



Effectiveness of Contract Administration on Procurement Performance of Road Construction Projects at Tanroads Iringa Office, Tanzania

Merick Hussen Kipangula

Department of Business Studies, University of Iringa

kipangulamerick10@gmail.com

ABSTRACT

Effective contract administration is essential to ensuring that public road construction projects are implemented in accordance with agreed contractual, technical, financial and time requirements. Despite its importance, weaknesses in contract monitoring, documentation, supervision and compliance may affect procurement performance. This study examined the effectiveness of contract administration on the procurement performance of road construction projects at the Tanzania National Roads Agency (TANROADS) Iringa Office. The study adopted a mixed-methods approach, involving 33 respondents who provided quantitative data through structured questionnaires and nine key informants drawn from relevant institutional units and contractors. Quantitative data were analysed using frequencies and percentages, while qualitative data were analysed thematically. The findings indicate that contract administration at TANROADS Iringa is supported by qualified contract implementation personnel, systematic monitoring and control, adherence to contractual terms and technical specifications, documentation, legal oversight, technical supervision and coordination among responsible institutional units. Notably, 81.9% of respondents agreed or strongly agreed that personal qualifications are considered when appointing contract implementation teams. The findings further indicate that these contract-administration practices are associated with improved accountability, control of implementation risks, quality of works, cost control and timely project completion. The study concludes that effective contract administration is an important component of procurement performance in road construction projects at TANROADS Iringa Office. It recommends strengthening contract monitoring, ensuring competent implementation teams, improving contract documentation, enhancing coordination among procurement, technical and legal personnel, and using monitoring information to support timely management decisions.

Keywords: Contract administration, procurement performance, road construction, public procurement, TANROADS, Tanzania

1. Introduction

Public procurement is an important mechanism through which governments obtain works, goods and services needed to deliver public services and infrastructure. In the case of construction projects, procurement performance extends beyond the process of selecting and awarding a contract. After a contract has been signed, the procuring entity must ensure that the agreed requirements are properly implemented and that the contractor performs in accordance with the contract. Contract administration therefore forms an important link between the procurement decision and the eventual outcome of the project.

Contract administration involves activities undertaken during implementation to ensure that contractual obligations are properly managed. These activities include monitoring performance, maintaining contract records, checking compliance with specifications, managing contractual changes, verifying deliverables and coordinating the parties involved in implementation. The World Bank (2024) treats contract management as an implementation process requiring systematic monitoring of obligations, milestones, deliverables, payments and performance throughout the contract lifecycle.

The issue is particularly important in road construction. Road projects normally involve substantial public expenditure, technical specifications, contractual schedules and the participation of several professional and institutional actors. A weakness in implementation monitoring may therefore affect several dimensions of project performance at the same time. A contractor may, for example, experience delays, undertake work that does not meet the required specifications, or depart from contractual requirements. Effective contract administration provides mechanisms through which such issues can be identified and addressed during implementation.

The Tanzanian public procurement system provides a formal regulatory framework for managing public contracts. The Public Procurement Act, 2023 and the Public Procurement Regulations, 2024 establish requirements governing public procurement and contract implementation. Within this framework, procuring entities are expected to manage works contracts, monitor implementation and ensure that completed works are inspected and formally accepted.

Recent audit evidence demonstrates the practical importance of effective contract administration in public construction. The Controller and Auditor General reported cases involving weaknesses in contract management, site supervision and inspection of completed works. In one road-related case, inadequate review of shop drawings and site supervision contributed to defects, while another audit observation concerned the use of completed projects

without final inspection and completion certification (National Audit Office of Tanzania [NAOT], 2026). These observations do not mean that all TANROADS projects experience the same weaknesses; rather, they demonstrate why contract implementation, supervision and compliance remain important areas of public-sector management.

Empirical studies conducted in Tanzania also provide evidence of a relationship between contract-management practices and project outcomes. Masoud et al. (2024) found significant positive relationships between contract preparation, competence of contract-management teams, contract budgets and procurement performance in Tanzanian parastatal organisations. Similarly, Mwaiseje et al. (2024) found that procurement contract-administration practices, including monitoring and control, were positively associated with quality attainment in force-account construction projects in Tanzania.

Although these studies provide useful evidence, they were conducted in different institutional and project contexts. Masoud et al. (2024) examined parastatal organisations generally, while Mwaiseje et al. (2024) focused on force-account construction projects within local government authorities. Consequently, their findings cannot simply be assumed to describe contract administration within TANROADS road construction projects in Iringa. The present study addresses this contextual gap by focusing specifically on contract administration and procurement performance at TANROADS Iringa Office.

Despite the established importance of effective contract administration in ensuring compliance with contractual requirements, quality, cost control and timely implementation of road construction projects, challenges such as inadequate contract monitoring, weak documentation, unauthorised contract variations, financial irregularities, project delays and contractual disputes continue to raise concerns about procurement performance. The 2024/25 audit by the Controller and Auditor General also identified weaknesses in contract management, supervision and physical performance in road-related projects, including defects associated with inadequate supervision and technical review (NAOT, 2026). Although previous studies in Tanzania have linked contract-management practices with procurement and project performance, limited empirical evidence exists on the effectiveness of contract administration in road construction projects specifically managed by TANROADS at the regional level, particularly in Iringa. Therefore, this study examined the effectiveness of contract administration on the procurement performance of road construction projects at TANROADS Iringa Office, focusing on personnel competence, contract monitoring and control, compliance with contractual and technical requirements, documentation and coordination among responsible institutional units.

1.1 Objective of the Study

The article is based on one selected objective from the original study:

To examine the effectiveness of contract administration on the procurement performance of road construction projects at TANROADS Iringa Office.

1.2 Research Question

What is the effectiveness of contract administration on the procurement performance of road construction projects at TANROADS Iringa Office?

2. Literature Review

2.1 Concept of Contract Administration

Contract administration refers to the activities undertaken by contracting parties to ensure that contractual obligations are properly implemented and controlled. It begins after contract award and continues until the contractual obligations have been fulfilled and the contract has been closed.

In public construction, contract administration involves more than maintaining contract files. It includes monitoring physical progress, checking compliance with technical specifications, verifying contractor performance, maintaining records, managing contractual changes and ensuring that payments and other contractual actions are supported by appropriate evidence.

The World Bank (2024) emphasises that contract management requires continuous attention to performance, milestones, deliverables, payments and the obligations of both parties. This approach is particularly relevant to road construction because the successful implementation of a contract depends on regular monitoring and timely management of deviations.

Contract administration also requires competent personnel. Construction contracts contain technical, financial, legal and administrative requirements and their implementation may therefore require cooperation between engineers, procurement professionals, legal officers, accountants, project managers and contractors. The effectiveness of contract administration can consequently depend on whether the people responsible for implementation have the appropriate qualifications and experience.

2.2 Contract Administration and Procurement Performance

Procurement performance refers to the extent to which procurement activities achieve their intended results. In construction, relevant outcomes may include compliance with contractual requirements, cost control, timely completion, quality of works and efficient use of public resources.

Masoud et al. (2024) examined procurement contract management and procurement performance in Tanzanian parastatal organisations. Using data from 241 respondents from 93 parastatal organisations, the study found significant positive relationships between contract preparation, competence of contract-management teams, contract budgets and procurement performance. The study recommended that organisations ensure proper contract preparation, competent contract-management teams and adequate budget allocation.

Mwaiseje et al. (2024) examined procurement contract administration and quality attainment in force-account construction projects in Tanzania. Using data from 318 respondents and PLS-SEM analysis, the study found that monitoring and control, risk management, relationship management and dispute management were positively and significantly associated with quality attainment. The findings demonstrate that contract administration can be important in determining construction outcomes, although the study was conducted in a different institutional and project context.

The present study differs from these studies by concentrating on road construction projects at TANROADS Iringa Office. It therefore provides evidence from a specific public infrastructure institution and geographical setting.

The study conceptualises contract administration as the explanatory variable and procurement performance as the outcome variable, with contract administration comprising the qualification and competence of contract implementation personnel, monitoring and control of contract implementation, adherence to contractual terms, compliance with technical specifications, documentation, legal oversight, technical supervision and coordination among responsible institutional units. These practices are expected to support procurement performance through improved control of project implementation, reduced implementation risks, enhanced compliance and quality, effective cost control and timely completion of road construction projects. However, procurement performance may also be influenced by other factors, including financing, contractor capacity, project design, government payment processes, weather conditions, changes in project scope and other external conditions.

3. Methodology

3.1 Research Approach

The study adopted a mixed-methods approach. Quantitative data were collected to establish the general pattern of respondents' views concerning contract administration, while qualitative information was obtained to provide explanations from individuals with direct knowledge of procurement and contract implementation.

The use of the two forms of evidence was appropriate because contract administration involves both measurable practices and institutional experiences. Quantitative responses could show the extent to which respondents agreed with particular statements, while qualitative information could help explain how contract administration operates in practice.

3.2 Study Area

The study was conducted at TANROADS Iringa Office. The study area was selected because the office is responsible for managing and overseeing road-related activities within the region and therefore provides an appropriate institutional setting for examining contract administration in road construction projects.

3.3 Respondents and Key Informants

The quantitative component involved 33 respondents who completed structured questionnaires. The qualitative component involved nine key informants. The key informants included personnel associated with the Legal Unit, Directorate of Procurement, Directorate of Projects/Development, Internal Audit and contractors.

The combination of respondents and key informants enabled the study to obtain evidence from people occupying different positions in the contract-management process.

3.4 Data Collection

Structured questionnaires were used to collect quantitative information on contract administration. The questionnaire included statements concerning the qualifications of contract implementation teams, professional competence, contract monitoring and control and implementation according to contractual requirements.

Qualitative data were obtained through key-informant interviews. The interviews provided additional information concerning the practical operation of contract administration at TANROADS Iringa Office.

3.5 Data Analysis

Quantitative data were analysed using descriptive statistics, particularly frequencies and percentages. Qualitative information was analysed thematically by identifying recurring issues relating to contract administration and procurement performance.

The findings from the two sources were considered together to provide a broader interpretation of the study objective.

4. Results and Discussion

4.1 Qualification of Contract Implementation Teams

The study examined whether TANROADS considers personal qualifications when appointing contract implementation teams. The responses show a generally positive assessment of this practice. Out of the 33 respondents, 15 respondents (45.5%) agreed and 12 respondents (36.4%) strongly agreed that the organisation considers personal qualifications when appointing contract implementation teams. Three respondents (9.1%) were neutral, two (6.1%) disagreed and one (3.0%) strongly disagreed.

The distribution indicates that 81.9% of respondents either agreed or strongly agreed with the statement. This suggests that most respondents regarded professional qualifications as an important consideration in the appointment of contract implementation personnel.

This finding is important because contract administration involves activities that require professional judgement. Personnel responsible for implementation may need to interpret contractual provisions, monitor contractor performance, examine technical requirements and maintain appropriate documentation. The effectiveness of these activities is therefore likely to depend partly on the competence of the personnel involved.

The finding is consistent with Masoud et al. (2024), who found that competence of contract-management teams was significantly associated with procurement performance among Tanzanian parastatal organisations. The agreement between the two studies suggests that human-resource competence is relevant to contract management across different public-sector contexts.

At TANROADS, the importance of competent personnel is even more pronounced because road construction contracts involve both administrative and technical requirements. A contract implementation team needs to understand not only procurement procedures but also the technical standards against which road works are assessed.

4.2 Professional Competence and Compliance with Terms of Reference

The study also examined whether professionally qualified contract implementation teams are likely to deliver according to the required Terms of Reference.

The responses showed broad agreement with this proposition. This indicates that respondents generally associated professional competence with the capacity of implementation teams to ensure that contractors perform according to agreed requirements.

This finding has practical implications. Contract documents establish what the contractor is expected to deliver, but the fulfilment of those requirements depends on effective supervision and monitoring. A contract implementation team that lacks appropriate professional competence may have difficulty identifying technical deviations or determining whether work complies with the required standards.

Mwaiseje et al. (2024) similarly found that procurement contract-administration practices were significantly associated with quality attainment in Tanzanian construction projects. Their findings provide support for the argument that effective administration and monitoring contribute to the achievement of construction requirements.

The present study extends this argument to TANROADS road construction projects, where technical compliance is central to the quality and durability of road infrastructure.

4.3 Contract Monitoring and Control

Contract monitoring emerged as another important aspect of contract administration. The study examined whether monitoring and control help ensure that projects achieve the required quality, time, cost and scope.

Monitoring is important because contract implementation does not always proceed exactly according to the original plan. Delays, changes in site conditions, technical difficulties and other implementation issues can occur. Regular monitoring allows responsible officials to identify deviations and take appropriate action while the project is still being implemented.

The findings of the present study indicate that monitoring is regarded as an important mechanism for maintaining control over project implementation. This supports the broader contract-management approach of the World Bank (2024), which emphasises monitoring performance, milestones, deliverables and contractual obligations throughout the implementation period.

National audit evidence provides further support for the importance of monitoring. NAOT (2026) reported cases involving inadequate review of shop drawings and site supervision in a TANROADS-related project. The report attributed defects partly to inadequate supervision and recommended measures to ensure compliance with design requirements and value-for-money considerations.

This finding was further supported by qualitative evidence from a key informant, who emphasised the role of contract administration in clarifying responsibilities, strengthening supervision and addressing implementation challenges at an early stage.

During the interview one of the Key informant explained that

“Contract administration has played a significant role in improving project performance by ensuring that all parties clearly understand their responsibilities and contractual obligations. Through regular supervision, monitoring, and communication with TANROADS, we are able to identify and address challenges at an early stage before they affect project progress.” (Key Informant No. 4, 18 May 2026)

The evidence therefore suggests that monitoring should not be understood as a routine administrative exercise. It should provide reliable information that enables responsible officers to identify deviations, assess their implications and take corrective measures.

4.4 Adherence to Contractual Terms and Technical Specifications

Another important finding concerns adherence to contractual terms and technical specifications. The study concluded that systematic monitoring and compliance with contractual provisions and technical specifications are central to effective contract administration.

This finding is significant because procurement performance should not be assessed solely according to whether a project is completed or whether expenditure remains within the approved budget. A road project can be completed on time and within budget while still failing to provide the expected value if the work does not meet the required technical standards.

Technical compliance is therefore an important dimension of procurement performance in road construction. The contract establishes the required standard, while contract administration provides the mechanism for checking whether the contractor is delivering according to that standard.

The CAG's 2024/25 development-project audit provides a practical illustration. NAOT (2026) identified defects associated with inadequate technical review and site supervision and emphasised the need for compliance with approved design requirements.

The present study therefore supports the view that contract administration serves as a control mechanism between contractual requirements and actual project delivery.

4.5 Documentation and Institutional Coordination

The findings further indicate that contract administration at TANROADS involves more than the work of an individual contract officer. The process is strengthened through the participation of the Legal Unit, Directorate of Procurement and technical project teams.

The Legal Unit contributes to contractual compliance and management of contractual risks. Technical teams undertake inspection and performance monitoring, while procurement personnel contribute to procedural compliance and contract documentation.

This institutional coordination is important because road construction contracts contain several interconnected dimensions. A technical decision may have financial or contractual consequences. A variation may require procurement and legal consideration. Similarly, a contractor's failure to meet a technical requirement may require contractual enforcement.

Effective coordination therefore allows different forms of expertise to be brought together when contract implementation decisions are made.

This finding is consistent with the wider literature on contract management, which treats contract implementation as a process involving multiple responsibilities rather than an isolated administrative function.

5. Discussion

The findings provide a consistent picture of contract administration at TANROADS Iringa Office. The practices examined in the study professional competence, monitoring and control, contractual compliance, technical supervision, documentation and institutional coordination are all connected with the ability of the organisation to maintain control over contract implementation. This relationship is supported by the quantitative findings and the qualitative evidence in the original study. The study reported that contract administration at TANROADS Iringa was strengthened through qualified personnel, continuous monitoring, adherence to contractual terms and technical specifications, legal oversight, technical supervision and procurement coordination. The findings are also broadly consistent with Tanzanian empirical evidence. Masoud et al. (2024) found a significant positive relationship between competence of contract-management teams and procurement performance, while Mwaiseje et al. (2024) found that monitoring and control were positively associated with quality attainment in construction projects.

However, the findings should be interpreted carefully. The study was conducted in one TANROADS office and used respondents' assessments together with qualitative evidence. It therefore demonstrates an association and provides an explanation of the contribution of contract administration, but it does not establish that contract administration alone causes procurement performance. Procurement performance is influenced by several factors outside the immediate control of contract administrators. These may include availability and release of project funds, contractor financial and technical capacity, quality of project designs, changes in project scope, weather and site conditions and decisions made at other levels of government. This limitation does not reduce the relevance of contract administration. Instead, it places its contribution within the broader procurement system. Effective contract administration is one of the mechanisms through which a procuring entity can maintain control over the implementation of an awarded contract.

6. Conclusion

The study examined the effectiveness of contract administration on procurement performance of road construction projects at TANROADS Iringa Office. The findings indicate that contract administration is an important component of procurement performance. The main practices identified include the appointment of appropriately qualified personnel, continuous monitoring and control, compliance with contractual terms and technical specifications, proper documentation, technical supervision, legal oversight and coordination among the relevant institutional units. The quantitative evidence indicates strong support among respondents for the importance of professional qualifications in contract implementation teams. The qualitative and overall findings further indicate that effective monitoring, compliance and coordination contribute to maintaining control over road construction projects. The study therefore concludes that strengthening contract administration can support better procurement outcomes at TANROADS Iringa Office, particularly in relation to quality, cost control, accountability and timely implementation. The conclusion should not be interpreted to mean that contract administration is the sole determinant of procurement performance. Rather, it represents an important component of a wider system in which financial management, contractor capacity, project design, institutional decision-making and other factors also influence project outcomes.

7. Recommendations

TANROADS Iringa Office should strengthen systematic contract monitoring throughout the implementation period by covering physical progress, quality, time, cost, contractual compliance and other agreed performance requirements, with identified deviations documented and addressed promptly. The Office should also ensure that personnel appointed to contract implementation teams possess appropriate qualifications and relevant experience and, where necessary, provide continuing professional development in contract administration, procurement requirements, construction supervision and contract-management practices. Contract documentation should be maintained systematically throughout implementation, including correspondence, inspection reports, progress reports, payment records, variations, instructions, performance assessments and other decisions affecting contracts. In addition, the Legal Unit, Procurement Directorate and technical project teams should maintain regular communication throughout contract implementation to ensure that technical, procurement and legal implications are considered collectively when implementation issues arise. TANROADS should consistently enforce contractual and technical requirements where contractors fail to meet agreed obligations, with corrective measures based on the contract and applicable procurement requirements and properly documented. Finally, monitoring information should be used to support management decisions rather than treated merely as a reporting requirement, enabling responsible officers to identify emerging risks, potential delays, quality concerns and financial implications and address them before they become more difficult to manage.

8. Contribution of the Study

The study contributes to procurement and contract-management literature by providing evidence from a specific public infrastructure institution in Tanzania. Previous Tanzanian studies have examined procurement contract management in parastatal organisations and contract administration in force-account construction projects. The present study focuses specifically on road construction projects at TANROADS Iringa Office. The study therefore adds a regional and institutional perspective to existing evidence on contract administration and procurement performance. It also demonstrates the practical importance of professional competence, monitoring, contractual compliance, documentation and coordination in the administration of road construction contracts.

References

- International Federation of Consulting Engineers. (2017). *Conditions of contract for construction for building and engineering works designed by the employer* (2nd ed.). FIDIC.
- Masoud, Y., Emmanuel, T., & Salum, M. (2024). Procurement contract management and procurement performance in parastatal organisations in Tanzania. *African Journal of Accounting and Social Science Studies*, 4(2), 272–285. <https://doi.org/10.64717/ajass.v4i2.126>
- Mwaiseje, S. S., Mchopa, A. D., Panga, F. P., & Nkuhi, M. S. (2024). Exploring the nexus between procurement contract administration and quality attainment of force account construction projects in Tanzania. *Cogent Engineering*, 11(1), 2432516. <https://doi.org/10.1080/23311916.2024.2432516>
- National Audit Office of Tanzania. (2026). *Annual general report for audit of development projects for the financial year 2024/25*. Government of Tanzania.
- National Audit Office of Tanzania. (2026). *Annual general report for audit of central government for the financial year 2024/25*. Government of Tanzania.
- Public Procurement Regulatory Authority. (2023). *The Public Procurement Act, 2023 (Act No. 10 of 2023)*. Government of Tanzania.
- Public Procurement Regulatory Authority. (2024). *The Public Procurement Regulations, 2024*. Government of Tanzania.
- World Bank. (2024). *Contract management practice: Procurement guidance*. World Bank.