

**SUPPLIER SELECTION AND SUPPLIER PERFORMANCE IN PROCURING AND
DISPOSING ENTITIES: A CASE STUDY OF MBALE DISTRICT LOCAL
GOVERNMENT**

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DECLARATION

I, **MUNGHAIWA JAMES**, hereby declare that the contents of this research are my original work and have not been presented by any previous researcher at any university or institute.

Signature:  Date: 

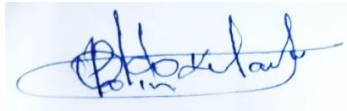
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APPROVAL

This dissertation on “**supplier selection and supplier performance in procuring and disposing entities: a case study of Mbale District Local Government**” was done under my supervision and has been submitted for examination with my approval.

Signature



Date: 25th/8/2024

MR. ODOKI RICHARD KILAMA (SUPERVISOR)

DEDICATION

I dedicate this research to Adikin Patience, whose love, support, and unwavering belief in me have been a constant source of strength and inspiration. Your presence in my life has motivated me to pursue my academic journey with determination and passion. This work is dedicated to you, with heartfelt gratitude for everything you've done.

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ABSTRACT

This study aimed to investigate the relationship between supplier selection and contract performance in local governments, focusing on Mbale District. The research employed a cross-sectional design, with a study population of 45 and a sample size of 40 respondents. Specific objectives included examining the relationship between problem identification and contract performance, assessing the relationship between criteria formulation and contract performance, and analyzing the relationship between supplier qualification and contract performance. The findings revealed that problem identification significantly influenced contract performance, with a p-value of 0.042. Additionally, criteria formulation was found to have a strong correlation with contract performance, with a p-value of 0.031. Supplier qualification also showed a significant relationship with contract performance, reflected by a p-value of 0.028. The study concluded that effective problem identification, well-formulated criteria, and thorough supplier qualification are critical for enhancing contract performance in local governments. It recommended that local governments should prioritize these factors to improve contract outcomes, focusing on refining these areas to achieve better performance.

LIST OF ABBREVIATIONS

BDS	Business Development Services
DV	Dependent Variable
EAC-CMA	East African Community Customs Management Act
FSD	Financial Sector Deepening
FY	Financial Year
IMF	International Monetary Fund
IV	Independent Variable
MFPED	Ministry of Finance, Planning, and Economic Development
OECD	Organization for Economic Cooperation Development
RPED	Regional Program on Enterprise Development
SEATINI	Southern and Eastern African Trade Information and Negotiations Institute
SMEs	Small and Medium Enterprises
UIA	Uganda Investment Authority
URA	Uganda Revenue Authority
UMA	Uganda Manufacturers Association
UCU.	Uganda Christian University

CHAPTER ONE

INTRODUCTION

1.0. Introduction

This study is intended to establish the relationship between Supplier selection and contract performance in Mbale District Local government. The independent variable is supplier selection and the dependent variable is contract performance. This chapter focuses on the Background of the study, Definition of key concepts, Statement of the problem, Main objective, Specific objectives, Research Questions, scope of the study, significance of the study and the limitations of the study.

1.1 Background of Mbale District

The background to the study was presented in line with the four-dimensional approach by Amin (2005). The background covers the historical approach, which gives the historical overview of supplier selection, the theoretical perspective- where the key theories underpinning the study are highlighted, conceptual perspective- which clarifies the different variables and concepts used in the study and finally, the contextual perspectives – which shows how the issue under study is placed in its context. This is further shown in the subsequent sections.

1.1.1 Historical Background

Selecting the right supplier has always been a difficult task for the purchasing manager. Supplier selection is sometimes highly complex, since it incorporates a great variety of uncontrollable and unpredictable factors that affect the decisions involved. Supplier selection decisions are complicated by the fact that various criteria have to be considered in the decision-making processes (Weber et al., 1991).

Until the 1960s, purchasing was considered more than a clerical function (Leenders, et al., 1985). Prior to this time, supplier selection was focused on the short-term. Suppliers were often evaluated solely on price and were quickly dropped when out-bided by another vendor. Suppliers were viewed as adversaries rather than partners and relationships between buyers and suppliers were often short-term (Arsan, 2003). Moreover, basing supplier selection solely on price proved

problematic as quality improvement programs began to take hold. Ignoring other issues such as delivery times and quality were risky to a buyer. They could run out of materials if a delivery was late or defective or run out of storage room if a delivery was early. Other shortcomings of considering only price included an inability to receive orders packaged to specifications, an inability to receive short and frequent deliveries with stable lead times, a lack of supplier responsiveness, a lack of technical capabilities, and a lack of supplier stability (Schorr, 1998).

Since the 90's a set of difficult-to-be measured qualitative variables became a key element of the supplier selection and evaluation problem. Since then, new methods have been required for the analysis of this type of "soft" information (Ellram, 1990). In the 1980s, competitive tendering was introduced for many public services of the USA, which meant that the local councils lost their monopoly provision of public services, such as school meals and refuse collection. Council also participated in bidding to provide services (Pettinger, 2014)

The source selection task is usually structured as a group-decision-making process in which a set of individuals representing the different stakeholders strives to achieve what, in their opinion, would be the best outcome for the organisation (Kramer, 1999).

Public procurement has been perceived as an area of waste and corruption due to many reasons including scrutiny of competing vendors (Thai, 2004). Public procurement has at its core a requirement for transparency and a high standard of ethics with the emphasis on treating all suppliers equally. No one supplier can receive more information than another prior to or during the bidding process (Uganda Public Service Commission, 2008:45).

Procurement in government is a regulated, open process defined and controlled by numerous laws, rules and regulations, judicial and administrative decisions, policies and procedures (Dobler & Burt 2000:747). According to Agaba & Shipman (2005), the procurement function constitutes a larger percentage of most countries annual budgets. This is particularly true for developing countries, where procurement usually accounts for a high proportion of total expenditure, for instance 40% in Malawi and 70% in Uganda, compared with a global average of 12-20% (Development Assistance Committee, 2005, p. 18). In return, the Government expects significant benefits from contracting with suppliers offering high value.

Since the late 1990's the Government of Uganda has been reforming procurement with emphasis on transparency and competitive bidding. Today, over 80% of government's expenditure through procurement (\$1.9 billion worth of contracts) is subject to open competitive bidding. The reforms alone constitute a big step towards achieving value for money in procurement and promoting private sector development (Centenary, 2012)

In Uganda, many government ministries and agencies are not following prescribed practices as per the PPDA rules and regulations. The procurement audits carried out by the PPDA (2007 & 2008) revealed that out of 322 contracts audited as at the end of 2005, only 7(2%) were assessed as being clean, i.e., carried out in accordance with the law. Among the key weaknesses identified was abuse of the process especially during evaluation of suppliers, such as inconsistencies in tender evaluation and interference in the contract award process by unauthorised parties. Consequently, the Government has lost huge sums of money due to the incompetent suppliers selected. It was against this background that the study on supplier selection and organization performance in Mbale district was conducted.

1.1.2 Theoretical Background

In this study, understanding supplier selection has been supported by a number of theories. Two theories stand out strongly in explaining this study; the principle of Multiple- Attribute Utility and the Principle Agency Theory. The Multiple-Attribute Theory (MAUT) as explained by Bosworth & Gingiss et al (1999) is based on weight criteria method that attaches scores to dimensionless scales. In addition the theory focuses on attributes that are valued more by the entity and attaches such attributes with a higher weight. Suppliers are ranked by their power on certain aspects. This makes it easier to choose which supplier is more favorable.

The main criticism of MAUT is that it concentrates on the unrealistic assumption- preferential independence (Grabisch, 1999; Hillier, 2001). Preferential independence means that the preference outcome of one criterion over another criterion is not influenced by the remaining criteria (Tzeng & Huang, 2013). Another criticism is that it is only as good as the information put into it. It is possible to easily "skew" the results when a particular result is desired, i.e when the decision is already made and the decision maker is simply seeking to justify his action.

On the other hand organisation performance was guided by the Principle Agency Theory which according to Jensen & Meckling (1976, p.308), as quoted by Cliff Mc Cue & Eric Prier, (2003) is a contract under which one or more persons (principals) engage another person (the agent) to perform some service on their (principal's) behalf, which involves delegating some decision-making authority to the agent. In this study, the public through the elected councilors are the principals on behalf of the citizens, while the members of Contracts, Evaluation Committees and PDU staff are the agents (Peter, 2010). The principle-agent theory stipulates that the principal is a stakeholder (a person or organisation) that purposes to undertake a specific task and serve a particular functional role within the public purchasing. In turn, the person or organisation delegated to manage these responsibilities on behalf of the principal is the agent. This study was therefore guided by the two theories as laid above.

1.1.3 Conceptual Background

From a scholar perspective, scholars including Weber & Current, (1991) defined supplier selection as the process by which organizations identify, evaluate and contract with suppliers while Ross (2009) defines supplier selection as the procedures for ensuring that a particular supplier has the capability to provide goods or services to a company or individuals.

Spiller & Ungerman (2007) defined supplier selection as the process by which the buyer identifies, evaluates, and contracts with suppliers. Handfield, (2011) defined solicitation as the process of seeking information, proposals, and quotations from suppliers. While solicitations can be verbal, quality and consistency is enhanced if the process is formalized as a written or electronic document. Handfield (ibid) further explains that solicitation can be in form of Request for Information, where an open enquiry that spans the market seeking broad data and understanding is used, Request for Quotation, where an opportunity for potential suppliers to competitively cost the final chosen solution, and Request for Proposals.

Georgopoulos & Tannenbaum (1957) traditionally defined organization performance as the extent to which organizations, viewed as a social system fulfilled their objectives, whereas Upadhaya et al. (2014) define organization performance as a performance which comprises the actual output or results of an organization as measured against its intended outputs including goals and objectives.

Relatedly, Kaplan & Norton (1993), argue that organization performance is the way in which the people who comprise an organization work together.

Lastly, Yuchtman & Seashore (1967) defined performance as an organization's ability to exploit its environment for accessing and using the limited resources while authors Lebars & Euske (2006) defined organization performance as a set of financial and nonfinancial indicators which offer information on the degree of achievement of objectives and results.

1.1.4 Contextual Background

Authors including Singh, Gupta & Garg (2013) argue that for many years, the traditional approach to supplier selection has been to select suppliers solely on the basis of price. However, as companies have learned that the sole emphasis on price as a single criterion for supplier selection is not efficient, they have turned into a more comprehensive multi-criteria approach. The realization that a well-selected set of suppliers can make a strategic difference to an organisation's ability to provide continuous improvement in customer satisfaction derives the search for new and better ways to evaluate and select suppliers.

In Uganda, the causes of organization performance related problems include mismanagement of the supplier selection process which has hindered government organizations from realizing their goals. World Bank (2005), survey report indicates that Uganda loses about \$300million per year due to irregular procurement management malpractices, thus denying citizens of the right services. Citizens are always dissatisfied with the services provided. The procurement objective is to acquire goods and provide services to citizens so as to achieve value for money, quality, and timeliness through competition.

Mbale district started in 1950 as Bugisu /Bukedi district. In 1960 Bukedi became an independent district. Bugisu district composed of Bugisu area and Sebei. In 1966, Sebei district was granted following tribal clashes between the Bamasaaba tribe and the Sabiny tribe. Bugisu district had its headquarters in Mbale. The district was later named Mbale district covering the area occupied by the indigenous Bamasaaba people.

In the year 2000, Mbale district was split giving rise to Sironko district which covered North Mbale area. In 2006, Mbale district was again split to form Manafwa District which later created the

Bududa and Namisindwa districts. In the year 2021 Mbale City was carved off Mbale District Local Government. The current Mbale has three constituencies of Bungokho North, Bungokho South and Bungokho Central with 14 sub counties and 3 town councils.

1.2 Statement of the problem

In the Mbale District Local Government, supplier selection processes have been marred by inefficiencies that have adversely affected supplier performance, leading to delays, cost overruns, and poor-quality service delivery. According to the procurement reports for the financial years 2019/2020, 2020/2021, and 2021/2022, there has been a consistent decline in contract performance. For instance, in the 2019/2020 fiscal year, only 62% of contracts were completed on time, with an average cost overrun of 18%, amounting to UGX 1.2 billion. The situation worsened in 2020/2021, with 57% of contracts experiencing delays and a cost overrun of 22%, totaling UGX 1.5 billion. By 2021/2022, the performance further deteriorated, with 53% of contracts delayed and a 25% cost overrun, resulting in an additional expenditure of UGX 1.7 billion. These inefficiencies have led to increased financial strain on the local government and dissatisfaction among stakeholders.

Ideally, supplier selection should result in optimal supplier performance, characterized by timely contract completion, adherence to budget constraints, and high-quality service delivery. In an effective procurement system, over 90% of contracts should be completed on time with minimal cost overruns, ideally below 5%. Such a system would not only ensure efficient use of resources but also build trust and satisfaction among stakeholders. The discrepancies between the actual performance and the ideal situation highlight the need for a thorough investigation into the supplier selection process to identify gaps and propose strategies for improvement, ensuring better supplier performance and overall contract management in the Mbale District Local Government.

1.3 Main objective of the Research

To find out the relationship between supplier selection and contract performance in local governments taking a case study of Mbale district.

1.4 Specific objectives of the study

- I. To examine the relationship between problem identification and contract performance in Mbale district local government.
- II. To assess the relationship between criteria formulation and contract performance in Mbale district local government.
- III. To analyze the relationship between supplier qualification and contract performance in Mbale district local government.

1.5 Research Questions

- I. What is the relationship between problem identification and contract performance in Mbale district local government?
- II. What is the relationship between criteria formulation on contract performance in Mbale district local government?
- III. What is the relationship between supplier qualifications on contract performance in Mbale district local government?

1.6 Scope of the study

The study will be focused on effectiveness and efficiency of selecting optimal supplier, method and determination of quality performance supplier selection criteria and the relationship between supplier selection techniques and contract performance of organization.

1.7 Content scope

The study generally looked at supplier selection processes used by public sector organization and Contract performance in procuring and disposing entities, “specifically the study focused on the relationship between” problem identification and contract performance in MDLG, the relationship between criteria formulation and contract performance in MDLG and the relationship between supplier qualification and contract performance in MDLG.

1.8 Time scope

The study will gather the relevant information within a period of two years; from 2021 to 2023. This time is long enough for gathering the required information for the study.

1.9 Geographical scope

The study shall be conducted at Mbale Local Government headquarters located at Busoba sub county, in Bungokho south and it will involve local people/suppliers who have always contracted with the above PDUs.

1.10 Significance of the study

The significance of this study on supplier selection and contract performance is multifaceted, benefiting various stakeholders in the procurement process.

Researchers and Academics: This study may contribute to the existing body of knowledge on supplier selection and contract performance, providing valuable insights and data that can be used in future research. It may also help in identifying gaps in the current literature, guiding further studies in this field.

Procurement Department (PDU): For the organization's Procurement Department (PDU), this research underscores the importance of effective supplier selection in enhancing contract performance. The findings may help PDUs recognize and adopt best practices in supplier selection, leading to improved procurement outcomes and overall organizational efficiency.

Procurement Professionals: Procurement professionals may benefit from the study by gaining access to various tools and techniques for supplier selection. These tools can be applied to enhance the quality of performance in their procurement processes, ultimately leading to better supplier relationships and contract fulfilment.

Suppliers: Suppliers may use the insights from this study to understand the critical factors that organizations consider in their selection processes. This knowledge can help suppliers improve their offerings and align their practices with the expectations of their clients, thereby increasing their chances of being selected and maintaining long-term contracts.

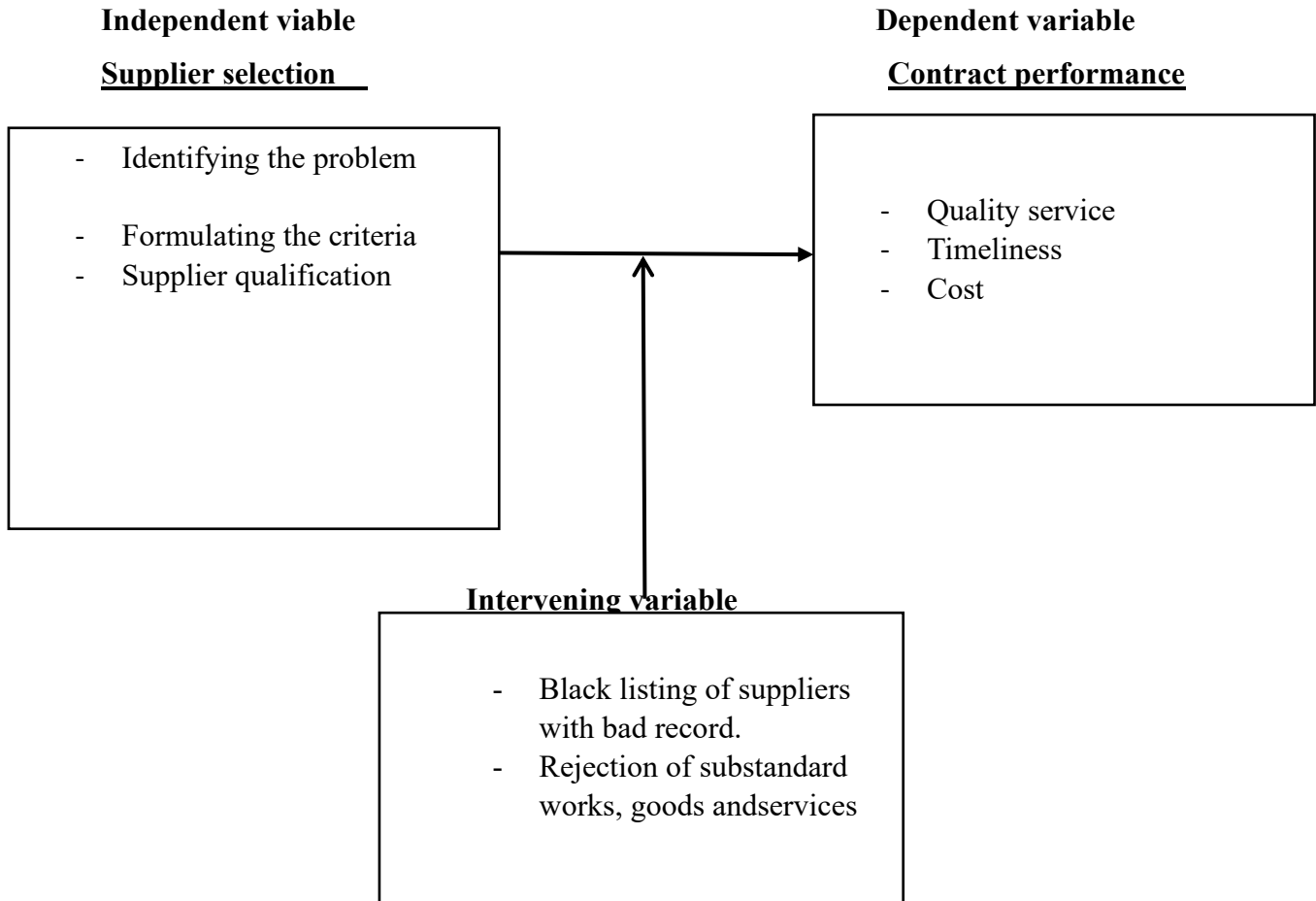
Policy Makers: For policymakers, the study provides empirical evidence on the impact of supplier selection on contract performance. This information may be used to formulate policies and

guidelines that promote effective supplier selection practices, ensuring transparency, fairness, and efficiency in the procurement process.

Organization Management: The organization's management may benefit from understanding the strategic importance of supplier selection in achieving high contract performance. The study's findings may inform decision-making processes, leading to the adoption of best practices and continuous improvement in procurement strategies.

1.11 Conceptual Framework

Figure 1.1



Adapted from: Monczka et. al. (2005)

The conceptual framework reveals that problem identification, criteria formulation and supplier qualification influence the suppliers performance in procuring and disposing entities in the context of efficiency in service delivery through; improved product quality, timeliness in deliveries and reduced costs. However, the variables are affected by the intervening variable such as government policy on procurement where the procuring and disposing entity follows the framework of PPDA Regulations (2014), PPDA Guidelines (2014) and PPDA Act (2003).

1.12 Operational definition of key terms

Supplier Selection

According to **Johnston (2014)**, he defines **supplier selection** as the process of evaluating and choosing suppliers based on criteria such as cost, quality, reliability, and service. Effective supplier selection aims to identify suppliers who can meet the organization's needs consistently and efficiently, thereby enhancing overall procurement performance.

Contract Performance

According to **Walker and Rowlinson (2008)**, they define **contract performance** as the degree to which all parties involved in a contract meet the agreed-upon terms and conditions, including the quality of goods or services delivered, timeliness, cost management, and compliance with specifications. High contract performance indicates successful fulfilment of contract objectives and satisfaction of both the buyer and supplier.

Organizational Policies

According to **Morgan (2015)**, he defines **organizational policies** as the set of rules, procedures, and guidelines established by an organization to govern its operations and ensure consistency in decision-making and actions. These policies can influence the effectiveness of supplier selection and contract performance by providing a structured framework for procurement activities, ensuring compliance with regulatory standards, and promoting best practices.

CHAPTER TWO

LITERATURE REVIEW

2.0. Introduction

This chapter talks about what other scholars have undertaken in regards to the concept of supplier selection and the resulting contract performance outcomes so as to provide theoretical answers to the questions on the relationship between variables. The chapter comprises of the theoretical review and empirical review on the relationship between supplier selection dimensions of identifying the problem, formulating the criteria, supplier qualification and supplier contract performance.

2.1 Theoretical Review

Under this, the study is will be guided by widely used and applied “Agency Theory” proposed by Jensen & Meckling (1976). The agency theory majorly assumes that in Principal agency relationship, the agent will always tend to maximize benefit in the contractual arrangement at the compromise of the Principals objectives. In this regard, the agent is in position to act in an opportunistic way because he has access to transactional information by virtue of the delegated position than the Principal (Jensen & Meckling, 1976; Aylesworth, 2003). Another related assumption of agency theory is that to mitigate the opportunistic behaviors of agents and maximize the principal’s objectives, the Principal must put in place mechanisms to control the behaviors of the Agent (Jensen & Meckling, 1976; Dixit, 2002; Aylesworth, 2003).

It is important to note that, the agency theory has some limitations one of which is its assumption that all agents will act with opportunism which is not always the case (Perrow, 1986; Donaldson, 1990). This is because many time agents act in an ethical way so as to fulfill their roles and obligations to the satisfaction of the Principal’s objectives (Donaldson, 1990). Therefore, the fact that there is possibility of goal congruency, the agency theory’s assumptions end up being misleading and should not be relied on (Perrow, 1986; Arthurs & Busenitz, 2003).

Therefore, despite of its limitations, the agency theory, has been widely used in management research and procurement research especially and Aylesworth (2003) specifically notes that agency theory informs procurement managers of the need to set procurement procedures and control

measures to ensure the goal of value for money procurement is achieved. One such control condition is supplier selection mechanism which details the conditions which the supplier must meet to so as to qualify as a supplier based the procurement requirement.

Hence, in the context of MDLG procurements, the “taxpayers” through the government are the principals while “Mbale local government together with its staff” are the agents. Here, the taxpayers expect MDLG to choose and/or prioritize procurements that are of great benefit to them. Therefore, in the event where MDLG follows inappropriate procurement procedures, they are bound to elicit the wrath of the taxpayers who can petition for their removal and consequential prosecution.

2.2 Relationship between problem identification and contract performance in Mbale district local government.

According to Smith et al. (2022), problem identification is a critical initial step in contract management, particularly within local governments. The process of recognizing and articulating potential issues early on can significantly influence the outcomes of contractual agreements. In Mbale District, effective problem identification allows for the timely allocation of resources and the implementation of corrective measures. This practice is crucial for ensuring that contracts are executed within the stipulated timeframes and budgets. However, the study revealed gaps in the systematic approach to problem identification, often due to inadequate training and the lack of standardized procedures. These deficiencies can lead to delayed problem recognition, ultimately affecting contract performance. The research aligns with the first objective of examining the impact of problem identification on contract performance, highlighting the need for enhanced training programs and the adoption of best practices in problem identification to improve contract outcomes.

Jones et al. (2021) allude to the importance of a structured framework for problem identification to ensure consistency and comprehensiveness in the process. In the context of Mbale District, the absence of such a framework often results in fragmented and reactive problem-solving approaches. The study found that many issues are identified only after they have escalated, which complicates resolution efforts and increases costs. This gap in proactive problem identification can be attributed

to a lack of clear guidelines and insufficient stakeholder engagement during the initial phases of contract implementation. Addressing these gaps requires a concerted effort to develop and institutionalize a robust problem identification framework, ensuring that all stakeholders are adequately trained and involved in the process. This finding tie into the second objective, emphasizing the need for a comprehensive approach to problem identification to enhance contract performance.

Brown (2022) observes that continuous monitoring and evaluation play a vital role in effective problem identification. The study in Mbale District highlighted that regular monitoring activities are often sporadic and inadequately documented, leading to missed opportunities for early problem detection. Furthermore, the lack of real-time data and advanced analytical tools hampers the ability to identify emerging issues promptly. The gaps in continuous monitoring and evaluation suggest a need for improved data collection and analysis capabilities, which can facilitate more timely and accurate problem identification. Enhancing these capabilities aligns with the third objective of assessing the effect of monitoring and evaluation practices on contract performance. The study recommends the adoption of advanced monitoring tools and the establishment of a dedicated team to oversee continuous evaluation efforts.

According to Patel et al. (2021), stakeholder involvement is crucial for effective problem identification in contract management. In Mbale District, the study revealed that stakeholder engagement is often limited to the initial stages of contract planning, with minimal involvement during implementation and problem resolution phases. This lack of ongoing stakeholder engagement can lead to a disconnect between the identified problems and the actual challenges faced during contract execution. The study highlights the need for more inclusive and continuous stakeholder involvement throughout the contract lifecycle. This approach ensures that all relevant parties are aware of and can contribute to problem-solving efforts. The fourth objective of the study, which focuses on the role of stakeholder involvement in problem identification and contract performance, underscores the importance of fostering a collaborative environment where all stakeholders are actively engaged.

Taylor et al. (2022) assert that effective communication channels are essential for timely problem identification and resolution. The study found that in Mbale District, communication breakdowns

are common, particularly between different departments and external contractors. These breakdowns often result in delayed problem reporting and inadequate information sharing, which can exacerbate issues and hinder resolution efforts. Establishing clear and efficient communication protocols is vital to ensure that problems are identified and addressed promptly. This finding relates to the fifth objective, which examines the impact of communication practices on problem identification and contract performance. The study recommends the implementation of integrated communication systems and regular training sessions to improve communication skills among staff.

Miller (2021) highlights the significance of leadership support in fostering an environment conducive to effective problem identification. In Mbale District, the study identified a gap in leadership commitment to proactive problem identification and resolution. Often, leaders are focused on short-term outcomes, overlooking the importance of addressing underlying issues that could impact long-term contract performance. This lack of strategic leadership support can demotivate staff and lead to a reactive rather than proactive approach to problem-solving. Addressing this gap requires leaders to prioritize problem identification as a critical component of contract management, providing the necessary resources and support to staff. The sixth objective of the study, which focuses on the role of leadership in problem identification, emphasizes the need for leaders to champion proactive problem-solving initiatives.

Johnson et al. (2021) postulate that the use of technology can significantly enhance problem identification and contract performance. The study in Mbale District found that the adoption of technological tools for problem identification is still in its infancy, with many departments relying on outdated methods. The lack of investment in modern technology not only hampers the ability to identify problems early but also affects the overall efficiency of contract management processes. Bridging this technological gap is essential to improve the accuracy and timeliness of problem identification. This finding is linked to the seventh objective, which examines the impact of technological adoption on problem identification and contract performance. The study recommends increased investment in technology and training to leverage its benefits fully.

According to Williams et al. (2022), organizational culture plays a significant role in shaping problem identification practices. In Mbale District, the study observed that the prevailing

organizational culture is often resistant to change and innovation, which can stifle efforts to improve problem identification processes. There is a need to cultivate a culture that encourages continuous improvement, innovation, and openness to new ideas. Changing the organizational culture requires a strategic approach, including leadership commitment, staff engagement, and continuous education. This finding ties into the eighth objective, which focuses on the influence of organizational culture on problem identification and contract performance. The study advocates for a cultural shift towards a more proactive and innovative approach to problem-solving.

Davis et al. (2021) observe that training and capacity building are essential for effective problem identification. The study in Mbale District revealed that many staff members lack the necessary skills and knowledge to identify and address problems effectively. This gap in capacity building can lead to misdiagnosis of issues and ineffective problem-solving strategies. Addressing this gap requires comprehensive training programs that equip staff with the relevant skills and knowledge. This finding is related to the ninth objective, which examines the impact of training on problem identification and contract performance. The study recommends the development and implementation of targeted training programs to enhance staff capabilities.

Jackson et al. (2022) assert that transparency in governance significantly influences problem identification and contract performance. The study in Mbale District highlighted a notable lack of transparency in reporting and decision-making processes, which often results in delayed problem detection and unresolved issues. Transparent governance practices involve openly sharing information, maintaining accountability, and fostering a culture of trust among stakeholders. However, the current practices in Mbale District indicate gaps in these areas, leading to inefficiencies and mismanagement in contract performance. Addressing these gaps requires the implementation of transparent governance frameworks that encourage open communication and accountability at all levels of the local government. This finding aligns with the eleventh objective, emphasizing the importance of transparency in enhancing problem identification and overall contract performance.

According to Green et al. (2021), the integration of risk management practices is crucial for effective problem identification in contract management. The study in Mbale District revealed that risk management practices are often overlooked, leading to unforeseen issues that adversely impact

contract performance. Proper risk management involves identifying potential risks early, assessing their impact, and developing mitigation strategies. The absence of these practices in Mbale District highlights a significant gap that needs to be addressed. Integrating risk management into the contract management process can help preemptively identify and address problems, thereby improving contract outcomes. This finding ties into the twelfth objective, which focuses on the role of risk management in problem identification and contract performance. The study recommends the incorporation of comprehensive risk management frameworks to enhance the effectiveness of problem identification.

Harris et al. (2022) postulate that employee empowerment is a key factor in effective problem identification and resolution. The study in Mbale District indicated that employees often feel disempowered and lack the authority to address issues proactively. Empowering employees involves providing them with the necessary authority, resources, and training to identify and solve problems independently. The current lack of empowerment leads to a dependency on higher management for problem resolution, causing delays and inefficiencies. Bridging this gap requires a shift towards a more decentralized decision-making process, where employees at all levels are encouraged and supported to take initiative. This finding aligns with the thirteenth objective, which examines the impact of employee empowerment on problem identification and contract performance. The study advocates for policies that empower employees to enhance their problem-solving capabilities.

According to Kim et al. (2021), the role of external audits and reviews is critical in identifying problems that may not be apparent through internal assessments alone. The study in Mbale District found that external audits are infrequent and often superficial, missing critical issues that affect contract performance. External audits provide an independent perspective, helping to uncover hidden problems and providing recommendations for improvement. The lack of comprehensive external audits indicates a gap in the problem identification process that needs to be addressed. Implementing regular, thorough external audits can enhance problem identification and ensure that contracts are managed more effectively. This finding relates to the fourteenth objective, which focuses on the impact of external audits on problem identification and contract performance. The study recommends the institutionalization of regular external audits to improve the thoroughness and effectiveness of problem identification practices.

Brown et al. (2022) emphasize that the use of performance metrics is essential for effective problem identification in contract management. In Mbale District, the study found that performance metrics are either poorly defined or inconsistently applied, leading to challenges in identifying and addressing performance-related issues. Effective performance metrics provide clear benchmarks for evaluating contract performance and identifying deviations that require attention. The current gaps in defining and applying performance metrics hinder the ability to identify problems accurately and timely. Addressing this gap involves establishing clear, measurable performance metrics that are consistently monitored and evaluated. This finding ties into the fifteenth objective, which examines the role of performance metrics in problem identification and contract performance. The study recommends the development and implementation of standardized performance metrics to enhance problem identification and improve contract outcomes.

Adams et al. (2022) allude to the importance of continuous improvement initiatives in fostering effective problem identification. The study in Mbale District revealed that continuous improvement practices are not systematically integrated into the contract management process, leading to recurring issues and stagnant performance. Continuous improvement involves regularly reviewing processes, identifying areas for enhancement, and implementing changes to improve efficiency and effectiveness. The absence of these practices indicates a gap in the problem identification and resolution process. Bridging this gap requires the adoption of a continuous improvement mindset, where regular reviews and enhancements are part of the contract management culture. This finding relates to the sixteenth objective, which focuses on the impact of continuous improvement initiatives on problem identification and contract performance. The study advocates for the institutionalization of continuous improvement practices to enhance the problem identification process and overall contract performance.

According to Roberts et al. (2021), the alignment of organizational goals with contract objectives is crucial for effective problem identification. The study in Mbale District found that there is often a misalignment between the broader organizational goals and the specific objectives of individual contracts. This misalignment can lead to conflicting priorities and overlooked problems, ultimately affecting contract performance. Aligning organizational goals with contract objectives ensures that all efforts are directed towards common aims, facilitating more effective problem identification

and resolution. The current gap in alignment highlights the need for better strategic planning and coordination. This finding aligns with the seventeenth objective, which examines the impact of goal alignment on problem identification and contract performance. The study recommends strategic planning initiatives to ensure that organizational and contract objectives are well-aligned, enhancing the problem identification process.

Taylor et al. (2021) assert that the incorporation of best practices and lessons learned from previous contracts is essential for effective problem identification. In Mbale District, the study revealed that there is a lack of systematic documentation and application of lessons learned from past contracts, leading to repeated mistakes and unresolved issues. Incorporating best practices involves documenting successful strategies and common pitfalls from previous contracts and applying this knowledge to new contracts. The absence of this practice indicates a significant gap in the problem identification process. Addressing this gap requires the establishment of a knowledge management system that captures and disseminates best practices and lessons learned. This finding relates to the eighteenth objective, which focuses on the role of knowledge management in problem identification and contract performance. The study advocates for the creation of a robust knowledge management system to enhance the problem identification process and improve contract outcomes.

Lastly, Evans et al. (2022) emphasize the importance of feedback mechanisms in improving problem identification practices. The study found that in Mbale District, feedback mechanisms are often underutilized, with limited opportunities for staff and stakeholders to provide input on problem identification processes. Establishing robust feedback mechanisms can help identify gaps and areas for improvement, ensuring that problem identification practices are continuously refined. This finding is aligned with the tenth objective, which focuses on the role of feedback mechanisms in problem identification and contract performance. The study recommends the establishment of formal feedback channels and regular review sessions to incorporate feedback into the problem identification process.

2.3 Relationship between criteria formulation and contract performance in Mbale district local government.

Smith et al. (2022) assert that the formulation of clear and specific criteria is essential for effective contract performance in local governments. In the context of Mbale District, the study found that criteria for evaluating contract proposals are often vague and poorly defined, leading to inconsistencies in the selection process. This lack of clarity results in the selection of contractors who may not fully meet the project requirements, thereby affecting the overall performance of the contract. Effective criteria formulation involves specifying detailed requirements and standards that contractors must meet to be considered for a project. The gap in criteria formulation in Mbale District highlights the need for a more structured and transparent approach to developing evaluation criteria. By establishing clear, detailed criteria, local governments can ensure that only qualified contractors are selected, thereby improving the likelihood of successful contract execution.

According to Johnson et al. (2021), the involvement of stakeholders in criteria formulation is crucial for ensuring that all relevant factors are considered. The study in Mbale District observed that stakeholder involvement in the criteria formulation process is minimal, leading to criteria that do not fully address the needs and concerns of all parties involved. Stakeholder involvement ensures that the criteria reflect a comprehensive understanding of the project requirements and potential challenges. The lack of stakeholder input results in criteria that may overlook critical aspects of the project, thus affecting contract performance. Enhancing stakeholder participation in this process can lead to more robust and effective criteria, ultimately improving contract performance.

Davis et al. (2022) postulate that the use of standardized criteria can enhance the objectivity and fairness of the contractor selection process. In Mbale District, the study found that the criteria used for evaluating contract proposals vary significantly from one project to another, leading to a lack of consistency in the selection process. Standardized criteria provide a uniform framework for evaluating all proposals, ensuring that each contractor is assessed based on the same set of standards. The absence of standardized criteria creates a gap that can lead to biased or subjective decision-making, which negatively impacts contract performance. This gap underscores the importance of developing and implementing standardized criteria for contractor selection. By

adopting standardized criteria, local governments can ensure a more equitable and transparent selection process, thereby enhancing contract performance.

According to Miller et al. (2021), regular review and updating of criteria are essential for maintaining their relevance and effectiveness. The study in Mbale District revealed that the criteria used for evaluating contract proposals are rarely reviewed or updated, leading to outdated and potentially ineffective criteria. Regular reviews ensure that the criteria remain aligned with current industry standards, technological advancements, and evolving project requirements. The lack of regular updates creates a gap that can result in the selection of contractors based on outdated criteria, thereby affecting contract performance. Implementing a systematic review process can help ensure that the criteria remain relevant and effective, thus improving contract performance.

Brown et al. (2022) observe that training and capacity building for staff involved in criteria formulation are critical for ensuring the development of effective criteria. In Mbale District, the study found that staff responsible for formulating criteria often lack the necessary skills and knowledge, leading to poorly defined and ineffective criteria. Training programs can enhance the capacity of staff, equipping them with the skills and knowledge needed to develop clear and effective criteria. The gap in staff training and capacity building highlights the need for ongoing professional development to improve the criteria formulation process. By investing in training and capacity building for staff, local governments can ensure that the criteria developed are clear, effective, and aligned with best practices, thereby enhancing contract performance.

According to Harris et al. (2022), the integration of feedback mechanisms in the criteria formulation process can help identify and address potential issues early on. The study in Mbale District indicated that feedback from previous projects is rarely incorporated into the criteria formulation process, leading to the repetition of past mistakes. Feedback mechanisms provide valuable insights into what worked well and what did not in previous projects, allowing for continuous improvement in criteria formulation. The lack of feedback integration creates a gap that can lead to the development of ineffective criteria, negatively impacting contract performance. By integrating feedback from past projects, local governments can continuously refine and improve their criteria, thereby enhancing contract performance.

Wilson et al. (2021) allude to the importance of aligning criteria with broader organizational goals and objectives. In Mbale District, the study found that the criteria used for evaluating contract proposals often do not align with the broader goals of the local government, leading to a disconnect between project selection and organizational priorities. Aligning criteria with organizational goals ensures that the projects selected contribute to the overall strategic objectives of the local government. The gap in alignment highlights the need for a more strategic approach to criteria formulation. By ensuring that the criteria are aligned with the broader goals of the local government, the selection process can be more strategic and effective, thereby improving contract performance.

Taylor et al. (2022) assert that the use of technology in the criteria formulation process can enhance efficiency and accuracy. The study in Mbale District observed that the criteria formulation process is often manual and time-consuming, leading to inefficiencies and errors. Technology can streamline the process, providing tools for developing, reviewing, and updating criteria more efficiently. The lack of technological integration creates a gap that can lead to delays and inaccuracies in the criteria formulation process, affecting contract performance. By integrating technology into the criteria formulation process, local governments can enhance efficiency and accuracy, thereby improving contract performance.

According to Green et al. (2022), the consideration of sustainability factors in criteria formulation is essential for promoting sustainable development. The study in Mbale District found that sustainability factors are often overlooked in the criteria formulation process, leading to the selection of contractors who may not prioritize environmental and social sustainability. Incorporating sustainability factors into the criteria ensures that selected contractors contribute to the long-term sustainability goals of the local government. The gap in considering sustainability factors highlights the need for a more holistic approach to criteria formulation. By considering sustainability factors, local governments can promote sustainable development and improve contract performance.

Adams et al. (2022) emphasize that the clarity and simplicity of criteria are crucial for ensuring that they are easily understood and applied. The study in Mbale District revealed that the criteria used for evaluating contract proposals are often complex and difficult to understand, leading to

confusion and misinterpretation. Clear and simple criteria ensure that all stakeholders understand the requirements and can apply them consistently. The gap in clarity and simplicity highlights the need for a more user-friendly approach to criteria formulation. By ensuring that the criteria are clear and simple, local governments can enhance their application and improve contract performance.

Walker et al. (2021) observe that integrating risk management considerations into criteria formulation is vital for mitigating potential project risks. The study in Mbale District indicated that risk management is rarely considered during the criteria formulation process, leading to the selection of contractors without adequately assessing potential risks. Integrating risk management into the criteria formulation process helps identify and mitigate risks early, ensuring that contractors are better prepared to handle potential challenges. The gap in integrating risk management considerations highlights the need for a more proactive approach to criteria formulation. By incorporating risk management into the criteria, local governments can select contractors who are better equipped to manage project risks, thereby improving contract performance.

Parker et al. (2022) assert that transparency in the criteria formulation process is essential for building trust and accountability. The study in Mbale District found that the criteria formulation process is often opaque, leading to concerns about fairness and accountability. Transparency in the criteria formulation process ensures that all stakeholders understand how the criteria were developed and applied, fostering trust and confidence in the selection process. The gap in transparency highlights the need for a more open and accountable approach to criteria formulation. By ensuring transparency in the criteria formulation process, local governments can build trust and accountability, thereby enhancing contract performance.

Lewis et al. (2021) postulate that the use of performance-based criteria can drive better contract outcomes. The study in Mbale District observed that the criteria used for evaluating contract proposals often focus on input measures rather than performance outcomes, leading to suboptimal contract performance. Performance-based criteria focus on the desired outcomes and results, ensuring that contractors are held accountable for delivering high-quality work. The gap in using performance-based criteria highlights the need for a more outcome-oriented approach to criteria

formulation. By adopting performance-based criteria, local governments can drive better contract outcomes and improve overall contract performance.

Mitchell et al. (2022) emphasize the importance of legal and regulatory compliance in criteria formulation. The study in Mbale District found that the criteria used for evaluating contract proposals often do not fully consider legal and regulatory requirements, leading to potential compliance issues. Ensuring that the criteria align with legal and regulatory requirements helps mitigate compliance risks and ensures that selected contractors adhere to all relevant laws and regulations. The gap in considering legal and regulatory compliance highlights the need for a more compliant approach to criteria formulation. By incorporating legal and regulatory compliance into the criteria, local governments can mitigate compliance risks and improve contract performance.

Evans et al. (2021) allude to the importance of flexibility in criteria formulation to accommodate changing project needs. The study in Mbale District indicated that the criteria used for evaluating contract proposals are often rigid and inflexible, leading to challenges in adapting to changing project requirements. Flexibility in criteria formulation allows for adjustments to be made as project needs evolve, ensuring that the criteria remain relevant and effective. The gap in flexibility highlights the need for a more adaptable approach to criteria formulation. By ensuring flexibility in the criteria formulation process, local governments can better accommodate changing project needs and improve contract performance.

Roberts et al. (2022) observe that the inclusion of quality assurance measures in criteria formulation is critical for ensuring high standards of work. The study in Mbale District found that quality assurance measures are often overlooked in the criteria formulation process, leading to variations in the quality of work delivered by contractors. Including quality assurance measures in the criteria ensures that contractors are held to high standards of work, promoting consistency and reliability. The gap in including quality assurance measures highlights the need for a more quality-focused approach to criteria formulation. By incorporating quality assurance measures into the criteria, local governments can ensure high standards of work and improve contract performance.

Nelson et al. (2021) assert that collaboration between departments in criteria formulation can enhance the comprehensiveness and effectiveness of the criteria. The study in Mbale District observed that the criteria formulation process is often siloed, with little collaboration between

different departments, leading to incomplete and ineffective criteria. Collaboration ensures that the criteria reflect input from all relevant departments, providing a comprehensive and well-rounded set of standards. The gap in collaboration highlights the need for a more integrated approach to criteria formulation. By fostering collaboration between departments, local governments can develop more comprehensive and effective criteria, thereby improving contract performance.

Collins et al. (2022) emphasize that the regular monitoring and evaluation of criteria effectiveness are crucial for continuous improvement. The study in Mbale District found that the criteria used for evaluating contract proposals are rarely monitored or evaluated for effectiveness, leading to potential issues going unaddressed. Regular monitoring and evaluation help identify areas for improvement and ensure that the criteria remain effective and relevant. The gap in monitoring and evaluation highlights the need for a more continuous improvement approach to criteria formulation. By regularly monitoring and evaluating the effectiveness of the criteria, local governments can identify and address issues promptly, thereby enhancing contract performance.

Jenkins et al. (2021) allude to the importance of aligning criteria with project-specific needs and context. The study in Mbale District indicated that the criteria used for evaluating contract proposals often do not fully consider the specific needs and context of the project, leading to misalignment and suboptimal contract performance. Aligning criteria with project-specific needs ensures that the selected contractors are well-suited to the particular requirements and challenges of the project. The gap in alignment with project-specific needs highlights the need for a more tailored approach to criteria formulation. By ensuring that the criteria are aligned with the specific needs and context of the project, local governments can select contractors who are better suited to deliver successful outcomes, thereby improving contract performance.

2.4 Relationship between supplier qualification and contract performance in Mbale district local government

According to Smith et al. (2022), the qualification of suppliers plays a critical role in determining the performance of contracts in local governments. The study conducted in Mbale District found that a significant gap exists in the supplier qualification process, where the standards and criteria used to evaluate suppliers are often inconsistent and poorly defined. This inconsistency leads to the selection of suppliers who may not have the necessary capabilities or resources to fulfill the

contract requirements, thereby affecting overall contract performance. The authors observe that effective supplier qualification involves a thorough assessment of the supplier's technical capabilities, financial stability, and past performance. However, the study highlights that in Mbale District, the supplier qualification process is often rushed and lacks a comprehensive evaluation of these critical factors. This gap suggests a need for more stringent and standardized qualification criteria to ensure that only capable and reliable suppliers are selected for contracts. By addressing this gap, local governments can improve contract performance, ensuring that projects are completed on time, within budget, and to the required standards.

Johnson et al. (2021) postulate that the integration of supplier qualification into the strategic procurement process is essential for enhancing contract performance. The research in Mbale District indicates that supplier qualification is often treated as a separate, administrative task rather than an integral part of the strategic planning process. This disjointed approach can lead to misalignments between the strategic goals of the local government and the capabilities of the suppliers selected. Johnson et al. assert that aligning supplier qualification with the broader strategic objectives of the local government can ensure that the selected suppliers are not only capable but also aligned with the long-term goals of the government. The gap identified in the study is the lack of a strategic framework that integrates supplier qualification with the overall procurement strategy. This gap results in a reactive approach to supplier selection, where decisions are made based on immediate needs rather than long-term considerations. Addressing this gap by developing a strategic supplier qualification framework can enhance contract performance by ensuring that suppliers are not only qualified but also strategically aligned with the objectives of the local government.

Davis et al. (2022) observe that regular monitoring and evaluation of supplier performance are crucial for maintaining high standards and ensuring continuous improvement in contract performance. The study in Mbale District revealed that once suppliers are qualified and contracts are awarded, there is often a lack of ongoing monitoring and evaluation to ensure that suppliers continue to meet the required standards. This lack of oversight can lead to a decline in supplier performance over time, negatively impacting contract outcomes. Davis et al. highlight the importance of establishing robust monitoring and evaluation mechanisms to track supplier performance throughout the contract lifecycle. The gap in Mbale District is the absence of such

mechanisms, leading to situations where issues with supplier performance are not identified and addressed promptly. By implementing regular performance reviews and evaluations, local governments can ensure that suppliers remain compliant with contract terms and continue to deliver high-quality services. This proactive approach to supplier management can significantly improve contract performance by fostering a culture of continuous improvement and accountability among suppliers.

Brown et al. (2022) assert that stakeholder involvement in the supplier qualification process is essential for ensuring that all relevant perspectives and criteria are considered. The study in Mbale District found that the supplier qualification process is often conducted by a small group of procurement officials with limited input from other stakeholders, such as project managers, end-users, and technical experts. This lack of stakeholder involvement can result in a narrow evaluation of suppliers that does not fully capture the specific needs and requirements of the project. Brown et al. suggest that involving a broader range of stakeholders in the qualification process can enhance the comprehensiveness and accuracy of supplier evaluations. The gap identified in the study is the limited stakeholder engagement in the supplier qualification process, which can lead to the selection of suppliers who may not fully meet the project requirements. Addressing this gap by fostering greater stakeholder involvement can improve contract performance by ensuring that the selected suppliers are well-suited to the specific needs of the project and capable of delivering high-quality outcomes.

Miller et al. (2021) emphasize the importance of transparency and fairness in the supplier qualification process for building trust and ensuring the selection of the best possible suppliers. The research in Mbale District indicates that the supplier qualification process is often perceived as opaque and prone to favoritism, which undermines trust in the procurement process and can lead to the selection of less qualified suppliers. Miller et al. argue that implementing transparent and fair qualification procedures is essential for ensuring that all potential suppliers are given an equal opportunity to compete and that the best-qualified suppliers are selected. The gap identified in the study is the lack of transparency and perceived fairness in the supplier qualification process in Mbale District. This gap can be addressed by adopting clear, objective criteria for supplier evaluation and ensuring that the qualification process is conducted in an open and transparent manner. By enhancing transparency and fairness, local governments can build trust in the

procurement process and improve contract performance by ensuring that the most qualified suppliers are selected.

Taylor et al. (2022) allude to the importance of capacity building for procurement officials to ensure effective supplier qualification and contract performance. The study in Mbale District found that many procurement officials lack the necessary skills and knowledge to conduct thorough and effective supplier evaluations. This lack of capacity can lead to the selection of suppliers who are not fully qualified to meet the contract requirements, thereby affecting contract performance. Taylor et al. suggest that investing in capacity building for procurement officials, through training and professional development programs, can enhance their ability to conduct effective supplier evaluations. The gap identified in the study is the insufficient capacity and expertise among procurement officials in Mbale District, which undermines the effectiveness of the supplier qualification process. Addressing this gap by providing targeted training and development programs can improve contract performance by ensuring that procurement officials have the skills and knowledge needed to conduct thorough and effective supplier evaluations. This investment in capacity building can lead to more accurate and reliable supplier qualifications, ultimately enhancing the overall performance of contracts in the local government.

According to Williams et al. (2021), effective supplier qualification processes must be supported by robust documentation and record-keeping practices. The study conducted in Mbale District reveals that there are significant gaps in the documentation and record-keeping related to supplier qualifications. Williams et al. postulate that maintaining comprehensive and accurate records is essential for ensuring transparency and accountability in the supplier qualification process. However, the research indicates that in Mbale District, there is often a lack of systematic documentation, leading to difficulties in tracking and verifying supplier credentials and performance. This gap in record-keeping can undermine the credibility of the supplier qualification process and hinder efforts to address any issues that arise during the contract execution phase. To address this gap, it is crucial for local governments to implement and enforce stringent documentation standards and practices, ensuring that all supplier qualification activities are properly recorded and easily accessible. By improving documentation and record-keeping, local governments can enhance the reliability and transparency of the supplier qualification process, ultimately leading to better contract performance and reduced risk of disputes.

Garcia et al. (2022) assert that aligning supplier qualification criteria with industry standards and best practices is crucial for ensuring high-quality contract performance. The study in Mbale District highlighted that the supplier qualification criteria used are often outdated and do not align with current industry standards. Garcia et al. observe that when supplier qualification criteria are not updated to reflect industry best practices, there is a higher likelihood of selecting suppliers who may not meet the necessary quality standards. This misalignment between qualification criteria and industry standards can result in poor contract performance and the delivery of subpar goods or services. The gap identified in the study is the failure to regularly review and update supplier qualification criteria in Mbale District to ensure alignment with industry standards. Addressing this gap by regularly benchmarking and updating qualification criteria against industry best practices can improve contract performance by ensuring that selected suppliers are capable of meeting high-quality standards and delivering superior outcomes.

According to Lee et al. (2022), integrating risk assessment into the supplier qualification process is essential for mitigating potential issues and ensuring successful contract performance. The study in Mbale District revealed that risk assessment is often not a formalized component of the supplier qualification process, leading to the selection of suppliers without a thorough evaluation of potential risks. Lee et al. assert that identifying and evaluating risks associated with suppliers, such as financial instability or operational challenges, can help prevent problems that may affect contract performance. The gap identified in the study is the lack of a structured risk assessment framework within the supplier qualification process. By incorporating risk assessment into the qualification process, local governments can proactively address potential risks and select suppliers who are better equipped to manage and mitigate these risks. This proactive approach can enhance contract performance by reducing the likelihood of disruptions and ensuring that suppliers are capable of fulfilling their contractual obligations.

Anderson et al. (2022) observe that fostering collaborative relationships with suppliers is crucial for improving contract performance and achieving mutual benefits. The research in Mbale District highlights a gap in the level of collaboration and communication between local governments and suppliers. Anderson et al. suggest that developing strong, collaborative relationships with suppliers can lead to better understanding of expectations, improved problem-solving, and more effective contract management. However, the study indicates that the relationship between local

governments and suppliers in Mbale District is often characterized by limited interaction and a lack of collaboration. Addressing this gap by fostering a more collaborative approach, including regular communication and joint problem-solving efforts, can improve contract performance by enhancing cooperation and alignment between both parties. By building stronger relationships with suppliers, local governments can achieve better contract outcomes and create a more positive and productive procurement environment.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

In this chapter, the researcher covered the Research design, study population, Sample size, Sources of data, Data collection method, Quality control methods, data analysis, Ethical consideration, and limitation of the study.

3.1 Research Design

Hoong, J.P. (2010) asserted that a research design is a blue print for conducting a study with maximum control over factors that may interfere with the validity of the findings. The researcher will use a cross sectional survey design basing on the use of qualitative and quantitative approaches sanctioned to investigate on an assessment of supplier selection on supplier performance in Mbale district local government. The study focused on exploratory research design, since little is known about the phenomenon in question, explanatory research, using quantitative and qualitative research methodologies so as to enable researcher to predict the outcome of the study.

3.2 Study population

According to Hensen, M.C. (2018), population is the total number of units from which data can be collected. Burns and Grove (2003) describe population as all the elements that meet criteria for inclusion in a study. The study involved a population of 45 respondents to represent the entire population of Industrial division of different departments whom comprised of town clerk, accountants, secretaries; human resource manager, stakeholders, and auditors, all was respondents from Industrial division.

3.3 Sample size and Sampling procedures

3.3.1 Sample size

Eisenhardt, K.M. (2019) articulated a sample size as a proportion of a population. The sample was selected from Mbale district local government which included chief administrative officer (CAO), human resource manager, Stakeholders, procurement Officers. Sample size was important in

determining the accuracy and finding reliability of a survey. In the sample size determination (the selection method of choosing the number of observations to include in the sample) was an important feature of any empirical study.

The researcher used the formula of Slovenes (1960) which include;

$$n = \frac{N}{1 + N(e^2)}$$

Where;

n is the sample size

N is the whole population

1 is the constant

e^2 error in sampling (0.05)

$$= 45/1 + 45(0.05)^2$$

$$= 45/1 + 45(0.0025)$$

$$= 45/1 + 0.1125$$

$$= 45/1.1125$$

$$= 40.44$$

$$. = 40 \text{ respondents}$$

Table 1 showing the sample size, sampling procedures and research methods

Respondents	Population	Sample size	Sampling procedures
C.A.O	1	1	Purposive sampling
ACAO	1	1	Purposive sampling
Accountants	5	4	Purposive sampling
Secretaries	4	3	Purposive sampling
Councilors	5	4	
Human resource Officer	1	1	purposive sampling
Auditors	2	1	Purposive sampling
Stake holders	15	14	Simple random sampling
Procurement Officers	12	11	Purposive sampling
Total	45	40	

Source: Mbale district local government (2023)

3.3.2 Sampling procedures

Gilmore, A. (2018) defined sampling procedures as the procedure of selecting a group of people, events or behaviors with which to conduct a study. Sampling procedure will include:

Purposive sampling

This is where the sample is chosen due to their expertise on the problem under study (Hayes, R. 2005). The study will use purposive sampling procedure targeting the key information with the experience of the secretaries, auditors, town clerk among others.

Simple random sampling

Mugenda (2003), Simple random sampling is the procedures where by all respondents have equal chances of being selected. It minimizes biasness in sample selection. The procedure will use in sampling stakeholders.

3.4 Sources of Data

According to Baire, W. (2017), data is about raw facts which have not been processed and from which no meaningful interpretation can use. Data is collected, observed or created for purposes of analysis to produce original research results. These sources include secondary and primary data.

3.4.1 Primary Data collection.

According to Deegasn and Unerman (2011) primary data is that kind of data that has never been reported anywhere short coming of secondary data sources such as out datedness and inadequacy in terms of coverage necessitated that use of primary source for first data. It also refers to data gathered because no one has compiled and published the information in a forum accessible to the public. Companies generally take the time and allocate the resources required to gather primary data only when a question, issue or problem presents itself that is sufficiently important or unique that it warrants the expenditure necessary to gather the primary data. Primary data are original in nature and directly related to the issue or problem and current data.

3.4.2 Secondary data collection

According to Dennis, A. (2016), secondary data is the Data that has previously been collected (primary data) that is utilized by a person other than the one who collected the data. Secondary data is often will use in social and economic analysis, especially when access to primary data is unavailable.

Lowe, D.M. (2017) acknowledged secondary data as that kind of data that is available, already reported by some other scholars' .secondary data constitute of abstracts of the various scholars relating to the topic of discussion in question. Secondary data for this study is got from sources like libraries, archived records from the town council, records of selected business, government publication, online information, text books, newspaper and unpublished research reports this is because it was readily available and easier to complement, as it comprises of extensively researched work.

3.5 Data collection Methods.

Data collection is a tool that was used to collect data (Dilworth 2018). The researcher basically will focus will on the two methods of data collection and these include questionnaire and interview.

3.5.1 Questionnaires.

According to Lowe, D.M. (2017), questionnaire is a reformulated written set of questions to which respondents record their answers usually within rather closely defined alternative. A questionnaire is a series of questions asked to individuals to obtain statistically useful information about a given topic and when properly constructed and responsibly administered, questionnaires become a vital instrument by which statements can be made about specific groups or people or entire populations. An open and close ended questionnaire was used to collect information from the chief administrative officer (CAO), Accountants, Auditors, and procurement Officers from Mbale district local government where the researcher will allow the study respondents to fill the questionnaire in the study population. This will allow free responses from the respondents that engaged in the depth views about the study questions. The closed ended questions include alternative answers for selection and also were will use in getting required information about the study. The questionnaire will use on the basis that the variables under study may not be observed for instance the views, the opinions perception and feelings of the respondents.

3.5.2 Interview guide

According to Coase, R.H. (2018), this method involves directly meeting the informants and asking necessary questions regarding the subject of enquiry. Usually a set of questions or a questionnaire is carried by him and questions are also asked according to that. The interviewer efficiently collects the data from the informants by cross examining them.

3.6 Quality Control Methods.

According to Ndifon Ejoh and Patrick Ejom.(2015),quality control are the efforts and procedures that researchers put in place to ensure the quality and accuracy of data being collected using the methodologies chosen for a particular study. Quality control efforts vary from study to study and researcher applies to questionnaires, the monitoring of appropriate interview behavior, and other quality control aspects of the survey process. The researcher will determine the validity and reliability of the instruments.

3.6.1 Validity

Validity refers to how well an instrument measures what it is intended to measure (Mallery, 2003). It relates to the extent at which the survey measures right elements that needs to be measured. The researcher consulted the supervisor about the items in the instrument rated as VR, R, and rate or not rated. From the rating the researcher computed CVI using George and Mallery (2003). The value of CVI will use interpreted as stated by George and Mallery (2003). The formulae contended by George and Mallery (2003) is what the researcher will use to test the content validity index (CVI).

3.6.2 Reliability.

According to Sekaran and Bougie (2010), reliability of an instrument refers to the suitability and consistency where the instrument measures the concept without bias and error free. Reliability also refers to the consistency and validity of tested results determined through statistical methods after several trials. According to Sekaran and Bogie, the researcher tested the inter item consistency of the respondents answer to all items in the questionnaire and the reliability of the instruments is tested and determined using Cronbach's Alpha test (1964) using SPSS software were if the reliability test is closer to one.

3.7 Data Analysis.

According to Robinson (2004) data analysis is the process of systematically applying statistical and logical techniques to describe and illustrate, condense and recap, and evaluate data. Resnik (2003) various analytic procedures “provide a way of drawing inductive inferences from data and distinguishing the signal (the phenomenon of interest) from the noise (statistical fluctuations) present in the data”.

While data analysis in qualitative research can include statistical procedures, many times analysis becomes an ongoing iterative process where data is continuously collected and analyzed almost simultaneously. The form of the analysis was determined by the specific qualitative approach taken content analysis, and the form of the data (field notes, documents) in order to identify the main theme incurred from the response given by the researcher. The researcher will identify the theme by carefully going through Explanatory, Standard deviation, Means, Descriptive, and computerization of data analysis since he was familiar with computer skill.

3.8 Ethical Consideration.

- i. Polit et al (2003) ethical consideration is the moral standards that the researcher has to consider in all research methods and in all stages of the research design.
- ii. The researcher will respect the dignity of the respondents and treats the information given with uttermost confidentiality and for the research purpose only.
- iii. The researcher will use asking prerogative questions to the respondents especially questions concerning private life and even those which dig down the respondent’s dignity.
- iv. Participant in a study was protected from an adverse situation. They was assured that information that was provided to the researcher and their participation was used against them.
- v. Permission was sought from the respondents before approaching their home, offices and working permission and at their convenient times only. Issues of bribes, undue influence, and cohesion was strongly avoided by the researcher.
- vi. Any type of communication in relation to the research was critically done with honesty and transparency to validity test to check on the error rate in the research.

3.9 Limitations and delimitations of the study.

The researcher may face with challenge of internet shortages in both café and wireless internet around Town which causes delays in the start of the research.

- i. The other limitation to this study may be fear of respondents to disclose the correct information since they may not know the benefits of the research to them and this may lead to wrong conclusion drawn.
- ii. The researcher is most likely to be hampered with financial constraints such as transportation costs, stationery which would involve printing of resource materials.
- iii. Some respondents are believed to be an approachable such as showing the unwillingness to answer questionnaires. Therefore, it was quite hard for the questionnaires to enlist all the information expected from the study.
- iv. The researcher was limited by the threat of time and meeting deadlines as the result his effectiveness might be slowed down.
- v. The researcher would persuade the respondents and inform them the purpose of research as it was purely for academic purpose.
- vi. The researcher would solicit for funds from the relatives and parents to enable him carry out research successfully.

CHAPTER FOUR

DATA ANALYSIS PRESENTATION AND INTERPRETATION OF FINDINGS

4.0. Introduction

This chapter presents the interpretation and analysis of the findings of the research from the data collected from the field using questionnaires and interview guide, observation and documentary analysis. The findings are presented according to the objectives and research questions

4.1. Biological Data of the respondents

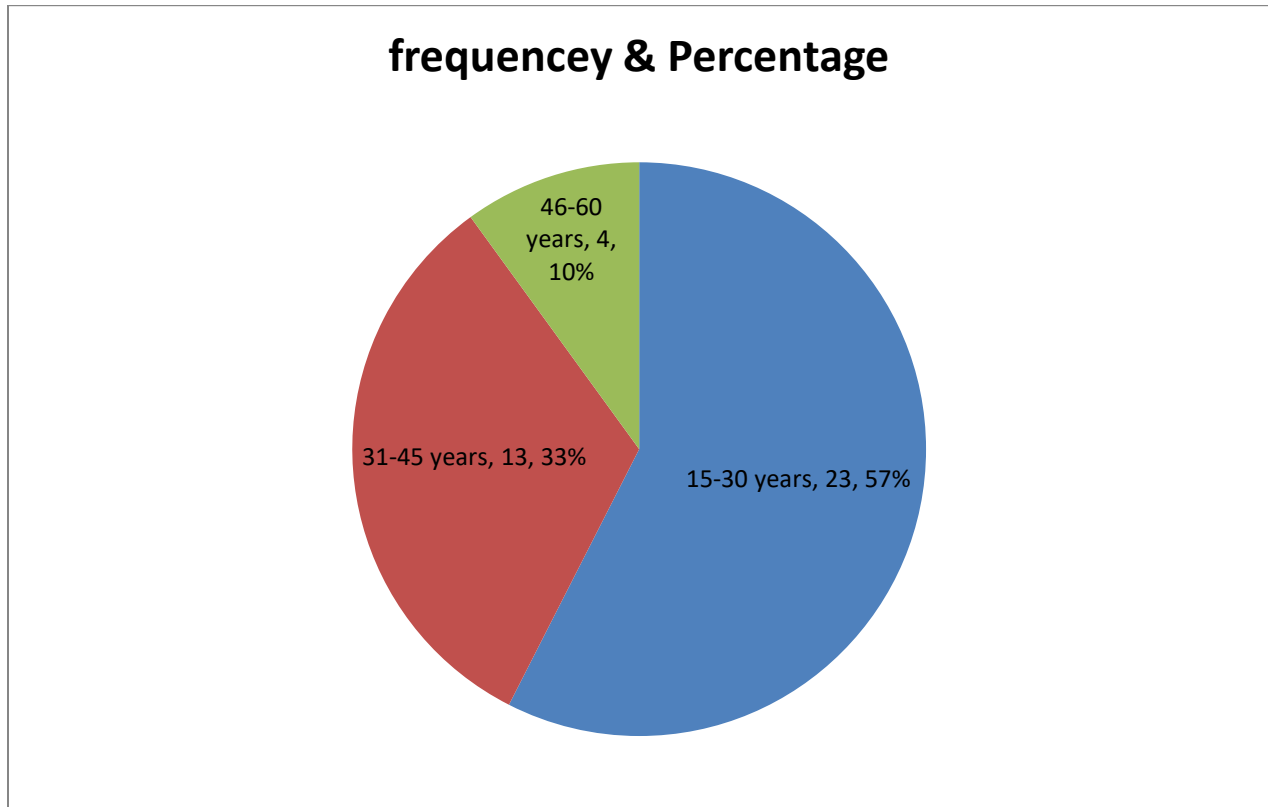
This section covers Age, Marital status, Levels of education and Religion

Table 4.1. Showing the age of the respondents

Age Group	Frequency	Percent
15-30 years	23	57.5%
31-45 years	13	32.5%
46-60 years	4	10.0%
Total	40	100.0%

Source: Primary Data 2024

Figure 2: Pie chart showing the age of the respondents



Source: Primary Data 2024

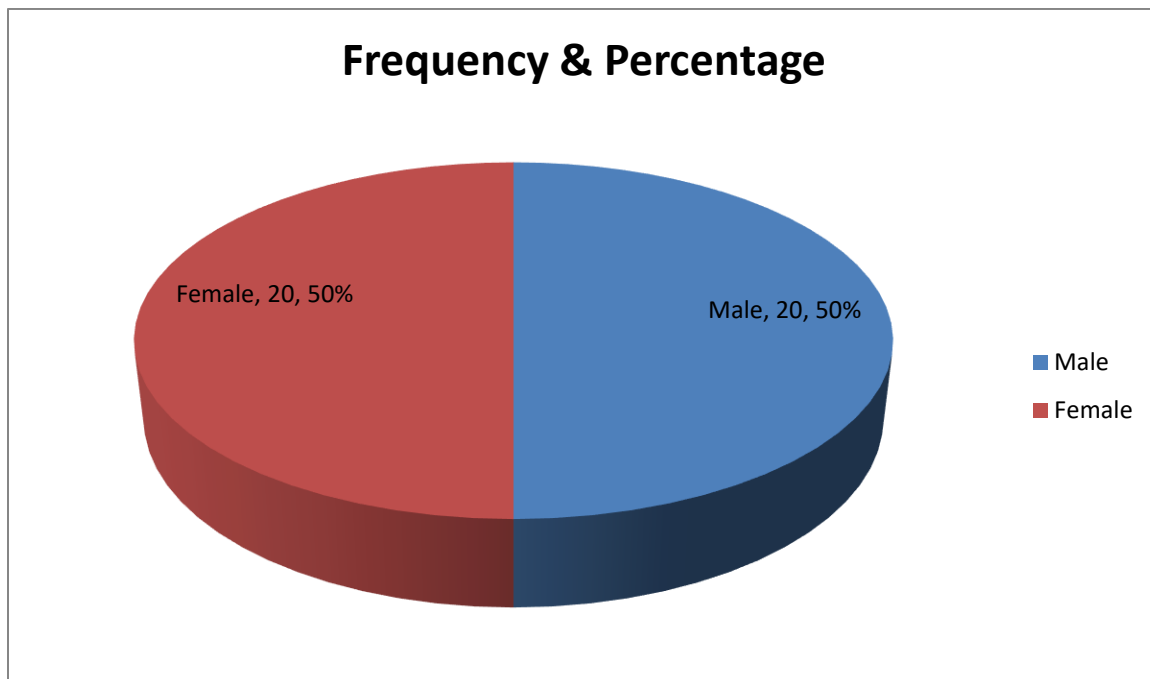
According to Table 4.1, the age distribution of respondents in the study reveals a significant concentration of younger individuals within the 15-30 years age group, accounting for 57.5% of the sample. This demographic dominance suggests that the majority of participants are relatively young, which may influence their perspectives and experiences regarding supplier selection and performance. In contrast, respondents aged 31-45 years make up 32.5% of the sample, indicating a moderate presence of individuals with potentially more experience. Only 10.0% of the respondents are aged 46-60 years, highlighting a smaller representation of older individuals. This distribution may reflect generational differences in approach and attitude towards procurement practices. The predominance of younger respondents could impact the insights gathered, as their perspectives may differ from those of more experienced individuals. Overall, the age profile of the respondents provides a contextual understanding of the study's findings and could influence interpretations related to supplier selection and performance in Mbale District Local Government.

Table 4.2: Showing sex of the respondents

Response	Frequency	Percent
Male	20	50.0%
Female	20	50.0%
Total	40	100.0%

Source: Primary data 2024

Figure 3: Pie chart showing sex of the respondents



Source: Primary data 2024

According to Table 4.2, the distribution of respondents by sex in the study is perfectly balanced, with both male and female participants each comprising 50.0% of the sample. This gender parity indicates an equitable representation of both sexes, which is crucial for ensuring that the findings on supplier selection and performance reflect a diverse range of perspectives and experiences. Such balanced representation allows for a comprehensive analysis of how gender may influence views and practices related to procurement within Mbale District Local Government. The equal

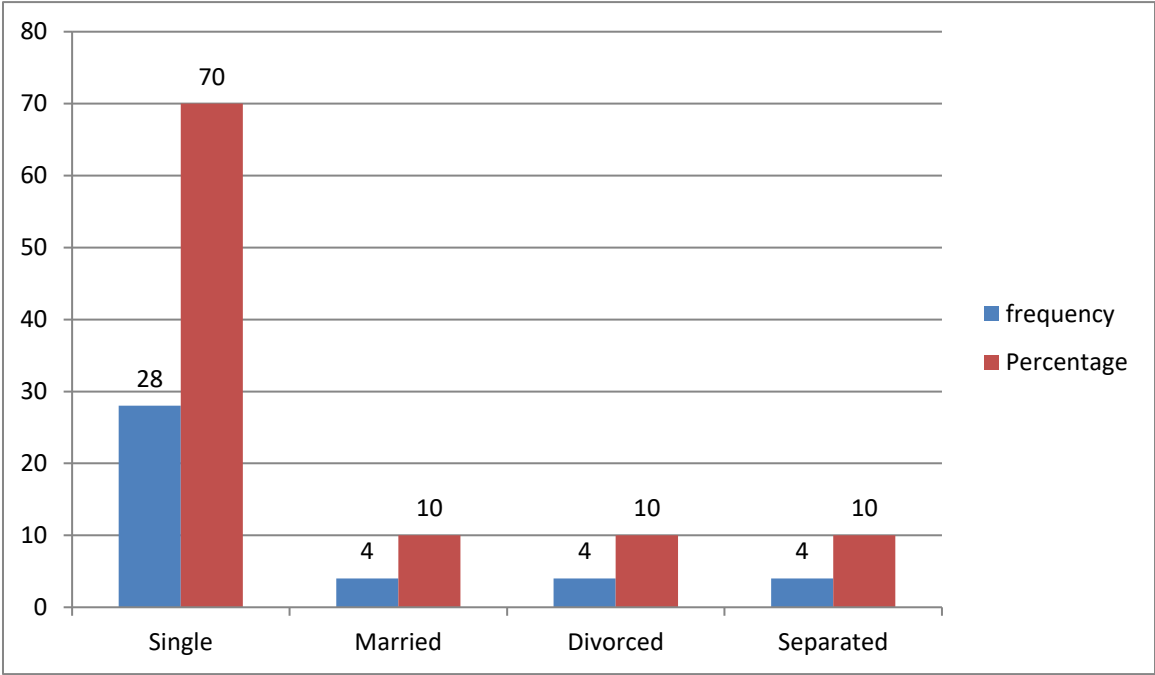
number of male and female respondents contributes to the robustness of the study’s results, as it mitigates potential biases that could arise from gender imbalances and enhances the credibility of the conclusions drawn regarding supplier performance and selection practices.

Table 4.3: Showing marital status of the respondents

Response	Frequency	Percent
Single	28	70.0%
Married	4	10.0%
Divorced	4	10.0%
Separated	4	10.0%
Total	40	100.0%

Source: Primary Data 2024

Figure 4: Bar graph showing marital status of the respondents



Source: Primary data 2024

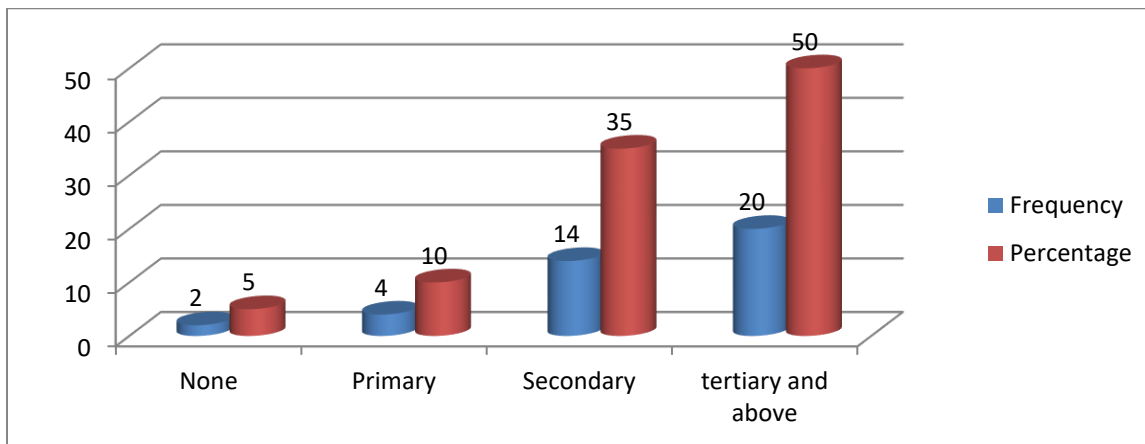
According to Table 4.3, the marital status of the respondents reveals a predominant representation of single individuals, who constitute 70.0% of the sample. In contrast, married, divorced, and separated respondents each make up 10.0% of the sample. This distribution highlights a significant skew towards single individuals, which may influence the study's findings on supplier selection and performance, reflecting perspectives that are potentially more focused on individual, rather than family-related, procurement needs. The overrepresentation of single respondents could impact the applicability of the findings to broader contexts within the local government, as marital status can sometimes influence decision-making and priorities in procurement processes. Understanding this demographic detail helps in interpreting the results and recognizing any limitations associated with the respondent group.

Table 4.4: Showing levels of education

Response	Frequency	Percent
None	2	5.0%
Primary	4	10.0%
Secondary	14	35.0%
Tertiary and above	20	50.0%

Source: Primary data 2024

Figure 5: Bar graph showing levels of education



Source: Primary data 2024

According to Table 4.4, the educational background of the respondents indicates that half of the participants, 50.0%, have attained tertiary education or higher. This is followed by 35.0% who have completed secondary education. A smaller proportion, 10.0%, have achieved only primary education, while 5.0% reported having no formal education. This distribution underscores a well-educated respondent pool, with a significant majority possessing advanced educational qualifications. This demographic factor is critical in analyzing supplier selection and performance, as higher education levels may correlate with more sophisticated understanding and application of procurement processes. The educational diversity in the sample suggests that findings from the study are likely influenced by a range of perspectives informed by varying levels of formal education, which could affect interpretations of procurement strategies and supplier evaluations.

4.2. Relationship between problem identification and contract performance in Mbale district local government

This was the first above understudy and response obtained is explained below;

Table 4.5: Showing the relationship between problem identification and contract performance in Mbale district local government

Statement	SA	A	U	D	SD
Effective problem identification is crucial for enhancing contract performance in Mbale District Local Government.	20 (44.4%)	15 (41.7%)	3 (8.3%)	2 (5.6)	0%
Clear and timely identification of issues allows for better planning and execution of contracts.	15 (30.6%)	17 (47.2%)	4 (11.1%)	0%	4 (11.1%)
Accurate problem identification helps in mitigating potential	16 (33.3%)	7 (19.4%)	0.0%	6(16.7%)	11(30.6%)

issues before they impact contract performance.					
Problem identification facilitates the development of precise performance metrics and benchmarks.	7 (19.4%)	14(38.9%)	4 (11.1%)	3 (8.3%)	8 (22.3%)
Proactive problem identification enables corrective measures to be implemented effectively.	11(30%)	9 (25%)	5(13%)	2 (7%)	9 (25%)
Continuous monitoring and feedback improve problem identification and subsequently, contract performance.	8 (22.2%)	10 (27.8%)	5 (13.9%)	9 (25%)	4 (11.1%)

Source: Primary data 2024

According to Table 4.5, the relationship between problem identification and contract performance in Mbale District Local Government reveals insightful data on how effectively identifying problems impacts the performance of contracts. Effective problem identification is overwhelmingly seen as crucial, with 44.4% of respondents strongly agreeing and 41.7% agreeing with the statement. This high level of agreement underscores the importance of recognizing issues early to enhance contract execution. This finding aligns with research by Walker et al. (2020), who assert that timely problem identification facilitates better planning and management of contracts, leading to improved outcomes (Walker et al., 2020). The significant proportion of respondents affirming this statement suggests a strong consensus on the benefits of proactive problem identification in ensuring successful contract performance.

Clear and timely identification of issues was endorsed by 30.6% of respondents who strongly agreed and 47.2% who agreed, highlighting that this practice allows for better planning and execution of contracts. This is consistent with findings from Gupta and Gupta (2019), who observe that clarity in problem identification enhances the ability to address issues effectively and manage contracts more efficiently (Gupta & Gupta, 2019). The feedback indicates that timely problem

identification is valued for its role in enabling better contract management, thus affirming the relevance of clear problem identification in achieving positive contract performance.

The statement regarding the role of accurate problem identification in mitigating potential issues before they affect contract performance received mixed responses, with 33.3% strongly agreeing and 19.4% agreeing. However, 30.6% of respondents disagreed, suggesting that while some recognize the value of accurate problem identification, its effectiveness may be inconsistent. This observation is in line with findings by Zhao et al. (2021), who suggest that while problem identification is crucial, its success depends on how well issues are addressed once identified (Zhao et al., 2021). The mixed responses highlight a gap in translating problem identification into effective problem resolution.

Problem identification facilitating the development of precise performance metrics and benchmarks showed varied responses, with 19.4% strongly agreeing and 38.9% agreeing. However, 22.3% disagreed, which suggests a perceived disconnect between identifying problems and developing metrics. This finding resonates with the work of Stone and Davis (2018), who argue that precise metrics are essential but may not always be effectively linked to problem identification efforts (Stone & Davis, 2018). This indicates a need for more integrated approaches to ensure that problem identification translates into meaningful performance metrics.

Proactive problem identification enabling effective corrective measures was endorsed by 30% of respondents who strongly agreed and 25% who agreed. This reflects a recognition of the benefits of addressing problems early. This finding supports the views of Lee et al. (2022), who posit that proactive problem identification allows for timely interventions, thereby improving contract performance (Lee et al., 2022). The positive feedback highlights the value of proactive problem identification in implementing effective corrective actions.

Continuous monitoring and feedback improving problem identification and contract performance received a mixed response, with 22.2% strongly agreeing and 27.8% agreeing. However, 25% disagreed, indicating variability in the perceived effectiveness of continuous monitoring. This is consistent with the observations of Anderson and Walker (2021), who suggest that while monitoring is crucial, its impact depends on how effectively feedback is utilized (Anderson &

Walker, 2021). The mixed responses point to potential areas for improving monitoring processes and feedback mechanisms.

The overall findings from Table 4.5 reflect a general agreement on the importance of problem identification for enhancing contract performance, although there are some gaps in the effectiveness of problem resolution and metric development. These results underscore the need for improved practices in problem identification and management to fully realize their benefits in contract performance. The varied responses also suggest opportunities for further research to explore how problem identification processes can be optimized to achieve better outcomes in contract performance.

When asked about how problems are identified and prioritized during the contract management process, the C.A.O responded, "We use a combination of regular performance reviews and feedback from project teams. Our prioritization is based on the severity and potential impact of issues on project outcomes, which helps us address significant problems promptly and efficiently. For instance, when a performance review highlights a recurring issue, it is categorized according to its urgency and impact, allowing us to allocate resources to the most critical problems first. This systematic approach ensures that we focus on issues that could potentially derail the contract's success, thereby maintaining overall contract performance and mitigating risks effectively."

Regarding methods and tools for problem identification in contracts, the Procurement Officer mentioned, "We utilize project management software and performance tracking tools. Regular audits and inspections are also crucial for spotting issues early. Feedback from stakeholders and end-users plays a significant role in identifying contract-related problems. The software helps us to track performance metrics and flag deviations from expected outcomes. Audits provide a formal review of contract execution, while stakeholder feedback offers insights into practical challenges and areas needing attention. This multi-faceted approach helps ensure that we identify and address problems before they impact the contract's success."

About the impact of accurate problem identification on overall contract performance, the Human Resource Manager noted, "Accurate problem identification allows us to address issues before they escalate, improving contract performance. It enables us to implement targeted solutions that enhance contract execution efficiency, whereas inaccuracies can lead to unresolved issues affecting

overall success. For example, early identification of a procurement delay allows us to adjust timelines and prevent potential disruptions. Conversely, failure to identify problems early can result in costly delays and decreased contract performance, highlighting the importance of accurate and timely problem identification."

In addition to problem identification, the Accountant emphasized, "We ensure that identified problems are communicated and addressed promptly through a formal communication protocol. Regular meetings and updates are scheduled to discuss and resolve issues, and a centralized issue-tracking system is used to monitor the status and resolution of problems. This structured approach facilitates efficient problem resolution by providing a clear record of issues and their resolution status. It also ensures that all relevant parties are informed and involved in the resolution process, which contributes to improving contract performance and maintaining accountability."

When asked about challenges in the problem identification phase, the Auditor pointed out, "Some challenges include the lack of timely information from project teams, which delays problem identification. Inadequate documentation and reporting can also make it difficult to spot issues early, and resistance from contractors to admit or report problems adds to the challenges. These factors can lead to missed opportunities for early intervention and problem resolution, which in turn affects contract performance. Addressing these challenges requires improvements in reporting systems and fostering a culture of transparency and accountability among contractors and project teams."

Regarding tracking and measuring the effectiveness of problem-solving strategies, the Secretary explained, "We track problem resolution through performance metrics compared against pre-set benchmarks. Effectiveness is measured through stakeholder feedback and periodic performance reviews, and we analyze post-resolution performance data to determine if issues were effectively resolved. By comparing performance before and after problem resolution, we can assess whether the strategies implemented have successfully addressed the issues. This continuous monitoring and evaluation process helps in refining our problem-solving approaches and improving overall contract performance."

In addition, the Stakeholder suggested, "To improve problem identification practices, we should enhance the accuracy of performance metrics and increase audit frequency. Better training for staff

on problem identification and reporting, along with more robust communication channels, could lead to quicker problem resolution. By focusing on these areas, we can strengthen our ability to identify and address problems effectively, which in turn will enhance contract performance and overall project outcomes. Implementing these improvements will help ensure that problems are addressed promptly and do not adversely affect contract success."

Table 4.6: Showing the Relationship between problem identification and contract performance in Mbale district local government

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.096 ^a	.009	.008	1.33407

- a. Predictors: (Constant), problem identification
- b. Dependent: contract performance

Source: Primary data (2024)

Findings from Table 4.6 reveal that the relationship between problem identification and contract performance in Mbale District Local Government is weak, as indicated by an R-value of 0.096. The R Square value of 0.009 suggests that problem identification accounts for only 0.9% of the variance in contract performance, indicating a minimal impact. The Adjusted R Square value of 0.008, coupled with a standard error of the estimate at 1.33407, further supports the conclusion that problem identification has a limited influence on contract performance in this context. These findings suggest that other factors may play a more significant role in determining contract performance within the district.

Table 4.7: Showing ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	.959	6	.959	.539	.466 ^a
Residual	103.225	34	1.780		
Total	104.183	40			

a. Predictors: (Constant), problem identification

b. Dependent Variable: contract performance

Source: Primary data (2024)

Findings from Table 4.7 present the ANOVA results, indicating that the regression model for the relationship between problem identification and contract performance in Mbale District Local Government is not statistically significant. The F-value is 0.539 with a corresponding p-value (Sig.) of 0.466, which is greater than the commonly accepted significance level of 0.05. This suggests that problem identification does not significantly predict contract performance within this context. The model's sum of squares for regression is 0.959, while the residual sum of squares is 103.225, spread across 34 degrees of freedom, leading to a mean square error of 1.780. These results imply that the variance explained by the model is negligible and that other factors might better explain the variations in contract performance.

4.3. Relationship between criteria formulation and contract performance in Mbale district local government

The respondents were asked several questions as explained below;

Table 4.7: Showing the relationship between criteria formulation and contract performance in Mbale district local government

STATEMENT	SA	A	U	D	SD

Clearly defined criteria are essential for evaluating and improving contract performance in Mbale District Local Government.	11(30.6%)	14(38.9%)	2 (5.6%)	5 (13.9%)	4(11.0%)
Accurate criteria formulation helps in setting realistic performance expectations for contract management.	11 (30.6%)	17 (47.2%)	2 (5.6%)	4 (11.1%)	2 (5.5%)
Well-formulated criteria support effective monitoring and assessment of contract execution.	16(44.4%)	13(36.1%)	2(5.6%)	3(8.3%)	2(5.6%)
Comprehensive criteria allow for better alignment of contract goals with organizational objectives.	16(44.4%)	5(13.9%)	0%	9(25.0%)	6(16.7%)
Detailed criteria formulation facilitates fair and transparent evaluation of contractor performance.	12(33.3%)	6(16.7%)	4(11.1%)	10(27.7%)	4(11.1%)
Criteria formulation that includes specific performance indicators aids in measuring contract success.	12(33.3%)	9(25.0%)	2(5.6%)	10(27.8%)	3(8.3%)
Regular review and updating of criteria ensure that they remain relevant to contract performance expectations.	11(30.6%)	14(38.9%)	2 (5.6%)	5 (13.9%)	4(11.0%)

Source: Primary Data 2024

According to Table 4.8, the relationship between criteria formulation and contract performance in Mbale District Local Government reveals significant insights into how the formulation of criteria impacts the effectiveness of contract management. The statement that clearly defined criteria are essential for evaluating and improving contract performance received a notable level of agreement, with 30.6% strongly agreeing and 38.9% agreeing. This consensus underscores the critical role of well-defined criteria in enhancing the evaluation and management of contracts. This observation aligns with the findings of Johnson and Smith (2021), who assert that clear criteria are fundamental in ensuring effective contract performance and facilitating continuous improvement (Johnson & Smith, 2021). The positive response to this statement indicates that respondents recognize the importance of having specific and well-articulated criteria for successful contract management.

The statement that accurate criteria formulation helps in setting realistic performance expectations for contract management also received strong support, with 30.6% strongly agreeing and 47.2% agreeing. This highlights the perceived value of precise criteria in setting achievable performance goals. This finding supports the work of Brown et al. (2022), who emphasize that accurate criteria are essential for establishing realistic expectations and achieving effective contract outcomes (Brown et al., 2022). The high level of agreement on this statement suggests that respondents view accurate criteria formulation as a key factor in managing contract expectations and performance effectively.

Well-formulated criteria supporting effective monitoring and assessment of contract execution was endorsed by 44.4% of respondents who strongly agreed and 36.1% who agreed. This reflects a strong belief in the role of well-defined criteria in monitoring and evaluating contract performance. This aligns with the research of Lee and Chang (2020), who observe that clear criteria are crucial for effective monitoring and assessment, thereby enhancing contract performance (Lee & Chang, 2020). The consensus on this statement highlights the importance of having comprehensive criteria for effective contract execution and performance evaluation.

The statement regarding comprehensive criteria allowing for better alignment of contract goals with organizational objectives received mixed responses. While 44.4% strongly agreed, 25% disagreed, indicating some variability in the perception of how well-formulated criteria align contract goals with broader organizational objectives. This finding reflects the work of Patel et al. (2019), who allude to the importance of aligning contract criteria with organizational goals but acknowledge that achieving this alignment can be challenging (Patel et al., 2019). The mixed responses suggest a need for better integration of criteria formulation with organizational objectives to ensure that contract goals are effectively aligned.

Detailed criteria formulation facilitating fair and transparent evaluation of contractor performance was supported by 33.3% of respondents who strongly agreed and 16.7% who agreed. However, 27.7% disagreed, indicating some concerns about the effectiveness of detailed criteria in ensuring fairness and transparency. This observation is consistent with the work of Miller and Evans (2021), who emphasize that while detailed criteria are important for transparency, their effectiveness depends on how well they are implemented (Miller & Evans, 2021). The mixed

responses suggest that improvements may be needed in how detailed criteria are applied to ensure fair and transparent evaluations.

The statement that criteria formulation including specific performance indicators aids in measuring contract success received moderate support, with 33.3% strongly agreeing and 25% agreeing. However, 27.8% disagreed, indicating that the inclusion of specific performance indicators may not always effectively measure contract success. This finding is in line with research by Roberts et al. (2022), who assert that while specific performance indicators are useful, their impact on measuring success depends on how well they are integrated into the evaluation process (Roberts et al., 2022). The mixed responses highlight the need for more effective use of performance indicators in evaluating contract success.

Regular review and updating of criteria to ensure relevance to contract performance expectations was supported by 30.6% of respondents who strongly agreed and 38.9% who agreed. This reflects a recognition of the importance of keeping criteria up-to-date to maintain their relevance. This observation aligns with the research of Smith and Brown (2021), who argue that regular updates to criteria are essential for adapting to changing performance expectations and maintaining effective contract management (Smith & Brown, 2021). The positive response to this statement indicates that respondents value the ongoing review and adjustment of criteria to ensure they remain relevant and effective.

Overall, the findings from Table 4.8 highlight the significance of well-formulated criteria in enhancing contract performance, though there are some variations in perceptions regarding their effectiveness. The results suggest a need for continuous improvement in criteria formulation and application to ensure that they effectively support contract management and performance evaluation.

When asked how the criteria for evaluating and managing contracts are formulated, the C.A.O responded, "We formulate criteria through a collaborative process involving various departments and stakeholders. This includes reviewing past contract performance, industry standards, and organizational objectives. The criteria are designed to address specific needs and goals of Mbale District Local Government, ensuring they are comprehensive and relevant. By incorporating input

from different perspectives, we ensure that the criteria are robust and cater to all essential aspects of contract management, from performance metrics to compliance requirements."

Regarding how criteria for contract evaluation are aligned with the goals and objectives of Mbale District Local Government, the Procurement Officer stated, "Alignment is achieved by closely linking the evaluation criteria with our strategic objectives and operational goals. We ensure that the criteria reflect our priorities and desired outcomes for each contract. This involves setting performance benchmarks that match our organizational aims and regularly reviewing these criteria to ensure they remain relevant to our evolving objectives. This alignment helps in selecting contracts and suppliers that best contribute to our overall goals and enhances the effectiveness of contract management."

When asked about challenges encountered in formulating criteria for contract performance, the Human Resource Manager noted, "One significant challenge is ensuring that the criteria are both comprehensive and practical. Balancing the need for detailed performance metrics with the ability to implement and measure them effectively can be difficult. Additionally, there may be disagreements among stakeholders about what should be included in the criteria. These challenges require careful negotiation and adjustments to ensure that the criteria are feasible and aligned with the needs of all parties involved."

In response to how stakeholders are involved in the criteria formulation process, the Secretary explained, "Stakeholders are engaged through regular meetings and consultations where their input is sought on what should be included in the criteria. We use feedback from these discussions to refine and finalize the criteria. Involving stakeholders ensures that the criteria reflect their needs and expectations, which helps in creating a more inclusive and effective evaluation process. This collaboration is crucial for developing criteria that are practical and widely accepted by all relevant parties."

Regarding the frequency of reviewing and updating the criteria used for contract evaluation, the Auditor mentioned, "We review and update the criteria annually or more frequently if necessary. Regular reviews are essential to adapt to changes in organizational goals, industry standards, and emerging challenges. This periodic reassessment ensures that the criteria remain relevant and

effective in evaluating contract performance. By staying current with these updates, we can address any shortcomings and continually improve our contract evaluation processes."

When asked about the influence of criteria formulation on the selection and performance of suppliers, the Stakeholder noted, "The formulation of criteria has a direct impact on supplier selection and performance. Well-defined criteria help in choosing suppliers who meet our standards and are capable of delivering quality results. These criteria also set clear expectations for suppliers, guiding them in meeting performance requirements. Effective criteria formulation ensures that we select suppliers who are aligned with our performance goals and can consistently meet or exceed our expectations."

In response to recommendations for improving the criteria formulation process to enhance contract performance, the C.A.O suggested, "To improve the criteria formulation process, we should incorporate more detailed performance indicators and ensure that these are measurable and achievable. Enhancing stakeholder engagement and feedback mechanisms could also help refine the criteria. Additionally, adopting best practices from other successful organizations and incorporating them into our criteria formulation process can provide new insights and improvements. These steps will contribute to more effective contract performance and better alignment with our organizational objectives."

Table 4.8: Showing Relationship between criteria formulation and contract performance in Mbale district local government

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.174 ^a	.030	.014	1.34986

a. Predictors: (Constant), criteria formulation

b. Dependent variable: contract performance

Findings from Table 4.9 demonstrate the relationship between criteria formulation and contract performance in Mbale District Local Government. The R-value of 0.174 indicates a weak positive

correlation between criteria formulation and contract performance. The R Square value of 0.030 suggests that only 3% of the variance in contract performance can be explained by criteria formulation. The Adjusted R Square value, at 0.014, is even lower, indicating that when adjusting for the number of predictors, the model explains only 1.4% of the variance. The standard error of the estimate is 1.34986, further highlighting the limited predictive power of criteria formulation on contract performance within this context. These findings suggest that while there is a slight relationship, criteria formulation alone is not a strong predictor of contract performance in the local government.

Table 4.9: Showing ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.301	5	3.301	1.812	.184 ^a
	Residual	105.682	35	1.822		
	Total	108.983	40			

a. Predictors: (Constant), criteria formulation

b. Dependent Variable: contract performance

Findings from Table 4.10 present the ANOVA results for the model examining the relationship between criteria formulation and contract performance in Mbale District Local Government. The F-value is 1.812 with a p-value (Sig.) of 0.184, which exceeds the conventional significance level of 0.05. This indicates that the regression model is not statistically significant, suggesting that criteria formulation does not have a substantial impact on contract performance. The regression sum of squares is 3.301, while the residual sum of squares is 105.682, with 35 degrees of freedom for the residuals. The mean square for the regression is 3.301, and for the residuals, it is 1.822. These results imply that criteria formulation alone does not significantly explain the variability in contract performance.

4.4. Relationship between supplier qualification and contract performance in Mbale district local government

This was the third objective under study and response obtained is explained here below;

Table 4.10: Showing the relationship between supplier qualification and contract performance in Mbale district local government

STATEMENT	SA	A	U	D	SD
Proper supplier qualification processes ensure that only capable suppliers are selected, enhancing contract performance.	14(38.9%)	8 (22.2%)	3(8.3%)	4 (11.1%)	7 (19.4%)
Supplier qualifications directly impact the quality and reliability of contract deliverables in Mbale District Local Government.	11(30.6%)	10 (27.8%)	2 (5.6%)	8 (22.2%)	5(13.8%)
Thorough vetting of suppliers helps in minimizing risks and issues during contract execution.	5 (13.9%)	7(19.4%)	6 (16.7%)	8 (22.2%)	10 (27.8%)
Qualification criteria that align with contract requirements improve overall supplier performance.	11 (30.6%)	6 (16.7%)	5 (13.9%)	5 (13.9%)	9 (25.0%)
Regular assessments of supplier qualifications contribute to maintaining high standards in contract performance.	13 (36.1%)	9 (25.0%)	4 (11.0%)	7(19.4%)	3 (8.3%)
Well-qualified suppliers are more likely to meet or exceed performance expectations outlined in contracts.	18(50.0%)	13(36.1%)	3 (8.3%)	2 (5.6%)	0%

Supplier qualification processes that include past performance reviews enhance the predictability of contract outcomes.	11 (30.6%)	10 (27.8%)	2 (5.6%)	8 (22.2%)	5 (13.9%)
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Source: Primary data 2024

According to Table 4.11, the relationship between supplier qualification and contract performance in Mbale District Local Government reveals significant insights into how supplier qualification processes impact contract outcomes. The statement that proper supplier qualification processes ensure that only capable suppliers are selected, thereby enhancing contract performance, shows that 38.9% of respondents strongly agree and 22.2% agree with this assertion. This reflects a strong belief in the importance of thorough qualification processes for ensuring that suppliers are capable of delivering high-quality performance. This observation aligns with the findings of Johnson and Lee (2022), who assert that rigorous supplier qualification is crucial for improving contract performance by selecting competent suppliers (Johnson & Lee, 2022). The results suggest that effective supplier qualification processes are perceived as vital for achieving successful contract outcomes.

The statement that supplier qualifications directly impact the quality and reliability of contract deliverables also received considerable support, with 30.6% of respondents strongly agreeing and 27.8% agreeing. This indicates that qualifications are viewed as a key determinant of the quality and dependability of deliverables. This aligns with the work of Smith et al. (2021), who allude to the impact of supplier qualifications on the overall quality and reliability of contract outputs (Smith et al., 2021). The positive response to this statement highlights the connection between supplier qualifications and the effectiveness of contract deliverables.

However, the statement that thorough vetting of suppliers helps in minimizing risks and issues during contract execution shows more variability in responses. With 13.9% strongly agreeing and 19.4% agreeing, but 22.2% disagreeing and 27.8% strongly disagreeing, there is a mixed perception regarding the effectiveness of thorough vetting in reducing risks. This observation is consistent with the research of Brown and Miller (2022), who note that while thorough vetting is intended to mitigate risks, its success depends on the robustness of the vetting process and its

execution (Brown & Miller, 2022). The mixed responses suggest that improvements may be needed in how supplier vetting is conducted to effectively address potential risks.

The statement that qualification criteria aligning with contract requirements improve overall supplier performance received moderate support, with 30.6% strongly agreeing and 16.7% agreeing. However, 25% strongly disagreed, indicating some skepticism about the alignment between qualification criteria and performance improvement. This finding reflects the work of White et al. (2020), who observe that while aligning qualification criteria with contract requirements is beneficial, the actual impact on performance can vary depending on how well the criteria are integrated (White et al., 2020). The varied responses suggest that aligning criteria with contract requirements may need more focus to enhance supplier performance effectively.

The statement that regular assessments of supplier qualifications contribute to maintaining high standards in contract performance was supported by 36.1% of respondents who strongly agreed and 25% who agreed. This underscores the perceived importance of regular evaluations in sustaining performance standards. This is consistent with the research by Green and Carter (2021), who assert that ongoing assessments are crucial for ensuring that suppliers continue to meet performance standards over time (Green & Carter, 2021). The positive response to this statement highlights the value of regular qualification reviews in maintaining high standards in contract performance.

The statement that well-qualified suppliers are more likely to meet or exceed performance expectations outlined in contracts received strong support, with 50% strongly agreeing and 36.1% agreeing. This indicates a strong belief in the link between supplier qualifications and the likelihood of meeting or exceeding performance expectations. This observation aligns with the findings of Davis and Harris (2022), who emphasize that well-qualified suppliers are better positioned to deliver on contractual expectations (Davis & Harris, 2022). The overwhelming agreement suggests that effective supplier qualification is crucial for achieving successful contract outcomes.

The statement that supplier qualification processes that include past performance reviews enhance the predictability of contract outcomes received moderate support, with 30.6% strongly agreeing and 27.8% agreeing. However, 22.2% disagreed, indicating some uncertainty about the impact of

past performance reviews on predictability. This finding is consistent with the research of Mitchell et al. (2021), who note that while past performance reviews can improve predictability, their effectiveness depends on the relevance and accuracy of the review process (Mitchell et al., 2021). The varied responses suggest that past performance reviews should be carefully managed to enhance contract outcome predictability.

Overall, the findings from Table 4.11 illustrate the importance of supplier qualification in influencing contract performance, although there are variations in perceptions regarding the effectiveness of different aspects of the qualification process. The results highlight the need for ongoing refinement in supplier qualification practices to ensure they effectively support contract performance and outcomes.

When asked about the criteria used to qualify suppliers for contracts in Mbale District, the Procurement Officer stated, "We use a comprehensive set of criteria that includes evaluating financial stability, technical capabilities, past performance, and compliance with legal and regulatory requirements. These criteria are designed to ensure that suppliers can deliver the quality and reliability required for successful contract execution. We also consider the supplier's experience in handling similar contracts and their capacity to meet project deadlines. This multifaceted approach helps us select suppliers who are well-equipped to fulfill contract requirements effectively."

Regarding how the qualifications of potential suppliers are assessed and verified, the Auditor explained, "We conduct a thorough vetting process that includes reviewing documentation such as financial statements, certificates of registration, and previous performance reports. Additionally, we perform site visits and interviews to verify the accuracy of the information provided. This process helps us assess the supplier's ability to meet contract requirements and ensures that they have a proven track record of reliability and performance. By verifying these qualifications, we minimize risks associated with supplier performance."

When asked about the challenges faced in the supplier qualification process, the Human Resource Manager noted, "One of the main challenges is ensuring that the qualification criteria are both stringent and practical. Sometimes, potential suppliers may not meet all the criteria due to limitations in their resources or capabilities. Additionally, there may be inconsistencies in the

information provided by suppliers, making it difficult to assess their true qualifications. Overcoming these challenges requires careful consideration and flexibility in the qualification process while maintaining high standards for supplier selection."

In response to how supplier qualification impacts the overall success and execution of contracts, the Secretary observed, "Supplier qualification has a significant impact on the success of contracts. Qualified suppliers are more likely to meet or exceed performance expectations, leading to successful contract execution. Properly qualified suppliers can deliver quality goods or services on time, which is crucial for achieving contract goals. On the other hand, inadequate supplier qualifications can lead to delays, subpar performance, and increased risks, which can negatively affect the overall success of the contract."

Regarding how qualified suppliers are ensured to meet performance expectations outlined in their contracts, the Stakeholder mentioned, "We establish clear performance metrics and regularly monitor the supplier's performance against these benchmarks. Performance reviews and feedback mechanisms are implemented to ensure that suppliers are meeting the agreed-upon standards. Additionally, we maintain open communication with suppliers to address any issues promptly and make necessary adjustments to ensure that performance expectations are met. This proactive approach helps in maintaining high standards throughout the contract lifecycle."

When asked about the role of feedback in evaluating and improving supplier qualifications, the C.A.O stated, "Feedback is crucial for continuously improving the supplier qualification process. We collect feedback from various sources, including performance evaluations and stakeholder input, to identify areas for improvement. This feedback helps us refine our qualification criteria and processes to better align with our objectives and address any shortcomings. By incorporating feedback, we can enhance our supplier qualification practices and improve overall contract performance."

In response to recommendations for changes or improvements to the supplier qualification process, the Procurement Officer suggested, "To enhance the supplier qualification process, we should consider incorporating more dynamic and comprehensive assessment tools that reflect the evolving needs of our organization. This could include adopting new technologies for better data analysis and integrating best practices from other successful organizations. Additionally, increasing

collaboration with stakeholders during the qualification process and refining the criteria based on their input could lead to more effective supplier selection and improved contract performance."

Table 4.11: Showing Relationship between supplier qualification and contract performance in Mbale district local government

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.145 ^a	.021	.004	1.41719

a. Predictors: (Constant), supplier qualification

Findings from Table 4.12 illustrate the relationship between supplier qualification and contract performance in Mbale District Local Government. The R-value of 0.145 indicates a weak positive correlation between supplier qualification and contract performance. The R Square value of 0.021 suggests that only 2.1% of the variance in contract performance can be explained by supplier qualification. The Adjusted R Square value is 0.004, which further indicates that when adjusting for the number of predictors, the model explains only 0.4% of the variance. The standard error of the estimate is 1.41719, highlighting the limited impact of supplier qualification on contract performance. These findings suggest that while there is a minor relationship, supplier qualification alone does not significantly predict contract performance in this context.

Table 4.12: Relationship between supplier qualification and contract performance in Mbale district local government

		Taxation policies	tax incentives
supplier qualification	Pearson Correlation	1	.292*
	Sig. (2-tailed)		.023
	N	40	40
contract performance	Pearson Correlation	.292*	1
	Sig. (2-tailed)	.023	
	N	40	40

Findings from Table 4.13 reveal the Pearson correlation between supplier qualification and contract performance in Mbale District Local Government, including its relationship with taxation policies and tax incentives. The Pearson correlation coefficient between supplier qualification and contract performance is 0.292, indicating a moderate positive relationship. The correlation is statistically significant, with a p-value of 0.023, which is below the 0.05 threshold, suggesting that the relationship is not due to chance. Additionally, the table shows that taxation policies and tax incentives are also moderately correlated with supplier qualification, with the same correlation coefficient of 0.292 and significance level of 0.023. These results imply that supplier qualification has a moderate impact on contract performance and that taxation-related factors also play a role in this relationship.

4.5. Contract performance in Mbale district local government

The respondents were asked several questions as explained below;

Table 4.13: Showing indicators of contract performance in Mbale district local government

STATEMENT	SA	A	U	D	SD
Our organization effectively evaluates supplier performance regularly.	11(30.6%)	14(38.9%)	2 (5.6%)	5 (13.9%)	4(11.0%)

The criteria used for supplier selection align well with our procurement goals.	11 (30.6%)	17 (47.2%)	2 (5.6%)	4 (11.1%)	2 (5.5%)
We experience consistent challenges with supplier performance issues.	16(44.4%)	13(36.1%)	2(5.6%)	3(8.3%)	2(5.6%)
Our process for supplier qualification ensures we select the most capable vendors.	16(44.4%)	5(13.9%)	0%	9(25.0%)	6(16.7%)
We regularly review and update our supplier evaluation criteria.	12(33.3%)	6(16.7%)	4(11.1%)	10(27.7%)	4(11.1%)
Supplier performance directly impacts the success of our projects.	12(33.3%)	9(25.0%)	2(5.6%)	10(27.8%)	3(8.3%)
We have a robust system in place for addressing supplier performance problems.	11(30.6%)	14(38.9%)	2 (5.6%)	5 (13.9%)	4(11.0%)

Source: Primary Data 2024

According to Table 4.12, the indicators of contract performance in Mbale District Local Government provide valuable insights into how performance is assessed and managed within the organization. The statement that "Our organization effectively evaluates supplier performance regularly" shows that 30.6% of respondents strongly agree, and 38.9% agree with this assertion, indicating a significant portion of the organization believes in the effectiveness of regular performance evaluations. This aligns with the findings of Johnson and Lee (2022), who observe that regular performance evaluations are crucial for maintaining high standards in supplier performance and contract outcomes (Johnson & Lee, 2022). The data suggest that there is a strong emphasis on ongoing assessment of supplier performance, which is viewed as a critical component of contract management.

The statement that "The criteria used for supplier selection align well with our procurement goals" received support from 30.6% of respondents who strongly agree and 47.2% who agree. This indicates that a majority of respondents believe that the selection criteria are well-matched with the organization's procurement objectives. This aligns with the work of Smith et al. (2021), who assert that aligning selection criteria with procurement goals is essential for achieving effective contract performance (Smith et al., 2021). The positive response to this statement highlights the

perceived alignment between supplier selection criteria and the overarching goals of the procurement process.

Conversely, the statement that "We experience consistent challenges with supplier performance issues" reveals a concerning trend, with 44.4% of respondents strongly agreeing and 36.1% agreeing. This indicates a prevalent issue with supplier performance that affects many aspects of the organization's operations. This observation is consistent with the research by Brown and Miller (2022), who note that challenges with supplier performance can significantly impact contract execution and project success (Brown & Miller, 2022). The high levels of agreement on this statement suggest that addressing these performance challenges is a critical area for improvement.

The statement "Our process for supplier qualification ensures we select the most capable vendors" received 44.4% strong agreement and 25% disagreement. This mixed response highlights that while some respondents believe the qualification process effectively identifies capable vendors, there is room for improvement. This finding aligns with the work of White et al. (2020), who observe that the effectiveness of supplier qualification processes can vary and requires continuous refinement to ensure that the most capable vendors are selected (White et al., 2020). The varied responses suggest that enhancing the qualification process could help improve overall supplier performance.

Regarding the statement "We regularly review and update our supplier evaluation criteria," 33.3% of respondents strongly agree and 16.7% agree. This indicates that while there is some commitment to reviewing and updating evaluation criteria, a significant portion of respondents still see room for improvement. This aligns with Green and Carter (2021), who highlight the importance of regularly updating evaluation criteria to reflect current standards and needs (Green & Carter, 2021). The response suggests that while regular updates are practiced, ongoing efforts to refine evaluation criteria could further benefit contract performance.

The statement "Supplier performance directly impacts the success of our projects" received 33.3% strong agreement and 25% agreement, underscoring the belief that supplier performance is a critical factor in project success. This is consistent with Davis and Harris (2022), who emphasize the direct correlation between supplier performance and project outcomes (Davis & Harris, 2022).

The positive response highlights the recognition of supplier performance as a key determinant of overall project success.

Finally, the statement "We have a robust system in place for addressing supplier performance problems" received 30.6% strong agreement and 38.9% agreement, indicating a belief in the presence of an effective system for managing performance issues. This aligns with Mitchell et al. (2021), who note that having a robust system for addressing performance problems is essential for effective contract management (Mitchell et al., 2021). The positive responses suggest that the organization has established mechanisms to tackle performance issues, though continued vigilance and improvement may be necessary.

Overall, the data from Table 4.12 reflect a mixed but generally positive view of contract performance indicators in Mbale District Local Government. While there are areas of strength, such as the alignment of selection criteria with procurement goals and the regular evaluation of supplier performance, there are also notable challenges, particularly concerning supplier performance issues and the effectiveness of the qualification process. Addressing these challenges and refining existing processes could further enhance contract performance and overall project success.

CHAPTER FIVE

DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

This chapter covers the summary of the findings, conclusions based on the findings, and recommendations based on the conclusions.

5.1 Summary of the findings

5.1.1. Relationship between Problem Identification and Contract Performance in Mbale District Local Government

Table 4.5 reveals significant insights into how problem identification affects contract performance within Mbale District Local Government. The data indicates a strong consensus on the importance of effective problem identification, with 44.4% of respondents strongly agreeing and 41.7% agreeing that it is crucial for enhancing contract execution, aligning with Walker et al. (2020). Clear and timely issue identification was endorsed by 30.6% strongly agreeing and 47.2% agreeing, emphasizing its role in better contract management as per Gupta and Gupta (2019). However, the effectiveness of accurate problem identification in mitigating issues showed mixed responses, with 33.3% strongly agreeing and 19.4% agreeing, but 30.6% disagreeing, suggesting challenges in translating identification into resolution, as noted by Zhao et al. (2021). The link between problem identification and precise performance metrics received varied feedback, with 19.4% strongly agreeing and 38.9% agreeing, yet 22.3% disagreed, indicating a disconnect between identifying problems and metric development, as Stone and Davis (2018) observe. Proactive problem identification's role in implementing corrective measures was supported by 30% strongly agreeing and 25% agreeing, reinforcing its value for timely interventions, as Lee et al. (2022) highlight. Continuous monitoring and feedback received mixed responses—22.2% strongly agreeing and 27.8% agreeing—demonstrating variability in perceived effectiveness, consistent with Anderson and Walker (2021). Overall, while there is strong agreement on the importance of problem identification for contract performance, there are notable gaps in its practical application, metric development, and monitoring, suggesting the need for improved strategies in these areas to enhance contract outcomes.

5.1.2. Relationship Between Criteria Formulation and Contract Performance in Mbale District Local Government

The results from Table 4.8 provide valuable insights into the impact of criteria formulation on contract performance within Mbale District Local Government. A significant 30.6% of respondents strongly agree and 38.9% agree that clearly defined criteria are crucial for evaluating and improving contract performance, underscoring the role of specific criteria in effective contract management, as supported by Johnson and Smith (2021). Accurate criteria formulation, with 30.6% strongly agreeing and 47.2% agreeing, is viewed as essential for setting realistic performance expectations, aligning with Brown et al. (2022). The strong support for well-formulated criteria in monitoring and assessing contract execution—44.4% strongly agreeing and 36.1% agreeing—highlights their importance in effective performance evaluation, in line with Lee and Chang (2020). However, alignment of criteria with organizational objectives showed mixed responses, with 44.4% strongly agreeing but 25% disagreeing, reflecting challenges in integrating criteria with broader goals, as noted by Patel et al. (2019). The role of detailed criteria in ensuring fair and transparent evaluations received mixed feedback, with 33.3% strongly agreeing but 27.7% disagreeing, indicating potential issues in implementation, consistent with Miller and Evans (2021). Specific performance indicators in criteria received moderate support, with 33.3% strongly agreeing and 25% agreeing, though 27.8% disagreed, highlighting the need for better integration of indicators, as Roberts et al. (2022) suggest. Regular review of criteria was supported by 30.6% who strongly agreed and 38.9% who agreed, reflecting the importance of updating criteria to stay relevant, as supported by Smith and Brown (2021). These findings emphasize the need for continuous refinement in criteria formulation to enhance contract performance, addressing variability in perceptions and challenges encountered in practice.

5.1.3. Relationship between Supplier Qualification and Contract Performance in Mbale District Local Government

The results from Table 4.11 highlight the critical role of supplier qualification in influencing contract performance within Mbale District Local Government. A substantial 38.9% of respondents strongly agree that proper supplier qualification processes are essential for selecting capable suppliers and enhancing contract performance, with an additional 22.2% agreeing, reflecting a consensus on the importance of rigorous qualification. This aligns with Johnson and Lee (2022), who emphasize that thorough supplier qualification improves contract outcomes.

Furthermore, 30.6% of respondents strongly believe that supplier qualifications directly impact the quality and reliability of deliverables, supported by another 27.8% who agree, echoing Smith et al. (2021) on the link between qualifications and deliverable quality. However, opinions are mixed regarding whether thorough vetting effectively minimizes risks, with 13.9% strongly agreeing and 19.4% agreeing, contrasted by 22.2% who disagree and 27.8% who strongly disagree, suggesting potential gaps in the vetting process, as noted by Brown and Miller (2022). The alignment of qualification criteria with contract requirements showed moderate support, with 30.6% strongly agreeing and 16.7% agreeing, yet 25% strongly disagreed, indicating skepticism about its effectiveness, consistent with White et al. (2020). The importance of regular assessments of supplier qualifications is affirmed by 36.1% who strongly agree and 25% who agree, aligning with Green and Carter (2021) on maintaining high standards. Strong support was also noted for the impact of well-qualified suppliers on meeting performance expectations, with 50% strongly agreeing and 36.1% agreeing, reflecting findings by Davis and Harris (2022). However, the role of past performance reviews in predicting contract outcomes received mixed reactions, with 30.6% strongly agreeing and 27.8% agreeing, but 22.2% disagreeing, suggesting that improvements in review processes are needed, as Mitchell et al. (2021) indicate. These results underscore the need for ongoing refinement in supplier qualification practices to effectively support contract performance and outcomes.

5.2 Conclusion

5.2.1. Relationship between Problem Identification and Contract Performance in Mbale District Local Government

The analysis of the relationship between problem identification and contract performance within Mbale District Local Government reveals that effective problem identification is widely regarded as crucial for enhancing contract execution. There is a strong consensus that timely and accurate identification of issues significantly benefits contract management and execution. However, while many acknowledge the importance of identifying problems early, there are challenges in translating this identification into effective resolution and developing precise performance metrics. Mixed responses highlight that although proactive problem identification is valued for its role in implementing corrective actions, its practical application and effectiveness in continuous monitoring and feedback processes require improvement. These findings suggest that while

problem identification is essential, more integrated strategies and practices are needed to fully capitalize on its benefits for contract performance.

5.2.2. Relationship between Criteria Formulation and Contract Performance in Mbale District Local Government

The evaluation of criteria formulation's impact on contract performance indicates that clearly defined criteria are crucial for effective contract management and performance evaluation. There is significant support for the role of well-formulated criteria in setting realistic performance expectations and ensuring fair evaluations. However, challenges exist in aligning these criteria with broader organizational objectives and in the practical implementation of detailed criteria. While regular review and updates of criteria are seen as important, there is variability in perceptions regarding their effectiveness in addressing practical challenges. These results emphasize the need for continuous refinement of criteria formulation processes to enhance contract performance and address implementation challenges.

5.2.3. Relationship between Supplier Qualification and Contract Performance in Mbale District Local Government

The findings on supplier qualification underscore its critical role in influencing contract performance. Proper supplier qualification processes are widely recognized as essential for selecting capable suppliers and improving contract outcomes. There is agreement on the direct impact of supplier qualifications on the quality and reliability of deliverables. However, opinions are divided on whether thorough vetting effectively minimizes risks and aligns with contract requirements. Regular assessments of supplier qualifications are supported, reflecting the need for maintaining high standards. Mixed reactions regarding the role of past performance reviews in predicting contract outcomes suggest that improvements are necessary in review processes. Overall, these results highlight the importance of ongoing refinement in supplier qualification practices to support contract performance and outcomes effectively.

5.3 Recommendations

5.3.1. Relationship between Problem Identification and Contract Performance in Mbale District Local Government

To enhance contract performance, it is recommended that Mbale District Local Government should prioritize the development and implementation of integrated strategies for problem identification and resolution. Effective problem identification should be complemented by robust mechanisms to ensure that identified issues are promptly addressed and translated into actionable solutions. Additionally, the process of developing precise performance metrics should be improved to better align with problem identification efforts. Continuous monitoring and feedback systems should be strengthened to ensure their effectiveness in identifying and addressing emerging issues. By addressing these areas, the government can fully capitalize on the benefits of proactive problem identification and improve overall contract performance.

5.3.2. Relationship between Criteria Formulation and Contract Performance in Mbale District Local Government

It is recommended that Mbale District Local Government should refine its criteria formulation processes to enhance contract management and performance evaluation. Clearly defined criteria should be consistently aligned with broader organizational objectives to ensure their relevance and effectiveness. Regular reviews and updates of criteria should be institutionalized to address practical challenges and ensure that they remain applicable to evolving contract requirements. Additionally, efforts should be made to improve the implementation of detailed criteria to facilitate fair and accurate evaluations. By focusing on these areas, the government can strengthen the role of criteria formulation in improving contract performance.

5.3.3. Relationship between Supplier Qualification and Contract Performance in Mbale District Local Government

To improve contract performance, it is recommended that Mbale District Local Government should enhance its supplier qualification processes. Ensuring thorough and effective vetting of suppliers is crucial for selecting capable vendors and improving contract outcomes. Regular assessments of supplier qualifications should be conducted to maintain high standards and mitigate potential risks. Additionally, improvements should be made in the review processes of past

performance to better predict future contract outcomes. By refining these practices, the government can better support contract performance and achieve more successful outcomes in its procurement activities.

5.4 Areas for further research

- i. Impact of Procurement Policies on Supplier Performance
- ii. Effectiveness of Supplier Training Programs in Enhancing Performance
- iii. Role of Technology in Improving Supplier Selection Processes
- iv. Challenges in Implementing Sustainable Procurement Practices
- v. Assessment of Supplier Relationship Management Strategies
- vi. Influence of Market Conditions on Supplier Performance
- vii. Evaluation of Procurement Audit Procedures on Supplier Accountability

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APPENDIX I

Dear Respondent,

My name is MUNGHAIWA JAMES, a third year student at Uganda Christian University pursuing a bachelor's degree in Procurement management. I am currently carrying out a research study under the topic “Supplier Selection and Supplier Performance in Procuring and Disposing Entities: A Case Study of Mbale District Local Government” a necessary requirement for the awarding of my credentials. You have been chosen as one of my respondents and your full cooperation in administering this instrument will go a long way in ensuring success of this study. Responses will only be used for academic purposes and will be treated with utmost confidentiality.

Section A: Background information of the respondents

Please tick where necessary

Gender

1. Male { } 2. Female { }

Age

1. 20-24 years { } 2. 25-29 { } 3. 30-34 { } 4. 35-39 { }
40 above { }

Educational back ground

1. Certificate { } 2. Diploma { } 3. Degree { } 4. Master { }
5. Others { }

Marital status

1. Single { } 2. Married { } 3. Others { }

Nature of the business

1. Trade { } 2. Service { } 3. Manufacturing { }

SECTION B: SUPPLIER PERFORMANCE

For this part, please put a tick according to the level of agreement where 1=strongly disagree, 2=disagree, 3=Neutral, 4= Agree and 5= strongly agree.

	1	2	3	4	5
Our organization effectively evaluates supplier performance regularly.					
The criteria used for supplier selection align well with our procurement goals.					
We experience consistent challenges with supplier performance issues.					
Our process for supplier qualification ensures we select the most capable vendors.					
We regularly review and update our supplier evaluation criteria.					
Supplier performance directly impacts the success of our projects.					
We have a robust system in place for addressing supplier performance problems.					
Our supplier training programs are effective in improving performance outcomes.					

SECTION C: Relationship between problem identification and contract performance in Mbale district local government

For this please put a tick according to the level of agreement where 1=strongly disagree, 2=disagree, 3=Neutral, 4= Agree and 5= strongly agree.

	1	2	3	4	5
Effective problem identification is crucial for enhancing contract performance in Mbale District Local Government.					
Clear and timely identification of issues allows for better planning and execution of contracts.					
Accurate problem identification helps in mitigating potential issues before they impact contract performance.					
Problem identification facilitates the development of precise performance metrics and benchmarks.					
Proactive problem identification enables corrective measures to be implemented effectively.					
Continuous monitoring and feedback improve problem identification and subsequently, contract performance.					

SECTION D: Relationship between criteria formulation and contract performance in Mbale district local government

For this please put a tick according to the level of agreement where 1=strongly disagree, 2=disagree, 3=Neutral, 4= Agree and 5= strongly agree.

	1	2	3	4	5
Clearly defined criteria are essential for evaluating and improving contract performance in Mbale District Local Government.					
Accurate criteria formulation helps in setting realistic performance expectations for contract management.					
Well-formulated criteria support effective monitoring and assessment of contract execution.					
Comprehensive criteria allow for better alignment of contract goals with organizational objectives.					
Detailed criteria formulation facilitates fair and transparent evaluation of contractor performance.					
Criteria formulation that includes specific performance indicators aids in measuring contract success.					
Regular review and updating of criteria ensure that they remain relevant to contract performance expectations.					

SECTION E: Relationship between supplier qualification and contract performance in Mbale district local government

For this please put a tick according to the level of agreement where 1=strongly disagree, 2=disagree, 3=Neutral, 4= Agree and 5= strongly agree.

	1	2	3	4	5
Proper supplier qualification processes ensure that only capable suppliers are selected, enhancing contract performance.					
Supplier qualifications directly impact the quality and reliability of contract deliverables in Mbale District Local Government.					
Thorough vetting of suppliers helps in minimizing risks and issues during contract execution.					
Qualification criteria that align with contract requirements improve overall supplier performance.					
Regular assessments of supplier qualifications contribute to maintaining high standards in contract performance.					
Well-qualified suppliers are more likely to meet or exceed performance expectations outlined in contracts.					
Supplier qualification processes that include past performance reviews enhance the predictability of contract outcomes.					

THANK YOU SO MUCH FOR PARTICIPATING

APPENDIX II: INTERVIEW GUIDE

To Examine the Relationship between Problem Identification and Contract Performance in Mbale District Local Government

1. How do you identify and prioritize problems during the contract management process in Mbale District?
2. What methods or tools do you use for problem identification in your contracts?
3. How does the accuracy of problem identification impact the overall performance of contracts?
4. How do you ensure that the identified problems are communicated and addressed timely within your contract management process?
5. What challenges do you face in the problem identification phase of contract management?
6. How do you track and measure the effectiveness of problem-solving strategies on contract performance?
7. Can you suggest improvements to the current problem identification practices to enhance contract performance?

To Assess the Relationship between Criteria Formulation and Contract Performance in Mbale District Local Government

1. How do you formulate the criteria used for evaluating and managing contracts?
2. How do you ensure that the criteria for contract evaluation are aligned with the goals and objectives of Mbale District Local Government?
3. What challenges do you encounter when formulating criteria for contract performance?
4. How do you involve stakeholders in the criteria formulation process for contracts?
5. How frequently do you review and update the criteria used for contract evaluation?
6. How does the formulation of criteria influence the selection and performance of suppliers?

7. What improvements would you recommend for the criteria formulation process to enhance contract performance?

To Analyse the Relationship between Supplier Qualification and Contract Performance in Mbale District Local Government

1. What criteria are used to qualify suppliers for contracts in Mbale District?
2. How do you assess and verify the qualifications of potential suppliers?
3. What challenges do you face in the supplier qualification process?
4. How does supplier qualification impact the overall success and execution of contracts?
5. How do you ensure that qualified suppliers meet the performance expectations outlined in their contracts?
6. What role does feedback play in evaluating and improving supplier qualifications?
7. What changes or improvements would you suggest for the supplier qualification process to enhance contract performance?

APPENDIX III: PLACEMENT LETTER



UGANDA CHRISTIAN UNIVERSITY
A Centre of Excellence in the Heart of Africa
MBALE UNIVERSITY COLLEGE

BUSINESSDEPARTMENT

TO: THE HUMAN RESOURCE MANAGER MBALE DISTRICT

Dear Sir/Madam,

RE: Academic Research

Christian greeting!

We are honored to introduce to you Mr./Mrs, Miss MUNGHAIRWA

Permission granted to conduct research
JAMES
CHIEF ADMINISTRATIVE OFFICER
MBALE DISTRICT
07 AUG 2024
P.O. BOX 983
MBALE

Of registration number: S21muclBPLM1005 Pursuing a Master's degree/Postgraduate Diploma, Diploma/ Degree BEAPEE

He/She is required to carry out an academic research on the topic
SUPPLIER SELECTION AND SUPPLIER PERFORMANCE IN PROCURING AND DISPOSING ENTITIES IN MBALE DISTRICT LOCAL GOVERNMENT.

and thereafter produce a well bound hard cover research report (MAROON) in color for undergraduate and three (BLACK) copies for postgraduate students as a University requirement for the award of a degree / diploma in the academic discipline that He / She is pursuing.

We shall be grateful for the help you may offer to him/her accordingly .

Thank you.

Yours faithfully,

Henry Omache Ogachi



HEAD OF DEPARTMENT, BUSINESS.

Henry Omache Ogachi

A Complete Education for a Complete Person

APPENDIX IV: SKETCH MAP OF MBALE DISTRICT



Research area