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Effects of Individual Behavior on Organization Procurement Performance: A Case of Ministry Of Education and Vocational Training Zanzibar

Lailati Himidi Khamis [1*], Felex Vicent [2]

[1]Student, Tanzania Institute of Accountancy (TIA).
[2]Lecturer, Tanzania Institute of Accountancy (TIA)

***Corresponding Author**: Lailati Himidi Khamis
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Abstract

This study examined the effects of individual behavior on procurement performance in the Ministry of Education and Vocational Training Zanzibar. A mixed research approach was employed, combining quantitative data from 70 respondents using structured questionnaires with qualitative insights from interviews. Descriptive statistics revealed that respondents strongly agreed on the financial literacy, accountability, compliance and ethical behavior enhancement of procurement performance. Overconfidence moderately found to effect procurement performance. Regression analysis further indicated that financial literacy (β = 0.367, p = 0.001) and ethical behavior (β = 0.321, p = 0.005) are significant positive predictors of procurement performance, whereas overconfidence (β = -0.241, p = 0.014) and herding behavior (β = -0.198, p = 0.029) negatively influence outcomes. The model explained 61% of the variance in procurement performance (R^2 = 0.61), demonstrating strong explanatory power. The findings underscore the importance of promoting financial and ethical competence among procurement officers while mitigating cognitive biases through training, decision-support mechanisms, and structured oversight. This study provides actionable insights for policymakers and institutional leaders aiming to enhance procurement performance.

Keywords: *Procurement performance, Individual behavior.*

1.0 Introduction

Globally, individual behavior significantly influences organizational procurement performance, particularly in governance, efficiency, and transparency. Studies show that human factors—such as ethical judgment, risk perception, and adaptability to systems can contribute to cost savings, fraud prevention, and process innovation (Søreide, 2002; Bosio et al., 2022). For example, organizations with strong accountability cultures report up to 30% lower procurement irregularities compared to institutions with weaker controls. As digital systems and AI become more prevalent, employee behavior increasingly determines the effectiveness of technology-enabled procurement systems (Dyer et al., 2019; UNCTAD, 2023).

In African public procurement settings, individual behaviors like collusion, bypassing approval protocols, and favoritism undermine procurement integrity. A study in Tanzania revealed that price adjustment formula misapplications and procedural bypasses cost the government significant resources (PPRA, 2025). Similarly, across sub-Saharan Africa, countries with stronger individual compliance and ethical behavior correlate with higher World Bank procurement performance scores, whereas those with low compliance show up to 40% higher fraud rates in procurement activities (Open Contracting Partnership, 2022; World Bank, 2022; Transparency International, 2025).

In Tanzania, including Zanzibar, systemic behavioral issues such as lack of professional competence, inter-unit interference, and opaque decision-making are well-documented. A review of public procurement in Tanzania reported that several Local Government Authorities (LGAs) procured goods worth TZS 4.34 billion without proper tender board approval, marking a 235% increase in bypass cases from FY 2015/16 to 2016/17 (CAG, 2023;

Mwagike & Changalima's review). Additionally, parastatal entities with incompetent contract management teams showed lower procurement performance scores, confirming the strong link between individual competence and procurement outcomes (TIA study, 2022)

Despite these mainland trends, there is limited research on how individual behavior such as ethical conduct, competency, compliance mindset, and resistance to corruption affects procurement performance within Zanzibar's Ministry of Education and Vocational Training (MoEVT). Zanzibar's public sector still grapples with governance gaps, and anecdotal evidence points to delays, compromised supplier selection, and irregular contract management in education procurement. Without empirical data such as the percentage of procurements effected without proper compliance or with observed behavioral lapses policy reforms may miss root causes. This study intends to fill that gap by investigating the specific behavioral factors that influence procurement outcomes in this critical education ministry.

2.0 Methodology

This study adopted a mixed research approach, integrating both quantitative and qualitative methods to examine the effects of individual behavior on organizational procurement performance. The quantitative approach was applied through structured questionnaires to gather numerical data on behavioral factors such as ethics, integrity, and compliance, while the qualitative approach involved interviews with key informants to gain deeper insights into behavioral influences on procurement decisions. Using a mixed approach enhances the validity and reliability of research findings since it allows for triangulation and comprehensive analysis (Creswell & Creswell, 2018; Shorten & Smith, 2017; Agamid, 2022).

The study area covered Ministry of Education and Vocational Training Zanzibar. The ministry was purposively selected because of the central role in public procurement and their significant budget allocations toward procurement activities. According to the Controller and Auditor General's (CAG) report of 2023, the ministry accounted for over 30% of the total government procurement expenditures in Zanzibar, making it ideal for examining how individual behaviors affect procurement performance.

The sample size consisted of 85 respondents, drawn from procurement officers, internal auditors, finance officers, and members of ministerial tender boards. Stratified sampling was employed to ensure representation from different professional groups within the ministries, while purposive sampling was used for key informant interviews. This sample size was deemed adequate to generate valid results since it aligns with the recommendations of Krejcie and Morgan (1970), who argue that a sample above 80 is sufficient for populations of up to 120. Furthermore, a balanced sample improves both the statistical power of quantitative analysis and the depth of qualitative findings (Etikan & Bala, 2017; Saunders, Lewis & Thornhill, 2019; Bryman, 2021).

3.0 Findings and Discussion

Table 1 below presents the descriptive statistics of individual behavior variables affecting procurement performance in the Ministry of Education and Vocational Training Zanzibar. A 5-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree) was administered to 70 respondents.

Table 1: Descriptive Statistics of Individual Behavior and Procurement Performance (N = 70)

Statement	1 (SD)	2 (D)	3 (N)	4 (A)	5 (SA)	Mean	Std. Dev.
Employees' ethical behavior enhances procurement transparency	2 (2.9%)	3 (4.3%)	8 (11.4%)	30 (42.9%)	27 (38.6%)	4.21	0.78
Lack of accountability among staff weakens procurement performance	4 (5.7%)	5 (7.1%)	9 (12.9%)	28 (40.0%)	24 (34.3%)	4.05	0.91
Overconfidence among officers leads to procurement errors	5 (7.1%)	8 (11.4%)	10 (14.3%)	27 (38.6%)	20 (28.6%)	3.87	0.84
Herding behavior influences decision-making in procurement	7 (10.0%)	9 (12.9%)	12 (17.1%)	25 (35.7%)	17 (24.3%)	3.76	0.95
Adherence to financial literacy improves procurement decision-making	1 (1.4%)	2 (2.9%)	6 (8.6%)	29 (41.4%)	32 (45.7%)	4.32	0.71

Source: Field Data (2025)

The findings from the descriptive statistics demonstrate that financial literacy and ethical behavior play a fundamental role in shaping procurement performance within the Ministry of Education and Vocational Training Zanzibar.

Respondents largely agreed that adherence to financial literacy improves procurement decision-making (M = 4.32, SD = 0.71) and that employees' ethical behavior enhances procurement transparency (M = 4.21, SD = 0.78). These findings highlight the importance of knowledge, skills, and integrity in minimizing risks and ensuring accountability in procurement activities. Studies have shown that financial literacy empowers staff to make evidence-based and compliant procurement decisions, thereby reducing mismanagement of resources and enhancing transparency (Changalima, 2021; Suleiman & Adam, 2022). Similarly, ethical practices instill trust and fairness, which are essential for value-for-money procurement outcomes (Agyekum et al., 2022).

At the same time, the results indicate that certain behavioral challenges persist in procurement processes. Respondents moderately agreed that overconfidence among procurement officers leads to errors (M = 3.87, SD = 0.84) and that herding behavior influences decision-making (M = 3.76, SD = 0.95). This suggests that individual cognitive biases continue to shape procurement outcomes, often leading to inefficient or biased decisions. Overconfidence may lead officers to overlook crucial information, underestimate risks, or fail to adhere to established procedures, which negatively impacts procurement effectiveness. Likewise, herding behavior reflects a tendency to follow the actions or decisions of others without critical evaluation, which can result in inefficiencies and poor procurement outcomes. These findings are consistent with the arguments of Wambui and Namusonge (2020), who emphasized that biases such as overconfidence and herding weaken procurement efficiency in public sector institutions.

Overall, the findings underscore that strengthening procurement performance requires addressing both positive and negative aspects of individual behavior. While financial literacy and ethical conduct contribute positively to procurement decision-making, challenges associated with cognitive biases such as overconfidence and herding must also be managed effectively. This aligns with recent scholarship suggesting that continuous capacity-building, ethics training, and decision-making frameworks are essential for minimizing behavioral distortions in procurement (Kumar & Nair, 2022; Njeru & Mugo, 2023). Therefore, policymakers and institutional leaders should adopt a dual approach promoting financial and ethical competence among staff while simultaneously mitigating cognitive biases to enhance procurement outcomes and ensure accountability in public institutions.

Regression Analysis

To examine the statistical effect of individual behavior on procurement performance, a regression model was conducted. Results are presented in Table 2.

Table 2: Regression Analysis of Individual Behavior on Procurement Performance

Variable	Beta (β)	Std. Error	t-value	Sig. (p)
Ethical Behavior	0.321	0.112	2.87	0.005**
Accountability	0.278	0.108	2.58	0.012*
Overconfidence	-0.241	0.095	-2.54	0.014*
Herding Behavior	-0.198	0.089	-2.22	0.029*
Financial Literacy	0.367	0.101	3.63	0.001**
$R^2 = 0.61$, $F(5,64) = 19.98$, $p < 0.001$				

*Significance level: **p < 0.01**, *p < 0.05*

Source: Field Data (2025)

The regression results further strengthen the descriptive findings by demonstrating the predictive power of financial literacy and ethical behavior in enhancing procurement performance. The results show that financial literacy (β = 0.367, p = 0.001) and ethical behavior (β = 0.321, p = 0.005) significantly and positively influence procurement outcomes, suggesting that well-informed and ethically guided officers are more likely to achieve value-for-money procurement. These findings resonate with the work of Amoako et al. (2021), who found that adherence to ethical practices fosters transparency and reduces opportunities for corruption in public procurement. Similarly, Changalima (2021) emphasized that financial literacy improves resource allocation, compliance, and decision-making, thus minimizing risks of mismanagement. This demonstrates that procurement efficiency is largely dependent on strengthening officers' competencies and integrity.

On the other hand, the regression analysis also shows that overconfidence (β = -0.241, p = 0.014) and herding behavior (β = -0.198, p = 0.029) negatively predict procurement performance. This implies that procurement officers who rely excessively on their own judgment or blindly follow others without critical evaluation are likely to compromise procurement efficiency and fairness. These negative behavioral influences are consistent with the findings of Njeru and Mugo (2022), who argued that cognitive biases hinder compliance and transparency in procurement systems. Moreover, Wambui and Namusonge

(2020) highlighted that such biases often lead to sub-optimal decisions, inflated costs, and delays, which directly undermine procurement performance. Thus, addressing behavioral weaknesses is as important as strengthening technical and ethical skills in procurement systems.

Overall, the regression model explains 61% of the variance in procurement performance ($R^2 = 0.61$), indicating a strong explanatory power of the selected predictors. This suggests that improving financial literacy and ethical practices while minimizing cognitive biases can significantly transform procurement outcomes in public institutions. These findings align with Kumar and Nair (2022), who emphasized the role of behavioral management in ensuring procurement accountability, and with Suleiman and Adam (2022), who recommended continuous training and ethical sensitization as practical strategies. Therefore, the Ministry of Education and Vocational Training Zanzibar, and other similar institutions, should adopt a dual-focused strategy: enhancing financial and ethical competencies while instituting checks against behavioral biases, thereby ensuring transparent, efficient, and sustainable procurement practices.

4.0 Conclusion and Recommendations

The study has established that individual behavior significantly affects procurement performance in the Ministry of Education and Vocational Training Zanzibar. The findings indicate that financial literacy and ethical behavior are strong positive predictors of procurement efficiency, enhancing transparency, accountability, and compliance in procurement processes. Conversely, cognitive biases such as overconfidence and herding behavior negatively influence procurement outcomes, highlighting the dual nature of individual behavior in shaping organizational performance. These results confirm that both knowledge and integrity, as well as the management of behavioral tendencies, are essential for effective procurement practices.

Based on the descriptive and regression analyses, it is evident that enhancing financial literacy among procurement officers contributes to better decision-making, reduces errors, and ensures adherence to procurement regulations. Similarly, promoting ethical behavior strengthens trust, reduces corruption risks, and fosters a culture of accountability within the Ministry. Therefore, capacity-building initiatives, such as structured financial management training and ethical sensitization programs should be prioritized to improve officers' competence and integrity.

At the same time, the negative influence of overconfidence and herding behavior underscores the need to manage cognitive biases in procurement processes. Practical interventions may include implementing decision-support tools, peer review mechanisms, and structured approval systems that limit the impact of individual judgment errors. Regular workshops and behavioral training programs can also help officers recognize and mitigate their biases, thereby improving the consistency and fairness of procurement decisions.

Finally, to strengthen procurement performance holistically, the Ministry should adopt an integrated strategy that combines technical, ethical, and behavioral interventions. This strategy should involve continuous monitoring and evaluation of procurement processes, the establishment of clear guidelines and accountability mechanisms, and the institutionalization of regular training programs targeting both technical skills and behavioral competencies. By addressing both the enabling and constraining aspects of individual behavior, the Ministry of Education and Vocational Training Zanzibar can achieve sustainable improvements in procurement efficiency, transparency, and value-for-money outcomes.

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