurement risk management contributes to organizational performance in public institutions.

Practice

The study is expected to provide practical insights to procurement officers, accounting officers, institutional managers and public procurement professionals in improving procurement processes. Its practical contribution lies in providing an empirical basis for developing an integrated procurement risk management framework that identifies, assesses, mitigates and monitors procurement-related risks. By examining the individual contributions of the four dimensions, the study could help public institutions prioritize risk management interventions, minimize procurement delays, prevent financial losses, strengthen supplier relationships and improve value for money. Additionally, the findings could guide institutional management in allocating resources toward staff training, procurement technology, internal controls and continuous risk monitoring to enhance operational efficiency and service delivery.

Policy

The study is expected to provide empirical evidence to inform the development and improvement of policies governing procurement risk management in public institutions in Tanzania. Its policy contribution lies in providing a foundation for strengthening procurement governance, regulatory compliance, accountability and institutional risk management frameworks. The findings could assist the Public Procurement Regulatory Authority (PPRA) and the Public Procurement Appeals Authority (PPAA) in identifying areas requiring improved procurement oversight, risk assessment and compliance monitoring. Furthermore, the findings could inform the Ministry of Finance and other relevant government authorities in strengthening procurement policies, institutional capacity development and accountability mechanisms. Ultimately, the study could support evidence-based policy interventions that promote transparency, minimize procurement-related risks, improve public resource utilization and strengthen organizational performance across public institutions in Tanzania.

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