Effect of Public Procurement Practices on Performance Contracts in Local Government: A Case of Kirehe District, Rwanda

Hakizimana Alphonse & Nimpano Desire
University of Kigali
https://orcid.org/0009-0009-8959-1807
Email: alphahakiza@gmail.com

Abstract: *The general objective of this study was to analyze the effect of public procurement practices on performance contracts in local government in Rwanda. This research study focused on 74 staff members from Kirehe district. The researcher used SPSS (Statistical Package for the Social Sciences, version 25) for data analysis. The coefficient for needs identification was 0.210, indicating that every unit increase in needs identification leads to a 0.210 increase in performance contracts. This effect is statistically significant (β = 0.210, t = 2.958, sig. = 0.005). The result indicates the importance of accurately identifying needs in enhancing performance contracts. The coefficient for cost estimation is 0.184, meaning that a one-unit increase in cost estimation corresponds with a 0.184 increase in performance contracts. This influence is statistically significant (β = 0.184, t = 2.592, Sig. = 0.012). Supplier sourcing has a statistically significant influence on performance contracts, with a coefficient of 0.448 (β = 0.448, t = 5.398, Sig. = 0.000). Lastly, the terms of payment also show a significant effect on performance contracts, with a coefficient of 0.155 (β = 0.155, t = 2.013, Sig. = 0.047). These findings highlight the critical roles of needs identification, cost estimation, supplier sourcing, and terms of payment in improving performance contracts in Kirehe District. Kirehe District should conduct periodic reviews of performance contracts to ensure that the quantitative and qualitative targets remain relevant and achievable in the context of evolving community needs and market conditions.*

Keywords: *Public Procurement Practices, Performance Contracts, Local Government, Needs Identification, Cost Estimation, Supplier Sourcing, Terms of Payment*

1. Introduction

Properly planning multi-year procurement and integrating them within the medium-term budgetary frameworks is crucial in Rwanda. One of procurement's main roles, planning has the ability to help public institutions run smoothly and provide better services to the public. According to Rwanda Law Governing Public Procurement No. 62/2018 of 25/08/2018, every institution that uses public funds for its activities must comply with the Public Procurement Plan. This plan, which details with activities that require a tendering process and their associated budget, is prepared and submitted annually by the procuring entity to the Ministry and Rwanda Public Procurement Authority. These institutions place a high priority on the execution of the Public Procurement Plan (Hatangimana, 2021).

Since procurement has risen to the position of one of the largest users of public money, strategic procurement planning is essential for plugging the gaps that allow the

theft of millions of dollars from the state. Despite development partners and developing nation governments like Rwanda's and the World Bank's and the International Monetary Fund's best efforts to train procurement officers to more accurately predict public activity needs and associated costs, this has not improved the quality of procurement plans (Pliatsidis, 2022).

The Office of the Auditor General (2022) found that 40% of government contracts were significantly delayed, with an average of 6 months added to the original timetable. Additionally, 30% of the services, commodities, and works that were supplied were of low quality, resulting in a 15% increase in the expenses associated with rework and corrections.

According to the Office of the Auditor General (O.A.G.) report for the fiscal year ending June 30, 2022, the Rwandan government is dealing with substantial financial losses and inefficiencies in its procurement practices. These losses are caused by a multitude of problems in contract management. These include lengthy delays in contract execution, low-quality services and goods delivered, an absence of qualified contract management staff, insufficient performance from contractors and suppliers, and inadequate planning leading to changes in scope. The government's yearly procurement budget has been cut by 10% as a result of these issues (Office of the Auditor General, 2022).

Compliance and ethics in Rwanda's public procurement procedure remain poor. In the fiscal year 2018–2019, for instance, RPPA found that 47 out of 70 procuring entities had implemented the audit's recommendations at a rate below 60%, while 156 entities had implemented the auditor general's recommendations at a rate below 56%; in other words, these recommendations would have helped these entities avoid the loss of public funds (Rugamba, 2021).

Public procurement practices have been the subject of several worldwide studies, but little is known about effect of public procurement practices on performance contracts (imihigo) in local government in Rwanda. A particular study was required, in this regard, the present research to bridge the gap of knowledge.

The general objective of this study was to analyze the effect of public procurement practices on performance contracts (imihigo) in local government in Rwanda.

The following were the specific objectives of this study:

1. To determine the effect of needs identification on performance contracts in Kirehe District.
2. To assess the effect of cost estimation on performance contracts in Kirehe District.
3. To find out the effect of supplier sourcing on performance contracts in Kirehe District.
4. To analyse the effect of terms of payment on performance contracts in Kirehe District.

The following were the research hypotheses of this study:

1. Ho_1: There is no significant effect of needs identification on performance contracts in Kirehe District.
2. Ho_2: There is no significant effect of cost estimation on performance contracts in Kirehe District.
3. Ho_3: There is no significant effect of supplier sourcing on performance contracts in Kirehe District.
4. Ho_4: There is no significant effect of terms of payment on performance contracts in Kirehe District.

2. Literature Review

2.1 Theoretical framework
This study refers and uses the theories like agency theory, contract compliance theory and collective action theory.

2.1.1 Agency Theory

Agency Theory provides a crystal-clear framework for managing a work-related interaction between two parties. Contract management with suppliers is the means by which the connection is investigated in this context. The idea states that both the principal and the agent act out of their own self-interest. Disagreement arises because each side is looking out for themselves. It would be a violation of the theory, for instance, if the agent's interest caused him to compromise the principal's true goals and aspirations. The agents' only responsibility is to act in a way that benefits their principals (Macho-Stadler and Peres, 2020). The agent's betrayal of the principle always results in loss. A principle will end their partnership with an agent when a significant loss occurs. When agents look out for the principal's best interests, there's no downside. Agents must always put their principals' interests first if agency losses are to be avoided (David, 2023).

Agency Theory was relevant to this study as the potential for information asymmetry, where agents had more information about their actions and intentions than the principals. In the context of public procurement, this led to issues such as corruption, inefficiency, or mismanagement of resources. Evaluating the public procurement practices in Rwandan local government helped to identify areas where information asymmetry might be occurring and recommend strategies to improve transparency and accountability.

2.1.2 Contract Compliance Theory

The theory of contract compliance pertains to the parties' compliance with the contractual provisions. The department or units responsible for procurement are held accountable for any cause of noncompliance. Within and outside of the bounds of the agreement, compliance may take place. By following the procurement processes for things like payments and order specifications, a company is demonstrating internal compliance with the terms of the contract. When businesses utilize organized words, it helps them comply with contracts, which in turn reduces wasteful expenditure and prices. The probability of the project's success rises when the process is adhered to accurately. However, there are a number of ways in which parties outside of the contract could fail to meet their responsibilities, including not having the purchased materials, having inept staff, asking for more money than agreed upon, experiencing delivery delays, or receiving goods that do not meet necessary standards (Grosch and Fischer, 2020).

Contract Compliance theory is relevant to this study because it emphasizes how crucial it is for the parties to follow the contractual requirements. If the entire procedure is to be successful, buyers and sellers must follow the procurement procedures to the end. It is also significant to the study since the effectiveness of the public procurement practices help to achieve its performance goals of service delivery and customer satisfaction.

2.1.3 Collective Action Theory

The collective action theory was first proposed in 1965 by Mancur Olson. Any organization that wants to help the public would have a hard time, according to Olson. Many branches of the social sciences, including as economics, politics, anthropology, sociology, and psychology, have developed ideas and formulations around this concept.

Collective action theory has lately evolved as an alternate rationale for the persistence of systemic corruption in nations with anti-corruption legislation and for the failure of other anti-corruption initiatives to eradicate corruption. Factors like trust and how people interpret the actions of others are given significant weight in the collective action theory, which expands beyond the conventional principal-agent dynamic. Systemic corruption is seen as a communal issue by Nwajei (2021) because individuals in corrupt systems tend to justify their own actions by comparing them to others in similar situations (Keshta *et al.*, 2023). In many cases, fighting corruption requires concerted efforts from several groups working together, such as reform coalitions or proactive alliances of similar organizations.

Collective Action Theory was relevant and pertinent to the present study because it allowed the staff members to work together to bring about change that would not be possible to be done individually. Additionally, it allowed the researcher to predict how these groups acted.

2.2 Empirical Review

Tamiru (2020) looked into the procurement practices of Jimma University and how they affected the efficiency of the organization. Jimma University's organizational performance would be enhanced, according to the study's assumptions, if the university implemented effective inventory management, monitoring, controls, planning, and people training. This study used a descriptive research strategy. Primary data was obtained from 186 respondents out of 250 procurement and property administration department professionals using a standardized questionnaire. Data analysis was carried out using descriptive and regression techniques. The study stated that Jimma University has implemented several procurement practices. It was also shown that controls, monitoring, and planning for procurement significantly affected the organization's performance. All things considered, the study states that sufficient procurement planning, monitoring, and controls form the basis of the company's procurement practices. Therefore, it is advised that the major players in procurement come up with practical ways to manage the procurement process.

O'Brien (2023) investigated sustainable procurement in developing countries. The nations that were being probed were South Africa, Mali, and Sierra Leone. The writers list many obstacles that hinder sustainable procurement, including a lack of management and technical skills, cultural integration, funding for investment startups, early inclusion of small producers, transparency, and equitable distribution of power. It has been determined that sustainable sourcing can only be effectively implemented via a multi-stakeholder approach that includes key companies in the value chain, researchers from those groups, the government, and support organizations. Managing conflicts and interests while making sure all players profit requires developing synergy among diverse parties, which the author also stressed. A company's supply chain and operations may be more valuable if they take sustainability's three pillars high quality, efficiency, and social responsibility into account. Public sector organizations, support agencies, and donors should all actively and appropriately back this process. If the links in a chain aren't strong enough, it could need a facilitator to help get everyone on the same page and work toward a fair collaboration.

According to Johnson (2023), American public organizations' financial success is correlated with their procurement procedures. Quantitative analysis and qualitative interviews are both used in the study's mixed-methods research approach. Data was collected from a diverse sample of 150 public institutions across various

states in the US. The findings reveal that an effective procurement plan positively influences the financial performance of American public institutions, leading to improved cost savings, increased efficiency, and enhanced service delivery.

Chatterjee and Das (2023) explored the effects of the procurement practices on the financial performance of public institutions in India. The study employs a case study approach and collects data from a sample of 50 public institutions representing various sectors in India. Through qualitative analysis, the study demonstrates that an efficient procurement procedure plays a crucial role in enhancing the financial performance of Indian public institutions. The findings highlight the significance of strategic procurement decision-making, supplier selection, and contract management in improving financial outcomes and resource allocation in the Indian context.

3. Methodology

This section focused on the research technique and provides clear picture of the methods that were utilized to gather and analyze data. The study design includes the following elements: the target population, the sample, the sampling strategy, the data collecting techniques, the data analysis and the ethical considerations.

3.1 Research Design

The descriptive and correlation research design were used in this study. Data from a small number of Kirehe District samples were gathered and analyzed using the descriptive survey. To determine the nature of the relationship between the two variables, public procurement practices and attaining performance, the correlation design was used.

3.2 Target Population

A study population is a specified group of people or things that are known to have certain traits. The number of people or things that are part of the study's population is called the population size. To rephrase, it is the group of individuals or things that are going to be studied (Eugenie, 2022). The target population for this research study was 74 staffs of Kirehe district including administrative staff, Procurement officers, Logistics officer, Finance department, Planning, monitoring and evaluation unit, Representative staff at sector level and unit directors.

The researcher resorted to a census inquiry approach rather than sampling due to the tiny population. Instead, then selecting a subset of the population by sampling, this method collects data from every single unit or person inside the population. The goal of this approach is to fully understand the population under investigation.

3.3 Data Collection Instruments

Documentation is the process of researching data kept in a computer, a company's file system, or some other hidden location. The researcher retrieved the preexisting data from its original storage location (Maxwell, 2019).

This is how secondary data were collected by the researcher. Documents were consulted in order to assess and analyze the texts' applicability to the study, categorize them on manuscripts, and then input them into a computer for further assembly as part of the documentary analysis process. Examining the relevant literature and seeking out foreign viewpoints to construct a comparative assessment framework is a crucial part of this.

Questionnaires were filled out by Kirehe District employees. Questionnaires with closed-ended answers were used to administer the research. The purpose of this study is to establish a connection between public procurement practices and performance contracts, and to ensure that respondents stay focused on this goal. Assigning a five-point scale to each answer in a set of remarks on a certain topic is the basis of this method.

3.4 Data Analysis

Researcher evaluated the obtained information using both descriptive statistics and inferential statistics, namely bivariate correlation analysis, as well as a linear regression model. In this case, the researcher usually used SPSS (Statistical Package for the Social Sciences version 25) findings to understand frequency, percentages, mean, and standard deviation.

To check whether hypotheses hold, researcher utilized bivariate correlation analysis, which involves comparing one dependent variable to one independent variable. One of the most basic types of statistical analysis, it determined if two sets of data are related. X and Y are the conventional suspects. When only two variables are analyzed, it is called bivariate analysis. The results of the tests determine the Pearson Correlation (r), which may be either strong or weak, positive or negative, and falls within the range of [-1; +1]. Additionally, it considers Sig.(2-Tailed), which determines the statistical significance of the variables being examined. To be considered statistically significant, this value must be less than or equal to 0.05.

The coefficient measured effect size r using the following regression equation:
$$Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$$
Where;
Y = Performance contracts
X_1 = needs identification
X_2 = cost estimation
X_3 = supplier sourcing

X_4= terms of payment
α = Constant;
β = Coefficients of the mode

3.5 Ethical Considerations

To ensure the ethical conduct of this study and maintain strict confidentiality for both the respondents and their provided data, several steps were taken. These included encoding all questionnaires to ensure anonymity, obtaining informed consent from all participants, acknowledging the authors whose work referenced in the study, and presenting the findings in a generalized manner. These measures were implemented to prioritize ethical considerations and protect the privacy and confidentiality of the respondents and their data. The researcher presented a letter from UoK to respondents to explain the purpose of the research and the researcher received approval from Kirehe District.

4. Results and Discussion

The outcomes are covered in this section. In order to get information from the field, questionnaires were used. The third step was to examine the numerical data for patterns or trends using SPSS. To determine the relationship between the variables, regression analysis and Pearson correlation were used.

4.1 Questionnaire Response Rate

The percentage of people who fill out a survey or questionnaire relative to the total number of people who were asked to do so is called the response rate. Subtract the number of people who were eligible to fill out the surveys from the total number of surveys that were filled out to get the response rate.

Table 1: Response rate

Questionnaire	Number	Percent
Complete	72	97.30
Incomplete	2	2.70
Total	74	100.0

Source: Research Findings, 2025

In this study, the researcher achieved a high response rate. Out of 74 questionnaires distributed, 72 were returned, indicating a raw response rate of approximately 97.30%. However, it is important to note that 2 out of the returned questionnaires were incomplete. This high rate of completed responses indicates a strong level of engagement from participants and contributed positively to the reliability and validity of the study's findings.

4.2 Correlation Analysis

Researcher used a hypothesis test to determine if the observed correlation coefficient in the sample is statistically significant. A p-value is calculated to test the null hypothesis that there is no correlation between the variables in the population. A p-value less than the chosen significance level (often 0.05) indicates that the correlation is statistically significant.

Table 2: Correlations

		Needs identification	Cost estimation	Supplier sourcing	Terms of payment	Performance contracts
Needs identification	Pearson Correlation	1	.802**	.693**	.612**	.802**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	72	72	72	72	72
Cost estimation	Pearson Correlation	.802**	1	.674**	.646**	.793**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	72	72	72	72	72
Supplier sourcing	Pearson Correlation	.693**	.674**	1	.833**	.884**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	72	72	72	72	72
Terms of payment	Pearson Correlation	.612**	.646**	.833**	1	.811**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	72	72	72	72	72
Performance contracts	Pearson Correlation	.802**	.793**	.884**	.811**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	72	72	72	72	72

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

Source: Research Findings, 2025

Table 2 displays the results of the correlation analysis examining the relationships between the independent variables: needs identification, cost estimation, supplier sourcing, and terms of payment, and the dependent variable, performance contracts in Kirehe District.

The Pearson correlation coefficient between needs identification and performance contracts is 0.802, p<0.05 indicating a strong positive relationship. Similarly, the Pearson correlation coefficient between cost estimation and performance contracts is 0.793, p<0.05 reflecting a strong positive relationship. The Pearson correlation coefficient between supplier sourcing and performance contracts is 0.884, p<0.05 demonstrating an even stronger positive relationship. Furthermore, the Pearson correlation coefficient between terms of payment and performance contracts is 0.811, p<0.05 indicating a strong positive relationship.

All correlations are statistically significant at the 0.05 level, highlighting a strong interdependence between these independent variables and performance contracts in Kirehe District.

The findings are consistent with Mihály and Rene (2021), who emphasized that the success of a project depends on various interrelated factors, including the identification of needs and effective procurement practices. This supported the conclusion that strong positive relationships exist among needs identification, cost estimation, supplier sourcing, and terms of payment in relation to performance contracts in Kirehe District. The emphasis on strategic procurement processes enhances project outcomes and facilitates the achievement of desired objectives.

4.3 Regression Analysis

Regression analysis used to assess how well the regression model fits the data, indicating the proportion of variance in the dependent variable explained by the model.

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.936[a]	.876	.868	.23192	1.190

a. Predictors: (Constant), terms of payment, identification needs, cost estimation, supplier sourcing

b. Dependent Variable: Performance contracts

Source: Research Findings, 2025

Table 3 presents the results of the regression analysis that evaluated the effect of terms of payment, needs identification, cost estimation, and supplier sourcing on performance contracts in Kirehe District. An R-value of 0.936 indicates a very good association between the model's predictors and performance contracts. With an R Squared value of 0.876, these independent variables have a strong explanatory power, explaining around 87.6% of the variation in performance contracts. This statistic tests for autocorrelation in the residuals (errors). A value close to suggests no autocorrelation. 1.190 is somewhat low, indicating some positive autocorrelation, but not severe.

The findings are supported by Nkosi (2021), who emphasized that a comprehensive legislative framework is crucial for optimizing procurement practices. This highlights the significance of integrating factors such as terms of payment, needs identification, cost estimation, and supplier sourcing in enhancing the effectiveness of performance contracts in Kirehe District. Addressing these elements can lead to improved outcomes in public procurement and contribute to institutional efficiency.

Table 4: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	25.436	4	6.359	117.759	.000[b]
	Residual	3.604	67	.054		
	Total	29.040	71			

a. Dependent Variable: Performance contracts

b. Predictors: (Constant), terms of payment, needs identification , cost estimation, supplier sourcing

Source: Research Findings, 2025

Table 4 shows the ANOVA results for the regression model assessing the effect of the independent variables

(terms of payment, needs identification, cost estimation, and supplier sourcing) on the dependent variable (performance contracts in Kirehe District).

The model's mean square divided by the residual mean square gives an F-statistic of 117.759. Because the Sig. value is 0.000<0.05, the researcher with confidence confirm that the model is significant. This conclusion indicates the effect of these independent factors, highlighting that they collectively have a significant influence on performance contracts.

The findings are supported by Mwangi (2022), who provided an in-depth analysis of the challenges and opportunities in implementing effective procurement practices. This emphasizes the significant influence of factors such as terms of payment, needs identification, cost estimation, and supplier sourcing on performance contracts. The research indicates the necessity for a robust legal framework and accountability mechanisms to enhance procurement outcomes, aligning with the observed significance of these independent variables in Kirehe District.

Table 5: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
	B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1 (Constant)	.133	.160		.831	.409		
Identification needs	.210	.071	.226	2.958	.005	.313	3.193
Cost estimation	.184	.071	.198	2.592	.012	.317	3.151
Supplier sourcing	.448	.083	.460	5.398	.000	.252	3.969
Terms of payment	.155	.077	.161	2.013	.047	.292	3.420

a. Dependent Variable: Performance contracts

Source: Research Findings, 2025

The model used in the study took the following form:

$$Y=\beta_0+\beta_1X_1+\beta_2X_2+\beta_3X_3+\beta_4X_4+\epsilon$$

Thus, the equation becomes:

Performance Contracts = 0.133+ 0.210 (Needs identification) + 0.184 (Cost Estimation) + 0.448 (Supplier Sourcing) + 0.155 (Terms of Payment) +0.160.

The coefficients in Table 5 illuminate the relationships between the independent variables (needs identification, cost estimation, supplier sourcing, and terms of payment) and the dependent variable (performance contracts) in Kirehe District. The constant term (α) of 0.133 indicates the predicted level of performance contracts when all independent variables are set to zero.

The unstandardized coefficients (B) reflect how a one-unit increase in each independent variable is associated with changes in performance contracts. A coefficient of 0.210 for needs identification indicates that for every one-unit increase, performance contracts improve by 0.210. The coefficient of 0.184 for cost estimation indicates that a one-unit increase results in a 0.184improvement in performance contracts. With a coefficient of 0.448 for supplier sourcing, it shows that a one-unit increase leads to a significant 0.448

improvement in performance contracts. Lastly, a coefficient of 0.155 for terms of payment indicates that a one-unit increase enhances performance contracts by 0.155 points. Tolerance (>0.1) and VIF (<10) detect multicollinearity (strong correlation between predictors). All VIF values are below 10, meaning no severe multicollinearity issues.

All predictors have statistically significant p-values (p = 0.005, 0.012, 0.000, and 0.047), confirming their individual effect on performance contracts. These results indicate the critical effect of needs identification, cost estimation, supplier sourcing, and terms of payment in enhancing performance contracts in Kirehe District.

The findings are supported by Hatangimana (2021), who emphasized the importance of properly planning multi-year procurement and integrating it within Rwanda's medium-term budgetary frameworks. This highlights how effective planning enhances service delivery and institutional efficiency. The statistical significance of needs identification, cost estimation, supplier sourcing, and terms of payment reinforces their critical roles in optimizing performance contracts in Kirehe District, aligning with the legal requirements set forth in the Rwanda Law Governing Public Procurement.

Table 6: Hypotheses Results

Hypotheses	P Value	Comment
H_01: There is no significant effect of needs identification on performance contracts in Kirehe District.	$p<0.05$	Rejected
H_02: There is no significant effect of cost estimation on performance contracts in Kirehe District.	$p<0.05$	Rejected
H_03: There is no significant effect of supplier sourcing on performance contracts in Kirehe District.	$p<0.05$	Rejected
H_04: There is no significant effect of terms of payment on performance contracts in Kirehe District.	$p<0.05$	Rejected

Source: Research Findings, 2025

Table 6 presents the results of hypothesis testing concerning the effect of various factors on performance contracts in Kirehe District. Hypothesis H_{01}, which posits that needs identification have no significant effect on performance contracts, is rejected due to a p-value of less than 0.05, indicating a significant effect of needs identification on performance contracts. Similarly, Hypothesis H_{02}, stating that cost estimation has no significant effect on performance contracts, is also rejected, with a p-value of less than 0.05, confirming that cost estimation significantly influences performance contracts. Hypothesis H_{03}, which asserts that supplier sourcing does not significantly affect performance contracts, is rejected as well H_{04}: There is no significant effect of terms of payment on performance contracts in Kirehe District, with a p-value of less than 0.05, demonstrating its significant effect. These results collectively highlight the importance of needs identification, cost estimation, and supplier sourcing in enhancing performance contracts in Kirehe District.

5. Conclusion and Recommendations

5.1 Conclusion

The primary objective of this research was to examine the influence of various factors on performance contracts in Kirehe District. The study focused on four key elements: needs identification, cost estimation, supplier sourcing, and terms of payment. The results revealed strong consensus among respondents regarding the importance of these elements in enhancing the effectiveness of performance contracts. The results led to the rejection of the null hypotheses regarding the influence of these factors on performance contracts in Kirehe District. The findings revealed a significant positive relationship between needs identification, cost estimation, supplier sourcing, and terms of payment with the effectiveness of performance contracts.

5.2. Recommendation

The study recommended that:

1. Kirehe District should prioritize greater collaboration with community members and stakeholders. Incorporating resident feedback could lead to a more nuanced understanding of local priorities, ultimately ensuring that projects align with community needs and expectations.

2. Kirehe District should implement and publicize rigorous prequalification procedures along with clear criteria for supplier evaluation. Ensuring transparency in the bid evaluation process will attract more suppliers, resulting in better quality services and products.

3. Kirehe District should conduct periodic reviews of performance contracts to ensure that the quantitative and qualitative targets remain relevant and achievable in the context of evolving community needs and market conditions.

5.3 Area for Further Research

Future researchers should explore a comprehensive framework for assessing needs identification in performance contracts in Kirehe District. Studies on the effect of cost estimation practices on contract sustainability should be conducted. Investigating innovative supplier sourcing methods and their efficiency in contract execution could yield valuable insights.

References

Andersson, P., & Wu, K. (2023). The Influence of Payment Terms on Contract Performance in Public Sector Projects in Sweden. *Journal of Public Procurement Management*, *26*(2), 45-62.

Changalima, I. A., Mushi, G. O., & Mwaiseje, S. S. (2021). Procurement planning as a strategic tool for public procurement effectiveness: Experience from selected public procuring

entities in Dodoma city, Tanzania. *Journal of Public Procurement*, *21*(1), 37–52.

Chatterjee, S., & Das, R. (2023). Examining the Effects of Procurement Plan on Financial Performance in Indian Public Institutions. *Journal of Public Finance and Policy*, *12*(4), 567-589.

Fernandez, L., & Martinez, C. (2023). Payment Terms and Their Effect on Performance Contracts in Public Transportation Projects in Argentina. *Journal of Transport Procurement and Management*, *25*(2), 135-150.

Hallikas, J., Immonen, M., & Brax, S. (2021). Digitalizing procurement: the impact of data analytics on supply chain performance. *Supply Chain Management*, 26(5), 629–646.

Hatangimana, C. (2021). Effects of procurement planning, procurement process, and procurement transparency on public institutions' performance in Rwanda. *Global Scientific Journal, 9(11). ISSN 2320-9186*

Johnson, M., & Chen, K. (2023). Identifying Organizational Needs to Enhance Performance Contracts in Public Institutions: A Study in Canada. *Journal of Public Administration and Performance*, *18*(1), 90-108.

Marnisah, L., Zamzam, F., Handayani, S., Yustini, T., Wijaya, H., Maris, H., & Irwanto, D. (2021). Factors affecting e-procurement division employee performance. *International Journal of Data and Network Science*, *5*(1), 19–24.

Mihály, Fazekas; Rene, Blum, Jurgen (2021). Improving Public Procurement Outcomes. World Bank Group. *Policy Research Working Papers*. doi:10.1596/1813-9450-9690.

Müller, A. (2020). Determinants of Public Institution Performance in Europe. *European Journal of Public Administration*, *24*(3), 245-267.

Mwangi, P., & Chen, Y. (2022). Supplier Sourcing and Its Effect on Performance Contracts in the Public Healthcare Sector: Insights from Kenya. *Journal of Healthcare Procurement Management*, *17*(2), 90-105.

Nakamura, Y., & Lin, M. (2021). Assessing the Impact of Payment Terms on Educational Performance Contracts in Japan. *Journal of Educational Procurement and Finance*, *22*(4), 125-140.

Njoroge, P., & Garcia, J. (2022). Identifying Needs to Improve Performance Contracts in Public Education Sector: A Case Study from Kenya. *Journal of Educational Policy and Management*, *14*(1), 100-117.

Nwajei, U. O. K. (2021). How relational contract theory influence management strategies and project outcomes: A systematic literature review. *Construction Management and Economics, 39(5), 432-457.*

Oduro, K. (2019). Performance of Public Institutions in Africa: Challenges and Recommendations. *Journal of African Public Administration*, *15*(1), 56-78.

Patel, S., & Kim, H. (2022). The Role of Needs Identification in Enhancing Performance Contracts: A Case Study from South Korea. *Asian Journal of Public Policy and Administration*, *16*(3), 130-146.

Pliatsidis, Andreas Christos (2022). Impact of the time limits for the receipt of tenders on the number of bidders: evidence from public procurement in Greece. *Journal of Public Procurement. 22* (4): 314–335.

Rono, A. K., & Moronge, M. (2019). Determinants of implementation of procurement management practices in county governments of Kenya: a case of Nairobi County. *The Strategic Journal of Business & Change Management, 6* (2), 160 – 172

Santos, M., & Patel, D. (2021). Assessing the Role of Supplier Sourcing on Educational Performance Contracts in Brazil. *Journal of Educational Procurement and Policy*, *19*(3), 112-130.

Suen, H. C. H., Cheung, S. O., & Lai, Y. L. (2018). Integrating needs assessment and benefit-cost analysis for construction projects. *International Journal of Construction Management*, *18*(4), 350-361.