

THE TRICKY FOR SMALL AND MEDIUM CONTRACTING FIRMS TO WIN CONSTRUCTION TENDER OPPORTUNITIES IN TANZANIA: A COLLABORATIVE PROCUREMENT

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ABSTRACT

The study investigates on influence of using collaborative procurement as a tricky for small and medium contracting firms in Tanzania win construction tender opportunities. To assess the innovation behind using collaborative procurement for contractors win procurement opportunities three objectives were formulated. These were i) to determine the power of collaborative procurement in attaining technical and managerial competence of the contracting firm ii) to examine the contribution of collaboration in procurement towards empowering the partnership with financial capability and iii) to explore the impacts of collaboration in procurement on formalizing the operations of contracting-bidding firm. Moreover by applying explanatory research design while the focus group being the technicians, contractors, engineers, architects, User department and PMU personnel obtained from TANROADs and TARURA found in Mbeya then the reality was revealed. Indeed using a stratified sampling technique the 100 unit of inquiry was derived. It through use of Likert scale questionnaire, and by reading publications of CRB, ERB, and AQRB as well as journal articles the facts were gathered and analysed by employing inferential statistical tools. The facts found were: - it is with absolute fit index 2.60 and incremental fit index >0.90 the technical and managerial competence revealed to be shared through collaborative procurement. It was moreover found that collaborative procurement empower the joint contracting firm financially given the correlation co-efficient=0.74. Furthermore it was found that collaborative procurement contribute positively towards formalization of contracting firm given the latent variable analysis test result>0.4 Despite of the revealed positive influence of collaborative procurement but from the same field area the tricky found to be insignificantly put into practice with $P<0.05$ and that is the reason why $\leq 40\%$ only of the procurement opportunities found to be won by local contracting firms while the remaining 60% chances won by foreigners. Thus this study recommend that the small and medium contracting firms while adhering to integrity should form partnership for them to develop and effectively compete and win the procurement opportunities in this globalized world of stiff competition.

Key Words: Collaborative procurement, Competence, Financial capability, Ethical code of conducts, Constructions tender opportunities

1.0 INTRODUCTION

Collaborative procurement is the aggregation of contracting firms in executing a single contract to performance. Collaborative procurement is the comings together of contracting firms to execute a single contract say construction projects (Arthur, 2012). Collaborative procurement is the empowering of the effort of the executors of the contract to its performance.

The collaborative procurement brings contractors together sharing experience and competence. With collaborative procurement chances of winning extend greatly to $P>0.5$ because of financial capability to be attained. Collaborative procurement ensures trust to financial institutions as joint/ common tenancy is a guarantee by itself (Beil, 2009). This is then a guarantee for the joint tenancy or partners to acquire financial product from financial institutions for running the project to its completion.

It is with aggregation of different contractors with different talents, knowledge background and skills which then ensures the contract to be executed to performance standards. It is with partnering in which the client/procuring entity, procuring agent are assured with the contract to be completed to quality standards (Ghosssein, Hoekman & Shingal, 2018). Collaboration creates formalization of the businesses/contracting firms (enterprises). It is also a sign of commitment and seriousness over the contracting firm to run the contract to its performance. Partnering or

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collaborative procurement create power and confidence to a bidder in winning the tender opportunities (Nasser,2011). It is with collaborative procurement which ensures the loss due to underperformed contract or a contract with metallurgical variations / divergences to be recovered by the partnership (settlement of liquidated damages). Either to furnish the collaborative procurement then whether in joint tenancy or as a single contractor should act honestly and ethically for value for money procurement to be achieved (O'Leary,2014).

This study therefore came about following that more than 60% of procurement opportunities over procurement of works (such as civil works) are won by foreign contracting firms thus the remaining less than 40% being undertaken by local contractors. Among other noted gaps on why small and medium contracting firms lose the procurement chances are the managerial incompetence and financial incapability (Mamiro & Haule, 2013). Thus with this study and through adopting collaborative procurement technique these knowledge gaps has been smeared. The financial incapability of individual small and medium contracting firm has extended to be a cause of local contractors in Tanzania to lose the opportunities (World Bank, 2010).Despite of the increase in number of registered contractors to > 4,000 but still >60% of the construction tenders are won by foreigners (Contractors Registration Board, 2019).

Chinese construction companies have been using this tricky (collaborative procurement) to win many tenders and the >60% of the procurement said to be won by foreign contracting firms (Arthur, 2012) are fostered through use of this technique despite of other predictors such as reputation and trustfulness of contractors. Chinese construction companies have been wining these tendering opportunities even those which are sponsored by the government of foreign countries such as that of Tanzania. Because of being highly trusted the won contracts by Chinese construction companies are not only sponsored/financed by the government of China but also by the World Bank. For developing countries like Tanzania where the country and individuals are not economically good then collaboration or partnering has found to be a good start for local/small and medium contracting firms win these chances after becoming financially capable.

The tender of hosting the 2022 World Cup Championship of that will be grounded in Qatar has been won by the partnership made between the USA, Mexico and Chile though at first the Championship was to be hosted by Morocco (Lwambano, 2018). But because it has found that Morocco is not capable as one centric bidder then, Morocco lost the chance. This is the message over the power of collaborative procurement in wining different tenders to execute contracts to perform.

As it has been noted above that in Tanzania collaborative procurement is becoming a new strategy for construction companies adopt and become able to win construction tenders. Normally what has been prevailing is a single contractor as individual firm bidding for a procurement opportunities advertised but to find that the winning probability become obscured if not giving these chances to foreign companies win the opportunities . Even for the construction projects which are valued less than Tshs.10 billion which are left with 100% to local contractors to execute but they are not executed by them to that extent. It is only $\leq 40\%$ of the construction contracts won by the local contractors (CRB,2019). As it was clearly put by CRB (2019) is that small and medium contracting firms have remained rigid for not adopting this Tricky collaborative procurement which could enable them gain competitive advantage and have a great chance of winning those chances. On the other hand this reluctance has revealed to be caused by selfishness of most of local contracting firms of not preferring to cooperate with other indigenous contracting firms but work on themselves only to find that they lose the chances despite of being aware of the opportunities and apply for them by greater than 75% (Kaula, 2017).

Moreover despite of 95% of tender opportunities being spared for local contractors with professional qualification standards of class I-III and only 5% left for foreign contracting firms has revealed to be fully reached. Indeed only 35% out of 95% is the only level executed by professional local contractors with professional qualification standards class I-III. This is because individual small and medium contractors are not financially proficient to run the classified high value and complex projects which then need a contractor who is financially stable, technically and managerially capable as it was also reported by Wellington & Mpendulo (2009).

Acting honestly has also revealed to be one the strategy that adds value to the contracting firm (Rao & Shroff, 2018). This is from the fact that being in collaboration does not limit for unethical persons commit malpractices.

Either it should be known that even if local contractors are to form partnership for gaining managerial and technical experience; financial proficient and reputation but if partners are to act dishonestly there is no way they can be trusted, win and awarded contract to execute (Mohamed,2018). This is then the focus of this study that partnership contribute a lot towards contracting firm becoming competitive bidder thus to be put into practice. But this study also suggests that contractors in Collaboration should adhere to ethical behaviours for maintenance of reputation and trust of the firm by different stakeholders in construction industry.

2.0 METHODOLOGY

The study employed the quantitative research approach. The explanatory research design was used. The study was carried out in Mbeya City Council in which the TANROADS, TARURA public procuring agencies were involved. The target population included the contractors, technicians and Engineers from technical section and non-Contractors such as Accountants, Lawyers, and procurement officers all from user department. Moreover Managers, Directors from PMU and Tender Board section were involved. Either Mbeya City Council was chosen as a research area because of being metallurgical executed with constructions but to observe that most of tenders over the constructions said to be executed in the research area are won and the contract being awarded to foreign contracting firms. Moreover it was piloted and found that small and medium contracting firms were executing most of contracts defined under force account and not those classified high value and complex civil projects. Such complex and high valued projects said from the research area one to mention was a road construction project which is running from Mbeya City Center to Makongorosi-Chunya awarded to one of the reputable Chinese construction company.

The sample size, $n=100$ was computed from the formula $N/1+N(\alpha)^2$ given the confidence level of 95% thus the margin of error (α) was 0.05. Either from that defined sample frame ($N=133$) the study employed a stratified sampling technique by using the strata respondents' expertise, respondents' position and respondents' department to derive individual sample size of the stratum (See Table 1).

Table 1: Derivation of Proportionate Sample

S/N	Strata	Population	Sample
1	Technicians	44	33
2	Engineers	20	15
3	Contractors	18	13
4	Lawyers	17	13
5	Architects and Quantity Surveyors	15	11
6	Accountant	11	9
7	Procurement Officers	8	6
	TOTAL	133	100

Source: Pilot Survey (2019)

Note: The sample size of 100 respondents was obtained from a defined 133 sample frame using the following formula:

$$\frac{\text{Stratum population} * \text{Total sample size}}{\text{Total population}}$$

The data from this unit of inquiry was gathered through use of questionnaires and reviewing of TANROADS/TARURA Bid evaluation and Road Construction Projects Evaluation Reports. The collected and screened facts over the study titled “the Collaborative Procurement: A strategy for small and medium contracting firms in Tanzania to win procurement opportunities “ in this competitive globalized World were analysed inferentially. The inferential statistical tools applied were the multidimensional scaling, multiple correlation, latent variable analysis and discriminant performance analysis. The inferential statistical analysis was sustained by established numerical dependent dummy variables which gave rise to continuous dependent variables.

3.0 FINDINGS AND DISCUSSIONS

3.1 Technical Efficiency and Collaborative Procurement

Under this subtitle the study aimed at investigating the influence of collaborative procurement towards attainment of technical efficiency. Technical efficiency as it was revealed from the field entails the ability to apply skills and knowledge someone has in performing work. It was moreover revealed that technical efficiency was a technical

knowhow, experience and qualification someone should have to see the work is completed indeed on time the same fact reported by Kiiver & Jakub (2014). The facts revealed from the field area were presented in Table 2 by running a multidimensional scaling analysis test:-

Table 2: Multidimensional Scaling Analysis Test

Sub-constructs	Absolute fit index	Incremental fit index	Accepted threshold level
1. Sharing of experience	2.60***	-	2.1-3.1
2. Sharing of technical competence	-	0.94***	<0.90
3. Sharing of managerial competence	-	0.93**	<0.90

Note: ***P<0.01; **P<0.05; *P<0.1

Source: Field data (2019)

From Table 2 with absolute fit index = 2.60 which within the accepted threshold level of 2.1- 3.1 is a proof that collaborative procurement enables the common tenancy share experience .Sharing of work experience in collaboration as it was revealed from the field is the fact which is consistent with what was reported by Cravo & Piza (2016). This therefore helps to induce the same experience over the work to be done to others missing or those contractors who are still young in the construction industry. Though experience does not matter most or simply not everything but on the other side experienced person knows where to start and the risks associated with the work are mostly borne with the person in which in case the same type of risk happen then solving of it become easy. This fact resembles that of Flynn & Davis (2015) on the study “The impact of size on small and medium-sized enterprise public sector tendering.” Indeed the risks in record of experienced contractor are quickly handled or settled not to cause further destructions.

Moreover from the field it was revealed that it is through collaborative procurement in which the assurance of PPA 2004 amended in 2011 sec 51 requiring a contractor to be experienced is fostered. This study is to be used as a platform for policy makers to effects reforms over for inexperienced or/immature contractor/consultant to be given a work or win the tender opportunities. This is from the fact that experience to be obtained by being in the industry for quite some time operating in the work tendered for, is one of the criterion for a young and non-experienced bidders to be awarded a contract. The technical experience talked about to be shared through executing collaborative procurement is that over the understanding on how work is to be done, plan for risks associated with and come up with strategies to mitigate them. It is through partnering, in which the experience over use of information technology compatible with the client /users’ organization is executed.

The response over sharing of technical competence with incremental fit index (0.94) is a clear indicator that partnering in procurement help to smear a gap most of young contracting firms in construction industry adopts to ensure performance of work. Usually the immature contractors are not technically competent practically. From the field they were mostly found to be good theoretically but not in doing. Thus it is through joint/collaborative procurement where different contractors having different talents, knowledge and skills meet then the assurance of a work/project to be completed with its targeted quality standards attained is great. This is then what increases the chance of contractors to win the tender and not the selfishness reported from the field area over some of the local contractors entertaining bidding as individual contractor hoping to win the tender by oneself. From the field area competence was defined in terms of knowing how the work is to be done, resources needed, and procedures/principles/methods to be applied towards its performance. For instance it was revealed that city road construction project in the area of Isyesye required contractor with a profile of ten years working experience but what was revealed was most of bidders by 70% to be found not to meet this criterion. Good enough found was the project to be under TARURA and therefore it was a project which uses force account as initiative of the government of Tanzania of developing young/non-experienced contractors become experienced to bid and win even the big construction projects after found technically and managerially competent.

More with the results over incremental fit index (0.93) greater than 0.90 which is the minimum accepted threshold level prove that collaborative procurement is an innovative strategy towards acquisition of managerial competence. Managerially competence is evaluated and used thoroughly as one of the criterion for someone to be awarded a

contract what was also suggested by Arrowsmith (2010). This caution came following the fact that for someone to be technically good might be not the same over managerial proficiency. That means there are people who are good in technical part and those who are good in managerial technical part. For instance students from middle Colleges such as VETA, NACTE are prepared to be technicians/doers and not leaders or a manager as it is to degree students. It is therefore with collaborative procurement in which the partnership to be initiated has to consider the diversity of this nature. Therefore it is expected that collaborative procurement has to fulfil a gap of 95% chances left for local contractors having a qualification standard class I-III to lose those chances because of not being able managerially to execute the said complex and risky projects (Beil, 2009). Indeed it is through collaborative procurement in which contracting firms missing the managerial skills get acquainted with for even those contractors registered in qualification classes IV-VII for them to win most of contracts which are said to be of less value and less of risks as defined by Contractors (CRB), Engineers (ERB), Architects and Quantity Surveyors Registration Boards (AQRB) of Tanzania. This then ensures for local contractors to effectively and efficiently compete in this competitive globalized World of procurement.

Despite this absolute advantage over forming collaboration indeed in procurement of works in Tanzania exemplified by the research area collaboration was rarely executed ($P < 0.05$) not to realize local small and medium contracting firms reverse the situation by becoming winner overweighing the foreigners. From the research area that is Mbeya City Council this level of insignificance was revealed over big five constructions undertaken in the area while executed by Chinese and German Construction companies. Few to these projects were in place starting from 2012 to 2017 and some are still in progress till now such projects are (were) that of road constructions running from one of the area called rift valley near Sokoine stadium to Makongorosi-Chunya. The other tender won and awarded to foreign contracting firm was that over road construction running from Nanenane to Mwanjelwa then to Kadege and finally to the road line to Iyunga, Mbalizi the way to Songwe region. The other big project which was taking place at that time now completed was that over Home Sewerage Recycling Project found at 'Kalobe' which was awarded to Germany Construction Company. From this discrepancy and indeed as it was reported from the field, the causal of gap was due to most of local contractors, engineers and consultants were not managerially experienced and competent to execute the high valued and sensitive projects as those stated above. Indeed the root cause of the discrepancy was revealed to be caused by most of local contractors bidding as a single contractor and thus many of them not being trusted to be awarded a contract.

3.2 Financial Proficiency and Collaborative Procurement

In here the study motivated to reveal the impacts of collaborative procurement in capacitating local contractors financially. Either from the field it was found that partnering in procurement assures bidders with financial capability. Indeed the bond performance guarantee revealed to be assured for its acquisition when contractors form group/joint tenancy the fact which was also reported by Barrot & Nanda (2017). Furthermore access to sponsorship and or financial credits from financial Institutions was revealed to be assured when contractors form groups or they are working in cooperation (Asante, Kissi & Badu, 2018). Thus it is from these facts what makes collaborative procurement to be an innovative strategy for local small and medium contracting firms compete effectively over the open tendering opportunities advertised. The factual results found from the research were as shown in Table 3

Table 3: Multiple Correlations

Collaborative procurement	Correlation coefficient	0.74***	Financial capability of bidding firm
	Sig.	0.01	
	N	100	

Note: *** $P < 0.01$; ** $P < 0.05$; * $P < 0.1$

Source: Field data (2019)

At a significance level of 1% as shown in Table 3 given the correlation coefficient of $r = 0.74$ is a clear indicator with no doubt that for small and medium contractors to work as joint tenancy worth great than individual effort. This indeed was proved by Shi-Xueyong (2009) over why most of construction tenders are won by Chinese companies. Moreover Enshassi & Karriri, (2011) said that though there are others, Tricky Chinese construction companies are used to win the tenders in Tanzania such as of being corrupted, bribing but the

collaboration they make give trust to the client/ procuring agent/ entity to award the contract to execute. It is with collaborative procurement in which even the contracts which are sponsored by the government of Tanzania are awarded to Chinese construction companies. This is what gives a further discussion to be carried out on why most of tenders are won by foreigners. Thus being a focus of this study the management competence, good reputation/ image Chinese companies have especially to the government of Tanzania are among other reasons of grace said over Chinese construction companies win the chances. More details why most procurement opportunities are won by foreign contractors, consulting engineers and Architects was found to be because of quoting at a low price and honesty way of executing the contract while they are in partnership These facts are consistent with those what was said by Komba (2011) on the study why many procurement contracts are awarded to many of foreign contracting firms as compared to local contractors. The correlation coefficient, $r=0.74$ is a proven fact that partnering in procurement increases the financial solvency of the bidding company for it to win/ or to be selected and awarded the contract.

The factual information over low priced quoted contracts by Chinese construction companies were consistently reported by World Bank (2010) that, because Chinese companies are mostly working in group or as joint tenancy this is then what makes them trusted to be given money even by host country (Beijing government) and indeed by the World Bank. This fact hold realism in manner that working as a group/or as a partnership become as a camouflage or guarantee for the money burrowed to be refunded or repaid even if one or more partner(s) will die. It is through collaborative procurement which catalyse to the member group to start the microfinance say SACCOS for it to help them become financially capable and thus loosening pressure to the government to capacitate them through subsidies provision. Therefore it is through collaboration of construction firms what makes them trusted to be lent money by Financial Institutions. Despite of these blessing results over advantages of forming groups/partnership but the reality is that collaboration was found insignificant (given $P<0.05$) as every local contractor revealed to enjoy wining the tender individually and not as a common tenancy. This is the reason why most of local contractors from the research area found to execute most of low value and simple projects which require little finance not as that of road construction project running from Mbeya town to Makongorosi-Chunya which was costing 250billions a huge budget what individual contract can afford but in partnership . If this is not enough insignificance revealed over not exercising the collaborative procurement that could capacitate small and medium contracting firms financially was the reason why many most of local contractors were found executing the government sponsored projects such that of City/Municipal/rural road construction projects administered by TARURA. This is to say most of local contractors are financially not good to run high and complex projects which require a contractor to be good financially or easily get accessed to bid/performance bond to be awarded a contract (for contracts sponsored by contracting firms). This applies even for the case of alterations (caused by contractors) while the contract is sponsored by the procuring entity then the liquidated damages become through compensated in partnership. This is from the fact that even if one partner withdrawal from the partnership or die then the liquated damages are to be effectively compensated by partners or members in the group.

3.3 Formalisation of the Contracting firms and Collaboration in Procurement

Under this subtitle the study aimed at investigating the contribution of collaborative procurement towards formalization of the contracting firms for it to win a procurement opportunity. From the research area it was revealed that collaboration in procurement help the contracting firm gain reputation. It was moreover found that contracting firm in joint tenancy is easily guaranteed, insured and gain trust by the clients (project owners), financial Institutions and regulators. It was furthermore revealed that partnering help to get quick registration and licensing. From the field area such that over Nanenane Bus Terminal of which its construction came into an end on 2012 after 1 year of project time duration where at first five Chinese contracting firms in collaboration quoted for the bid and win the tender but later the contract was assigned to a single contracting firm to execute. One Chinese contractor from those five left with that contract to execute sub-constructed the contract to Tanzanian contractors of which it was revealed that >80% of small and medium contractors and technicians (the sub-contractors) were not formalized (TANROADS, 2019). This is a clear proof why most of these small and medium contacting firms in Tanzania do not win most of procurement of works' opportunities though currently the situation might have been changed. More facts over the investigation carried out regarding the subtitle above were as shown in Table 4.

Table 4: Latent Variable Analysis

Sub-construct	Registration	Licensing	Insurance/Guarantee
Registration	1		
Insurance/Guarantee	0.51***	1	
Licensing	0.45***	0.43***	1

Note: ***P<0.01; **P<0.05; *P<0.1

Source: Field data (2019)

With correlation coefficient of 0.51 over insurance for formalized contracting firms is the fact proving to be brought by collaboration. This is the fact that powers most of Chinese contracting firms become trusted to that great extent for their projects' to be financed by even the government of foreign countries. Indeed the licensing with correlation coefficient, $r = 0.43$ add credibility, image and reputation to the firm. Thus for the partnership of SMEs in construction industry to be reliable then formalization of business operations cannot be avoided (Kajwangya, 2008). One of the attachments needed for a responsive bid to be submitted is over VAT, and other types of tax payments thus tax financial record is one of the criterion that indicate the formal operating mechanisms of the contracting firm. This then assures the contractor by a great chance to be awarded a contract and not as it was reported from the field by one of the technician that Chinese Contracting firms have been mostly preferred even for the projects sponsored by the government of Tanzania while local contractors left idle.

The partnership or joint tenancy ease the registration of the firm (given the correlation coefficient =0.45).The registered contracting firms gain the credibility and image to be awarded a contract to perform the facts which are inconsistent with insignificance level of registered local contracting firms as it was revealed from the field captured using $P<0.05$.It should be known that Collaborative procurement only cannot make a contractor become credible and reputable but also observing ethical code of conducts what has revealed a discrepancy even to contractors in joint tenancy thus a rectification to be effected by local contractors. Apart from the results in Table 5 showing most of local contractors to commit dishonest practices what revealed to be one of the cause why they are not awarded contract to perform is that most of local contracting and consulting firms were informally operating. Thus they are not trusted to be awarded contract to execute as by doing that it was reported to be like committing non-performance or avoidable risks of which the procuring agent could prior avoid them by not awarding the contract to such contractors.

Table 5: Discriminant Performance Analysis

	Observed performance		Expected performance		Margin of error
	1	2	1	2	
1. Dishonest practice	0.60	0.15	0.50	0.28	0.050
2. Corruption	0.54	0.10	0.50	0.27	0.047
3. Forgery of document	0.50	0.01	0.45	0.25	0.045

Source: Field data (2019)

With the observed results over the dishonest practices = 0.60 for Model 1 against 0.15 for Model 2 in comparison to the expected values = 0.50 for Model 1 and 0.28 for Model 2 indicates how largely malpractices were committed by small and medium contracting firms from the field. It is with this then some of Local Contractors, Engineers were found to steal or use fewer materials different from the specification stipulated as Bill of Quantities (BoQ). Another kind of dishonest practice was that the materials bought were different from the dimensions, type, volume of the materials specified. This is the fact why these small scale contracting firms are not trusted and win the tender opportunity or selected and awarded contract.

Moreover with the response = 0.54 and 0.10 for model 1 and Model 2 being observed results against expected values of 0.50 and 0.27 respectively pertaining the corruption and bribes committed. Either the 54% and 10% cases (observed results) reported for model 1 and 2 respectively being the level of commitment of these dishonest practices show the problem to be rampant from the field area. It is with this fact which prove over the complains of other contractors saying that a particular contractor has been used to be awarded a contract now and then

despite of tendering process requirement to be Open and Competitive. Commitment of corruption was signified by advertisements over tender by procuring agents, i.e. the TANROADS, TARURA as if a National competitive tendering method is adopted as required by public procurement policy that allows many small and medium contracting firms quote for the tender while to find that direct contracting method was applied contrarily from the policy requirements. This is what this study under discussion insist on collaboration in which won and signed contract might even left to a single local contractor, a Tricky said to use by Chinese contracting firms to execute the contract to performance.

Corruption has further caused selection of incompetent contractor to run the contract to under performance. This is indeed against the underlying Statutes (Agencies Act Cap.245, R.E.2002). Another form of corruption revealed was that of a contract to cost say Tshs.8 Million but the procuring agent/entity plan this contract to cost say Tshs.12 million i.e. greater than the fair and actual market price. This is a dishonesty said to be practiced in procurement which revealed to exclude the local contractors from winning the opportunities.

Being used to manual documentation was revealed to be a major source of forgery over procurement documents. It is the same with what was found from the field with the found cases over forgery malpractices reported = 0.50 and 0.01 for Model 1 and 2 which is more stiff than expected values i.e. 0.45 and 0.25 for Model 1 and 2 respectively. Non transparency and use of manual documentation revealed to be a catalyst-root cause of this gap. Thus to reach to the effective situation as it is over the expected performance i.e. 0.50 and 0.25 for Model 1 and 2 respectively then e-procurement systems should be put in place. Forgery that was revealed from the field area was that of the large cost figure over the materials to be purchased than the real figure such as Tshs.20 Million to become Tshs.200 Million onetime found (TARURA, 2019). Forgery over the signatures of the authorizers/approving officials and counterfeit payment Vouchers were other fraudulent dealings revealed.

4.0 CONCLUSIONS

The collaborative procurement is a joint tenancy formed by local small and medium contractors to increase a greater chance of winning procurement opportunities even for those chances advertised using international competitive tendering method. From the field area it was revealed that collaborative procurement increases the technical experience, competence and managerial skills to the contractors. Moreover collaborative procurement was found to be an innovative strategy towards empowering the competing bidders become financial capable. It was furthermore deduced that partnering or collaboration in procurement formalizes the firm for it to gain trust, image, reputation and credibility by the government, sponsors, Financial Institutions and client. Despite of the positive influence shown over collaborative procurement but it revealed to be exercised insignificantly by small and medium contracting firms which are one of the reasons for them lose procurement opportunities in greater extent than foreigners. These facts from the field are consistent with those of Kaula (2017) on the study “why most of procurement of works’ opportunities in Tanzania are won by foreign contracting firms. From this study by Kaula (2018) it was reported that only $\leq 40\%$ of the construction opportunities are won by local contractors which means that $>60\%$ of the opportunities are acquired by foreigners such as Chinese, Korea, Kenyan contracting companies. Either other factors not the focus of the topic underhand revealed from the field to be the cause for small and medium contracting firms to be at a losing side were unethical, dishonest and more other kind of malpractices. This is either a message that even in partnership, small and medium contracting firms have to act honestly for them to be trusted and awarded procurement contracts to execute. More other suggestions to get rid of the gap revealed from the field were shown in subtitle 5.0

5.0 RECOMMENDATIONS

From the discrepancies shown the remedies for the situation may take the following action by stakeholders in construction industry:-

- i) Small and medium contracting firms should be emphasized to form group/ partnership/cooperative societies
- ii) Collaboration of construction firms has to observe diverse (A partnership has to include the technicians, experts, lawyers, Accountants, procurement officers, managers)
- iii) Partnering is to go with establishment of SACCOS, microfinance Institutions to sustainably empower the partnering /joint tenancy financially.

- iv) Promotion of Seminars, structural training programmes, to equip the small and medium contracting firms with the up-to-date ways of acting in construction industries.
- v) Registered and non-registered contractors, Engineers, Architects and Quantity Surveyors are reminded to be acting professionally and ethically.
- vi) Local contractors are to act honestly for them to gain trust by clients/procuring entity and the government of host or foreign country as it is to the Chinese construction companies.

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