

Institutional Analysis of Systemic Challenges on Public Procurement: The Case of Tanzania

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Abstract

Tanzania public procurement has been faced by systemic challenges. There is a professional need, therefore, to study these systemic challenges. This study was an institutional analysis the case of Tanzania public procurement system. The scope of the study was limited to the analysis of the systemic challenges found in the macro, mezzo and micro institutional levels of the public procurement system. The significance of this study was and still is thought to contribute to the existing body of knowledge about the public procurement system, whilst emphasizing inputs and transformational processes operating in the reforming of the institutionalised public procurement system in Tanzania. Systemic challenges are crucial as they form the bases for policy issues, regulatory mechanisms, and institutional designs in ensuring effective performance of the public procurement system. The study critically analyses how systemic challenges can be used to improve the public procurement system performance.

Keywords: systemic challenges; public procurement system; institutional theory; and institutional analysis.

1.0 Introduction

The United Nations Commission on International Trade and Law (UNCITRAL) 2011 Modal Law defines public procurement as “the acquisition of goods, construction or services by a procuring entity.” Public procurement is a business process within a political system (Wittig, 1999 and 2007; Watermayer, 2011). Therefore, it is by this systemic linkage, institutionalised public procurement system should in no way work independently of the political system (Frøystad et al., 2010). Thus, institutionalised public procurement system encompasses the procurement law, the established institutional frameworks, professionals (and/or practitioners), and professionalism (knowledge, skills and ethics) working in a political spectrum (Wittig, 1999 and 2007; Watermayer, 2011). It is important that, public procurement system is mainstreamed and well integrated into the public sector governance system (OECD-DAC, 2006). Organisationally, public procurement is dictated by the government system (Thai, 2009). Failure to properly balance these elements (Wittig, 1999 and 2007); that is, and if we put it into that context, institutionalised public procurement system and the political system within the prescribed policy, regulatory, and institutional frameworks can lead to wasted efforts and poor socio-economic development results within the most important single public procurement and supply chains marketplace in a developing country like Tanzania. This is the essence of strategically linking public procurement, as a business process; and the political system of governance (Wittig, 1997; OECD-DAC, 2006; Wittig, 2007; Frøystad et al., 2010; Watermayer, 2011).

1.1 Systemic Challenges in the Tanzania Public Procurement System

Public procurement system in Tanzania was identified with a number of serious systemic flaws (Crown Agency, 1992; Country Procurement Assessment Report - CPAR, 1996). The systemic flaws needed urgent legal, institutional, and systemic reforms. The Government of Tanzania was made aware that its public procurement system was still weak (CPAR, 2003). However, according to CPAR (2003), public procurement legal framework was sought to be adequate.

Henceforth, Tanzania public procurement system needed strengthening substantially to ensure that the regulatory and institutional frameworks become tools for effective, efficient, economic, and transparent management of public funds through public sector procurements. Despite progression in the institutionalization of the Tanzania public procurement legal, institutional, and systemic reforms; systemic challenges were still in existence (CPAR, 2007). The systemic challenges were categorised into two, namely; one, procedures and practices and two, organisation of the procurement function. Procedures and practices had, inter alia, the following weaknesses: lack of procurement planning; weaknesses in the tender adverts; non-compliance of tender/contract award procedures and criteria; and weak complaints and administrative review process (CPAR, 2007). Whereas, organisation challenges have had the following symptoms: inefficient setup of the procurement function and lack of accountability due to centralisation; procurement function was improperly handled at all levels of the administration due to untrained and non-specialist staff; the Government has been using the Government Store (now Government Procurement Services Agency, GPSA) for its expertise in procurement to achieve economies of scale whilst the Government Store has had neither funds nor the organisational capacity (Nkinga, 2003; CPAR, 2007).

It was further learnt in the CPAR (2007) that, the Tanzania public procurement system had some noticeable improvements on the four pillars as per the *Mapping and Assessment of Procurement Systems - MAPS* (OECD, 2008) assessment, namely: legislative and regulatory framework; institutional framework and management capacity; procurement operations and market practices; and the public procurement system. However, there were observable systemic challenges on the aforementioned pillars so assessed and suggestions were made to be acted upon by the referred policy, regulatory and monitoring institutions (CPAR, 2007).

1.2 Systemic Challenges in the Previous Studies

As a known phenomenon in the world of public procurement systems (Thai, 2001 and 2005), systemic challenges influencing public procurement are not new. Therefore, systemic challenges to be found in the Tanzania public procurement system are not novelty phenomena. Systemic challenges in the procurement system were found in the United Nations (Sakane, 2006), in the United States of America (Thai, 2001 and 2005), in Gambia (Wittig and Jeng, 2005), in Zambia (OECD, 2007), in Estonia (Lember and Vaske, 2009), in Russia (Yakovlev et al., 2009), in Ghana (Osei-Tutu et al., 2011), in the Czech Republic (Kameník et al., 2012), in Kenya (Amemba et al., 2013; Ambassa, 2014; Mutava, 2014), in Nigeria (Sope Williams-Elegbe, 2012), in Malaysia (Jones, 2013), in Zimbabwe (Musanzikwa, 2013), and in most of the African commonwealth countries (Suleiman, 2010). Generally speaking, the systemic challenges on the public procurement systems are found globally with varied degrees of magnitude.

Contextually, the magnitude of the systemic challenges and their influences on public procurement system dimension differs considerably. Systemic challenges, therefore, are the identified critical issues influencing (or affecting) the effectiveness, efficiency, and economic performance of the public procurement as a system, function, link and facilitator of the socio-economic development (Thai, 2005; Yakovlev et al., 2009; Kameník et al., 2012; Sakane, 2013; Lember and Vaske, 2009; Ambe and Badenhorst-Weiss, 2012; Sope William-Elegbe, 2012; Wittig and Jeng, 2005).

1.3 Statement of the Problem

Tanzania public procurement system since inception of the legal, institutional and systemic reforms in 2001, has observed significant systemic challenges over the regulatory and institutional mechanisms that are envisioned for effective, efficient and economic public procurements. According to the draft zero of the National Public Procurement Policy - NPPP (2012), the named systemic challenges are categorised into: policy issues; financial and human resources; professional development; procurement procedures and methods; procurement corruption; contract management inefficiencies; staff incentives; confidence in the procurement system; applicability of retrospective approvals; and abuse of emergency procurements. The observed systemic challenges as per NPPP (2012) have had come about despite the public procurement legal, institutional and systemic reforms as envisaged in the Crown Agency (1992), CPAR (1996), CPAR (2003) and CPAR (2007) respectively. This thinking therefore, needs a careful blend of institutional analysis of the systemic challenges on the public procurement system.

2.0 Theoretical Framework

Emanating from the theoretical literature, this study will be anchored on the *Institutional Theory* (Scott, 2004 and 2008) in line with the help of *General Systems Theory* (von Bertalanffy, 1968). This situation has had been considered due to the fact that, institutions can be defined as systems of established and prevalent social rules that structure social interactions (Knight, 1992). A system may be described as a complex of interacting components together with the relationships among them that permit the identification of a boundary maintaining entity or process (Laszlo and Krippner, 1994).

2.1 Institutional Theory

Institutional Theory as in Tukamuhabwa (2012) quoting Obanda (2010) is the traditional approach that is used to examine elements of public procurement. In institutional theory, advocates Scott (2004), there are three institutional pillars, namely: regulatory; normative; and cultural cognitive. The regulatory pillar emphasises the use of laws, rules and sanctions as enforcement mechanism, with expedience as *means for compliance*. The normative pillar refers to the norms and values with social obligation as the *basis of compliance*. The cultural cognitive pillar rests on the *shared understanding* (common values and beliefs). From this theory, as adopted in the public procurement system, all public procuring entities (PEs) working within the institutionalised public procurement system in Tanzania are governed by the public procurement legislation (Chapter 410), the attendant regulations, and guidelines that guide the execution of the procurement processes and activities within the institutionalised public procurement system.

The Scott's three institutional pillars further identify organisational culture, social influence, organisational incentives and enforcement which are the prerequisites of compliance with procurement law and procedures (Scott, 2004). The normative and cultural pillars on the other hand, are reflected through the organisational structures and cultures. Institutions consist of cognitive, normative, and regulative structures and activities that provide stability and meaning to social behaviour. Institutions are transported by various carriers (cultures, structures, and routines) and they operate at multiple levels of jurisdiction (Scott, 2004). These elements are the building blocks of institutional structures, and provide the concept of institutions. The three pillars of institutions would serve as the analytical framework for considering the key actors and institutions involved in the regulatory, institutional, systemic frameworks within the public procurement in the Tanzanian context.

2.2 Systems Theory

Systems Theory, according to Laszlo and Krippner (1998), can model complex intrapersonal, interpersonal, intergroup, and human or nature interactions without reducing perceptual phenomena to the level of individual stimuli. It capitalizes on the emergence of parallelisms indifferent disciplinary interpretations of reality and consequently provides a platform for the integrated study of complexity in the human experience. As a field inquiry concerned with the holistic and integrative exploration of phenomena and events, systems theory pertains to both epistemological and ontological situations (Laszlo and Krippner, 1998). The advantage of systems theory is its potential to provide a trans-disciplinary framework for a simultaneously critical and normative exploration of the relationship between our perceptions and conceptions and the worlds they purport to represent. Studies of cognitive development and human perception are beginning to rely more and more on the systems approach. In systemic perspective, institutional theory could be seen as merged within the systems theory – the later is the super set whereas the former is a subset.

3.0 Methodology and Approaches

In this research, the general research question was: What and how systemic challenges are influencing public procurement system in the Tanzanian context? In attempting to answer this question, the following specific questions were developed:

1. What are the systemic issues relevant for the public procurement in the Tanzanian context?
2. What are the possible causes of systemic challenges in the Tanzania public procurement context? How do these systemic challenges evolve?
3. Could systemic challenges influence different public procurement system dimension? How?
4. How systemic challenges could be used to improve the performance of the Tanzania public procurement system?

Taking into consideration the nature of the questions, by taking action verbs *what* and *how*, a case study approach was considered appropriate (Yin, 2003; Saunders et al., 2007). Data for this study were obtained from the macro, mezzo, and micro institutional levels within and across the Tanzania public procurement system. The study used Delphi in-depth interviews and questionnaires as primary data sources, and documents and archives as secondary data sources. The data required for institutional analysis were supposed to be adequate, sufficient, and thorough to allow for answering the research questions and addressing the research objectives thereto. This was achieved by using multiple sources of evidences. That is, the essence of triangulation. The study conducted 24 Delphi in-depth interviews with 24 case respondents. The study administered and collected questionnaires (five-point Likert) with 42 case respondents. Case respondents and data sources were found and accessed within and across the macro, mezzo, and micro Tanzania public procurement institutional levels. Data analysis was done through thematic analysis, content analysis, Delphi policy analysis, and descriptive analysis. The general analysis for this study was institutional analysis according to Thai (2001) in compliance with the MAPS (OECD, 2008 and 2010) and the methodical tool developed by Woodhill (2008).

3.1 Institutional Analysis Approach by Thai (2001)

Thai (2001) agrees that, there are two systems views used to examine public procurement. First, the traditional systems view, dubbed *institutional approach*, that is used to examine elements of public procurement. Second, the systems approach, named the *procurement system in action*, used to examine the emergent property or the “vehicular potential of a bicycle” (Checkland and Scholes, 1990). In this study, however, institutional approach has been given its due weight as contended by Thai (2001) as visualised in Figure 1. Figure 1 (after Thai, 2001) depicts the whole scope of public procurement, which consists of five core elements. These elements are: policy making and management (represented by Box 1); procurement regulations (represented by Box 2); procurement authorization and appropriations (represented by Box 3); public procurement function in operations (represented by Box 4); and feedback (represented by Box 5). The figurative representation by Thai (2001) typically complies with the Tanzania public procurement institutional framework with slight deviations due to procurement legal framework. Generally speaking, the Black Box (Procurement Management Unit - PMU) is equivalent to Box 4 (Procurement Function in Operations - PFO). The similes of the PMU and the PFO are on their functional mandates and operational responsibilities in the micro institutional arrangement settings.

Narrations and/or explanations of the envisaged institutional analysis approach; Thai (2001) depicts, the “procurement regulations” element (Box 2), established by policy makers and management executives (Box 1), becomes the institutional framework within which public procurement professionals (be it contract officers, buyers, or procurement officers), and program managers (Box 4) implement their authorised and funded procurement programs or projects (Box 3), and also are accountable to policy makers and management executives (Box 1). Relationships between these four elements or Boxes are depicted by respective arrows. Finally, feedback (Box 5) will go to policy makers and management for possible adjustments or improvements in both Boxes 2 and 3, and to procurement professionals and managers (Box 4) for adjustments or improvements in procurement operations. Tanzania’s public procurement institutional analysis setting could be fitted into Figure 1. Despite of the deviations of the connotations found in Figure 1 but the narrations are well matching with the provisions of Act No. 7, 2011 with respect to the public procurement institutional framework.

3.2 MAPS (OECD 2008, 2010) Institutional and Systemic Analysis

Public procurement system analysis is a new phenomenon (OECD, 2008). However, in 2008; the Organisation for Economic Co-operation and Development (OECD) issued a designed and developed tool known as the *Methodology for Assessment of Procurement Systems* (MAPS). In 2010, the OECD issued a well articulated user guide for the MAPS that have started to be effectively and efficiently used by countries that receive direct economic development support from the OECD. Tanzania, as a beneficiary of the OECD economic development support, has adopted the MAPS (2008, 2010) and therefore this study is envisaged to use part of this methodology in analysing the public procurement system in line with the institutional analysis methodological tool(s). Essentially, the *Methodology for Assessment of Procurement Systems* [MAPS] (OECD, 2008) known as the *Four Pillar Model*, is a tool for assessing the quality and effectiveness of national procurement systems. Indicator categories for the MAPS are: the existing legal framework that regulates procurement in the country; the institutional architecture of the system; the operation of the system and competitiveness of the national market; and the integrity of the procurement system. These indicator categories are used as parameters of analysis for the national public procurement system as envisioned.

4.0 Results and Findings

4.1 Systemic Issues Relevant for Tanzania Public Procurement

The responses for the specific question number one have emerged with eight themes consisting relevant issues for the Tanzania public procurement. Categorically, the identified themes versus case respondents' experiences are outlined in Table 1.

It was affirmed and attested that, Tanzania has had no national public procurement policy framework. The inexistence of the procurement policy framework is real and is considered by many of the case respondents as the root cause of other systemic issues found in the Tanzania public procurement system. It was established that 40 (95.24%) of the case respondents who were administered with the questionnaire have knowledge of the systemic challenges whilst only two (4.76%) have had no knowledge of the systemic challenges. Whereas 24 (100%) of case respondents who were interviewed through Delphi in-depth interview have the knowledge of the systemic challenges facing public procurement in Tanzania.

4.2 Causes and Evolution of Systemic Challenges

Table 2 is evident that, 24 (100%) of the Delphi case respondents have opinion that, lack of political will is the leading cause of systemic challenges in the Tanzania public procurement system. Lack of political will is followed by improper human behaviour and resistant to change being the second cause of systemic challenges. Whilst, as a matter of sequencing; inadequate professionalism and ineffective professionalization is the third in line of the causes of systemic challenges. Generally, inadequate legal and institutional frameworks and existence of institutional corruption have received considerable opinion and therefore should not be underrated. Whereas, 42 (100%) of case respondents who were administered with the questionnaire have had opinion that existence of institutional corruption is the root cause of the systemic challenges. All 24 (100%) Delphi in-depth interview case respondents have opinion that, the evolution and inherent nature of the systemic challenges facing Tanzania public procurement system is due to: lack of political will; existence of institutional corruption; improper human behaviour and resistance to change; and lack of public procurement policy framework.

4.3 Criticality of the Causes of Systemic Challenges

In an attempt to single out the causes, case respondents were asked to justify them by hinting on the criticality of each. Table 3 depicts the criticality of the causes and therefore pointing relevant causes for the systemic challenges influencing public procurement in Tanzania. In an attempt to rank the criticality of the causes, the case respondents had singled out by high, medium or low. Table 3 provides the summary of the responses to this thematic issue. It is evident that, out of the six possible causes for the systemic challenges of the public procurement system in Tanzania, three causes are critically high. These are, inter alia: lack of political will; improper human behaviour and resistance to change; and existence of institutional corruption. All of the Delphi in-depth interview case respondents have sought that, lack of political is the root cause of all causes of systemic challenges in the Tanzania public procurement system. Thematic issues associated with the possible causes of the systemic challenges are described around: lack of political will; improper human behaviour and resistance to change; and existence of institutional corruption. For clarity and easy comprehension, Table 4 depicts the legal and institutional features with the associated causes of systemic challenges.

In an attempt to explain the features of the legal and institutional frameworks in featuring the associated causes of the systemic challenges, responses have been hinting hard on the: lack of political will; improper human behaviour and resistance to change; and existence of institutional corruption. These, according to the responses, were and are engineered by ill-intent, ill-motivation, ego behaviour, weak institutional designs and structures, inadequate control mechanisms, and resistance to change. Evidently, these features are ascribed to regulative, normative, and cultural-cognitive (Scott, 2004 and 2008) failures in the institutionalisation of public procurement system.

4.4 Influences of Systemic Challenges on the Procurement System Dimension

In order to deal with *how* the systemic challenges influence public procurement system dimension we have to think on a general cross examination of individual responses in line with the systemic challenges against public procurement system dimension. Table 5 exhibits the systemic influences against each dimensional element. However, the systemic challenges presented here against their influences are reduced to the available relevant issues on the public procurement system dimension (vide Table 5).

4.5 Use of Challenges in Improving Procurement Performance

The research question number four has had the question that stand as: How systemic challenges could be used to improve the performance of the Tanzania public procurement system? In comprehending this specific question, it was revealed that, four themes (see Table 6) are sufficient for consideration.

On average, 23 (95.83%) of the Delphi in-depth interview case respondents have opinion that, in order to use the systemic challenges to improve public procurement performance in Tanzania three issues should be considered. The issues are, inter alia: the total comprehension of the systemic challenges and identifying the relevant issues therein; the complete understanding of the causes; knowledge of the evolution (development) of the systemic challenges and prevalence of the systemic challenges; and strategic thinking on the possibilities of dealing with them in the current public procurement system.

5.0 Discussion

5.1 Alienated Relevant Systemic Issues on the Tanzania Public Procurement Context

The identified issues, in the public procurement context, almost need the attention of the policy, regulatory, allied institutions, and the institutional arrangements of the procuring entities to deal with. Basically, the issues could be categorised and registered into: the policy issues; the regulatory issues; and the institutional issues. The issues have been identified by considering their adverse influences on the public procurement system performance with respect to the requirements of the UNCITRAL Modal Law (2011), MAPS (OECD, 2008 and 2010), and the requisites of the draft *National Public Procurement Policy* (2012).

5.2 Relevant Systemic Issues, Opportunities, and Strategies

From Table 7 there are established relevant systemic issues associated with opportunities and strategies thereto. Here, to every relevant systemic issue derived from the systemic challenges, there is (are) a corresponding systemic opportunities. The relevant systemic issues could be targeted for policy issues. The systemic opportunities have been studied and made to comply with the strategies that if are considered for change and/or systemic reforms, they could help to revitalise the objectivity of public procurement in the context of improving performance in terms of effective, efficient, and economic public procurement. Now therefore, Table 8 depicts the relevant systemic issues, opportunities available for each systemic issue, and the associated systemic strategies that could be considered for change and reforms in the Tanzania public procurement system.

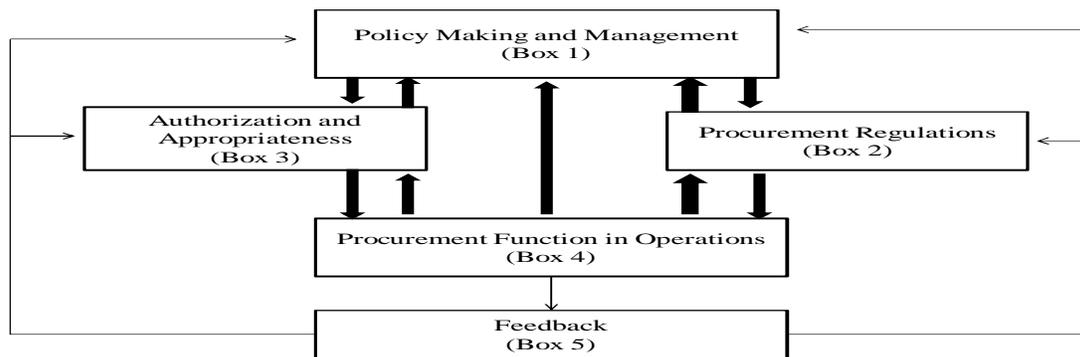
6.0 Conclusion

Conclusively, after a microscopic institutional analysis over the macro, mezzo, and micro levels within and across the Tanzania public procurement system; it is here concluded that: (1) systemic challenges facing Tanzania public procurement are real and exist within and across the public procurement system (2) systemic challenges are specifically caused by lack of political will, improper human behaviour and resistance to change, and existence of institutional corruption (3) there are eight systemic issues that are relevant to the public procurement system dimension and (4) systemic issues can be traded-off in order to improve the performance of the Tanzania public procurement system.

Generally speaking, despite of observed institutional design and structural challenges faced by the policy, regulatory, allied institutions, and the procuring entities; they, since onset of their establishments, tried to function according to their institutional mandates, objectives, and powers enshrined in the procurement law (Chapter 410). The Tanzania public procurement system, no matter there is no guiding policy framework to-date, has tried to foster the overall public procurement primary objective – acquisition of goods, works, or services for the public services delivery system. Objectively however, there is an urgent need to have public procurement policy framework in order to capture the essence of the UNCITRAL Modal Law (2011).

Tables and Figures

Figure 1: Public procurement systemic elements



Source: Slightly adapted from Thai (2001)

Table 1: Systemic issues relevant for Tanzania public procurement

	Systemic issues	% of Delphi case respondents who offered this experience	% of Questionnaire case respondents who offered this experience
1	Delayed national public procurement policy development	100	76.19
2	Inadequate public procurement professional development plan and strategy	83.3	71.43
3	Disorganised public private partnerships	54.2	69.05
4	Lack of public awareness about the benefits of prudent public procurement and its laws, regulations, guidelines, procedures and regulatory instruments	87.5	81.60
5	Existence of institutional corruption	100	88.10
6	Weak integrity and weak enforcement mechanism in the public procurement system	100	88.10
7	Inadequate public procurement staff incentive structure and mechanisms	100	78.57
8	Lack of confidence in the public procurement system due to lack of trust by suppliers, service providers and/or contractors	100	47.62

Source: Delphi in-depth interviews and questionnaire data (2015, 2016).

Table 2: Causes of systemic challenges

S/N	Possible causes for systemic challenges	% of Delphi case respondents who offered this experience	% of Questionnaire case respondents who offered this experience
1	Lack of political will	100.00	78.58
2	Inadequate legal and institutional frameworks	83.33	61.90
3	Inadequate professionalism and ineffective professionalization	87.50	52.38
4	Improper human behaviour and resistance to change	95.33	83.33
5	Existence of institutional corruption	83.33	100.00
6	Volatile internal and external economic supply and demand forces	62.50	57.15

Source: Delphi in-depth interviews and questionnaire data (2015, 2016).

Table 3: Criticality of the causes

S/N	Possible causes for systemic challenges	% of Delphi case respondents who offered this experience	% of Questionnaire case respondents who offered this experience	Criticality of the cause
1	Lack of political will	100.00	78.58	HIGH
2	Inadequate legal and institutional frameworks	83.33	61.90	LOW
3	Inadequate professionalism and ineffective professionalization	87.50	52.38	LOW
4	Improper human behaviour and resistance to change	95.33	83.33	HIGH
5	Existence of institutional corruption	83.33	100.00	HIGH
6	Volatile internal and external economic supply and demand forces	62.50	57.15	LOW

Source: Delphi in-depth interviews and questionnaire data (2015, 2016).

Table 4: Causes of systemic challenges and associated features

	Causes of systemic challenges	Legal and institutional parameters	Features
1	Lack of political will	<ol style="list-style-type: none"> 1. Political system 2. Regulative 3. Normative 	<ol style="list-style-type: none"> 1. Negative (ill) intent 2. Negative (ill) motivation
2	Improper human behaviour and resistance to change	<ol style="list-style-type: none"> 1. People 2. Organisational behaviour 3. Change management 4. Cultural-cognitive 	<ol style="list-style-type: none"> 1. Egoism 2. Egocentricity 3. Favouritism 4. Resistance to change
3	Existence of institutional corruption	<ol style="list-style-type: none"> 1. Institutional design and structures 2. Weak institutional control mechanisms 	<ol style="list-style-type: none"> 1. Weakened effectiveness of institutions due to weak designs and structures 2. Lack or inadequate control mechanisms

Source: Delphi in-depth interviews and secondary data (September 2015 to March 2016).

Table 5: Influences on procurement system dimension

SN	Relevant Systemic Challenges (Issues)	Public Procurement System Dimension			
		Procurement Process	Professional Development	Procurement Personnel	Management Structure
1	Delayed national public procurement policy development	√	√	√	√
2	Inadequate public procurement professional development plan and strategy	√	√	√	
3	Disorganised public private partnerships	√			
4	Lack of public awareness about the benefits of prudent public procurement and its laws, regulations, guidelines, procedures and regulatory instruments	√			
5	Existence of institutional corruption	√	√	√	√
6	Weak integrity and weak enforcement mechanism in the public procurement system	√	√	√	√
7	Inadequate public procurement staff incentive structure and mechanisms	√	√	√	
8	Lack of confidence in the public procurement system due to lack of trust by suppliers, service providers and/or contractors	√			

Source: Delphi in-depth interviews and secondary data (2015, 2016).

Table 6: Use of systemic challenges in improving performance

	Themes	Number of Delphi case respondents who offered this experience	% of Delphi case respondents who offered this experience
1	Public procurement systemic challenges should be clearly understood	24	100.00
2	Relevant systemic issues should be alienated on the Tanzania public procurement context	23	95.83
3	Public procurement systemic challenges and their relevant issues should be converted into opportunities	20	83.33
4	The opportunities so created by the relevant public procurement systemic issues should be strategically used to improve the public procurement performance	24	100.00

Source: Delphi in-depth interviews (September 2015 to March 2016).

Table 7: Alienated relevant systemic issues

	Systemic issues	Nature and complexity of the issues	Responsible institutions in the public procurement system
1	Delayed national public procurement policy development	Internalised and have influences on the legal and institutional frameworks	1. Ministry of Finance (MOF) 2. Public Procurement Policy Division (PPPD)
2	Inadequate public procurement professional development plan and strategy	Externalised and internalised within professional development institutions	1. Public Procurement Policy Division (PPPD) 2. Procurement and Supplies Professionals and Technicians Board (PSPTB)
3	Disorganised public private partnerships	Weak governance and strict procurement process for solicited and unsolicited PPP proposals	1. MOF 2. Tanzania Investment Centre (TIC) 3. Contracting Authorities (CAs)
4	Lack of public awareness about the benefits of prudent public procurement and its laws, regulations, guidelines, procedures and regulatory instruments	1. Inadequate campaign on the benefits of public procurement its laws, regulations, procured and regulatory instruments. 2. Weak and/or inadequate public relations	1. Public Procurement Regulatory Authority (PPRA) 2. Public Procurement Appeals Authority (PPAA) 3. Procuring Entities (PEs)
5	Existence of institutional corruption	1. Inadequate institutional framework within and without the public procurement institutions and allied institutions 2. Inadequate institutional pillars (regulatory, normative and cultural-cognitive)	1. Prevention and Combating of Corruption Bureau (PCCB) 2. Public Procurement Regulatory Authority (PPRA) 3. Procurement and Supplies Professionals and Technicians Board (PSPTB) 4. PPPD 5. PEs
6	Weak integrity and weak enforcement mechanism in the public procurement system	1. Inadequate integrity system 2. Inadequate enforcement mechanisms	1. PPRA 2. PCCB 3. PSPTB 4. PPPD 5. PEs
7	Inadequate public procurement staff incentive structure and mechanisms	1. Disharmonised public procurement staff incentive structure and mechanisms 2. Inadequate remuneration and benefits to the public procurement cadre 3. Inexistence of the [public] procurement cadre due to delay	1. MOF 2. PPPD 3. President's Office- Public Sector Management (PO-PSM) 4. PSPTB 5. PEs
8	Lack of confidence in the public procurement system due to lack of trust by suppliers, service providers and/or contractors	1. Distrust between suppliers, service providers and/or contractors versus the procuring entities 2. Lack of confidence between supply market and across the public procurement system	1. PPAA 2. PPPD 3. PPRA 4. PCCB 5. PSPTB 6. PEs

Source: Delphi in-depth interviews and secondary data (2015, 2016).

Table 8: Relevant systemic issues, opportunities, and strategies

	Relevant systemic issues	Systemic opportunities	Systemic strategies
1	Delayed national public procurement policy development	<ol style="list-style-type: none"> 1. Presence of public procurement policy vacuum 2. There is change management – from 4th phase [2005-2015] to 5th phase [2015-2020] – with varied political leadership philosophy 3. There is new public procurement institutional impetus for change for effective governance, management, administration of the execution of efficient and economic public procurement system performance 	<ol style="list-style-type: none"> 1. Utilise the policy vacuum by developing and implementing an effective and efficient public procurement policy 2. Establish an effective and efficient public procurement legislation to capture the essence of the established public procurement policy 3. Enforce the “so established” policy division [PPPD] to speed up the policy development process in line with harmonising policy issues and strategic issues within the public procurement system
2	Inadequate public procurement professional development plan and strategy	<ol style="list-style-type: none"> 1. There is high demand [need] for public procurement professionals and practitioners within and without the public procurement system dimensional elements 2. There are overlapping institutional mandates, functions, duties, and responsibility in professionalizing the public procurement profession 3. There is disharmonised legal establishments for the PSPTB and the PPPD – doing at least the same function 	<ol style="list-style-type: none"> 1. Use the existing gap to establish the professional development plan and strategy 2. Harmonise the overlaps and streamline the functional mandates of the PSPTB and PPPD 3. Review and repeal the principal legislations establishing PSPTB and PPPD respectively
3	Disorganised public private partnerships	<ol style="list-style-type: none"> 1. There is high demand for the PPPs as method of public procurement to replace traditional public procurement methods 2. The drive of the Government to use public sector in improving public services delivery systems 3. The motivation of public sector participation in the socio-economic development of the nation 4. The need to inviting foreign capital and technical transfer through PPPs after the failure of the privatisation 	<ol style="list-style-type: none"> 1. Capitalise on the high demand for the PPPs 2. Utilise the given wish of the Government in improving the public service delivery through PPPs 3. Motivate the public sector to participate in the PPPs procurements 4. Invite foreign investors through streamlined PPPs where processes and activities therein are envisioned for value for money
4	Lack of public awareness about the benefits of prudent public procurement and its laws, regulations, guidelines, procedures and regulatory instruments	<ol style="list-style-type: none"> 1. Public procurement decentralisation through D-by-D especially in the LGAs 2. Community participation in public procurement 3. People-centred public procurement 4. Value for money concept and philosophy 	<ol style="list-style-type: none"> 1. Use decentralisation as a facilitator of transparent public procurement 2. Effectively and efficiently involve the public [local community] into public procurement 3. Ensuring that procurements are people-centred 4. Ensure that all procurements are made in compliance with the concept and philosophy of value for money
5	Existence of institutional corruption	<ol style="list-style-type: none"> 1. There is change management – from 4th phase [2005 to 2015] to 5th phase [2015 to 2020] – with varied political 	<ol style="list-style-type: none"> 1. Use the current 5th phase zeal in dealing with institutional corruption within and without the public

	Relevant systemic issues	Systemic opportunities	Systemic strategies
		<ul style="list-style-type: none"> philosophy (5th Phase Government) 2. The possibility of adapting new institutional reforms based on normative, regulative, and cultural-cognitive 3. The urge for change management styles and the new impetus of doing institutional businesses 	<ul style="list-style-type: none"> procurement system 2. Adapt new institutional reforms by streamlining the public procurement institutional framework in the macro, mezzo (middle), and micro levels 3. Adapt change management styles to suit the concept and philosophy of 5th Phase Government
6	Weak integrity and weak enforcement mechanism in the public procurement system	<ul style="list-style-type: none"> 1. There are new zeal and urge to instil integrity in governing, administering, and executing the public procurement system [shown by the 5th Phase Government] 2. The possibilities of reviewing the public procurement legislation [Chapter 410] to plug in loopholes of integrity and enforcement mechanisms in the public procurement system 3. The need to enforce accountability within the ministries, independent departments, and agencies (MDAs), regional secretariats (RS), local government authorities (LGAs), etc. 	<ul style="list-style-type: none"> 1. Utilise the new zeal and urge [of 5th Phase Government] in governing, administering, and executing the public procurement system 2. Review the public procurement legislation [Chapter 410] to plug in loopholes of integrity [and institutional corruption] 3. Enforce integrity and accountability within public procuring entities to comply with the benefits of prudent public procurement
7	Inadequate public procurement staff incentive structure and mechanisms	<ul style="list-style-type: none"> 1. The change in socio-economic status – from low income to middle income [according to <i>Vision 2025</i>] 2. The need to review the public procurement staff incentive structure and mechanism 3. The need of time [with the anticipated changes in the professionalism worthiness] 	<ul style="list-style-type: none"> 1. Use the current socio-economic impetus to think of reviewing the public procurement staff incentive structure and mechanisms 2. Use the professional worthiness to pay the public procurement professionals (and technicians) and practitioners
8	Lack of confidence in the public procurement system due to lack of trust by suppliers, service providers and/or contractors	<ul style="list-style-type: none"> 1. There is an increased need to develop the small and medium enterprises (SMEs) and micro and small enterprises (MSEs) 2. The focussed community participation in public procurement 3. The need to encourage local suppliers, contractors, and service providers to participate in local public procurement competitive bids 4. The drive of the <i>win-win</i> concept and philosophy in the public procurement businesses 	<ul style="list-style-type: none"> 1. Develop the SMEs and MSEs through public procurement competitive bidding 2. Increase the involve the community in public procurement 3. Encourage local suppliers, contractors, and service providers to participate in competitive bids at an optimised participation 4. Encourage a <i>win-win</i> concept and philosophy in the public procurement deals (and/or contracts)

Source: Delphi in-depth interviews, secondary data, and analysis thereto (2015, 2016).

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