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Effect of Contract Compliance on Organizational Performance: A Case of MTN Rwanda

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Abstract: *This study assessed the effect of contract compliance on organizational performance of MTN Rwanda. Contract terms adherence, contract legal compliance, contract implementation compliance, and contract monitoring were examined as predictors of organizational performance. Transaction Cost Economics Theory, Agency Theory, Institutional Theory, and Stakeholder Theory guided the analysis. A descriptive and explanatory design combined quantitative and qualitative approaches. The target population comprised 300 employees, from whom 172 respondents were selected through stratified and simple random sampling. Questionnaires, interviews, and documentation were used to collect data, while 158 complete questionnaires were analysed using SPSS through descriptive statistics, Pearson correlation, and multiple regression. Contract terms adherence had a positive significant effect on organizational performance ($B = 0.209$; $t = 2.843$; $p = 0.005$), as did contract legal compliance ($B = 0.195$; $t = 2.596$; $p = 0.010$), contract implementation compliance ($B = 0.285$; $t = 3.632$; $p = 0.000$), and contract monitoring ($B = 0.271$; $t = 3.505$; $p = 0.001$). The model explained 68.2% of the variation in organizational performance. The study concluded that disciplined contractual execution, lawful compliance, implementation control, and continuous monitoring strengthened organizational performance. It recommended obligation registers, compliance reviews, controlled implementation procedures, and supplier-performance monitoring.*

Keywords: *Contract Terms Adherence, Contract Legal Compliance, Contract Implementation Compliance, Contract Monitoring, Organizational Performance.*

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1. Introduction

Contract compliance influences organizational performance because contracts translate obligations, service standards, legal requirements, delivery schedules and supplier responsibilities into operational results. Organizations that depend on suppliers need contract terms to be followed consistently, implementation requirements to be respected, legal duties to be observed and performance to be monitored throughout the contract cycle. Weak compliance can contribute to disputes, delayed delivery, service interruptions and avoidable costs, while disciplined compliance strengthens accountability and protects organizational value (Nsereko et al., 2023).

Contract compliance is used to govern complex relationships between organizations and external suppliers. In the United Kingdom, procurement arrangements require active post-award governance so that supplier commitments are converted into dependable public and institutional outcomes (Parker & Liddle, 2024). In Japan, procurement risk management supports production continuity where firms depend on stable supply networks (Endo & Kamei, 2022), while evidence from China shows that clear contract functions, accountability and performance controls influence contractor behaviour and project outcomes (Yang et al., 2025). These settings show that contracts contribute to performance when obligations are actively implemented and supervised.

The same concern appears in public procurement and service delivery. Administrative contracting in Egypt emphasizes legal clarity, supplier obligations and implementation discipline as foundations for institutional performance (Aboelazm, 2023). South African evidence treats compliance as an ongoing process of monitoring, communication, documentation and enforcement rather than a requirement that ends when a contract is signed (Nsereko et al., 2023). In Tanzania, procurement risk-management practices have also been associated with improved performance where institutions control supplier, planning and implementation risks (Mwalukasa & Sallwa, 2024). The African context therefore reinforces the need for contract governance that continues throughout execution.

In Rwanda, public and private organizations increasingly depend on contracts for works, technology, professional services and operational inputs. Evidence from Rwandan institutions shows that contract cycle management, execution, relationship management and monitoring contribute to institutional performance when supplier obligations are followed systematically (Uwiringiyimana & Dushimimana, 2024). This issue is especially relevant to MTN Rwanda because its network infrastructure, information technology, mobile money platforms, enterprise services, maintenance and customer-support systems rely on multiple supplier and service contracts. Organizational performance therefore depends partly on whether contractual requirements are translated into reliable service delivery and accountable implementation (MTN Rwandacell PLC, 2025).

The practical problem is visible in Rwanda's telecommunications indicators. At the beginning of 2025, Rwanda had about 13.3 million cellular mobile connections, equivalent to 92.0% of the population, yet only 4.93 million people used the internet, representing 34.2% internet penetration; approximately 9.48 million people, or 65.8% of the population, remained offline (Kemp, 2025). Active fixed-broadband subscriptions also grew by 8.9% compared with the corresponding period of 2024 (Rwanda Utilities Regulatory Authority, 2025). Household access remained uneven: 84.6% of households owned at least one mobile phone, but only 34.3% owned a smartphone; smartphone ownership was 61.9% in urban households and 22.9% in rural households, while ownership ranged from 11.9% in the poorest quintile to 71.4% in the richest quintile (National Institute of Statistics of Rwanda, 2025).

Infrastructure and firm-level evidence further demonstrate the performance concern. Rwanda's internet coverage was reported at about 83%, while reaching approximately 97% coverage would require an additional 720 to 800 telecom towers, illustrating the scale of contracting needed for site acquisition, construction, power, equipment installation, maintenance and connectivity (Mutamba, 2025). At MTN Rwanda, total subscribers increased by 5.1% year-on-year to 7.6 million in 2024, but active data subscribers declined by 8.0% to 2.4 million and data revenue increased by only 0.2% (MTN Rwandacell PLC, 2025). Despite extensive supplier and technology contracting, this divergence between connectivity, service use and business performance remains a practical concern. Existing Rwandan studies have mainly examined public institutions rather than a regulated telecommunications operator, leaving limited evidence on how contract compliance affect organizational performance at MTN Rwanda.

1.1 General Objective

The general objective of the study was to assess the effect of contract compliance on organizational performance of MTN Rwanda.

1.2 Specific Objectives

i. To assess the effect of contract terms adherence on the organizational performance of MTN Rwanda.
ii. To evaluate the effect of contract legal compliance on the organizational performance of MTN Rwanda.
iii. To determine the effect of contract implementation compliance on the organizational performance of MTN Rwanda.
iv. To examine the effect of contract monitoring on the organizational performance of MTN Rwanda.

2. Literature Review

This section reviews theories and empirical evidence explaining contract compliance practices and organizational performance within the context of MTN Rwanda.

2.1 Theoretical Review

The theoretical review explains the perspectives used to interpret how contract compliance practices influence organizational performance. Transaction Cost Economics Theory, Agency Theory, Institutional Theory, and Stakeholder Theory provided the analytical foundation for the four contract compliance dimensions.

2.1.1 Transaction Cost Economics Theory

Transaction Cost Economics Theory explains why organizations use contractual safeguards and governance arrangements when transactions involve uncertainty, information limitations, and the possibility of opportunistic behaviour. Beyond the purchase price, organizations incur costs when they search for suppliers, negotiate agreements, supervise delivery, resolve disputes, and enforce obligations. Procurement research therefore treats clear contractual structures and disciplined management as mechanisms for controlling avoidable transaction costs (Pedroso & Beaulieu, 2024).

The theory suggests that performance improves when obligations, service standards, remedies, acceptance conditions, and responsibilities are sufficiently clear to reduce ambiguity during implementation. Mebrate and Shumet (2024) similarly show that structured procurement practices and organizational capability support better performance because procurement decisions are converted into controlled implementation processes.

Transaction Cost Economics Theory was applied to contract terms adherence to provide a deeper understanding of how respecting delivery schedules, payment conditions, service levels, quality clauses, and acceptance requirements influenced organizational performance at MTN Rwanda. The theory explained how contractual discipline reduced uncertainty and strengthened supplier accountability.

2.1.2 Agency Theory

Agency Theory focuses on relationships in which one party delegates responsibilities to another party whose interests or information may differ. In procurement and contracting, an organization depends on suppliers and contractors to perform agreed duties, creating a need for reporting, supervision, incentives, and corrective mechanisms that limit information asymmetry and performance divergence.

Contract monitoring responds to this governance problem by producing evidence on milestones, deliverables, service levels, unresolved issues, and corrective actions. Ruhuka and Dushimimana (2024) demonstrate that monitoring is among the contract-management practices associated with organizational performance because it helps organizations verify whether contractors and suppliers satisfy agreed requirements.

Agency Theory provided a framework for understanding contract monitoring at MTN Rwanda. It explained how progress reports, supplier reviews, performance meetings, issue tracking, and corrective follow-up reduced information gaps and supported accountability between MTN Rwanda and its contracted suppliers.

2.1.3 Institutional Theory

Institutional Theory explains how organizations are influenced by laws, regulations, professional expectations, formal procedures, and accepted norms. Contracting organizations operate within legal and regulatory environments that shape approvals, documentation, licensing, taxation, procurement procedures, and enforceability. Compliance therefore protects both organizational legitimacy and operational continuity.

Legal requirements become especially important where an organization operates in a regulated sector. Butler and Mace (2023) show that formal performance-assessment duties can strengthen transparency and supplier accountability, while Aboelazm (2023) emphasizes the governance role of legal frameworks in administrative contracting.

Institutional Theory was applied to contract legal compliance to deepen the understanding of how regulatory permits, lawful approvals, procurement rules, licence conditions, tax requirements, and documented legal procedures influenced organizational performance at MTN Rwanda.

2.1.4 Stakeholder Theory

Stakeholder Theory recognizes that organizational performance depends on the interests and contributions of parties affected by organizational decisions. Contract implementation involves internal users, procurement teams, finance, legal and compliance units, technical departments, management, suppliers, and customers whose expectations must be coordinated during execution.

Contract functions can influence contractor behaviour by clarifying responsibilities, allocating risks, and providing a basis for coordination and performance control. Yang et al. (2025) show that contractual functions shape performance behaviour where obligations and governance mechanisms are connected with practical project management.

Stakeholder Theory was applied to contract implementation compliance to explain how approved implementation plans, technical specifications, assigned responsibilities, documented procedures, and formal change controls supported consistent execution of commitments and protected stakeholder value at MTN Rwanda.

2.2 Empirical Review

The empirical review synthesised previous evidence on contract terms adherence, legal compliance, implementation compliance, monitoring, and organizational performance. Studies from international, regional, and Rwandan contexts were considered in terms of their methods, findings, and practical implications for telecommunications contract governance.

2.2.1 Contract Terms Adherence and Organizational Performance

Pedroso and Beaulieu (2024) investigated procurement contract-management best practices across 15 healthcare organizations. The case-study evidence showed that contracting performance depends on the quality of practices and organizational enablers applied throughout the contracting process. The study concluded that disciplined contract management supports procurement performance and recommended stronger application of best practices across contract stages.

Hassan and Omwenga (2023) examined contract management and procurement performance among Kenyan state corporations. Their quantitative analysis covered contract administration, dispute resolution, relationship management, monitoring, and evaluation. Contract dispute resolution was positively related to procurement performance ($r = 0.669$), while contract monitoring also recorded a strong relationship ($r = 0.731$), both at $p < 0.05$. Stronger contract administration and monitoring were recommended.

Songa and Akumuntu (2024) assessed contract management and public procurement performance at Rwanda's Ministry of Education. Questionnaires and documentation were used with 128 respondents from a population of 212. Contract negotiation, execution, and monitoring explained 95.5% of changes in procurement performance, and the overall correlation was 0.952. The authors recommended stronger contract execution and monitoring.

Uwiringiyimana and Dushimimana (2024) studied procurement contract management and performance at IPRC Musanze. Descriptive and correlational methods were used to examine contract cycle management, execution, relationship management, and monitoring. The findings connected implementation discipline and supplier accountability with institutional performance, leading to a recommendation for continued strengthening of contract management practices.
Ruhuka and Dushimimana (2024) analysed contract management practices and organizational performance at Rwanda Development Board using a census of 156 employees. Contract planning, negotiation, implementation, and monitoring were all statistically significant at $p < 0.05$. The study concluded that contract management practices positively affected organizational performance and recommended stronger implementation across the contract cycle.

2.2.2 Contract Legal Compliance and Organizational Performance

Butler and Mace (2023) examined contract performance assessments under the United Kingdom Procurement Act 2023. Their analysis considered legal duties to establish key performance indicators and disclose poor supplier performance or breaches. The study indicated that formal performance assessment can strengthen transparency and accountability and recommended careful implementation of the statutory requirements.
Uwimpeta and Akims (2025) investigated e-procurement systems and public contract-management performance at Rwanda Biomedical Center. A descriptive mixed-methods design was applied to a sample of 80 respondents from a target population of 102. E-informing recorded a coefficient of 0.428 and improved timely communication and reduced information asymmetry. The authors concluded that digital procurement can strengthen accountability, compliance, and contract performance.

Maitaria and Makhamara (2024) examined procurement risk-management policies and organizational performance at Kenyatta International Convention Centre. Descriptive and inferential statistics showed a positive significant relationship between procurement risk policies and performance. The study concluded that formal risk policies support proactive control and recommended clearer supplier-relationship guidelines and selection of reliable partners.
Songa and Akumuntu (2024) also identified legal and documentation weaknesses in public contract management, including inadequate regulatory provisions, improper signing, missing contract conditions, and incomplete specifications. Their strong relationship between contract management and procurement performance demonstrated the importance of lawful documentation and disciplined execution.

2.2.3 Contract Implementation Compliance and Organizational Performance

Mwalukasa and Sallwa (2024) investigated procurement risk-management strategies in 16 public higher-learning institutions in Dar es Salaam. A convergent mixed-methods design identified non-compliance risks, planning risks, managerial weaknesses, contract-management risks, and project delays as relevant performance concerns. Procurement planning, capacity building, and stronger ethical practices were recommended.

Maitaria and Makhamara (2024) found that procurement risk-management policies were positively and significantly associated with organizational performance. The study emphasized early identification of procurement risks and proactive mitigation, which is relevant to implementation compliance because approved procedures and supplier controls reduce deviations during execution.
Adda (2024) examined procurement strategies and organizational performance among industrial firms in

Ghana. Of 500 questionnaires distributed, 437 valid responses were analysed. Strategic procurement, supplier relationship management, risk management, and sustainable procurement were connected with organizational performance. A holistic procurement approach was recommended.

Murenzi et al. (2024) studied procurement management practices and operational performance at Prime Cement Limited in Rwanda. A quantitative descriptive design used 134 respondents from a population of 200, while reliability was supported by a Cronbach alpha of 0.833. Contract management was positively related to operational performance ($r = 0.760$, $p = 0.01$), supporting disciplined execution of contractual requirements.

Ruhuka and Dushimimana (2024) reported statistically significant effects for contract implementation ($p = 0.031$) and monitoring ($p = 0.029$) at Rwanda Development Board. Their evidence shows that approved contract requirements must be translated into practical execution and followed through if organizations are to protect performance.

2.2.4 Contract Monitoring and Organizational Performance

Hassan and Omwenga (2023) established a strong positive relationship between contract monitoring and procurement performance ($r = 0.731$, $p < 0.05$). Contract evaluation recorded an even stronger relationship ($r = 0.772$, $p < 0.05$). The study recommended stronger monitoring and evaluation systems in state corporations.

Uwiringiyimana and Dushimimana (2024) examined monitoring as part of procurement contract management at IPRC Musanze. Their findings showed that contract-cycle management, execution, relationship management, and monitoring contributed to institutional performance through better implementation follow-up and supplier accountability.

Uwimpeta and Akims (2025) showed that digital e-informing mechanisms improved contract-management performance through timely communication, stakeholder coordination, and lower information asymmetry. Their evidence suggests that reliable digital records and communication systems can strengthen contract monitoring and corrective follow-up.

3. Methodology

This section describes the procedures used to examine contract compliance and organizational performance at MTN Rwanda. It covers the research design, population, sampling, instruments, pilot testing, validity, reliability, data analysis, and ethical considerations applied in generating the study evidence.

3.1 Research Design

Research design provides the plan through which study objectives are translated into data collection and analysis procedures (Creswell & Creswell, 2023). The study adopted descriptive and explanatory research designs using quantitative and qualitative approaches. Descriptive analysis summarized perceptions of the study variables, while the explanatory design supported estimation of the effects of contract terms adherence, contract legal compliance, contract implementation compliance, and contract monitoring on organizational performance. Questionnaire data were analysed quantitatively, and interview information was interpreted thematically.

3.2 Study Population

A clearly defined population supports appropriate sampling and improves the relevance of collected evidence (Saunders et al., 2023).The study population consisted of 300 people drawn from the CEO's office, Consumers, Corporate services, EBU, Finance, Human resource, Internal audit and forensics, IT, Network, Risk and compliance, and Sales and distribution units of MTN Rwanda. These groups were relevant because they interact with contract use, financial control, compliance, technical operations, service delivery, and organizational performance.

3.3 Sampling Design

A sample of 172 respondents was determined from the population of 300 using Yamane's formula. Stratified sampling divided the population according to MTN Rwanda departments and units, after which simple random sampling selected respondents within each category. The combination preserved representation across operational functions and reduced the likelihood of over-representing a single department.

3.4 Data Collection Instrument

The study used documentation, a structured questionnaire, and a semi-structured interview guide. The questionnaire contained five-point Likert-scale items covering contract terms adherence, contract legal compliance, contract implementation compliance, contract monitoring, and organizational performance. Interviews provided qualitative explanations from key informants, while documentary review supplied contextual evidence from contract, policy, compliance, and performance records. These instruments provided complementary forms of evidence for the study.

3.5 Pilot Study, Validity and Reliability

A pilot study was conducted with 17 respondents, representing approximately 10% of the sample, at Airtel Rwanda. The telecommunications environment was comparable to the main study setting, while pilot participants were excluded from MTN Rwanda's final sample. The pilot assessed questionnaire clarity and supported refinement before the main survey.

Content validity was assessed through expert judgment. Of 24 questionnaire items, 20 were rated relevant, giving a Content Validity Index of 0.83. Because the value exceeded the 0.70 benchmark, the instrument demonstrated acceptable content coverage (Ranganathan, 2024).

Reliability was evaluated using Cronbach's alpha. Coefficients were 0.748 for contract terms adherence, 0.774 for contract legal compliance, 0.741 for contract implementation compliance, 0.770 for contract monitoring, and 0.790 for organizational performance. Since every coefficient exceeded 0.70, the questionnaire showed satisfactory internal consistency for the main study.

3.6 Data Analysis

Questionnaire data were processed in SPSS. Frequencies, percentages, means, and standard deviations were used for descriptive analysis. Pearson correlation established the direction and strength of relationships between each contract compliance dimension and organizational performance, while multiple linear regression estimated their combined and individual effects at the 0.05 significance level. The regression model was specified as $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$, where Y represented organizational performance and X_1–X_4 represented contract terms adherence, contract legal compliance, contract implementation compliance, and contract monitoring respectively.

3.7 Ethical Considerations

The research followed voluntary participation, informed consent, confidentiality, privacy, and academic-use principles. Respondents were informed of the purpose of the study and were not compelled to participate. Questionnaire and interview information was handled in a manner that protected individual identities and restricted use of the data to the objectives of the research.

4. Results and Discussions

This section presents the response rate and inferential findings obtained from respondents who participated in the study of contract compliance and organizational performance at MTN Rwanda.

4.1 Response Rate

Table 1: Response rate

Questionnaires	Frequency	Percentage (%)
Questionnaires Distributed	172	100.0
Returned Complete	158	91.9
Not Returned/Incomplete	14	8.1
Total	172	100.0

Table 1 shows that 158 of the 172 distributed questionnaires were returned complete, representing a response rate of 91.9%. Fourteen questionnaires, equivalent to 8.1%, were not returned or were incomplete. The 158 complete responses provided the cases used for quantitative analysis and gave adequate coverage of the sampled MTN Rwanda departments.

4.2 Inferential Statistics

Inferential analysis examined the relationships and predictive effects connecting contract terms adherence, contract legal compliance, contract implementation compliance, and contract monitoring with organizational performance. Pearson correlation was used to assess objective-specific relationships, while multiple regression tested combined explanatory power and individual predictor effects.

4.2.1 Correlation Analysis

This section presents the correlation analysis used to determine the strength, direction and statistical significance of relationships between the study variables.

Table 2: Correlation between contract compliance dimensions and organizational performance

		Contract Terms Adherence	Contract Legal Compliance	Contract Implementation Compliance	Contract Monitoring	Organizational Performance
Contract Terms Adherence	Pearson Correlation	1	.681**	.698**	.664**	.705**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	158	158	158	158	158
Contract Legal Compliance	Pearson Correlation	.681**	1	.702**	.705**	.714**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	158	158	158	158	158
Contract Implementation Compliance	Pearson Correlation	.698**	.702**	1	.694**	.741**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	158	158	158	158	158
Contract Monitoring	Pearson Correlation	.664**	.705**	.694**	1	.731**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	158	158	158	158	158
Organizational Performance	Pearson Correlation	.705**	.714**	.741**	.731**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	158	158	158	158	158

**. Correlation is significant at the .01 level (2-tailed).

Source: Field data, 2026

Contract terms adherence had a strong positive relationship with organizational performance (r = 0.705; p = 0.000). Contract legal compliance was similarly related to organizational performance (r = 0.714; p = 0.000), while contract implementation compliance recorded r = 0.741 with p = 0.000. Contract monitoring also had a strong positive relationship with organizational performance (r = 0.731; p = 0.000). Because all p-values were below 0.05, the four objective-specific relationships were statistically significant.

4.2.2 Regression Analysis

Multiple regression was conducted to determine how the four contract compliance dimensions jointly and individually explained organizational performance at MTN Rwanda.

Table 3: Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.826a	.682	.674	.20806	—

a. Predictors: (Constant), Contract Monitoring, Contract Terms Adherence, Contract Legal Compliance, Contract Implementation Compliance

b. Dependent Variable: Organizational Performance

Source: Field data, 2026

The model produced R = 0.826, indicating a strong combined relationship between the predictors and organizational performance. The R Square value of 0.682 shows that contract terms adherence, contract legal compliance, contract implementation compliance, and contract monitoring jointly explained 68.2% of the variation in organizational performance. The adjusted R Square of 0.674 remained close to R Square, showing stable explanatory power after adjustment for the number of predictors.

Table 4: ANOVA results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	14.231	4	3.558	82.188	.000b
	Residual	6.623	153	.043		
	Total	20.854	157			

a. Dependent Variable: Organizational Performance
b. Predictors: (Constant), Contract Monitoring, Contract Terms Adherence, Contract Legal Compliance, Contract Implementation Compliance

Source: Field data, 2026

The ANOVA results show that the regression model was statistically significant (F = 82.188; p = 0.000). Since the significance value was below 0.05, the four contract compliance dimensions jointly provided a statistically reliable explanation of organizational performance at MTN Rwanda.

Table 5: Regression coefficients

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	.160	.220		.725	.469
	Contract Terms Adherence	.209	.074	.202	2.843	.005
	Contract Legal Compliance	.195	.075	.192	2.596	.010
	Contract Implementation Compliance	.285	.078	.273	3.632	.000
	Contract Monitoring	.271	.077	.266	3.505	.001

a. Dependent Variable: Organizational Performance

Source: Field data, 2026

Contract terms adherence had a positive significant effect on organizational performance (B = 0.209; t = 2.843; p = 0.005). A one-unit increase in contract terms adherence increased organizational performance by 0.209 units when the other predictors were held constant. Contract legal compliance also had a positive significant effect (B = 0.195; t = 2.596; p = 0.010), meaning a one-unit increase increased organizational performance by 0.195 units. Contract implementation compliance recorded B = 0.285, t = 3.632, and p = 0.000; therefore, a one-unit increase increased organizational performance by 0.285 units. Contract monitoring recorded B = 0.271, t = 3.505, and p = 0.001, showing that a one-unit increase raised organizational performance by 0.271 units. All four predictors were statistically significant at $p < 0.05$.

4.3 Decision on Null Hypotheses

Table 6: Decision on null hypotheses

Hypothesis	**Null Hypothesis**	**Sig.**	**Decision**
H01	Contract terms adherence has no significant effect on the organizational performance of MTN Rwanda.	.005	Rejected
H02	Contract legal compliance has no significant effect on the organizational performance of MTN Rwanda.	.010	Rejected
H03	Contract implementation compliance has no significant effect on the organizational performance of MTN Rwanda.	.000	Rejected
H04	Contract monitoring has no significant effect on the organizational performance of MTN Rwanda.	.001	Rejected

Source: Field data, 2026

All four null hypotheses were rejected because their predictor significance values were below 0.05. The decisions therefore confirmed statistically significant effects for contract terms adherence, contract legal compliance, contract implementation compliance, and contract monitoring on organizational performance of MTN Rwanda.

4.4 Discussion of Research Findings

This section discusses the research findings in relation to the study objectives, relevant empirical evidence and the theories underpinning the study.

4.4.1 Influence of Contract Terms Adherence on Organizational Performance

Contract terms adherence had a positive and significant effect on organizational performance (B = 0.209; t = 2.843; p = 0.005). A one-unit increase in contract terms adherence increased organizational performance by 0.209 units when the other predictors remained constant. Since $p < 0.05$, H01 was rejected. The finding agrees with Pedroso and Beaulieu (2024), who established that procurement contract management becomes more effective when contractual practices and organizational enablers are applied consistently throughout the contracting process. The result at MTN Rwanda similarly indicates that delivery timelines, service levels, payment obligations, quality clauses, and acceptance requirements contribute to stronger performance when they are respected.

The pattern is consistent with Transaction Cost Economics Theory, which explains that clear contractual safeguards reduce uncertainty, disputes, enforcement costs, and opportunistic behaviour. Contract terms adherence therefore helped MTN Rwanda translate agreements into predictable operational outcomes.

4.4.2 Influence of Legal Contract Compliance on Organizational Performance

Contract legal compliance had a positive and significant effect on organizational performance (B = 0.195; t = 2.596; p = 0.010). Holding the other variables constant, a one-unit increase in contract legal compliance increased organizational performance by 0.195 units. Since $p < 0.05$, H02 was rejected. The result is supported by Butler and Mace (2023), whose analysis shows that legal performance requirements can strengthen accountability and transparency in contract administration. At MTN Rwanda, regulatory permits, lawful approvals, tax requirements, procurement rules, licence conditions, and formal legal procedures provided a governance basis for reliable operations.

The finding resonates with Institutional Theory, which holds that organizational conduct is shaped by laws, regulations, norms, and formal procedures. Legal conformity strengthened legitimacy and reduced exposure to disputes, penalties, and interruptions that could weaken organizational performance.

4.4.3 Influence of Contract Implementation Compliance on Organizational Performance

Contract implementation compliance had a positive and significant effect on organizational performance (B = 0.285; t = 3.632; p = 0.000). A one-unit increase in contract implementation compliance increased organizational performance by 0.285 units when the remaining predictors were held constant. Since $p < 0.05$, H03 was rejected. The finding aligns with Murenzi et al. (2024), who reported a positive relationship between contract management and operational performance at Prime Cement Limited. The MTN Rwanda evidence likewise shows that implementation plans, technical specifications, approved procedures, assigned responsibilities, and formal change controls support reliable execution and service continuity.

The outcome is compatible with Stakeholder Theory because contract implementation requires coordinated responsibilities among management, procurement, finance, legal and compliance functions, technical units, suppliers, and users. Compliance with approved execution requirements protected stakeholder expectations and improved organizational results.

4.4.4 Influence of Contract Monitoring on Organizational Performance

Contract monitoring had a positive and significant effect on organizational performance (B = 0.271; t = 3.505; p = 0.001). A one-unit increase in contract monitoring increased organizational performance by 0.271 units after controlling for the other predictors. Since $p < 0.05$, H04 was rejected. The findings correspond with Hassan and Omwenga (2023), who reported a strong positive relationship between contract monitoring and procurement performance. At MTN Rwanda, progress reporting, milestone reviews, supplier audits, issue tracking, performance meetings, and corrective follow-up similarly provided timely evidence for controlling supplier performance.

The result also reflects Agency Theory, which explains the need to reduce information asymmetry between an organization and the parties performing delegated contractual duties. Monitoring strengthened visibility, accountability, and corrective action and therefore supported dependable organizational performance.

5. Conclusions and Recommendations

This section presents the conclusions drawn from the study findings and provides practical recommendations based on the major results obtained.

5.1 Conclusion

The study concluded that contract terms adherence strengthened organizational performance at MTN Rwanda by translating delivery timelines, service standards, payment obligations, quality clauses, and acceptance criteria into practical controls. Contract legal compliance protected the organization through lawful approvals, regulatory conformity, licensing, tax requirements, procurement rules, and traceable documentation.

Contract implementation compliance ensured that approved plans, technical specifications, procedures, assigned responsibilities, and change-control requirements guided execution, while contract monitoring kept supplier performance visible through reporting, milestone reviews, audits, issue tracking, and corrective follow-up. Together, these contract compliance practices supported service reliability, operational stability, accountability, customer satisfaction, profitability, and market competitiveness at MTN Rwanda.

5.2 Recommendations

The recommendations below were developed from the study findings and conclusions and are addressed to the functions responsible for contract governance at MTN Rwanda.

1. MTN Rwanda management and the procurement and supply chain team should maintain a contract-obligation register for strategic supplier contracts, showing delivery milestones, service levels, payment conditions, acceptance criteria, responsible contract owners, required evidence, and escalation deadlines.
2. The legal, risk, and compliance functions should conduct documented compliance reviews for contracts involving regulatory permits, licence conditions, tax obligations, procurement requirements, data protection, and formal amendments before and during implementation.
3. Procurement, internal audit, and contract users should operate a supplier-performance dashboard covering milestones, service levels, unresolved issues, outages, corrective actions, penalties, and contract-expiry dates, with regular performance meetings for high-risk contracts.

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