

Explaining the Adoption of Deterministic Procurement Strategies to Economically Empower Minority Owned Businesses (MOBs)

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Abstract

During the financial years 2019/20 and 2020/21, audited public entities did not set aside the mandatory 30% annual procurement volume for preferential procurement for minority-owned businesses. Thus, the study investigated the factors that influence the adoption of preferential procurement by public entities in Tanzania. The study adopted a descriptive cross-sectional design to explain the factors that influence the adoption of the preferential procurement scheme. Data was collected using a questionnaire from 122 procurement practitioners in public entities. The collected data were quantitatively analyzed. The results show that all aspects under perceptions of performance ability, internal facilitating conditions, and legislative framework clarity were significantly [$p < 0.05$] influencing the adoption of the preferential procurement scheme. In light of the findings, the study concludes that the country isn't exploiting the full advantages of preferential procurement in solving unemployment issues and alleviating poverty. Thus, public entities must develop a sound internal culture of commitment to social responsibility as a prerequisite to the effective adoption of preferential procurement. Also, the quality of legislative frameworks (Procurement Act, regulations, and implementation guidelines) should be improved with a focus on clarity on the implementation of preferential procurement.

Keywords: *Public Procurement, Minority-Owned Businesses (MOBs), Unemployment, Socially Responsible Procurement*

1.0 INTRODUCTION

Long ago, it was projected that the world population would more than double and that the increased population would demand homes, schools, infrastructure, and most importantly, workplaces. Since the world is made up of finite resources, it was acclaimed that organizations that positively address the aforementioned

priority issues will be the long-term winners (Berry and McCarthy, 2011). Organizations are increasingly demanded by their respective stakeholders to heed the needs of society as part of being socially responsible and reacting to societal needs. The contribution of procurement can't be neglected. Today, procurement managers are involved in corporate social responsibility (CSR) through socially responsible procurement (SRP), which involves designing and implementing sustainable procurement policies (SPP) that focus on addressing how environmental issues and other aspects of sustainable development, namely social and economic, can be integrated into the procurement process (Carter and Jennings, 2000; Kalubanga, 2012). Conventionally, procurement practitioners strive to achieve value for money during the procurement process. As a strategic tool for an organization, today's procurement practitioners are required to consider a plethora of issues in their procurement practices, including SRP. Hence, in addition to corporate consideration of 'value for money', procurement practitioners are tasked with embracing SRP that fosters social development (Levin and Pease, 2013). SRP deals with vast issues, but in the current world, it is expected that it contributes to solving problems of employment and/or poverty. According to the International Labour Organization (2020), Africa faces the greatest challenge related to the decent work deficit or employment and poverty, and it is the region that is regarded as having the lowest per capita GDP. The low per capita income can be attributed to the fact that about 85% of Africans are informally employed and are working in low-productivity jobs with apparently low wages.

Today, procurement for both private and public organizations has an additional dimension of philanthropy by contributing to social development through sustainable and ethical procurement (Salam, 2007). It is well documented that procurement makes up a substantial portion of an organization's budget. In OECD countries, it is estimated that procurement accounts for 12% of GDP and, on average, 29% of government expenditure. Hence, for this reason, procurement plays a key role in social responsibility (ISO, 2017). With the emergence of CSR and SRP, the philosophy is that companies need to worry not only about their financial performance but also their social and environmental performance (Levin and Pease, 2013). In today's globalized world, the sustainability of companies is defined by both the company's financial performance and its contribution to the welfare of society (Onar, 2012). According to Tessem (2002), strategic use of public procurement can be crucial in directing public resources towards employment-intensive and poverty alleviation investments, which will simultaneously address the issue of job creation.

The use of procurement to achieve social value is not a new phenomenon, and it has been argued that the primary objective of procurement is to acquire goods

and services, while the secondary objective is to create socio-economic benefit through alleviating poverty, supporting local markets, and including ethnic minorities (Murphy and Eadie, 2019). With the realization that public procurement can be an economic lever to alleviate poverty and unemployment problems, the government of Tanzania initiated changes to the country's legal framework to permeate social procurement in public practices (URT, 2012; Matto, 2017). Among the notable changes in the legislation was the ability of the government to create increasing opportunities for promoting local industry by encouraging the participation of local producers. To promote the growth of local industry, the government-oriented the procurement practices to provide a positive bias toward local labour, raw materials, expertise, and other inputs. With this direction, it is expected that social objectives like the creation of employment and enhancement of the standard of living of people will be achieved through selling to the government (URT, 2012).

Because state government institutions and local government institutions are big consumers, they can be the market for goods produced by ethnic minorities to leverage their economic progression (Carnoye, 2020). Deriving from the notion that government-owned institutions are big spenders, the government decided to set aside 30% of annual procurement volume for minority-owned businesses or special groups¹ (PPRA, 2020). While it is a shrewd decision by the government to set aside funds exclusively for special group procurement when because procurement consumes a significant portion of government expenditure, there are still lingering concerns. According to Msigwa and Kipsha (2013) and Mtebe *et al.* (2020), youths are incapable of accessing various economic opportunities due to a skills mismatch between formal education and market requirements, limitations to accessing capital, and the excessive cost of starting and running a business in Tanzania.

Even though there are challenges to minority-owned businesses (MOBs) about the skills required to run businesses and enterprises, the government still legally enforced the need to have a preferential scheme in public procurement for such businesses. However, in the financial year 2019/2020, it was found that 83.7% of audited entities did not set aside the mandatory 30% procurement volume for special groups (PPRA, 2020). For proper perspective, again in the financial year 2020/2021, it was recorded that out of 86 audited entities, 94% did not set aside the mandatory 30% procurement volume for special groups (PPRA, 2021). Public procurement has strategic aspirations and bureaucrats' value highly its potential to deliver on wider societal issues. However, the use of public procurement to deliver on wider societal issues is affected by a lack of strategic

¹ Special group is the country's definition of minority owned business (MOB) that includes youth and women.

maturity in public procurement practices (Grandia and Meehan, 2017). The lack of strategic maturity in public procurement practices that fosters sustainable public procurement by driving societal goals is due to a lack of strategic management and top-level commitment as well as excessive focus on the lowest price as the dominant award criterion (Berg *et al.*, 2021). In addition to the issue of lack of strategic management, the use of public procurement to realize societal issues of sustainable development has received little attention than the environmental dimension in various scholarly works (Yawar and Seuring, 2017). Further, the failure to incorporate socially responsible procurement requirements may imply that public regulating authorities have yet to address the issue of social sustainability in the right manner (Vluggen *et al.*, 2020). Given the evidence that public entities have failed to comply with SRP requirements, this study seeks to determine the salient factors that influence the adoption of SRP by public entities in Tanzania.

2.0 LITERATURE REVIEW

2.1 Socially Responsible Procurement

Socially responsible procurement (SRP) is a procurement practice that not only focuses on having a good reputation in society by being regarded as introducing products and services that are economically appealing and environmentally friendly but also deliberately contributes to the fulfillment of societal needs. Stand-alone activities associated with purchasing from minority-owned suppliers are recognized as SRP (Carter and Jennings, 2000; Ogunyemi *et al.*, 2016). Business systems roles in contemporary society are changing at a rapid rate, and today businesses are compelled to engage with society by incorporating non-commercial criteria in their procurement practices (Hyacinth and Olutoye, 2019; Carnoye, 2020). A good and sound SRP should include encouraging a competitive base of under-represented suppliers, community benefits, fair pricing policies, job creation, supporting SMEs, and ensuring agreements with suppliers are competitive and fair to promote business viability (Berry, 2011; Lagasi, 2021).

2.2 Managing SRP: Decision Theory and Institutional Theory

Decision theory is a theory about decisions that explains how individuals use their freedom to make choices which are goal-directed activities. In hindsight, decision theory focuses on goal-directed behavior in the presence of options. Decision theory distinguishes between normative theories and descriptive theories. Normative theories elucidate how decisions should be made while descriptive theories exemplify how actual decisions are made (Hansson, 2005). For corporate existence, performance, and productivity, decision-making is a core component. As organizations are built to respond to diverse environmental

changes, the decision-making process is exceedingly crucial and it involves clarification of objectives, specification of problems, and search for implementation of solutions. Fundamentally, understanding how decisions are made helps in understanding the behavior of organizations with mechanisms by which choices are made (Gbande and Ahkuwa, 2015). The organizational procedure view decision theorist contends that decisions are outputs of standard operating procedures invoked by subunits of an organization. The organization procedure view is regarded as an avoidance mode that seeks to maintain the status quo at the cost of embracing innovation (Turpin and Marais, 2004). All the while, institutional theory provides a framework and general set of references as to what constitutes an institution and what factors affect an institution (Adithi, 2017). However, the rapid expansion of institutional theory has made it difficult to have a unified definition of an institution because the term has become very vague (Alvesson and Spicer, 2019). Nevertheless, Scott (1995) defines institutions as cognitive, normative, and regulative structures and activities that provide stability and meaning to social behavior. Institutional theories provide an enriching and complex view of organizations. The theory contends that organizations are influenced by normative pressures from external sources and sometimes internally to an organization. These normative pressures catapult organizations to be governed and guided by legitimate ideas and elements that range from standard operating procedures to professional certification and state requirements (Zucker, 1987). Thus, on the premise of the theoretical propositions, this study builds its objective to study the factors that affect decision-making about the adoption of MOB preferential procurement within Tanzania's institutional context.

2.3 Factors Influencing MOB Procurement Adoption

2.3.1 MOB Perceived Ability

When organizations are purchasing from various suppliers, they normally consider not only the lowest-cost supplier but also their ability to perform and financial stability (Alsuwehri, 2011). Purchasing entities position themselves to select suppliers based on a series of criteria, including supplier technical ability, supplier efficiency in delivery, the financial position of the supplier, the quality of the supplier's products, and the experience of the supplier offering certain products (Chemjor, 2015). Moreover, small business set-asides tend to have cost advantages when the purchasing organization factors in the transaction cost savings (Hawkins and Gravier, 2018). Thus, MOB, when they participate in procurement processes, are likely to be subjected to perceptions about their ability to perform according to expectations. Therefore, the following hypothesis statement was developed:

H1₀: There is no significant influence of MOB's perceived ability to perform on the adoption of MOB's preferential procurement scheme.

H1_a: There is a significant influence of MOB's perceived ability to perform on the adoption of the MOB preferential procurement scheme.

2.3.2 Approval Requirements

The procurement function is widely regarded as a 'service' or 'social' function by its very nature. Procurement is regarded as a service function because it is dedicated to ensuring that internal and external users are satisfied (Murray, 2009; Ishola, 2010). The service and social nature of the procurement function are vindicated through the need to solicit various approvals. According to Mont and Leire (2009), to implement SRP, there is a need to justify SRP and solicit approval of costs from the relevant approving authorities. Further, SRP is required to obtain approvals of both methods of procurement, tenderers' names, tender documents, and contract documents (URT, 2011). The following hypothesis statement was developed:

H2₀: There is no significant influence of rigid and complex procurement approvals on the adoption of MOB's preferential procurement scheme.

H2_a: There is a significant influence of rigid and complex procurement approvals on the adoption of MOB's preferential procurement scheme.

2.3.3 Facilitating Conditions

The challenges to the adoption of sustainable socially responsible procurement can be exogenous in the form of public procurement laws and policies (Rolfstam, 2012). Concomitantly, some challenges relate to structures and capabilities endogenous to a procuring organization. Endogenous challenges range from strategic domains to operational levels (Berg *et al.*, 2022). Further, it is widely accepted that using a process requires a defined type of skill, resources, and technical infrastructure (Tarhini *et al.*, 2014). To be able to implement SRP, there must be a multitude of facilitating conditions that may be found both internal and external to the organization. To adopt SRP practices, there must be community pressure, clear government regulation, and international standards (Berry, 2011; Hyacinth and Olutoye, 2019). The lack of and inadequate toolkits hinders the adoption of SRP (Meehan and Bryde, 2011). Even when toolkits are available, the lack of knowledge and skills required to utilize the available toolkits is detrimental to the success of adopting SRP (Grandia and Kuyen, 2020). In addition, issues like the level of employee training, top management commitment, legal clarity, people-oriented culture, and encouraging employee initiative are likely to promote the implementation of SRP practices (Mont and

Leire, 2009; Hyacinth and Olutoye, 2019). The following set of hypotheses were developed:

- H30: There is no significant influence between endogenous/organizational facilitating conditions and the adoption of the MOB preferential procurement scheme.*
- H3a: There is a significant influence between endogenous/organizational facilitating conditions and the adoption of MOB's preferential procurement scheme.*
- H40: There is no significant influence between unclear procurement legislative frameworks and the adoption of MOB preferential procurement schemes.*
- H4a: There is a significant influence between unclear procurement legislative frameworks and the adoption of MOB's preferential procurement scheme.*

3.0 METHODS

3.1 Research Setting and Design

This study explained the salient factors affecting the adoption of deterministic preferential procurement strategies for MOBs. The data was collected in Tanzania because the issue of supporting MOBs using public procurement is a relatively new phenomenon. MOB participation is a new phenomenon because it was legally enforced in 2016 following the amendments to the Procurement Act and subsequently became fully operational in 2020 when PPRA issued the guideline for special group procurement as well as the first batch of registered special groups. In light of the study objectives, a descriptive cross-sectional design that uses a quantitative approach to data analysis was adopted.

3.2 Sample and Data Collection

The study collected data from procurement practitioners who responded about procurement-related challenges that affect the adoption of preferential procurement schemes for MOBs. The population of this study is made up of procurement practitioners who are members of a procurement professional forum. The procurement professionals' forum was purposely selected because it is composed of procurement practitioners from various entities. The professional forum has 265 procurement professionals, who constitute the population of this study. Using Yamane's (1967) formula for sample estimation with $N = 265$ and $e = 0.05$, the sample size for procurement practitioners was estimated to be 156. The data from procurement practitioners was collected using a questionnaire. The data collection using questionnaires used a hybrid approach whereby some questionnaires were manually coded and administered using the Drop-Off-Pick-Up (DOPU) method. Also, the questions were coded into a Google Form, and the

form was shared online with procurement practitioners who were geographically distant. The sampling of procurement professionals was done using the purposive sampling method. Purposive sampling was used for procurement practitioners who were, at the time of data collection, working with public entities. After circulating the questionnaires by both manual and online methods, 122 questionnaires were retrieved. The collected questionnaires were scanned for appropriateness and completeness of responses, and all 122 questionnaires were deemed fit for further analysis.

3.3 Measurement and Statistical Analysis

The variables that were studied include the approval requirements, perceived MOB ability, internal facilitating conditions, and legislative framework clarity. These variables and their underlying constructs were measured using a five-point Likert scale ranging from 1 (Strongly Agree) to 5 (Strongly Disagree). Table 1 below illustrates the studied variables and their underlying items. The data collected using a questionnaire were coded and analyzed using descriptive analysis and a one-sample t-test. The descriptive analysis was used to show the descriptive results of the study. Correlation analysis was conducted to establish the extent of correlation between factors influencing the adoption of MOB procurement. In addition, reliability analysis using Cronbach's Alpha was used to measure the internal consistency of factors with an Alpha value greater than 0.6 deemed acceptable and reliable (Nunnally and Bernstein, 1994). Since, one sample t-test is used to compare the mean of a sample against an assumed value of the population (Al-Kassab, 2022), it was used to evaluate the presence of any statistically significant influences of the studied factors towards the adoption of the MOB procurement scheme (Kumar, 2019). Building from the conceptualization that it is statistically possible to use a t-test when the variables are following a Likert scale format, this study proceeded with t-testing by testing the difference between those who agree (<3) and those who disagree (> 3). This was done because it is statistically robust to use a t-test to test for the existence of differences between responses measured by a single Likert item (Viera, 2016; Gombolay and Shah, 2016). Additionally, a t-test was used because it is determined to have similar power to Mann-Whitney-Wilcoxon (MWW) for a five-point Likert scale (De Winter and Dodou, 2019).

Table 1: Study Variables

Constructs	Items	Type of factor	Source	
Perceived Ability	PA1	Expected cost-saving opportunity	Success factor	Hawkins and Gravier (2018)
	PA2	Minimum technical requirement	Barrier factor	Chemjor, (2015)
	PA3	Reasonable financial ability	Barrier factor	Chemjor, (2015) and Alsuwehri, (2011)
	PA4	Complying with delivery dates	Measure of performance	Nicholas and Fruhmann (2014)
Approval Requirements	AR1	Justification and approval of SRP for MOB	Barrier factor	PPA (2011) and PPRA (2020)
	AR2	Approval of cost estimates	Barrier factor	Mont and Leire, (2009)
	AR3	Approval of MOB names	Barrier factor	PPA (2011)
	AR4	Procurement method approval	Barrier factor	PPA (2011) and PPRA (2020)
Internal Facilitating Conditions	IFC1	Lack of management commitment	Barrier factor	Mont and Leire (2009)
	IFC2	Lack of people-oriented and initiative culture	Barrier factor	Hyacinth and Olutoye (2019)
	IFC3	Level of procurement professional's training and competence	Critical enabler	Grandia and Kuyen (2020); Uyarra <i>et al.</i> (2014)
	IFC4	Procurement professional's work experience	Critical enabler	Israel <i>et al.</i> (2019)
Legislative Framework Clarity	LFC1	Unclear Procurement Act Clauses	Critical failure factor	Rolfstam (2012), Hyacinth and Olutoye (2019)
	LFC2	Unclear Procurement Regulations Clauses	Critical failure factor	
	LFC3	Unclear Special Group Guideline	Critical failure factor	

4.0 RESULTS

4.1 4.1 Reliability and Correlation Analysis

The Cronbach’s Alpha results show that overall, the items were reliable, with an alpha value of 0.818. The internal consistency of items was measured, and findings show that perceived MOB ability (0.755), approval requirements (0.751), internal facilitating conditions (0.687), and legislative framework clarity (0.702) were determined to have an acceptable internal consistency. Further, a pairwise correlation analysis was conducted to determine the factors that significantly correlate to determine the adoption of deterministic procurement strategies for MOBs. The findings reveal that internal facilitating conditions and legislative framework clarity significantly correlate ($r = 0.437$; $p = 0.000$). This means that internal facilitating conditions and legislative framework clarity correlate by 43.7% to determine the adoption of the MOB procurement scheme by public organizations. Further, it is shown that approval requirements and perceived ability significantly correlate ($r = 0.434$; $p = 0.000$) to determine the adoption of the MOB procurement scheme. Additionally, the findings reveal that legislative framework clarity and approval requirements insignificantly correlate ($r = 0.074$; $p = 0.416$) to determine the adoption of the MOB procurement scheme.

Table 2: Correlation matrix

	PA	AR	IFC	LFC
PA	1			
AR	0.422**	1		
IFC	0.430**	0.266**	1	
LFC	0.313**	0.074	0.437**	1

** Correlation is significant at the 0.01 level (2-tailed).

4.2 Testing of Hypotheses

From the correlation results (Table 3) it is seen that variables are independent because the value of r was less than 0.7 (Ratner, 2009). Furthermore, normality was tested using skewness and kurtosis. The descriptive results indicated that the values of kurtosis and skewness were between 2 and -2 which implies the data were normally distributed (Hair *et al*, 2022). Various studies have indicated that if there is an adequate sample size (at least ten observations) and the data is normally distributed the parametric test can be used with Likert scale data (Jamieson, 2004). Thus, this paved the way for using a one-sample t-test for testing of hypothesis as the assumption of independence of constructs and normality was established. The study used a one-sample t-test with a confidence interval of 95% to determine the significance of the studied factors in influencing the adoption of the MOB preferential procurement scheme. The findings for one sample t-test are analyzed and presented below:

4.2.1 MOB perceived ability

The outcome of the one-sample t-test reveals that H_{10} – there is no significant influence of MOB perceived ability to perform on the adoption of MOB preferential procurement scheme is rejected, and H_{1a} – there is a significant influence of MOB perceived ability to perform on the adoption of MOB preferential procurement scheme is accepted. The test results for perceived MOB ability to perform according to expectations are significant (p -value < 0.05) across all four defining constructs. The mean values for all MOB perceived ability factors fall on the positive side of the test value (less than 3). Further, the lower and upper interval ranges do not cross zero, which further solidifies the notion that all items significantly influence the adoption of MOB procurement.

Table 3: One-Sample Test: MOB Perceived Ability

MOB perceived ability	Mean	t	df	Sig.	Mean difference	Test value = 3	
						95% CI of the difference	
						Lower	Upper
PA1	2.35	-6.184	121	0.000	-0.648	-0.85	-0.44
PA2	2.35	-7.310	121	0.000	-0.648	-0.82	-0.47
PA3	2.41	-6.505	121	0.000	-0.590	-0.77	-0.41
PA4	2.45	-6.415	121	0.000	-0.549	-0.72	-0.38

CI: confidence interval

These findings imply that for procuring entities to successfully set aside and adopt MOB procurement, there must be a positive perception of the MOB’s ability to perform according to expectations. Perceptions of financial ability, technical ability, and ability to adhere to delivery schedules obtained by purchasing from MOBs in comparison to entities' expectations negatively affect the implementation of MOB procurement. This finding aligns with those of Clauss and Tangpong (2019), who state that attributes of supplier capabilities to execute procurement contracts are perceived to be important in the supplier-buyer relationship to the extent that they are fundamentally considered during evaluation and selection. For MOBs to perform to the expected standards, they must have good financial and technical ability that will enable them to provide cost advantages by lowering the transaction costs to the procuring entity as well as making deliveries according to schedules. A study conducted by Tesha and Nsimbila (2022) found that financial factors were significant in winning government contracts for minority-owned businesses. Also, the OECD (2017) articulated that the adoption and inclusion of MOB are affected by the disproportionately high technical and financial qualifications requested by public bodies.

4.2.2 Approval requirements

The test results about approval requirements that affect the MOB procurement scheme reveal that there was a statistically insignificant effect of approval of procurement methods (p -value > 0.05) on the adoption of MOB procurement. Other aspects, namely justifying MOB procurement, approval of cost estimates, and selection of group names, were determined to be significantly affecting the adoption of the MOB procurement scheme. The mean values for all approval requirement factors fall on the positive side of the test value (less than 3). The range for approval of the procurement method crosses zero, which means that this item doesn't affect the adoption of MOB procurement, unlike other items. The ranges for all other constructs do not cross zero, which means that these remaining constructs affect the adoption of the MOB preferential procurement scheme.

Table 4: One-Sample Test: Approval Requirements

Approval requirements	Mean	t	df	Sig.	Mean difference	95% CI of the difference		
						Test value = 3	Lower	Upper
AR1	2.69	-3.267	121	0.001	-0.311	-0.50	-0.12	
AR2	2.74	-2.623	121	0.010	-0.262	-0.46	-0.06	
AR3	2.61	-4.175	121	0.000	-0.393	-0.58	-0.21	
AR4	2.82	-1.907	121	0.059	-0.180	-0.37	0.01	

CI: confidence interval

The prevailing procurement legislative frameworks of the country necessitate that every stage of procurement, regardless of the item or method of procurement used, be subjected to rigid approval processes. This rigid approval process requires explanations as to the reasoning behind procurement decisions, which brings unnerving bureaucracy into the procurement process. The view that these approval requirements affect negatively MOB adoption is upheld by the study of Mensah and Tuo (2013), who argued that procurement processes are exposed to lengthy approval or disapproval that affects the process.

4.2.3 Internal Facilitating Conditions

Based on one sample t-test result, H_{30} – there is no significant influence between organizational facilitating conditions and the adoption of MOB preferential procurement is rejected, and H_{3a} – there is significant influence between organizational conditions and adoption of MOB preferential procurement is accepted. The test result about the influence of internal facilitating conditions on MOB procurement was found to be significant (p -value < 0.05) across all four aspects. The mean values for aspects under internal facilitating conditions fell on the positive side of the test value (less than 3). The lower and upper confidence

intervals do not cross zero for all items, further showing that all items significantly affect the adoption of the MOB procurement scheme.

Table 5: One-Sample Test: Internal Facilitating Conditions

Internal facilitating conditions	Mean	t	df	Sig.	Mean difference	95% CI of the difference	
						Lower	Upper
						Test value = 3	
IFC1	2.08	-9.072	121	0.000	-0.918	-1.12	-0.72
IFC2	2.67	-3.380	121	0.001	-0.328	-0.52	-0.14
IFC3	2.52	-4.759	121	0.000	-0.484	-0.68	-0.28
IFC4	2.35	-6.711	121	0.000	-0.653	-0.85	-0.46

CI: confidence interval

It is widely accepted that internal factors have the greatest bearing on influencing the adoption of any new system or practices including the MOB procurement scheme. These findings align with the findings of Jolly (2004), who contended that the political institutional environment is one of the factors that explain the embedment of minority businesses. Training is determined to be important because it is the foundation for understanding the principles and processes of administering procurement processes. The importance of training as a facilitator towards engaging MOB procurement has been validated by Brammer and Walker (2010). Also, an organization that is committed to social responsibility and allows employees' initiative is likely to adopt the MOB procurement scheme because of its good internal culture. In Tanzania, formal social responsibilities are still in their infant stage despite laws enforcing them, and even more so for public organizations. Thus, having a good and supportive internal environment is paramount to ensuring its success. In a study, Gurcan (2021) argued that a good, supportive, and collaborative internal environment allows the purchasers to communicate and administer social expectations. Further, these findings pertaining to social responsibility are echoed by Ramdhan *et al.* (2022), who argued that internal commitment to social responsibility greatly influences the motivation to serve and devote itself to the interests of the state. Lastly, the importance of a sound and supportive internal environment has been echoed by Salam (2009) who articulated that individual values and people-oriented organizational culture are powerful predictors for successfully adopting purchasing social responsibility.

4.2.4 Legislative Framework Clarity

One sample t-test result reveals that H_{4_0} – there is no significant influence between unclear procurement legislative frameworks and adoption of MOB preferential procurement is rejected, and H_{4_a} – there is significant influence between unclear procurement legislative frameworks and adoption of MOB

preferential procurement is accepted. The test result about the influence of legislative framework clarity on MOB procurement was found to be significant (p-value < 0.05) across all three aspects. The mean values for aspects under legislative framework clarity fall on the positive side of the test value (less than 3). All item's lower and upper ranges did not cross zero, which further proves the significance of the items in influencing MOB procurement adoption.

Table 6: One-Sample Test: Legislative Framework Clarity

Legislative framework clarity	Mean	t	df	Sig.	Mean difference	95% CI of the difference	
						Lower	Upper
						Test value = 3	
LFC1	2.33	-7.250	121	0.000	-0.672	-0.86	-0.49
LFC2	2.41	-5.986	121	0.000	-0.590	-0.79	-0.39
LFC3	2.44	-5.420	121	0.000	-0.557	-0.76	-0.35

CI: confidence interval

Procuring entities, when executing procurement processes, have to refer to the stipulations of the Procurement Act, procurement regulations, and implementation guidelines that are developed by bodies external to a public organization. Adoption and implementation are easier when these instruments are stipulated. The findings in this study have found that the implementation guidelines, regulations, and Act are deemed to be unclear, leaving procurement practitioners floundering as to how they should adopt and implement the MOB preferential procurement scheme. These findings align with those made by the OECD (2017) that regulatory uncertainty, complexity, and inconsistency affect the intended empowerment of small businesses. That said, Okeahalam (2004) propounded that developing nations are characterized by weak procurement guidelines that foster the participation of minority-owned businesses in public procurement opportunities. In addition, Hoekman and Tas (2020) argued that regulation quality is the panacea to ensuring sustained SME participation in public procurement opportunities.

5.0 CONCLUSIONS

Minority-owned businesses are the sure way for the government to solve the unemployment conundrum and alleviate poverty in the country. However, currently, procuring entities aren't fully exploiting the advantages of this preferential procurement by failing to set aside the mandatory procurement volume. Based on the propositions made by decision theory and institutional theory this study has established the influence of the components propounded by the theory towards MOB adoption. The failure of public entities to set aside the procurement volume for MOBs entails that the legitimate ideas and elements that

govern organizations ranging from standard operating procedures to state requirements do not positively affect MOB procurement by encouraging adoption while professional certifications positively influence the adoption of MOB procurement. Further, the failure to set aside and implement MOB preferential procurement is affected by factors such as MOB's perceived ability, the complexity of approval requirements, unclear legislative frameworks, and the internal environment of an organization.

6.0 RECOMMENDATIONS

To successfully implement the MOB preferential procurement scheme and reap the embedded advantages, authorities must streamline the application of such a scheme. First, it is mandatory to ensure that public organizations build an internal culture of commitment to social responsibility. Public bodies shouldn't be exempted from social responsibility requirements just as such programs are legally enforced on private organizations. Also, the prevailing laws, regulations, and guidelines should clearly articulate the issue of MOB preferential procurement to enable the achievement of consensus amongst procurement practitioners who are required to administer such procurement. That is, the legislative framework should clearly articulate when should procuring entities utilize the MOB preferential scheme by enumerating the appropriate procurement thresholds. Likewise, the complexity of approvals in relation to approving MOB procurement can be softened by elaborating on the appropriate approval organs the state interest, and the importance of MOB procurement so that approvals are granted easily but without compromising the legal compliance requirements. In addition, repeated training should be provided to procurement practitioners on the essence and correct way of administering MOB preferential procurement.

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APPENDIX
Normality Test (Kurtosis and Skewness)

Item	Mean	SD	Variance	Skewness	Kurtosis
Perceived MOB Performance Ability	2.35	1.157	1.338	0.611	-0.494
Expected cost saving opportunity (PA1)	2.41	1.002	1.004	0.403	-0.517
Perceived MOB technical ability (PA2)	2.35	0.978	0.957	0.100	-1.001
Perceived MOB financial ability (PA3)	2.45	0.946	0.894	0.651	0.290
Perceived timely delivery ability (PA4)					
Approval Requirements					
MOB procurement justification (AR1)	2.69	1.053	1.109	0.223	-0.466
MOB cost estimates approval (AR2)	2.74	1.104	1.220	0.164	-0.682
Approval of MOB names (AR3)	2.61	1.041	1.084	0.359	-0.286
Approval of procurement methods (AR4)	2.82	1.045	1.091	0.237	-0.266
Internal Facilitating Condition					
Lack of management commitment (IFC1)	2.08	1.118	1.249	0.955	0.183
Lack of people-oriented culture (IFC2)	2.67	1.071	1.148	0.157	-0.498
Level of professional training (IFC3)	2.52	1.123	1.260	0.297	-0.729
Professional's working experience (IFC4)	2.35	1.070	1.145	0.428	-0.585
Legislative Framework Clarity					
Unclear Procurement Act (LFC1)	2.33	1.024	1.049	0.383	-0.575
Unclear Procurement Regulations (LFC2)	2.41	1.089	1.186	0.294	-0.619
Unclear MOB procurement guideline (LFC3)	2.44	1.136	1.290	0.402	-0.448