

**ORGANIZATIONAL PRACTICES AND REVENUE COLLECTION IN GARISSA
COUNTY, KENYA**

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DECLARATION

This project is my original work and has not been presented for a degree in any other university.

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DEDICATION

This work is dedicated to my father Ali Hussein and my aunt Yaroy Hassan Ibrahim for their continuous support and encouragement throughout my academic journey.

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OPERATIONAL DEFINITION OF TERMS

Organizational Practices: The processes and activities that are adopted or implemented by the county government of Garissa in order to enhance the county's efficiency and effectiveness in achieving its revenue goals and targets.

Personnel Training and Motivation: Initiatives undertaken by the county government to equip tax personnel with the knowledge, capacity and incentives needed in enhancing comprehension and positive attitude towards the work tasked to increase revenue collection.

Revenue Collection: The act of bringing together financial contributions from all incomes accruing from identifiable sources within the county which in this case is gauged by the county's realization of revenue targets, budget variance, level of revenue leakages, percentage of own source revenue as well as the efficiency, effectiveness and transparency in revenue collection

Revenue Monitoring: Tracking of county revenues so that any inefficiencies, inconsistencies, leakages or corruption in the generation and management of county revenues are identified and relevant actions taken.

Tax Payer/Public Education: The initiatives undertaken by the county government in order to enhance the knowledge and awareness of the county residents on the need to pay taxes so that the county can raise adequate revenue using approaches such as Forums and programs for training the public on their tax obligations.

Technology and Automation: The county's investment in modern technologies particularly information and communication technology in order to upgrade the revenue system to achieve integration and information sharing so as to enhance efficiency and effectiveness of the revenue collection system.

ABBREVIATIONS AND ACRONYMS

FY	Financial Year
GoK	Government of Kenya
ICPAK	Institute of Certified Public Accountants in Kenya
ICT	Information and Communication Technology
IGFs	Internally Generated Funds
KRA	Kenya Revenue Authority
LGRCIS	Local Government Revenue Collection Information System
MCA	Member of County Assemblies
OSR	Own-Source Revenue
PPP	Public Private Partnerships
RBV	Resource Based View
SMEs	Small and Medium Enterprises
SPSS	Statistical Package for Social Sciences
TAM	Technology Acceptance Model
TRA	Theory of Reasoned Action
UK	United Kingdom
US	United States

ABSTRACT

Garissa County is among the county governments in Kenya experiencing dismal performance in revenue collection as depicted by the small percentage of their own source revenue and failure to achieve its revenue targets. This had affected the county's operations in terms of meeting its financial obligations to service providers and contractors as well as service delivery. This therefore called for a study to assess the issues affecting the performance in revenue collection of these counties whereby the study assessed how a number of practices within the counties, particularly Garissa County influenced revenue collection in the county. The purpose of the study was to assess the effect of organizational practices on revenue collection in Garissa County, Kenya. The study sought to determine the effect of personnel training and motivation, tax payer education, revenue monitoring, as well as technology and automation on revenue collection in Garissa County. The study was guided by the optimal tax theory, the agency theory, the budget theory and the technology acceptance theory. The study adopted a descriptive research design. The study targeted all the 237 senior and middle level management employees in the various county ministries and departments. The study used stratified sampling method in selecting the sample. The study used both primary and secondary data. Primary data was gathered using semi-structured questionnaires. Secondary data was gathered using secondary data collection template for complementary purposes. Qualitative data analysis based on the responses from open ended questions was conducted using thematic analysis. The quantitative data analysis was aided by use of the Statistical Package for Social Sciences Version 20. Both descriptive and inferential statistics were produced. Frequencies, percentages, means and standard deviation were used in describing the data collected while Pearson correlation coefficients and regression coefficients formed the inferential statistics. The study used a multiple linear regression model to show the relationship between organizational practices and revenue collection in Garissa County. The study found that personnel training and motivation, tax payer education, revenue monitoring and technology and automation had a positive and significant effect on revenue collection in Garissa County. Technology and automation was found to have the largest effect on revenue collection in the county. The study's conclusions were presented using frequency tables, pie charts, diagrams. The study concluded that revenue collection in Garissa County was significantly affected by organizational practices adopted within the county government. The study concluded that enhanced revenue collection in the county would be attained when the county adopted or enhanced the implementation of favourable practices within the county government. Several recommendations were made among them that the county government through the departments of finance and accounts should increase budgetary allocations towards programs for developing the capacity of revenue clerks and other revenue administration teams in order to enhance their efficiency in undertaking their duties. The study also recommended that the HR department should develop clear and reasonable reward systems and incentive plans for motivating revenue clerks to deliver in their duties. The study recommended that the county government should set aside adequate budgetary allocations towards developing the ICT infrastructure and other ICT support services required in setting up integrated information management systems touching on revenue collection and management in the county. The study also recommended that there should be adequate facilitation and support by the county government that is accorded to revenue monitoring committees in order to ensure that they independently carry out their work. The study further recommended that the relevant departments involved in monitoring revenues at the county should have adequate budgetary allocations so that the necessary structures and resources needed to facilitate the revenue monitoring exercises are available.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

For devolved units in Africa to deliver the services required efficiently and adequately, they ought to discover new ways and methods of collecting extra revenues (Cheema & Rondinelli, 2012). Bird (2010) points out that a sound revenue collection structure for decentralized governments is a basic pre-condition for achieving financial decentralization. The spirit of devolution is that decentralized governments should be in a better position than the national government to address local needs, and to deliver public services accordingly (Munyao, 2018).

According to Munyao (2018), county governments cannot lead the implementation of the mentioned agenda without the resources to make the necessary investments. With this background, county governments are mandated to identify and collect revenues in form of property tax, rates, tolls, fines and fees among others from local sources to boost their financial base for development of their areas of jurisdiction (Karimi, Maina, & Kinyua, 2017).

Aryee (2013) notes that aside from statutory grant provisions and other financial support from the central government, county governments in Kenya at the local level for development are unable to generate enough funds for supporting development at the local level. They depend greatly on the national government in supporting the development projects and programs in their counties. There has been a low level of resource mobilization and mismanagement of revenue at the county level which has been a great concern for the national government (Kinoti & Kagiri, 2016). Having understood that revenue is a critical aspect in development, the county governments are encouraged to adopt several practices that will strengthen revenue collection in their area of jurisdiction.

This study sought to explain why the counties in Kenya particularly Garissa County, remain overly dependent on the central government in as far as the amount of equitable share to be disbursed from the central government to the county governments are concerned (East Africa and Tax Governance Network, 2014). The main purpose was to assess the practices influencing the performance in revenue collection of county governments in Kenya which might explain the cause for poor revenue collection levels in these units despite possessing adequate revenue sources.

1.1.1 Revenue Collection

Revenue is the income that an entity receives from normal operations including service provision (Kiriimi, 2013). Revenue is a source of income for county governments. Sustainable county programmes are attained by a strong county revenue base. County revenue forms a critical means of forming a sovereign and liable decentralized governance system (Government of Kenya, 2010). The Kenyan Constitution (2010) provides for the sources of revenues for county governments. The county government will raise their revenues from the consolidated funds and locally generated funds from levies though this has not been sufficient to meet the huge mandate bestowed to county governments. Some of the sources of revenue in county governments are: single business permit, land rates, fees and charges, cess, rent, fines and penalties or use of state facilities. Each county has its own Finance Act. This finance Act gives counties the mandate to collect revenue.

Government agency's (including county government) engagement in collecting outstanding financial duties from the residents is in general referred to as revenue collection (GoK, 2010). Normally, each government agency is held accountable for collecting revenues it might be eligible to receive. Darison (2011) defines revenue collection as an undertaking whereby revenues are brought together either externally or internally to aid the activities of an entity. Revenue collection is the act of bringing together financial contributions from all incomes accruing from identifiable sources in an economic setting (Adu-Gyamfi, 2014). According to Mansour (2008), revenue collection means receiving or gathering money from internal and external sources of government.

Enhanced revenue collection increases the ability of governments to achieve long-term development objectives (Gupta & Tareq, 2008). Ansu-Mensah (2015) adds that revenue collection in devolved units has the potential to foster political and administrative accountability by the empowering communities. The need for aggressive own source revenues has become very essential in view of the fact that counties have the responsibility to provide services to their respective geographical areas. According to Miksell (1986), revenue collected provides net services delivered to the public. Hence the level of the revenue collected has a direct impact on the services delivered.

Revenue collected can be measured in terms of targets met, transparency, efficiency and effectiveness of revenue collection (Ataro, 2016). Revenue collection performance is defined

as actual revenue as percentage of expected overall budgeted revenue (Baingana, 2011). It may also be referred to as realization of the set revenue targets. Balunywa, Nangoli, Mugerwa, Teko and Mayoka (2014) view revenue collection performance in terms of the governments' ability to collect sufficient funds to cover their budget expectations and also the level of revenue leakages. Therefore, enhancing of revenue collection efficiency will ensure that counties collect all the projected revenue and thereby increasing the revenue collection performance.

Local revenues collected in most devolved units in Africa are essential but not sufficient to develop and provide sufficient services for the rapidly increasing population. Akpa (2008) argues that revenue is an essential tool for the effective functioning of any government machinery and no government can survive without adequate revenue. In India, many of the devolved governments have encountered impossible situation where their collected revenues have not been sufficient to meet their budgetary needs (Malalgoda, Amaratunga, & Haigh, 2016). Most of these have not had enough money to pay the wages of their employees. The authors further note that the situation in these second-tier governments is a fiscal crisis of unprecedented dimensions for the state governments leading to increased state borrowing to meet to meet the current expenditure.

Many African devolved governments have also struggled to keep up pace with the capacity to deliver services and in turn improve the welfare of its residents amid a large number of challenges and other socioeconomic dynamics (Simiyu, Mweru, & Omete, 2014). Part of the challenge especially for devolved governments is poor revenue collection depicted by their dependency on transfers from central governments. Often, Own Source Revenue (OSR) especially for these governments in developing countries constitute a small proportion of their total revenue linked to various factors (Mutua & Wamalwa, 2017).

The state in sub-Saharan Africa in respect to maximized revenue collection by devolved governments has been wanting (Nduta, Shisia, Kamau, & Asienga, 2017). In Nigeria, for example, revenue collected in devolved units is insufficient to realize the objectives of self-reliance and structural change of the rural environment (Toyin, 2015; Chima & Abdulhamid, 2015). In Ghana, Owusu (2012) highlights that devolved units in the light of the Ghana Poverty Reduction Strategy policy at the grass root level had new revenue sources that were not being sufficiently explored by these units which decreased the revenue outlay of the governments.

In Kenya, the situation is not any better. In a baseline survey on devolution released by the Institute of Certified Public Accountants in Kenya (ICPAK) in June 2014, several counties are collecting low revenues raising concerns on the capacity of the devolved units in their raising own revenue. The report points out that a large number of the counties lacked new and diverse revenue streams where out of 17 counties sampled, 37 per cent depend on single business permits as their main source of revenue, 32 per cent depend on user fees and charges, while 31 per cent are banking on property rates to generate revenues.

The Draft National Policy to Support Enhancement of County Governments' Own-Source Revenue of 2017 further shows that own-source revenue contributed 13 percent of County Governments' total receipts in the first three years of devolution, while transfers from the National Government accounted for more than 84 percent. During this period overall OSR increased, but the growth rate dropped from 18.8 percent between FY 2013/14 and 2014/15 to 3.1 percent between FY 2014/15 and 2015/16. This Policy was triggered by five concerns amongst them, the smallness of Counties' OSR and its diminishing share vis-à-vis total resources (The National Treasury, 2017). The Controller of Budget Report of 2017 also shows that only two counties, Marsabit (107.3 per cent) and Turkana (103.5 per cent) had managed to meet and surpass their revenue targets in the 2016/17 financial year. The report highlighted that the low local revenue collection implied that some planned activities in the counties could not be implemented due to insufficient funding.

1.1.2 Organizational Practices

Having realized that revenue short-falls constitute a hindrance in development, county governments are empowered to adopt several practices to strengthen their revenue collection (Biwott, Mulongo, & Omboto, 2017). David and Robert (2010) argue that revenue collection approaches which are the means and mechanisms by which revenues can be brought together from revenue providers may be challenged by the organizational measures put in place or organizational practices aimed at ensuring their success.

Organizational practices are the behaviors and actions in an organization (Scott, 2008). Organizational practices convert the values and ideals in an organization's culture into practical actions and movements that keep the organization running actively, and more importantly on an upward trajectory in its performance (Tejavath, 2016). In order to achieve reform, change and improvement in revenue collection, governments, private and public sector organizations

are persistently looking for best practices, specifically, that which appears to work and yield successful results (Pal & Clark, 2013). They are constantly searching for processes and activities that in practice can improve their efficiency and effectiveness in achieving their revenue goals and targets. These practices are necessary since they influence organizations deliberate efforts toward effective revenue collection.

According to the report titled 'Public Finance Building Blocks for Devolution' by ICPAK, in 2014, revenue collection within the counties was negatively impacted by weak revenue bases, lack internal audits, use of poorly trained personnel, use manual revenue collection systems and some county revenue officers who are reluctant to embrace change (Okulo, 2014). Adu-Gyamfi (2014) adds that using the manual processes make it difficult to track the progress of devolved units in the area of revenue collection.

Kimutai, Mulongo, and Omboto (2017) while citing a Collection Industry Association report of 2012 pertaining revenue collection in various states in the US highlights that, thirteen states in United States have used modern technology in their effort to improve revenue collection. Biwott, Mulongo, and Omboto (2017) emphasize that technology adoption is key in improving the efficiency and effectiveness in revenue collection. Through technology adoption, as alluded by the authors, a collection agency will be able to meet their revenue collection targets as there will be less tax avoidance and evasions.

The Economic Commission for Africa Report of 2014 produced by the United Nations also points out that in order to effectively address the challenge of collecting adequate financial resources, decentralized units in developed nations have considered using mechanisms such as stakeholders' collaboration in enhancing revenue collection and mobilization through Public Private Partnerships (PPP). Akorsu (2015) further highlights that sensitizing the community on the need to pay taxes and contribute to local development is an aspect of local revenue collection that needs to be emphasized in devolved governments. Effective sensitization has been reported to reduce the negative attitude of taxpayers towards paying taxes in several devolved governments, especially where it is related to service delivery (Fosu, 2012).

At the same time, officials of these governments need to be sensitized about the needs of the community in order that potential taxpayers have the opportunity to respond and ask questions of the officials, that is, the process needs to be one of dialogue (Addo, 2016). To increase revenue collection of the devolved units, Owusu (2012) emphasizes that there should be

continuous education of the tax paying public, prosecution of defaulters and training for revenue collectors.

1.1.3 Garissa County Government

County Governments were conceptualized as political governance units for devolved areas and to serve key decentralized mandates that were initially held by the national government-mainly into the policy formulation and implementation. Kenya has forty-seven (47) County Governments founded per Article 6 (1) and listed in the First Schedule of the Constitution of Kenya, 2010. These County Governments are headed by elected County Governors and have established County Assemblies which constitute membership of Member of County Assemblies (MCA) for County Legislations (Constitution of Kenya, 2010).

Garissa County is one of the three counties in the North Eastern region of Kenya. It covers an area of 44,174.1Km² and lies between latitude 1° 58' N and 2° 1' S and longitude 38° 34' E and 41° 32' E. The county borders the Republic of Somalia to the east, Lamu County to the south, Tana River County to the west, Isiolo County to the North West and Wajir County to the north. The county has been leading in terms of corruption amongst the other counties in Kenya (GoK, 2015).

The revenue collection analysis for Garissa County for the last five financial years is presented in Table 1.1. In the FY 2013/2014, the revenue collected was 35.9 million while the revenue target was Kshs 500 million. In the FY 2014/2015, the revenue collected was 130.72 million while the targeted revenue was 500 million. The total local revenue collected in FY 2016/17 amounted to Kshs. 81.9 million, representing a decrease of 22.7 percent compared to Kshs. 105.94 million generated in FY 2015/16, and represented 23.4 percent of the annual local revenue target of Kshs.350 million. Even though there was a slight increase in the actual revenues collected in the FY 2017/2018 to 86.69 million from 81.9million in the FY 2016/2017 against a target of 250 million, the percentage increase in the realization of target revenues only occurred as result of reduced revenue targets. The gap between the target revenues and the actual revenues collected still remained wide. These revenue reports imply that there was underperformance in collecting local revenues as shown by the huge margin between the revenue collected and the targeted revenue and therefore, this study sought to assess the influence of organizational practices on revenue collection in Garissa County.

Table 1.1: Revenue Collection Analysis for Garissa County

Financial Year	Target Revenues	Actual Revenues Collected	Realization of Target Revenues (%)
2013/2014	150 million	35.9 million	23.9
2014/2015	500 million	130.72 million	26.1
2015/2016	500 million	105.94 million	21.2
2016/2017	350 million	81.9 million	23.4
2017/2018	250 million	86.69 million	34.7

Source: Office of the Controller of Budget Reports (2013-2018)

The revenue collection trend analysis for Garissa County is as presented in Figure 1.1. As shown, there had been declines in the revenues collected since the 2014/2015 FY with a slight increase in the 2017/2018 FY and also the gap between target revenues and actual revenues collected still continues to be wide.

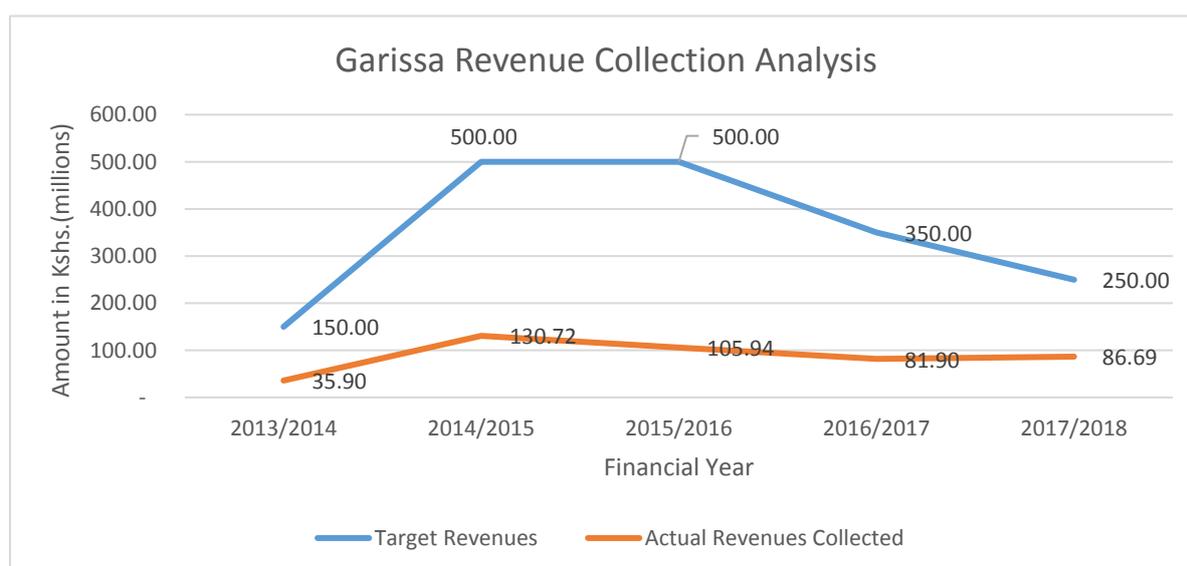


Figure 1.1: Revenue Collection Trends for the last 5 Financial Years

1.2 Statement of the Problem

Many county governments in Kenya among them Garissa County have sufficient revenue bases to fund the current projects, but revenue collected are regularly low. According to Controller of Budget report, revenue collected by 14 counties in Kenya, among them Garissa County, fell way below the expected amounts of the 2014/2015 financial year. In addition, the analysis illustrated that most counties failed to meet their local revenue collection targets. In Garissa County for instance, the revenue analysis showed that in the FY 2015/2016, the county

collected local revenue amounting to 105.94 million against an annual revenue target of Kshs. 500,000,000 a reduction from the 130.72 million collected in 2014/2015. This resulted to under collection and further underfunding of the county which affected the county's operations in terms of meeting its financial obligations to service providers and contractors as well as service delivery.

This trend is also seen in 2016/2017 FY where the county revenues fell to 81.9 million representing 23.4 percent of the targeted annual local revenue. Even though there was a slight increase in the actual revenues collected in the FY 2017/2018 to 86.69 million from 81.9 million in the FY 2016/2017 against a target of 250 million, the percentage increase in the realization of target revenues only occurred as result of reduced revenue targets. The trend in dismal performance is also supported by the other report from the Office of the Controller of Budget who showed that as at 2016, the county had capital in debt worth Kshs 460 million (Office of the Controller of Budget, 2016). The counties' over-reliance on the National Government for funds to a point of calling for a national referendum to have their allocation increased implied that there exists a myriad of challenges in revenue mobilization at County level.

The foregoing is an enormous problem due to the fact that, the devolved government operations might stall, projects might derail, and even the workforce might choose to go-slow and strikes as it has previously been witnessed in a number of counties. Several counties have occasionally been slammed with labour strikes and go-slows among their labour force due to delayed salaries and/or poor remuneration of employees working under the devolved governments. Furthermore, when the devolved governments fail to optimally collect the requisite revenues, the public will be affected negatively by being denied essential services. As aforesaid, the devolved government employees are bound to fail to be adequately remunerated. Moreover, the central government will be overburdened by the financial demand from the devolved governments which will ultimately negate the national economy.

This therefore called for a study to assess the issues pertaining to the performance in revenue collection of these counties whereby the study seeks to focus on how a number of practices within the counties, particularly Garissa County influence revenue collection in the county. A review of existing literature showed that this study area had not been investigated. For instance, Ngicuru, Muiru, Riungu, and Shisia (2017) conducted an empirical review of factors affecting revenue collection in Nairobi County, Kenya; Abuga (2016) assessed the influence of revenue

collection efficiency on the operational performance of Kisii County Government, Kenya while Ngugi and Kagiri (2016) investigated the factors influencing optimal revenue collection in county governments in Kenya using the case of Kiambu County Government. These studies had been undertaken in a different context and objectives which necessitated this study.

1.3 Objectives of the Study

1.3.1 General Objective of the Study

The main aim of this study was to assess the effect of organizational practices on revenue collection in Garissa County, Kenya.

1.3.2 Specific Objectives of the Study

The study was guided by the following objectives;

- i. To examine the effect of personnel training and motivation on revenue collection in Garissa County, Kenya.
- ii. To determine the effect of tax payer/public education on revenue collection in Garissa County, Kenya.
- iii. To establish the effect of revenue monitoring on revenue collection in Garissa County, Kenya.
- iv. To explore the effect of technology and automation on revenue collection in Garissa County, Kenya.

1.4 Research Questions

The study sought to answer the following research questions;

- i. What was the effect of personnel training and motivation on revenue collection in Garissa County, Kenya?
- ii. To what extent did tax payer/public education affect revenue collection in Garissa County, Kenya?
- iii. What was the effect of revenue monitoring on revenue collection in Garissa County, Kenya?
- iv. To what extent did technology and automation affect revenue collection in Garissa County, Kenya?

1.5 Significance of the Study

The study findings and recommendations if adopted by county government officials would provide them with new and innovative ideas on measures and strategies that they could adopt to increase/improve the level of efficiency and effectiveness in collecting adequate revenues for sustained and reliable county performance. The study would also be beneficial to the Garissa County management in highlighting the major loopholes and practices within the county that constrained effective revenue collection and acted as a challenge towards adopting “best practices” in revenue collection. The study findings would also highlight the strides made in the adoption of technology and automation of key functions within the county and the areas that needed change.

The study findings were also expected to benefit the local communities and investors within the county by highlighting their role in realizing the targeted revenues towards the efficient provision of services by the government which were meant to benefit them or the communities in the area (for the donors and development partners). The findings would equip them with the necessary facts and knowledge on how through awareness and education campaigns, they could become crucial partners and collaborate with the county government in raising the needed revenues. In this way, they would get new perspectives on how they could actively participate towards the achievement of the set county goals.

The study findings would also enlighten the national government and its bodies such as the National Treasury on the implementation of the National Policy to Support Enhancement of County Governments’ Own-Source Revenue in Garissa County by providing showing whether or not the county had made crucial strides in the enhancing its Own Source Revenue and also diversifying its revenue streams.

The study would further expand the body of knowledge in the study area more so given that previous studies focused more on the defunct city and county councils and hence due to the tremendous changes brought about through devolution, a true picture of the current situation in counties would be provided. The study findings could provoke further areas of research besides acting as a reference point for scholars who wished to advance research in this area.

1.6 Scope of the Study

The study was limited to assessing the effect of organizational practices on revenue collection in Garissa County. There were many organizational practices that affected revenue collection in the county. However, the study focused on the effect of personnel training and motivation, tax payer education, revenue monitoring and technology and automation on revenue collection in Garissa County. The study targeted all the senior and middle level management employees in the county government of Garissa ministries. This was so since revenue collection and administration cut across several ministries and had impact on the performance of several departments/ministries which affected the general performance of the entire county. These employees were better placed to give crucial information particularly on the indicators of revenue collection than general staff. There were a total of 237 senior and middle level employees in the Garissa County Government based at the headquarters. The study was carried between 2013/2014 to 2017/2018.

1.7 Limitation of the Study

The nature of the study called for confidential information touching majorly on key areas of the county government operations and also management and hence due to the fear of victimization and events where the information given could be used against them, some of the study participants at first displayed unwillingness to provide crucial information that was required in the inquiry. The researcher handled this hurdle through assuring the study participants that the information was confidential and collected purely for academic purposes.

The prior knowledge pertaining the county operations was likely to lead to opinions that were pre conceived given that the researcher was a resident of Garissa County. This was likely to also lead to biasness in selection of methods as well as in the process of drafting questions which could in turn affect the findings of the inquiry. The researcher ensured that they remained focused and objective throughout the study to counter this challenge. This was by taking into consideration other researchers' views and findings. The other way to counter the challenge was by considering the comments of the project supervisor. The assistance of research assistants in collecting information was also used.

The researcher also faced hurdles in accessing some of the participants who were senior management employees and had busy schedules. The mitigation for this challenge was by booking appointment with the study participants in advance before the questionnaires could be

dropped through the assistance by two research assistants. The researcher also faced time constraints given the short time required to undertake various tasks. The researcher handled this challenge by ensuring that they designed a research plan and timetable showing the time allocated to each task besides ensuring that they strictly followed the designed schedule.

1.8 Organization of the Study

The project was organized in to five chapters. The first chapter gave an introduction to the study. Under this chapter, the background of the study, research problem, research objectives and questions, significance of the study as well as the study limitations were discussed. Under chapter two, the researcher reviewed existing literature on the study topic. The theoretical review, empirical review, the summary of literature and research gaps as well as the conceptual framework of the study was provided. The third chapter focused on the research methodology under which the research design, target population, sample and sampling techniques, data collection instrument and procedures, pilot testing, data analysis and ethical considerations were discussed. The findings of the study, their interpretation and discussion were provided in chapter four while chapter five presented a summary of the major findings, the conclusions drawn as well as the recommendations for policy and practice and also suggestions for further research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter discusses the scholarly works that pertain to organizational practices and revenue collection. A review of the theories underpinning the study is first presented and their relevancy to the study outlined. Thereafter, the empirical studies undertaken around the globe to show the link between the study variables are discussed. They have been critiqued to point out the research gaps. The conceptual framework of this study is also shown to link between the organizational practices and revenue collection in Garissa County.

2.2 Theoretical Review

The study was founded on the optimal tax theory, the agency theory, budget theory and technology acceptance model. The main premises of the theories were outlined and their relevance to the study discussed.

2.2.1 Optimal Tax Theory

Ramsey et al. (1928) work laid a foundation on optimal tax theory. The theory of optimal taxation suggests that a tax system should be selected to maximize social wellbeing function subject to a set of constraints. The social planner is postulated as utilitarian: that is, the social wellbeing is a function of the utilities of individuals in the society. Optimal tax theory is interested with the best level and form of economic redistribution. The theory seeks to determine how the government can maximize social wellbeing through transfers and taxes, without increasing the sacrifice on the part of tax payers (Prichard, 2010).

Optimal tax theory embodies a resource egalitarian view of distributive justice to a large extent (Holniker, 2005). However, the reasoning behind the theory's principles emphasizes on efficiency, incentives and the information that choices reveal about individual welfare. This theory states that optimal taxation is a function of tax charge and how this tax is collected to ensure fair redistribution of wellbeing. Smith (2010) also emphasizes on how the taxes should be collected to determine economic inefficiency in order to promote and provide income distribution fairly.

This theory of optimality was therefore relevant to this study since it helped in explaining how various practices within the county government of Garissa such as use of technology and automation affected the efficiency in collecting taxes which were the major form of revenues for the county. This theory indicated that if such a practice reduced the costs and time in tax collection, it would also contribute to the taxes levied being optimal which would translate to enhanced revenue collection.

2.2.2 The Agency Theory

Jensen and Meckling (1976) describe agency theory as the relationship between the principal and agents. The theory is concerned with delegating some decision making authority to the agent by the principal. Organizations must put measures and controls to ensure that the agents do not act in their self-interests or in a manner that jeopardizes the interests of the principal. Therefore, policies, procedures, and technology must be put in place to ensure the agents faithful execution of their mandates (Leitch, 2012).

In relevance to this study, agency theory aimed at establishing the benefits of the relationship between the principal and the agent. Garissa County was the principal and the revenue collection officials were its agents. The principal monitored its agents' activities. This is with regards to the collection of revenue. County revenue staff collect revenue from traders in the county. They do this on behalf of their employer, the County government. The staff use the County Finance Act to collect revenues. All the 47 counties in Kenya have their own finance Act. These Acts are developed from Finance bills which pass through public participation and county assemblies. This would ensure that there were no revenue leakages and that the county was able to meet its revenue goals or targets.

2.2.3 Budget Theory

The budget theory developed by Henry (1975) clarifies the social inspiration driving budgeting processes in government. Budget and budgeting are ideas that can be traced back to the Islamic history days, exactly so the days of Yussuf (Joseph) in Egypt. It was recounted that nothing would be given out of the fortune if there was no a written order. It is recorded in history that Joseph planned and stored grains which lasted the Egyptians all through the seven years of famine. Budgets were first presented in the 1920s to serve as a tool in managing costs and cash flows in large industrial organizations (Bartle, 2001). The rise of scientific management thinking however emphasized the need for comprehensive information as a foundation in

decision making thus resulting to tremendous advancement of management accounting as well as budgeting techniques (Bartle, 2008).

At early phase of advancement, budgeting was centered on organizing and presenting dependable information so as to validate accountability and to allow for precise evaluation of performance and consequently, rewards (Hindereth, 2002). Nevertheless, throughout the years, the purpose and attention of budgeting has changed substantially as businesses became more complex and increased dynamism within their operating environment.

Budgets today as noted by Bartle (2008) provide a particular focus for the organization, help in the harmonization of activities and smoothen the control process. Through planning, at the management and operational levels, the organization perceives the future and sets what must be accomplished. Controls assist in checking whether the laid down plans are being realized, and whether effective corrective measures have been put into place, where deviations or short-fall is taking place (Bartle, 2001).

Bartle (2008) stressed that without viable controls, a firm is susceptible to internal and external forces which can interrupt its effectiveness, and be ignorant; such a firm won't have the capacity to battle such forces. At the point when a budgeting and control system is being used, budgets are developed and these state in financial terms, the obligation of managers in connection to the condition of the overall policy of the firm. Constant comparison is undertaken between the actual and budgeted outcomes, which are expected to either secure, systematic action of the firm managers, the goals of policy or to even form a foundation for policy amendment.

2.2.4 Technology Acceptance Model

Davis (1989) presented Technology Acceptance Model (TAM) aiming to predict and explain technology usage behavior, that is, what causes potential adopters to accept or reject the use of technology. Theoretically, TAM is based on the Theory of Reasoned Action (TRA). The model aims not only to explain key factors of user acceptance of technology, but also to predict the relative importance of the factors in the diffusion of technology (Davis, Bagozzi, & Warshaw, 1989). In TAM, two theoretical constructs, perceived usefulness and perceived ease of use, are the fundamental determinants of technology use, and predict attitudes toward the use of the technology, that is, the users' willingness to use the technology.

Perceived usefulness refers to the degree to which a person believes that using a particular technology would enhance their job performance, and perceived ease of use refers to the degree to which a person believes that using a particular technology would be free of effort (Venkatesh and Davis 2000). Technology Acceptance Model claims that users' adoption of technology is determined by intention to use, which in turn is driven by the users' attitude and belief about the technology. TAM further explains that perceived usefulness and perceived ease of use are helpful in explaining difference in users' intention. In short, it can be concluded that TAM emphasizes on three factors that can influence usage of technology, namely attitude, perceived usefulness and perceived ease of use. Attitude is a mental and neural state of readiness, organized through experience (Davis et al., 1989). TAM incorporates four influences (performance expectancy, effort expectancy, social influence, and facilitating conditions) on behavioral intentions, which then affect technology use.

If the technology is believed to enhance people's level of job performance, then it is likely to be adopted. On the other hand, a new technology will not be adopted if users believe that it would not enhance their job performance. Likewise, if users believe that the use of a particular technology is less tedious, then they are likely to adopt the technology as opposed to a situation where users believe that using a particular technology requires much effort from them. In this study, technology and automation and their influence on revenue mobilization performance in Garissa County could be best understood by using the technology acceptance model. The model was relevant in explaining the motivation towards the use of and the actual effect of technology and automation in revenue mobilization processes in the county.

2.3 Empirical Review

2.3.1 Personnel Training and Motivation and Revenue Collection

Kimutai, Mulongo, and Omboto (2017) assessed the influence of training in revenue mobilization in six county governments in the North Rift region. The study adopted a descriptive survey research design. The study found that training of county revenue personnel affected their output in revenue mobilization by enhancing their comprehension of the work they were tasked to do. The study found that through seminars and workshops, county employees were equipped with knowledge on diverse revenue mobilization strategies as well as revenue management. As result, the level of revenue collection in the counties was enhanced.

The study recommended that it was crucial for employees concerned with county revenues to be trained and employed based on their qualifications.

Gatimu (2017) investigated the factors that influenced the effectiveness of revenue collection in Embu County, Kenya. The study applied a descriptive research design. The study found that then employee qualification, skills and training had a significant positive effect on optimal revenue collection in the county. The study found that employees' possession of revenue returns analytical skills, tax administration skills, and their understanding of the tax laws and structure affected the amount of revenues collected and their management. The study found that the named skills and knowledge obtained through trained ensured that revenue collectors and administrators were able to accurately determine the actual tax rates, payable amounts as well as penalties accrued in arrears. The study recommended that counties needed to carry out continuous and periodic trainings of both new and existing staff so as to make sure that all staff carried out their duties in line with the county vision and work within acceptable standards.

Wayua (2017) investigated the impact of environmental factors on revenue collection in Kitui County. The study adopted a descriptive case study design. The study found that lack of staff competencies in terms of skills, capabilities and training hindered optimal revenue collection in the county. The study took note that the county did not offer opportunities for training and refresher courses of staff frequently. Those staff who attended trainings affirmed that those training were beneficial and were relevant to their line of work. The study revealed that majority of the staff who had received training had acquired knowledge in interpreting financial bill and were well conversant with the laws that governed revenue. The study found that training enabled the staff to charge tax appropriately and thus avoiding overcharging and undercharging of traders. Training of staff was very important due to its ability to motivate staff and empower them

Salisu (2017) assessed the collection of local government revenue towards the financing of local development at the Wa Municipal Assembly in Ghana. The study applied a descriptive research design. The study found that the use of unqualified revenue collectors was among the major challenges to revenue collection in the municipal. The study found that these unqualified personnel failed to give accurate accounts to the assembly on the revenues generated besides conniving and condoning with tax payers so that they would not pay the correct amounts. This affected the progress of the assembly.

Thika (2014) assessed the effect of internal revenue collection efficiency on service delivery performance in the case of Mwanza District Councils. The study employed a descriptive case study design. The study found that the shortage of trained personnel and the capacity to attract and retain qualified staff were among the obstacles to efficient revenue mobilization in these district councils. According to the study, these councils lacked trained and qualified personnel who were supposed to serve as a tool for collecting taxes and rates at the local level and the even the few who were available were not adequately trained in efficient budgetary and financial management systems. The available staff did not have the capacity needed in articulating plans and executing programmes and projects so as to increase the revenue streams for the councils.

Ngugi and Kagiri (2016) conducted a study in Kiambu County on the factors that affected revenue collection. The study adopted a descriptive research design. The study found that staff competencies was among the factors that determined optimal collection of revenue in the county. In this study, staff competencies were measured by skills and capabilities possessed by the staff. The study found that effective training improved the productivity of county staff. Training equipped staff on knowledge on matters of tax legislation. This would aid these staff to charge the correct tax amount on traders leading to effectiveness and efficiency in revenue collection. Okiro (2016) also established that staff competencies affected revenue collection directly. According to the study, staff who were not conversant with technology found it a challenge in their duty of collecting revenue. The study found that training had a positive impact on staff knowledge which led to optimal, effective and efficient collection of revenue in counties.

Millvier (2015) carried out an empirical study to determine the effect of staff training in revenue collection for service delivery in different cities in the UK. The study used a survey research design. The results of the study revealed that revenue collection improved with improved staff training. This was because highly trained staff were more motivated in their work thus ensuring that collection of revenues was done. Ramaswami and Singh (2013) on the other hand analyzed the relationship between staff training of tax collection in the tax department in China. The results of revealed that job performance in the tax collection sector and hence collection of revenues was determined directly by extrinsic elements such as fairness of the latest training practices and ability for training. In spite of the acknowledgment of pay

valence for workers, dissatisfaction with training plans remained prominent in employee surveys.

2.3.2 Taxpayer Education and Revenue Collection

Oyugi (2008) assessed how effective taxpayer education was as a revenue collection strategy in KRA within the Nairobi Region. The study applied a descriptive study design. The study found that taxpayer education undertaken through taxpayer education seminars and “clinics” had enhanced the revenues collected by KRA. The study noted that taxpayer education had been crucial in enhancing the public’s comprehension of various taxes, tax compliance among non-corporate taxpayers, minimized tax evasion and also the ease of filing tax returns by taxpayers. The study recommended that KRA needed to strive towards facilitating participation of all sectors and categories of taxpayers; simplifying the tax process; increasing the scope of electronic tax services; delivering focused taxpayer education programmes and guidance instructions to taxpayers; formulating measures to increase the participation of taxpayers in the tax; and ensuring timely response to the dynamics affecting revenue collection from time to time.

Gitaru (2017) sought to determine the influence of taxpayer education on tax compliance in Kenya in the case of SMEs in Nairobi Central Business District. The study applied a descriptive survey research design. The study found that electronic taxpayer education, print media taxpayer education, and stakeholder engagement were positively and significantly related to tax compliance among the SMEs. The study discovered that taxpayer education was essential in increasing public awareness particularly in areas pertaining to tax laws, the role of taxes in the development of the nation and more on how and where the money collected through the taxes was spent by the government. By acquiring the right knowledge and information, the willingness of these SMEs to pay their taxes was enhanced.

Awitta (2010) examined the effectiveness of revenue collection strategies at Kenya Revenue Authority in Nairobi. The study applied a descriptive research design. The study found that taxpayer education strategy was crucial in enhancing revenue collection in KRA. According to the study, when tax laws were complex, taxpayers had to bear extra costs so as to interpret the law as well as processing tax returns. This tended to act as an incentive for taxpayers to evade tax and, hence, provided a justification for rigorous taxpayer education. The study found that

strategies in taxpayer education included seminars, workshops, tax clinics, live radio talk shows, tax literature and KRA website.

Nyongesa (2014) explored the strategies applied by Mombasa County government in raising revenue. The study applied a descriptive case study design. The study found that the county had employed tax awareness creation strategies in raising its revenues. The study found that there was a high level of sensitization and monitoring by county staff and collection agents which had improved compliance. It was further revealed that the county intended to start a radio station which would be disseminating all crucial information to the residents of the county. This would enhance the sensitization hence making the residents understand the importance of compliance and penalties attached in case of failure to comply. Compliance would mean more revenue for the county government of Mombasa.

2.3.3 Revenue Monitoring and Revenue Collection

Attah-Botchwey (2018) studied the role of internal control as a tool for efficient management of revenue mobilization at the Metropolitan, Municipal and District Assemblies in Ghana using a case study of Accra Metropolitan Assembly. The study found out that monitoring was positively correlated with revenue mobilization in the Municipal. The study found that the poor revenue mobilization in the Municipal was as a result of inadequate monitoring where the management partially failed to consider audit findings and recommendations and take appropriate action. The study found that lack of adequate revenue monitoring led to weak expenditure controls, increased the risk of misappropriation, and encouraged unauthorized borrowing of funds for private purposes and other cash irregularities. This in turn drained the municipal's revenues. The study concluded that internal controls were crucial in attaining improvements in revenue mobilization.

Tahiru, Agbesi, and Osei-Owusu (2014) investigated the obstacles in revenue collection process taking a case study of Ghana AMA property rate collection. The study found that lack of continuous monitoring of revenues was a major challenge in the revenue collection process due to inadequate information which led to fraud, abuse and significant revenue leakages. The study found that there was no regular update of the register to widen the tax coverage and that lack of computerized system for billing (invoicing and payment) constrained the process of tracking all invoices sent and their recorded payment and limiting the production of summary reports on debtors and also project revenue based on the assemblies' client base.

Owusu (2012) examined revenue mobilization and how it impacted the development of District Assemblies taking a case of Kpando Municipal Assembly, Kpando, Volta Region. The study adopted a descriptive research design. The study found that among the strategies applied in the assembly to improve revenue performance was putting in place proper systems of control to properly administer the revenue collection process and establishing a monitoring unit in the Assembly.

Sigilai (2017) assessed the effects of internal control systems on revenue collection in Nakuru Level Five Hospital. The study applied a mixed methods research design. The study found that monitoring and evaluation positively and significantly affected the collection of revenues in the institution. The study noted that there were internal independent process checks and evaluations of controls activities, internal reviews of implementation of internal controls and the management resolved on timely basis to review audit reports.

2.3.4 Technology and Automation and Revenue Collection

Owino, Senaji, and Ntara (2017) investigated the influence of innovation in the various processes in collecting revenues on the performance of Nairobi County. The study applied a descriptive survey research design. The study found that innovation through online billing process, online receipting process, online payment process and online response positively and significantly influenced the performance of the county. The study found that automation of the revenue collection processes in the county had enabled fairer and less corruption in the tax systems, enhanced the efficiency and effectiveness in revenue collection operations and also improved tax mobilization and improvement of certainty and consistency of tax treatment. The study recommended that the county government needed to continuously invest in improving the automation of its revenue processes.

Matthew (2014) assessed the impact of integrated revenue collection system in Machakos County. The study adopted a longitudinal causal study design. The study found that implementation of integrated revenue collection had led to enhanced revenue collection in the county. The study found that integrated revenue collection system had helped in solving the issue of inconsistent revenue collection which could not be justified by supporting real-time reporting of collection information and declaration of revenues collected on a daily basis. The study found that this system had improved the efficiency and effectiveness in the administration of revenues in the county. The study noted that it was crucial for the county government to deal

with the issues constraining the effective implementation of the system for enhanced revenue collection.

Biwott, Mulongo, and Omboto (2017) assessed the effect of technology adoption as an approach towards revenue mobilization in the North Rift Region of Kenya. The study adopted a descriptive survey research design. The study found that that technology adoption positively impacted on revenue mobilization in the region by making the revenue mobilization exercise efficient and effective. The study found that use of electronic facilities in collecting revenue which made the process easier and convenient and contributed to speeding up of the process. The study found that technology adoption provided innovation ways for the counties in the region to raise funds by ensuring that the revenue approaches used were tailored toward countering dishonesty in revenue mobilization and other forms of revenue leakages at all points of revenue collection.

McCluskey (2012) examined the role of ICT in the “delivery of efficient revenue collection in developing countries focusing on Tanzania. The study focused on the use of ICT through an integrated Local Government Revenue Collection Information System (LGRGIS) in local government revenue collection based on a case study of Arusha City Council. The study found that ICT adoption was crucial in enhancing the efficiency in revenue collection by increasing services to taxpayer, for instance, diverse e-services and e-payment options, making tax payment the process simpler, faster and easier to understand and in so doing, making voluntary compliance easier and more efficient. The use of ICT also ensured faster processing of information and data, requiring fewer resources and reducing the cost of collection. It also increased transparency and was therefore a powerful tool in tackling corruption and reducing the opportunities for bribery. Using ICT to compile a database of information enabled revenue authorities to identify and address non-compliant” taxpayers.

Abuga (2016) assessed the impact of revenue collection efficiency on the operational performance of Kisii County Government. The study used a case study design. The study found that computerized systems had a positive effect on revenue collection in the county. The study found that computerized systems helped in curbing delays in remittance of generated revenues by ensuring faster computations involved in bringing revenues together. It also increased cash receipts and maximized revenue collection especially the permit system where records were computerized. The study found that automation increased efficiency in tax administration by reducing costs and clearance time hence enhancing effectiveness of revenue collection. The

study found that automation enhanced the number of taxpayers, their compliance and improved the accountability of tax collectors.

2.4 Summary of Empirical Literature Review and Research Gaps

Table 2.1 summarizes the previous studies conducted under the various objectives, their findings and the research gaps identified during the review.

Table 2.1: Summary of Literature and Research Gaps

Author(s)	Objective	Findings	Research Gap	Focus of current study
Kimutai, Mulongo, and Omboto (2017)	To assess the influence of training in revenue mobilization in six county governments in the North Rift region	Training of county revenue personnel enhanced the level of revenue collection in the counties	Contextual and methodological gap: the study focused on county governments in the North Rift which was a different context from that of this study which focused on a case study of Garissa County with different contextual conditions	To examine the effect of personnel training and motivation on revenue collection in Garissa County, Kenya.
Gatimu (2017)	To investigate the factors that influence the effectiveness of revenue collection in Embu County, Kenya.	Employee qualification, skills and training had a significant positive effect on optimal revenue collection in the county	Contextual and conceptual gaps: it focused on Embu County a different context from that of the study.	To examine the effect of personnel training and motivation on revenue collection in Garissa County, Kenya.
Wayua (2017)	To investigate the impact of environmental factors on revenue collection in Kitui County.	Lack of staff competencies in terms of skills, capabilities and training hindered optimal revenue collection in the county	Contextual and conceptual gaps: it focused on Kitui County a different context from that of the study.	To examine the effect of personnel training and motivation on revenue collection in Garissa County, Kenya.
Salisu (2017)	To assess the mobilization of local government	The use of unqualified revenue collectors was among the major challenges	Contextual and conceptual gap: the study focused on a municipal assembly in	To examine the effect of personnel training and

	revenue towards the financing of local development at the Wa Municipal Assembly in Ghana	to revenue mobilization in the municipal.	Ghana and findings might not be automatically generalized to fit the situation at Garissa county due to different contextual conditions. The study also focused on the broad concept of revenue mobilization while this study only focused on revenue collection	motivation on revenue collection in Garissa County, Kenya.
Thika (2014)	To assess the effect of internal revenue collection efficiency on service delivery performance in the case of Mwanza District Councils.	Shortage of trained personnel and the capacity to attract and retain qualified staff were among the obstacles to efficient revenue mobilization in these district councils	Conceptual and contextual gaps: the study's main objective differed from that of this current study and it was carried in a different context from that of this study	To examine the effect of personnel training and motivation on revenue collection in Garissa County, Kenya.
Ngugi and Kagiri (2016)	To examine the factors affecting revenue collection in Kiambu County	Staff competencies was among the factors that determined optimal collection of revenue in the county.	Contextual gap: it focused on Kiambu County a different context from that of the study.	To examine the effect of personnel training and motivation on revenue collection in Garissa County, Kenya.
Millvier (2015)	To determine the effect of staff training in revenue collection for service delivery in different cities in the UK.	Revenue collection improved with improved staff training.	Contextual gap: it focused on cities in the United Kingdom a different context from that of the study.	To examine the effect of personnel training and motivation on revenue collection in Garissa County, Kenya.
Oyugi (2008)	To assess the effectiveness of taxpayer education as a revenue collection	Taxpayer education undertaken through taxpayer education seminars and "clinics" had enhanced the	Contextual gap: it focuses Kenya Revenue Authority a different context from that of the study.	To determine the effect of tax payer/public education on revenue

	strategy in KRA within the Nairobi Region.	revenues collected by KRA		collection in Garissa County, Kenya.
Gitaru (2017)	To determine the influence of taxpayer education on tax compliance in Kenya in the case of SMEs in Nairobi Central Business District.	Electronic taxpayer education, print media tax payer education, and stakeholder engagement were positively and significantly related to tax compliance among the SMEs.	Contextual and conceptual gaps: it focused on tax compliance among SMEs in Nairobi Central Business District a different context and objective from that of this study	To determine the effect of tax payer/public education on revenue collection in Garissa County, Kenya.
Awitta (2010)	To examine the effectiveness of revenue collection strategies at Kenya Revenue Authority in Nairobi	Taxpayer education strategy was crucial in enhancing revenue collection in KRA	Contextual gap: the study was carried out at KRA.	To determine the effect of tax payer/public education on revenue collection in Garissa County, Kenya.
Nyongesa (2014)	To explore the strategies applied by Mombasa County government in raising revenue.	The county had employed tax awareness creation strategies in raising its revenues	Contextual gap: the study focused on Mombasa County a different context from that of this study.	To determine the effect of tax payer/public education on revenue collection in Garissa County, Kenya.
Attah-Botchwey (2018)	To explore the role of internal control as a tool for efficient management of revenue mobilization at the Metropolitan, Municipal and District Assemblies in Ghana	Monitoring was positively correlated with revenue mobilization in the Municipals.	Contextual and conceptual gaps: the study focused on Metropolitan, Municipal and District Assemblies in Ghana a different context from that of this study. The study also focused on revenue mobilization a broad concept while this study focused on revenue collection	To establish the effect of revenue monitoring on revenue collection in Garissa County, Kenya.

Tahiru, Agbesi, and Osei-Owusu (2014)	To examine the obstacles in revenue collection process in the case of Ghana AMA property rate collection	Lack of continuous monitoring of revenues was a major challenge in the revenue collection process due to adequate information which led to fraud, abuse and significant revenue leakages	Contextual gap: it focused Ghana a different context from that of the study.	To establish the effect of revenue monitoring on revenue collection in Garissa County, Kenya.
Sigilai (2017)	To assess the effects of internal control systems on revenue collection in Nakuru Level Five Hospital.	Monitoring and evaluation positively and significantly affected the collection of revenues in the institution.	Contextual, conceptual and methodological gaps: the study was carried out in a hospital setting a different context from that of this study. It also used the mixed methods research design a different research design from that of this study.	To establish the effect of revenue monitoring on revenue collection in Garissa County, Kenya.
Owino, Senaji, and Ntara (2017)	To investigate the influence of innovation in the various processes in the collection of revenues on the performance of Nairobi County	Innovation through online billing process, online receipting process, online payment process and online response positively and significantly influenced the performance of the county	Contextual and conceptual gaps: the study was carried out in Nairobi County a different context from that of this study. It also focused on performance of the county which is not part of the objectives of this current study.	To explore the effect of technology and automation on revenue collection in Garissa County, Kenya.
Matthew (2014)	To assess the impact of integrated revenue collection system in Machakos County.	Implementation of integrated revenue collection had led to enhanced revenue collection in the county	Contextual and methodological gaps: the study was carried out in a Machakos County, a different context from that of this study. It also used a longitudinal causal study design, which differed from the research design applied in this study.	To explore the effect of technology and automation on revenue collection in Garissa County, Kenya.
Biwott, Mulongo, and Omboto (2017)	To assess the effect of technology adoption as an approach towards	Technology adoption positively impacted on revenue mobilization in the region by making the revenue mobilization	Contextual, conceptual and methodological gaps: the study focused on counties in the North Rift, a different context from that of this study.	To explore the effect of technology and automation on revenue collection in

	revenue mobilization in the North Rift Region of Kenya	exercise efficient and effective.	The study also focused on revenue mobilization which was a broad aspect while this study narrowed down to revenue collection. It also adopted a survey design while this study used a case study.	Garissa County, Kenya.
McCluskey (2012)	To examine the role of ICT in the delivery of efficient revenue collection in developing countries focusing on Tanzania	ICT adoption was crucial in enhancing the efficiency in revenue collection	Contextual gap: the study was carried out in Tanzania, a different context from that of this study.	To explore the effect of technology and automation on revenue collection in Garissa County, Kenya.
Abuga (2016)	To assess the impact of revenue collection efficiency on the operational performance of Kisii County Government.	Computerized systems had a positive effect on revenue collection in the county.	Contextual and conceptual gaps: the study was carried out in Kisii County Government, a different context from that of this study. It also focused on performance of the county which is not part of this current study.	To explore the effect of technology and automation on revenue collection in Garissa County, Kenya.

2.5 Conceptual Framework of the Study

A conceptual framework is a hypothesized model identifying the model under study and the relationship between the dependent and independent variables. The conceptual framework is a research tool intended to assist a researcher to develop awareness and understanding of the variables under scrutiny. Figure 2.1 presents the conceptual framework of the study. It is presented to show the link between the independent variables namely personnel training and motivation, taxpayer education, revenue monitoring and technology and automation and the dependent variable which is revenue collection in Garissa County.

Independent Variables

Dependent Variable

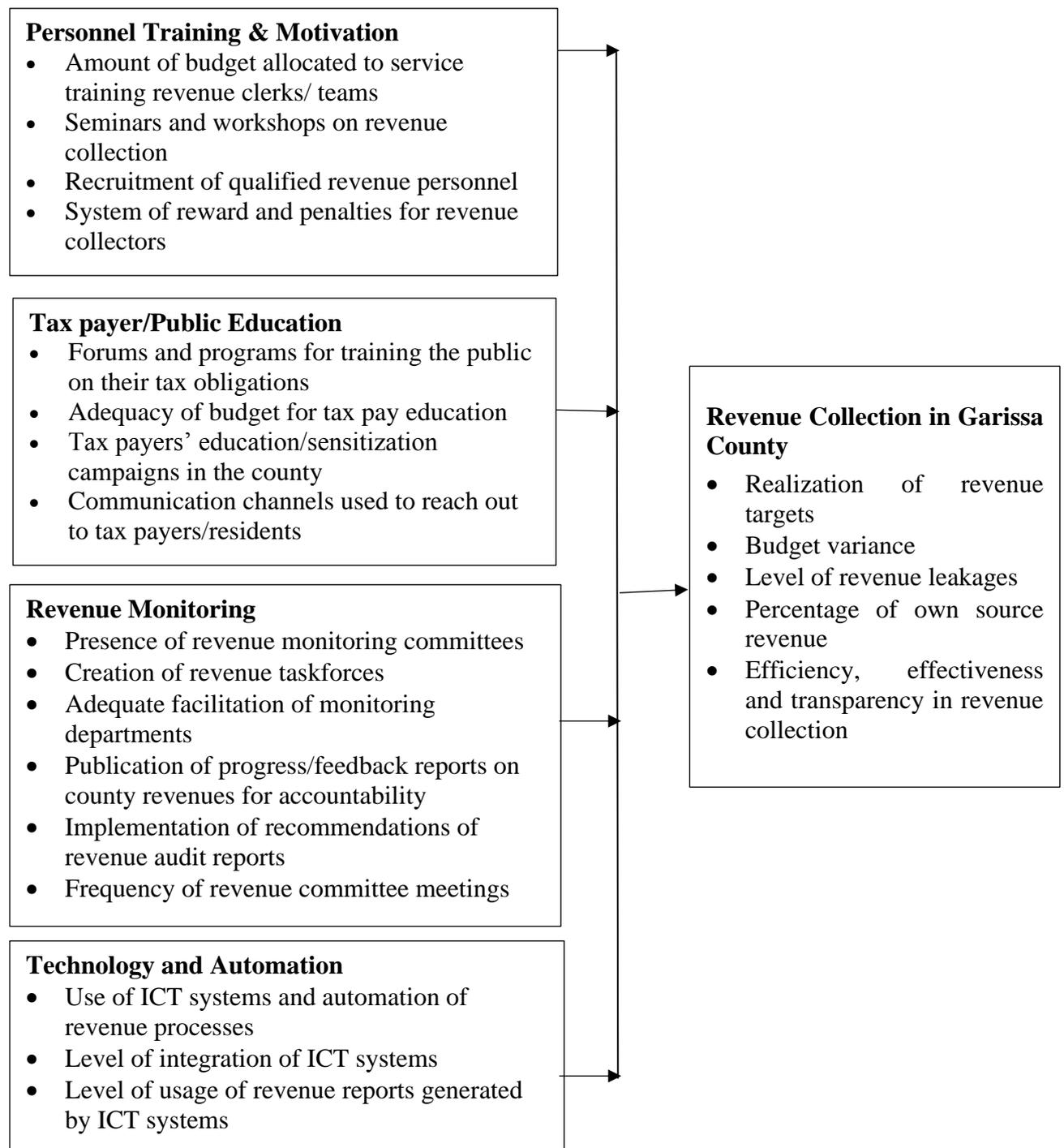


Figure 2.1: Conceptual Framework

Source: Author (2017)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter is a discussion of the research methods and procedures that were adopted in carrying out the study. Under this chapter, the research design, the targeted population, the sample and sampling method, data collection instrument and procedures, pilot testing, the data analysis plan and the ethical issues to be considered in the study are discussed.

3.2 Research Design

Research design refers to the overall plan that the researcher uses to guide them in carrying out the study so that they can effectively tackle the obstacles encountered in the research process and ensure that they get the requisite information to answer the research questions and hence address the study problem. The study adopted a descriptive case study design. Through this research design, the researcher was able to answer the questions pertaining to the current status of the subjects under study and also helped them in identifying, describing and analyzing the causal relationship between the study variables (Mugenda & Mugenda, 2008). Therefore, the researcher was able to determine how organizational practices adopted by the county government of Garissa namely personnel training and motivation, tax payer education, revenue monitoring, and technology and automation had affected revenue collection in the county. According to Burns and Grove (2003), descriptive research design is designed to provide a picture of a situation as it naturally happens. Hence, this design was resourceful in giving a picture of the current situation pertaining to the adoption of named key practices in the county and the level of revenue collection.

3.3 Target Population

Borg, Gall, and Gall (2007) emphasize that it is crucial for the target population of a study to possess features which the researcher can effortlessly observe and utilize in extrapolating the outcomes of the inquiry. This study targeted a total of 237 senior and middle level employees across all ministries in the Garissa county government (Human Resource Department, Garissa County Government, 2016). This was so since revenue collection cut across several ministries and it had impact on the performance of several departments/ministries which affected the

general performance of the entire county. The employees chosen were better placed to give crucial information particularly on the indicators of revenue collection than general staff.

Table 3.1: Target Population

Management Category	Target Population
Top level management	35
Middle level management	202
Total	237

Source: Human Resource Department, Garissa County Government (2016)

3.4 Sample Size and Sampling Technique

Sample determination in this study was carried out by using the Yamane (1967) formula. The main criterion when determining the sample size was the extent to which the selected sample was representative of the study population. According to the formula, at 95% confidence level and $p=0.05$, the sample for the study was:

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

Where;

n=the sample size

N= the size of the population

e= Error margin or the precision level desired or the significance level which is 0.05 (95% confidence level)

Using the formula yields a sample size of

$$n = \frac{237}{1 + 237(0.05^2)} = 148$$

n= 148

Hence, the sample size for this study was 148. The sample was selected using stratified sampling method where the sample was divided in to two homogenous groups namely top management employees and middle level management employees. By doing so, all employees in each category were represented which ensured that the sampling error was reduced. The

employees from each of the two categories were randomly selected in order to eliminate bias in the choice of the respondents.

Table 3.2: Sample Size

Management Category	Target Population	Sample Size
Top level management	35	n=35/237*148 =22
Middle level management	202	n=202/237*148 =126
Total	237	148

Source: Human Resource Department, Garissa County Government (2016)

3.5 Data Collection Instrument and Procedures

The study used both primary and secondary data. Primary data was gathered using semi-structured questionnaires containing both open and closed-ended questions. The choice of questionnaires was informed by the ease in designing and administering the questionnaires and did not require a lot of resources since the researcher had time and resource constraints. The questionnaire was divided into 6 sections where Section A covered questions pertaining to the basic information of the respondents while sections B, C, D, E and F contained questions on personnel training and motivation, taxpayer education, revenue monitoring, technology and automation and revenue collection in Garissa County. This was in line with the study objectives and the conceptual framework of the study. The study relied majorly on questions on a Likert scale of 1 to 5 where the employees were asked to rate their level of agreement or disagreement on various statements. A secondary data collection template was used in collecting data pertaining to revenue collection in Garissa County which was used to complement the primary data collected.

3.5.1 Pilot study

Before data collection, a pilot study was done on the research instruments. This was done on a few selected senior and middle level employees across all ministries in the Garissa county government. Ten senior and middle level employees were given a questionnaire to fill and return it to the researcher. The aim of the pilot study was to improve the validity and reliability of the research instruments. This also allowed the researcher to familiarize with the research

instruments. Piloting is important because it helps the researcher to know the deficiencies in the questionnaires (Mugenda & Mugenda, 1999). The deficiencies that arose were addressed by the researcher before actual issuing of the questionnaires.

3.5.2 Validity Test

Validity of instruments is the degree to which an instrument used in the research process measures what it is supposed to (Kothari, 2004). In this study, both “construct validity and content validity were used to determine the instrument validity. For the construct validity, the questionnaire was divided into several sections to ensure that each section captured information for a specific objective, and also ensured that the same closely tied to the conceptual framework for the study. To ensure content validity, the questionnaire was subjected to thorough examination by the supervisor as well as two county officials to ensure that the questions tested or measure what they were supposed to. On the basis of their evaluation, the instrument was adjusted appropriately before subjecting it to the final data” collection exercise.

3.5.3 Reliability Test

The reliability of an instrument refers to the degree to which research instrument yields findings that are consistent every time it is administered to the same subjects (Creswell & Creswell, 2012). They contend that the measurement of reliability offers consistency in the measurement variables. The most commonly used psychometric measure is internal consistency reliability which assesses survey instruments and scales. Cronbach alpha which was used in this study is a coefficient used in determining the reliability based on internal consistency. The alpha value ranges from 0 to 1 with reliability increasing with the increase in value. A Coefficient ranging above 0.7 is recommended and indicates that the research instrument is good and reliable (Tavakol & Dennick, 2011). In this study, a Cronbach alpha of 0.7 was used as the cut off.

3.6 Data Collection Procedures

In undertaking the data collection exercise, the researcher engaged two trained research assistants who will assist in collecting data from the respondents. The data was collected in a span of two weeks and continuous follow ups was conducted to ensure adequate response. Consent from the different employees and authorization to conduct the study from the relevant bodies namely the university, the National Commission for Science, Technology and

Innovation (NACOSTI) and the county management were sought prior to the data collection exercise.

3.7 Operationalization and Measurement of Variables

Table 3.3 contains a list of the various study variables, their operationalization which involves identifying the specific indicators that were taken to represent the variables, and the measurements used to estimate these variables. The measures adopted had been used and validated by other researchers. The expected relationship between the independent variables and the dependent variable was also shown.

Table 3.3: Operationalization and Measurement of Variables

Variables	Type	Operationalization	Measurement	Measurement scale	Relationship Direction
Revenue collection		The act of bringing together financial contributions from all incomes accruing from identifiable sources within the county.	<ul style="list-style-type: none"> • Realization of revenue targets • Budget variance • Level of revenue leakages • Percentage of own source revenue • Efficiency, effectiveness and transparency in revenue collection 	Ordinal	N/A
Personnel training and motivation	Independent Variable	Initiatives undertaken by the county government to equip tax personnel with the knowledge, capacity and incentives needed in enhancing comprehension and positive attitude towards the work tasked to increase revenue collection.	<ul style="list-style-type: none"> • Amount of budget allocated to training revenue clerks/mobilization teams • Seminars and workshops on revenue mobilization • Recruitment of qualified mobilization personnel 	Ordinal	+

			<ul style="list-style-type: none"> • System of reward and penalties for revenue collectors 		
Taxpayer Education	Independent Variable	The initiatives undertaken by the county government in order to enhance the knowledge and awareness of the county residents on the need to pay taxes so that the county can raise adequate revenue using approaches such as Forums and programs for training the public on their tax obligations	<ul style="list-style-type: none"> • Forums and programs for training the public on their tax obligations • Adequacy of budget for tax pay education • Tax payers' education/sensitization campaigns in the county • Communication channels adopted by the county in reaching out to tax payers/residents 	Ordinal	+
Revenue Monitoring	Independent Variable	Tracking of county revenues so that any inefficiencies, inconsistencies, leakages or corruption in the generation and management of county revenues are identified and relevant actions taken.	<ul style="list-style-type: none"> • Presence of revenue monitoring committees • Creation of revenue taskforces • Adequate facilitation of monitoring departments • Publication of progress/feedback reports on revenue mobilization for accountability • Implementation of recommendations of revenue audit reports • Frequency of revenue committee meetings 	Ordinal	+
Technology and Automation	Independent Variable	The county's investment in modern technologies particularly information and communication technology in order	<ul style="list-style-type: none"> • Use of ICT systems and automation of revenue processes • Level of integration of ICT systems 	Ordinal	+

		to upgrade the revenue system to achieve integration and information sharing so as to enhance efficiency and effectiveness of the revenue collection system.	<ul style="list-style-type: none"> • Level of usage of revenue reports generated by ICT systems 		
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Source: Researcher (2020)

3.8 Data Analysis and Presentation

After data cleaning and processing, both qualitative and quantitative methods were applied in analyzing the data. The information gathered from the open-ended questions was analyzed using thematic analysis. Themes emerging from the responses were coded and simple summaries extracted. As for the quantitative data, coding and entry into SPSS (V.20) resulting to the creation of a data sheet/template was undertaken in preparation for the analysis of the data. Descriptive statistics particularly frequencies, percentages, means and standard deviation meant for giving a description of the basic features of the data that was gathered were generated.

Pearson’s correlation coefficients and multiple regression coefficients comprised the inferential statistics. The reason for using a multiple regression model was to enable the researcher to establish the direction and strength of the relationships between the study variables by quantifying the effect of each and every predictor variable on the dependent variable. All tests in this study were undertaken at 95% confidence level (0.05 significance level). A numeric value consisting of a numeric code was assigned to each response. The model that was used to link the variables as shown below;

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + e$$

Where:

Y = Revenue collection in Garissa County

β_0 = Constant, $\beta_1, \beta_2, \beta_3, \beta_4, \beta_5$ = Regression Coefficients

X_1 = Personnel training and motivation

X₂ = Taxpayer education

X₃ = Revenue monitoring

X₄ = Technology and automation

e=Error term

In order to test for causal relationship between the dependent and predictor variables, evaluation of the R² statistic, F statistic, beta coefficients for significance was assessed using p values. The analyzed data was presented in frequency tables and charts as per the study objectives.

3.9 Ethical Considerations

Ethical issues in research pertain to the moral standards that a researcher ought to maintain throughout the entire research process. To this end, the researcher made sure that they carried out the research honestly and objectively. In ensuring confidentiality, responses were given anonymously and there were no personal identifiers such as names or making reference to a participant's information in presenting the research findings. The researcher ensured that the data collected was confined to academic purpose only and that the respondents participated voluntarily without coercion or bribery. The researcher also furnished the participants with an advice form detailing the aim, benefits and risks of participating in the study. The researcher explained and adhered to the respondents' rights and protection, for instance, the right to withdraw from the data collection exercise without any consequences. The researcher treated all study participants fairly.

CHAPTER FOUR

DATA ANALYSIS, INTERPRETATION AND DISCUSSIONS

4.1 Introduction

This chapter presents the results and findings of the study. The results are organized in themes as per the research objectives. The chapter is organized as follows: response rate, demographic characteristics and the research findings for the study objectives. The descriptive and inferential statistics results generated from the primary data forms the basis for discussion on all the variables. The findings were corroborated with that of other studies as outlined in chapter two.

4.2 Response Rate

The study participants consisted of senior and middle level employees across all ministries in the Garissa County government. To this end, 148 questionnaires were administered to these employees where 113 questionnaires were adequately filled and returned. This translated to a successful response rate of 76.35%. This response rate was considered adequate for analysis and reporting consistent with Kothari (2013) who argued that a response rate of 50% and above was considered adequate for a study.

4.3 Demographic Characteristics of the Respondents

This section presents a discussion of the demographic characteristics of the respondents based on their gender, highest level of education, age bracket, period of working with the Garissa County government and their work position.

4.3.1 Gender of the Respondents

The results presented in Figure 4.1 show the gender of the respondents. These findings revealed that slightly more than half the respondents, 57.5% were male while 48 (42.5%) were female. The findings implied that even though a large number of senior and middle level employees in Garissa County were male, the 1/3 gender rule had been achieved in the placement of employees in these management levels in the county.

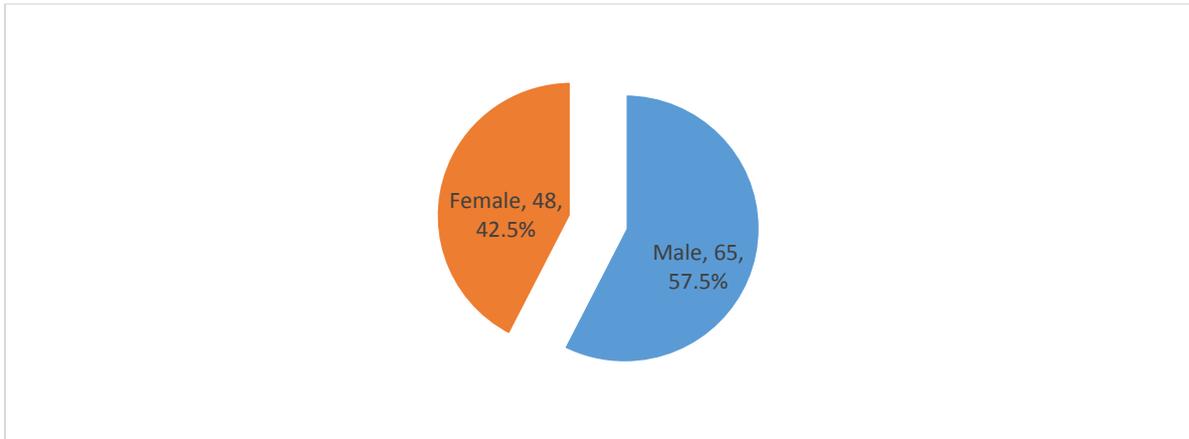


Figure 4.1: Gender of the Respondents

4.3.2 Highest Education Level of Respondents

The highest education level attained by the respondents was also determined. As shown in Figure 4.2, 27 (23.9%) of the respondents had a diploma certificate, 69 (61.1%) had obtained an undergraduate degree while 17 (15.0%) of the respondents had a master's degree. The findings implied that a majority of the senior and middle level employees placed in the different ministries in the county had attained at least an undergraduate degree and hence could be said to be qualified to carry out their duties. Furthermore, the level of education attained by these employees meant that they were able to easily comprehend the issues under study and were in a position to provide relevant information that was sort in this study.

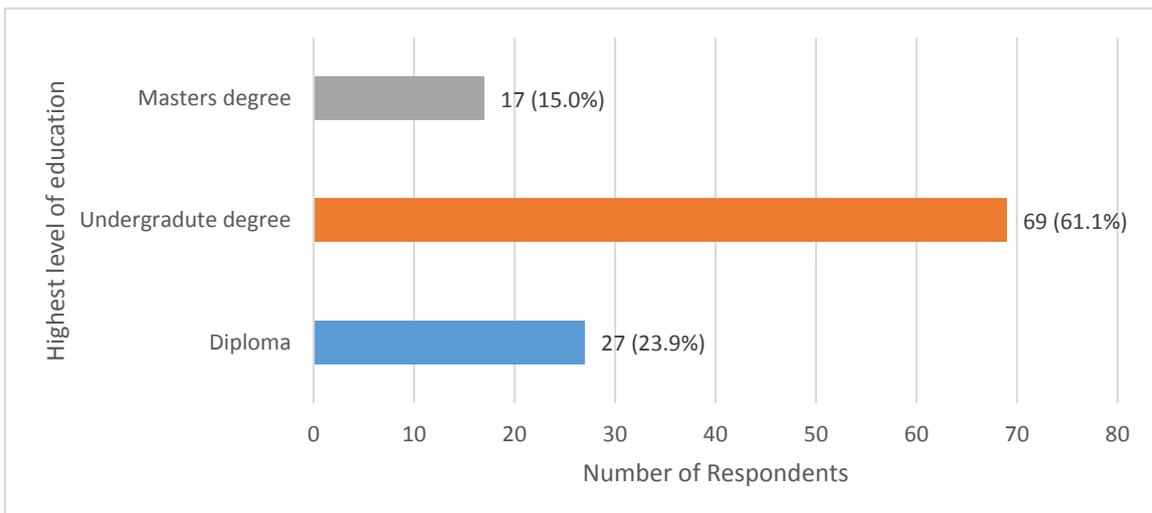


Figure 4.2: Highest Education Level of Respondents

4.3.3 Age Bracket of the Respondents

The results on the age brackets of the respondents are displayed in Figure 4.3. The study found that 31 (27.4%) of the respondents were 30 years and below, 50 (44.2%) were between the age of 31 and 40 years, 22 (19.5%) were aged 41 to 50 years while 4 (8.8%) were above 50 years. The findings implied that a large number of middle and senior level positions across the ministries in Garissa County were held by relatively older persons.

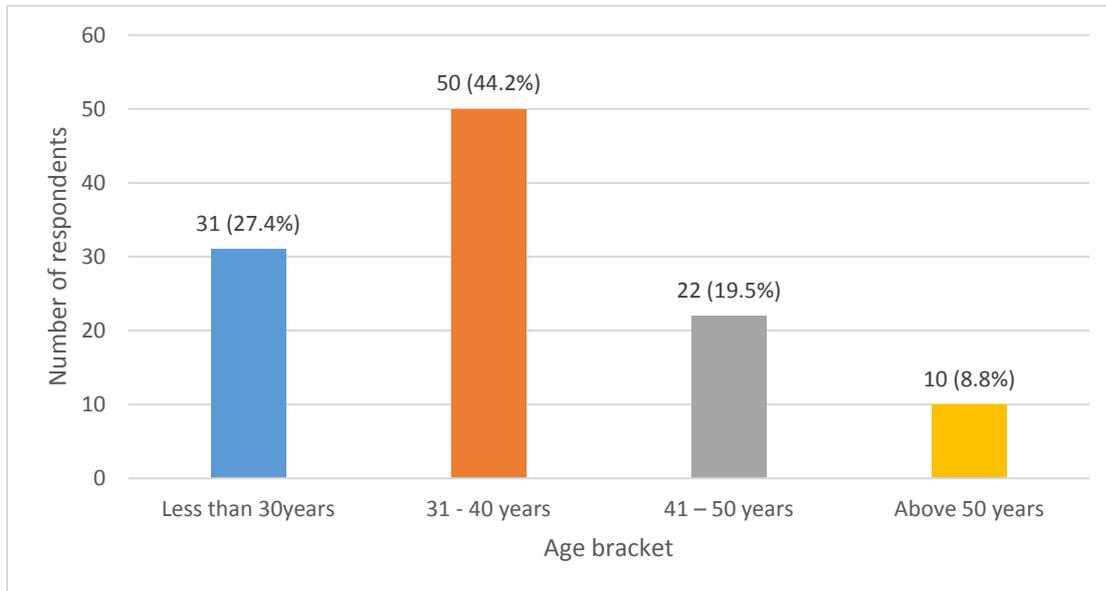


Figure 4.3: Age Bracket of the Respondents

4.3.4 Period of Working for the County Government

The period for which the respondents had worked for the county government was also investigated. The findings are as shown in Figure 4.4. It was found that 20 (17.7%) of the respondents had worked for the county for less than a year, 34 (30.1%) had worked for the county for 1 to 3 years while 59 (52.2%) had worked there for more than 3years. Given that a large number of the respondents had worked with the county government for quite a number of years, they were in a position to provide crucial information pertaining to the study subject since they had the necessary experience related to revenue collection in the county and how it had been influenced by various organizational practices.

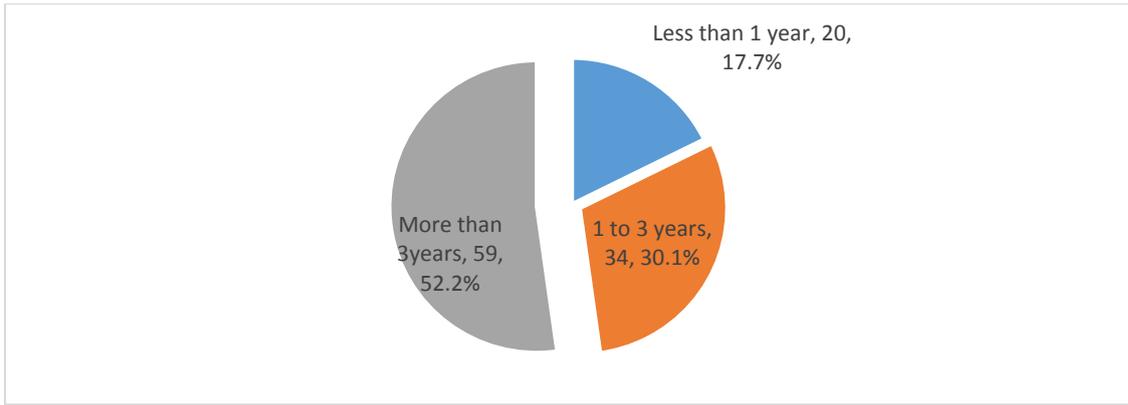


Figure 4.4: Period of Working for the County Government

4.3.5 Work Position

The respondents were asked to state their work positions and the findings are as given in Figure 4.5.

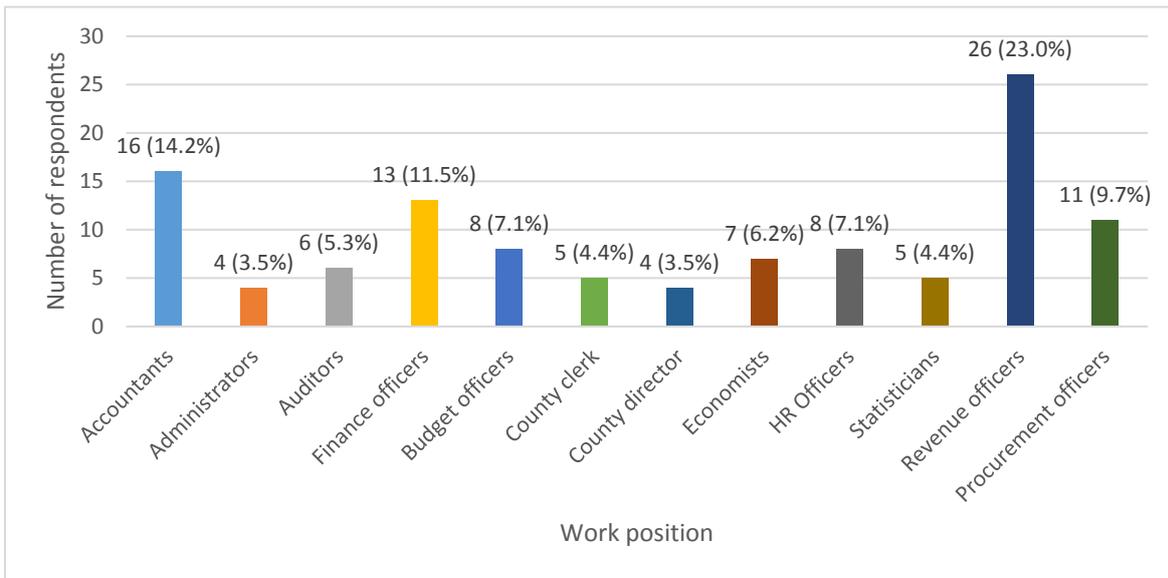


Figure 4.5: Work Position

The findings showed that 16 (14.2%) of the respondents were accountants, 4 (3.5%) were county administrators, 6 (5.3%) were auditors while 13 (11.5%) and 8 (7.1%) of the respondents were finance officers and budget implementation officers respectively. The study results also revealed that 5 (4.4%) of the respondents were county clerks, 4 (3.5%) were county directors, 7 (6.2%) of the respondents were economists, 8 (7.1%) were human resource officers, 5 (4.4%) were statisticians while 26 (23.0%) and 11 (9.7%) were revenue officers and procurement officers respectively. The findings showed that the researcher was able to get the

opinion of employees from different ministries or departments in the county which ensured that the true picture of revenue collection and the organizational practices within the county influencing it was portrayed.

4.4 Descriptive Statistics

4.4.1 Personnel Training and Motivation

The study sought to examine the effect of personnel training and motivation on revenue collection in Garissa County, Kenya. The respondents rated their degree of agreement on a Likert scale interval of 1 to 5 (1= Strongly Disagree to 5=Strongly Agree) with a number of statements on personnel training and motivation in relation to revenue collection in the county. The means of responses were interpreted as follows; (5.000-4.500) was an indication of strongly agree, (4.499-3.500) indicated agree, (3.499-2.500) indicated neither agree or disagree, (2.499-1.500) indicated disagree and (1.499-1.000) indicated strongly disagree. Their responses are outlined in Table 4.1.

The findings showed that on average, the respondents neither agreed or disagreed that there was committed allocation of funds for continuous training and development of the county revenue collection clerks and teams given $M=3.177$, $SD=1.269$. The findings also showed that the respondents on average neither agreed or disagreed that the county organized regular seminars and workshops on revenue collection for county staff, $M=3.115$, $SD=1.335$. The findings further revealed that on average, the respondents neither agreed or disagreed that the county revenue clerks and teams were recruited on the basis of their qualifications and competencies as supported by $M=3.150$, $SD=1.571$. On the other hand, the respondents on average disagreed that there are incentives for rewarding highly performing revenue personnel in the county given $M=2.301$, $SD=1.485$. However, they on average agreed that the county had put in place structures and penalties for addressing non-performance among revenue collectors as shown by $M=3.531$, $SD=1.505$. The findings showed that the highest mean of responses was associated with the statement “The county has put in place structures and penalties for addressing non-performance among revenue collectors” $M=3.531$, $SD=1.505$ while the lowest was attached to “There are incentives for rewarding highly performing revenue personnel in the county” $M=2.301$, $SD=1.485$.

Based on these responses, it was inferred that personnel training in revenue collection matters in Garissa County was inadequate and was not conducted frequently. Further, the staff involved

in the revenue collection and administration in the county were not adequately motivated to carry out their duties on average. This meant that revenue staff in the county were not adequately and continuously equipped and motivated to carry out their tasks towards optimal revenue collection. The study findings were consistent with those of Wayua (2017) which revealed that the counties did not offer opportunities for training and refresher courses of staff frequently to sharpen their skills and capabilities besides motivating and empowering them in revenue collection. Kimutai, Mulongo, and Omboto (2017) recommended that it was crucial for employees concerned with county revenues to be trained and employed based on their qualifications.

Table 4.1: Descriptive Statistics on Personnel Training and Motivation

Taxpayer Education	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree	Mean	Std. Dev.
There is committed allocation of funds for continuous training and development of the county revenue collection clerks and teams.	10.60%	26.50%	11.50%	37.20%	14.20%	3.177	1.269
The county organizes regular seminars and workshops on revenue collection for county staff.	13.30%	25.70%	15.00%	28.30%	17.70%	3.115	1.335
The county revenue clerks and teams are recruited on the basis of their qualifications and competencies.	26.50%	10.60%	9.70%	27.40%	25.70%	3.150	1.571
There are incentives for rewarding highly performing revenue personnel in the county.	42.50%	18.60%	12.40%	19.50%	7.10%	2.301	1.485
The county has put in place structures and penalties for addressing non-performance among revenue collectors.	15.00%	12.40%	8.00%	33.60%	31.00%	3.531	1.505

The study also sought to find out the major challenges in training and motivating county personnel and teams involved in the revenue collection process in the county. These challenges are as outlined in Table 4.2. The findings showed that all the 113 (100.0%) respondents indicated that there were inadequate budgetary allocations towards training of revenue collection teams coupled with lack of commitment to mobilize more resources towards facilitating such trainings. The results also revealed that 81 (71.7%) of the respondents stated that there was lack of recognition and promotion opportunities for performing revenue clerks which highly demotivated the staff while 104 (92.0%) of the respondents indicated that there was lack of concrete human resource policies and reward systems for enhancing motivation of the revenue collection teams. The findings also showed that 57 (50.4%) of the respondents reported that there was general lack of engagement of revenue clerks by the county management in revenue collection decision making, 36 (31.9%) noted that there was political influence in the recruitment of revenue clerks while 13 (11.5%) stated that there was lack of training allowances for trainers breeding negative attitude and lack of commitment towards the training sessions. The findings further revealed that 29 (25.7%) of the respondents indicated that the use of traditional training methods was a challenge, 68 (60.2%) decried of lack of awareness on the need for training among revenue clerks as well as inconsistent trainings and seminars as indicated by 77 (68.1%).

Table 4.2: Challenges of Personnel Training and Motivation among County’s Revenue Collection Teams

Challenges in Personnel Training and Motivation	Frequency	Percent
Inadequate budgetary allocations	113	100.0
Lack of recognition and promotion opportunities for performing revenue clerks	81	71.7
Lack of concrete HR policies and reward systems	104	92.0
Lack of revenue clerks' engagement by the county management	57	50.4
Political influence in the recruitment exercises	36	31.9
Lack of training allowances for trainers breeding negative attitude towards the training sessions	13	11.5
Use of traditional training methods	29	25.7
Lack of awareness on the need for training among revenue clerks	68	60.2
Inconsistent trainings and seminars	77	68.1

4.4.2 Tax Payer/Public Education

The study also sought to determine the effect of tax payer/public education on revenue collection in Garissa County, Kenya. In the same way, the respondents rated their agreement/disagreement with various statements on tax payer/public education in relation to revenue collection in the county. As shown in Table 4.3 the respondents neither agreed or disagreed that the county government held regular forums and programs for training the county residents on their tax obligations, $M=3.327$, $SD=1.467$. Similarly, the respondents on average neither agreed or disagreed that there were adequate funds allocated for the implementation of taxpayer/public training programs in the county $M=3.159$, $SD=1.411$ and that the county conducted regular taxpayer/public education and sensitization campaigns across the county given, $M=3.186$, $SD=1.379$. The findings further showed that the respondents on average, were in agreement that the county had adopted diverse and interactive communication channels in reaching out to tax payers/residents as shown by $M=3.584$, $SD=1.387$ and also agreed that the county had adopted efficient feedback systems in dealing with taxpayer/public queries and concerns given $M=3.540$, $SD=1.356$. The findings showed that the highest mean of responses was associated with the statement “The county has adopted diverse and interactive communication channels in reaching out to tax payers/residents” $M=3.584$, $SD=1.387$ while the lowest was linked to the statement “There is adequate funds allocated for the implementation of taxpayer/public training programs in the county” $M=3.159$, $SD=1.411$. The responses given show that the county government of Garissa had a long way to go towards adequately ensuring that the public were sensitized and made aware on their tax obligations especially at the county level towards enhancing revenue collection. According to Awitta (2010), taxpayer education strategy which can be implemented through seminars, workshops, live radio talk shows among others was crucial in enhancing revenue collection. Nyongesa (2014) also recognized that tax awareness creation strategies were crucial in raising revenues. Ndunda, Ngahu, and Wanyoike (2015) also underscored that taxpayer education and sensitization by county governments was necessary to ensure that the public had the requisite and clarity regarding the types of taxes that needed to be remitted to the counties.

Table 4.3: Descriptive Statistics on Taxpayer/ Public Education

Taxpayer Education	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree	Mean	Std. Dev.
The county government holds regular forums and programs for training the county residents on their tax obligations.	15.90%	18.60%	11.50%	24.80%	29.20%	3.327	1.467
There is adequate funds allocated for the implementation of taxpayer/public training programs in the county.	10.60%	34.50%	8.80%	20.40%	25.70%	3.159	1.411
The county conducts regular taxpayer/public education and sensitization campaigns across the county.	15.90%	20.40%	11.50%	33.60%	18.60%	3.186	1.379
The county has adopted diverse and interactive communication channels in reaching out to tax payers/residents.	12.40%	14.20%	8.00%	33.60%	31.90%	3.584	1.387
The county has adopted efficient feedback systems in dealing with taxpayer/public queries and concerns.	11.50%	15.90%	8.00%	36.30%	28.30%	3.540	1.356

The respondents were also asked to suggest the measures that the county government adopt to increase the level of taxpayer/public education and awareness for enhanced revenue collection in the county. The responses given are summarized in Table 4.4. It was established that 107 (94.7%) of the respondents suggested that the county government could advertise and sensitize the public on paying taxes on local radio stations and TV shows in their local dialect, 79 (69.9%) suggested that budgetary allocations towards public education and sensitization on tax obligations should be enhanced while 95 (84.1%) advocated for the adoption of friendly public participation and engagement structures in revenue collection and administration issues. The findings also revealed that 64 (56.6%) of the respondents recommended that more staff for sensitization and awareness campaigns on revenue issues at the ward levels should be employed, 56 (49.6%) proposed that the county government could embrace social media platforms in mobilizing revenues from residents while 31 (27.4%) of the respondents stated that there was need for increasing transparency of revenue collectors' operations to win public trust.

Table 4.4: Measures to enhance Taxpayer/Public Education and Awareness for enhanced Revenue Collection

Measures to enhance taxpayer/public education and awareness for enhanced revenue collection	Frequency	Percent
Advertise and sensitize public on paying taxes on local radio stations, TV shows, public barazas in local dialect	107	94.7
Enhance budgetary allocations towards public education and sensitization on tax obligations	79	69.9
Adopting friendly public participation and engagement structures in revenue collection and administration	95	84.1
Employing more staff for sensitization and awareness campaigns on revenue issues at the ward levels	64	56.6
Embracing social media platforms in mobilizing revenues from residents	56	49.6
Increasing transparency of revenue collectors' operations to win public trust	31	27.4

4.4.3 Revenue Monitoring

The study also sought to establish the effect of revenue monitoring on revenue collection in Garissa County, Kenya. A number of statements related to revenue monitoring in the county was presented to the respondents who rated their degree of agreement/disagreement with the statements. The findings are shown in Table 4.5. The findings revealed that on average, the respondents neither agreed or disagreed that the county government had active and well-equipped committees for monitoring revenue issues in the county given, $M=2.965$, $SD=1.463$ and that there were regular consultative meetings held by revenue committees in the county as shown by $M=3.080$, $SD=1.530$. The respondents, however, on average, disagreed that there was adequate facilitation of revenue monitoring departments through resources and support by the county government as supported $M=2.425$ $SD=1.432$. The findings also showed that on average, the respondents agreed the county government had created a revenue taskforce for addressing issues of fraud, abuse and significant revenue leakages in the county given $M=3.593$, $SD=1.314$. Similarly, the respondents on average agreed that there was timely publication of progress and feedback reports on county revenue mobilization for accountability as shown by $M=3.611$, $SD=1.326$. Nevertheless, on average, the respondents disagreed that there was adequate implementation of recommendations outlined in revenue audit reports in the county as supported by $M=2.460$, $SD=1.408$. The findings revealed that on average, the highest mean of responses was associated with the statement “There is timely publication of progress and feedback reports on county revenue mobilization for accountability” $M=3.611$, $SD=1.326$ while the lowest mean was linked to the statement “There is adequate facilitation of revenue monitoring departments through resources and support by the county government” $M=2.425$ $SD=1.432$. The findings implied that even though there were milestones made in monitoring revenues in Garissa County, much commitment and resources were required to facilitate revenue monitoring exercises and ensure that that queries raised in the revenue collection processes were adequately addressed. In their study, Attah-Botchwey (2018) noted that internal controls were crucial in attaining improvements in revenue mobilization. Owusu (2012) also emphasized that it was important to have in place proper systems of control to properly administer the revenue collection process and establishing monitoring units in devolved units.

Table 4.5: Descriptive Statistics on Revenue Monitoring

Revenue Monitoring	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree	Mean	Std. Dev.
The county has active and well-equipped committees for monitoring revenue issues in the county.	25.70%	16.80%	7.10%	36.30%	14.20%	2.965	1.463
There are regular consultative meetings held by revenue committees in the county.	23.00%	18.60%	10.60%	23.00%	24.80%	3.080	1.530
There is adequate facilitation of revenue monitoring departments through resources and support by the county government.	33.60%	33.60%	1.80%	18.60%	12.40%	2.425	1.432
The county government has created a revenue taskforce for addressing issues of fraud, abuse and significant revenue leakages in the county.	9.70%	15.00%	10.60%	35.40%	29.20%	3.593	1.314
There is timely publication of progress and feedback reports on county revenue mobilization for accountability.	12.40%	8.80%	13.30%	36.30%	29.20%	3.611	1.326
There is adequate implementation of recommendations outlined in revenue audit reports in the county	36.30%	23.00%	7.10%	25.70%	8.00%	2.460	1.408

The study further investigated the major obstacles to effective and efficient revenue monitoring in the county and the responses given are provided in Table 4.6. The findings showed that 58 (51.3%) of the respondents noted that the county lacked a clear revenue monitoring framework, 76 (67.3%) indicated that there was lack of co-ordination and hindrances from other departments while 85 (75.2%) of the respondents decried that there was inadequate funding to facilitate revenue monitoring activities. The findings also showed that 61 (54.0%) of the respondents stated that inadequate and ill-equipped revenue monitoring staff was an obstacle to efficient revenue monitoring, constant transfer of revenue collection staff was also an obstacle observed by 22 (19.5%) of the respondents while 72 (63.7%) and 48 (42.5%) of the respondents reported that lack of automated revenue collection processes where manual systems of revenue collection were applied and limited public participation in the monitoring of county revenues were major obstacles respectively. Another obstacle highlighted by 76 (67.3%) of the respondents was high cases of fraud, corruption and lack of political good will, 33 (29.2%) argued that lack of clarity in the definition of roles in the revenue monitoring system was an obstacle in revenue monitoring while 46 (40.7%) of the respondents stated that inactive revenue monitoring committees leading to irregular consultative meetings. Public resistance to new revenue policies such as adoption of cashless payment system was an obstacle identified by 27 (23.9%) of the respondents, slow uptake of digitalized and integrated information management systems leading to loss of crucial files was pointed out by 69 (61.1%) of the respondents while 67 (59.3%) noted that lack of follow up on implementation of audit report recommendations was also an obstacle to revenue monitoring in the county. The findings also revealed that 16 (14.2%) of the respondents stated that seasonality in payment of taxes due to market fluctuations, for instance, in the livestock markets which hindered efficient revenue prediction and hence monitoring.

Table 4.6: Obstacles to Effective and Efficient Revenue Monitoring in the County

Obstacles to effective and efficient revenue monitoring	Frequency	Percent
Lack of clear revenue monitoring framework	58	51.3
Lack of co-ordination and hindrances from other departments	76	67.3
Inadequate funding to facilitate revenue monitoring activities	85	75.2
Inadequate and ill-equipped revenue monitoring staff	61	54.0
Constant transfer of revenue collection staff	22	19.5
Lack of automated revenue collection processes	72	63.7
Limited public participation in the revenue monitoring	48	42.5
High cases of fraud, corruption and lack of political good will	76	67.3
Lack of clarity in role definition in the revenue monitoring system	33	29.2
Inactive revenue monitoring committees	46	40.7
Public resistance to new revenue policies	27	23.9
Slow uptake of digitalized and integrated information management systems leading to loss of crucial files	69	61.1
Lack of follow up on implementation of auditors' recommendations	67	59.3
Seasonality in payment of taxes due to market fluctuations e.g. livestock markets	16	14.2

4.4.4 Technology and Automation

The study also explored the effect of technology and automation on revenue collection in Garissa County, Kenya. The respondents rated their agreement/disagreement with various statements on technology and automation in relation to revenue collection in the county. The findings are summarized in Table 4.7. The findings revealed that on average, the respondents disagreed that the county had adequately automated its revenue collection processes as shown by $M=2.487$, $SD=1.477$ and also disagreed that the county government had adequately integrated all its revenue collection and administration processes given $M=2.407$, $SD=1.373$. The findings also showed that on average, the respondents neither agreed or disagreed that the county government extensively uses electronic revenue reports generated by the county systems as supported by $M=2.770$, $SD=1.506$ and whether there was increased budget allocations towards ICT support services for revenue collection systems in the county given $M=3.055$, $SD=1.470$. Similarly, the respondents on average neither agreed or disagreed that the county revenue collection and administration staff were well capable of using ICT system to collect and report on revenue as supported by $M=3.133$, $SD=1.584$. On average, the highest mean of responses was attached to the statement “The county revenue collection and

administration staff are capable of using ICT system to collect and report on revenue” $M=3.133$, $SD=1.584$ while the lowest was related to the statement “The county government has adequately integrated all its revenue collection and administration processes” as shown by $M=2.407$, $SD=1.373$. The findings painted a picture that the level of technology adoption and automation in the revenue collection processes in Garissa County was not satisfactory. Hence, the county government had a long way to go in exploiting technological resources to enhance revenue collection efficiency in the county. Owino, Senaji, and Ntara (2017) emphasized that county governments needed to continuously invest in improving the automation of their revenue processes. Biwott, Mulongo, and Omboto (2017) also asserted that technology adoption was important since it provided innovative ways for the counties to raise funds by providing approaches to countering dishonesty in revenue mobilization and other forms of revenue leakages at all points of revenue collection.

Table 4.7: Descriptive Statistics on Technology and Automation

Technology and Automation	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree	Mean	Std. Dev.
The county has adequately automated its revenue collection processes.	38.10%	18.60%	14.20%	15.00%	14.20%	2.487	1.477
The county government has adequately integrated all its revenue collection and administration processes.	41.60%	12.40%	13.30%	29.20%	3.50%	2.407	1.373
The county government extensively uses electronic revenue reports generated by the county systems	32.70%	12.40%	15.90%	23.00%	15.90%	2.770	1.506
There is increased budget allocations towards ICT support services for revenue collection systems in the county	27.40%	7.10%	15.90%	33.60%	15.90%	3.035	1.470
The county revenue collection and administration staff are capable of using ICT system to collect and report on revenue	25.70%	14.20%	8.80%	23.90%	27.40%	3.133	1.584

The study also identified the major obstacles in the use of technology and automation in revenue collection in Garissa County as highlighted by the respondents. As shown in Table 4.8, inadequate budgetary allocations towards automation of county revenue systems was reported by 98 (86.7%) of the respondents as a major obstacle, 86 (76.1%) of the respondents noted that there was lack of capacity to use ICT among county revenue staff many of whom were old while 45 (39.8%) of the respondents underscored that the county lacked a proper strategy for automation of county revenue systems. The findings further showed that the county lacked established ICT infrastructure which constrained the setup of automated systems as argued by 73 (64.6%) of the respondents, 51 (45.1%) stated that resistance to change among county revenue clerks was an obstacle to use of technology and automation in revenue collection in the county while 64 (56.6%) of the respondents recognized that slow uptake of automated systems by the public such as use of M-Pesa paybill in remitting taxes was also an obstacle encountered.

Table 4.8: Obstacles to Use of Technology and Automation in Revenue Collection

Obstacles to effective and efficient revenue monitoring in the county	Frequency	Percent
Inadequate budgetary allocations towards automating county revenue systems	98	86.7
Lack of capacity to use ICT among county staff	86	76.1
Lack of proper strategy for automation	45	39.8
Lack of established ICT infrastructure in the county	73	64.6
Resistance to change among county revenue clerks	51	45.1
Slow uptake of automated systems such as use of M-Pesa paybill by the public	64	56.6

4.4.5 Revenue Collection

The respondents were further asked to give their assessment of the level of revenue collection in the county and their responses are outlined in Table 4.9. The study found that on average, the respondents neither agreed or disagreed that the gap between the annual revenue collected and the revenue target had significantly reduced over the past 5 financial years as shown by $M=3.212$, $SD=1.617$ and whether the level of revenue leakages has significantly reduced over the past 5 financial years given, $M=3.230$, $SD=1.518$. The findings also showed that the respondents, on average, neither agreed or disagreed that the county had been able to reduce

its budget variance over the past 5 financial years as supported by $M=3.115$, $SD=1.528$ and also that the percentage of county own-source revenue had significantly increased over the past 5 financial years as denoted by $M=3.071$, $SD=1.539$. The findings further showed that on average, the respondents also neither agreed or disagreed that the level of efficiency, effectiveness and transparency in revenue collection had improved significantly over the past 5 financial years as revealed by $M=3.124$, $SD=1.524$.

Table 4.9: Descriptive Statistics on Revenue Collection

Revenue Collection	Strongly Disagree	Disagree	Neither Agree or Disagree	Agree	Strongly Agree	Mean	Std. Dev.
The gap between the annual revenue collected and the revenue target has significantly reduced over the past 5 financial years	24.80%	15.00%	6.20%	22.10%	31.90%	3.212	1.617
The level of revenue leakages has significantly reduced over the past 5 financial years	23.90%	8.00%	15.00%	27.40%	25.70%	3.230	1.518
The county has been able to reduce its budget variance over the past 5 financial years	23.00%	16.80%	10.60%	24.80%	24.80%	3.115	1.528
The percentage of county own-source revenue has significantly increased over past 5 financial years	25.70%	14.20%	10.60%	26.50%	23.00%	3.071	1.539
The level of efficiency, effectiveness and transparency in revenue collection has improved significantly over the past 5 financial years.	25.70%	9.70%	14.20%	27.40%	23.00%	3.124	1.524

The results presented in Table 4.10 show the revenue collection performance of the county based on the secondary data that was collected. The findings showed that there were considerable budget variances over the period 2013 to 2018 and that the county was way too far from achieving the local target revenues.

Table 4.10: Revenue Collection Analysis for Garissa County

Financial Year	Budget variance (Kshs.)	County revenues collected locally (Kshs.)	Realization of local target revenues (%)
2013/2014	110,986,821	35,900,000	23.9
2014/2015	369,516,481	130,720,000	26.1
2015/2016	395,684,734	105,900,000	21.2
2016/2017	269,276,002	81,900,000	23.4
2017/2018	159,806,085	86,690,000	34.7

Source: Controller of Budget and Auditor General Reports (2013-2018)

4.5 Correlation Analysis

In order to determine the whether organizational practices namely personnel training and motivation, tax payer education, revenue monitoring and technology and automation were significantly associated with revenue collection in Garissa County, Kenya, Pearson correlation analysis was undertaken. The direction and strength of the association/correlation between the variables was assessed. The strength of the correlation was interpreted as follows considering the criteria provided by Sedgwick (2012) as follows: +/- .00 to .19 is very weak, +/- .20 to .39 is weak, +/- .40 to .59 is moderate, +/- .60 to .79 is strong while +/- .80 to 1.0 is very strong. The significance of the correlation was tested at the 0.05 significance level. The correlation matrix results are shown in Table 4.11. The results revealed that personnel training and motivation was positively, strongly and significantly correlated with revenue collection in Garissa County ($r=0.658$, $p=0.000$, $p<0.05$). The findings also showed that there was a positive, strong and significant association between taxpayer/public education and revenue collection in this county ($r=0.692$, $p=0.000$, $p<0.05$). Furthermore, revenue monitoring was positively and significantly correlated with revenue collection in Garissa County as supported by ($r=0.718$, $p=0.000$, $p<0.05$). This association was also strong. Similarly, technology and automation was positively, strongly and significantly correlated with the revenue collection in Garissa County ($r=0.732$, $p=0.000$, $p<0.05$). These findings implied that personnel training and motivation, tax payer education, revenue monitoring and technology and automation and revenue collection in Garissa County changed in the same direction. The findings were in agreement with those of

Ngugi and Kagiri (2016) which underlined that staff competencies were among the factors that determined optimal collection of revenue and also supported that of Millvier (2015) which revealed that revenue collection improved with improved staff training. The findings also agreed with those of Oyugi (2008) which showed that taxpayer education enhanced the revenues collected and were consistent with that of Tahiru, Agbesi, and Osei-Owusu (2014) which revealed that lack of continuous monitoring of revenues was a major challenge in the revenue collection process due to adequate information which led to fraud, abuse and significant revenue leakages. The findings also agreed with that of McCluskey (2012) that ICT adoption was crucial in enhancing the efficiency in revenue collection.

Table 4.11: Correlation Matrix

		Revenue collection	Personnel training and motivation	Taxpayer/public education	Revenue monitoring	Technology and automation
Revenue collection	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	113				
Personnel training and motivation	Pearson Correlation	.658**	1			
	Sig. (2-tailed)	0.000				
	N	113	113			
Taxpayer/public education	Pearson Correlation	.692**	.513**	1		
	Sig. (2-tailed)	0.000	0.000			
	N	113	113	113		
Revenue monitoring	Pearson Correlation	.718**	.527**	.609**	1	
	Sig. (2-tailed)	0.000	0.000	0.000		
	N	113	113	113	113	
Technology and automation	Pearson Correlation	.732**	.541**	.426**	.499**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	
	N	113	113	113	113	113

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

4.6 Regression Analysis

Multiple linear regression analysis was conducted to show whether revenue collection in Garissa County was significantly affected by personnel training and motivation, tax payer education, revenue monitoring and technology and automation in the county government. The effect of each independent variable on revenue collection was quantified.

4.6.1 Model Summary

The first regression output related to model summary results which are presented in Table 4.12. The findings show that a R square (coefficient of determination) of 0.778 was computed which denoted that 77.8% of the changes in revenue collection in Garissa County was explained by changes in personnel training and motivation, tax payer education, revenue monitoring and technology and automation in the county government. The rest of the changes, 22.2% were attributed to the factors not considered in this model. These findings implied that personnel training and motivation, tax payer education, revenue monitoring and technology and automation were organizational practices within Garissa County that explained considerable variance in the revenue collection in the county. Hence, they were satisfactory predictors in the study model.

Table 4.12: Model Summary Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.882a	0.778	0.770	0.691461

a Predictors: (Constant), Technology and automation, taxpayer/public education, personnel training and motivation, revenue monitoring

4.6.2 ANOVA

The second output in the regression analysis contained ANOVA results which assisted the researcher in determining whether the model used to link the study variables was significant or fit and whether the independent variables were good predictors of revenue collection in Garissa County. The findings are summarized in Table 4.13. The study results show that the model used in linking the study variables was significant given that the p value associated with the F statistic was less than 0.05 ($F=94.875$, $p=0.000$, $p<0.05$). This implied that personnel training

and motivation, tax payer education, revenue monitoring and technology and automation in the county government were satisfactory predictors of revenue collection in Garissa County.

Table 4.13: Testing for Model Fitness

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	181.446	4	45.361	94.875	.000b
	Residual	51.637	108	0.478		
	Total	233.082	112			

a Dependent Variable: Revenue collection in Garissa County
b Predictors: (Constant), Technology and automation, taxpayer/public education, personnel training and motivation, revenue monitoring

4.6.3 Regression Coefficients

The regression coefficients which helped the researcher to determine the effect of each independent variable on the dependent variable are provided in Table 4.14. Based on the findings presented in Table 4.14, the following model was fitted:

$$\text{Revenue collection in Garissa County} = -0.798 + 0.192 \text{ Personnel training and motivation} + 0.324 \text{ Taxpayer/public education} + 0.367 \text{ Revenue monitoring} + 0.426 \text{ Technology and automation}$$

Table 4.14: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-0.798	0.220		-3.633	0.000
	Personnel training & motivation	0.192	0.070	0.162	2.740	0.007
	Taxpayer/public education	0.324	0.069	0.279	4.677	0.000
	Revenue monitoring	0.367	0.085	0.267	4.317	0.000
	Technology and automation	0.426	0.062	0.391	6.910	0.000

a Dependent Variable: Revenue collection in Garissa County

The findings revealed that personnel training and motivation positively and significantly affected revenue collection in Garissa County as shown by ($\beta = 0.192, t= 2.740, p = 0.007$). These findings implied that a unit increase in personnel training and motivation would result to increased revenue collection in Garissa County by 0.192 units holding all other factors constant. The findings were in line with those of Gatimu (2017) that employee qualification, skills and training had a significant positive effect on optimal revenue collection by enabling the staff to carry out their duties in line with the organization's vision and working within set standards. The findings also agreed with those of Okiro (2016) who found that training had a positive impact on staff knowledge which led to optimal, effective and efficient collection of revenue in counties. The findings were also consistent with those of Millvier (2015) which revealed that revenue collection improved with improved staff training. since highly trained staff were more motivated in their work thus ensuring that collection of revenues was done.

The study results also showed that taxpayer/public education had a positive significant effect on revenue collection in Garissa County as supported by ($\beta = 0.324, t= 4.677, p = 0.000$). A unit increase in taxpayer/public education was expected to result to increased revenue collection in the county by 0.324 units holding all other factors constant. The findings supported that of Awitta (2010) who found that taxpayer education strategy was crucial in enhancing revenue collection. The study results also agreed with those of Oyugi (2008) who found that taxpayer education undertaken enhanced the revenues collected and were also in accordance with those of Nyongesa (2014) who found that the employing tax awareness creation strategies was significant in raising revenue collection.

In the same way, revenue monitoring was found to positively and significantly affect revenue collection in Garissa County given ($\beta = 0.367, t= 4.317, p = 0.000$). It was therefore deduced that holding all other factors constant, a unit increase in revenue monitoring would result to increased revenue collection in Garissa County by 0.367 units. The findings of this study concurred with those of Sigilai (2017) which pointed out that monitoring positively and significantly affected the collection of revenues and also agreed with those of Tahiru, Agbesi, and Osei-Owusu (2014) which showed that lack of continuous monitoring of revenues was a major challenge in the revenue collection process due to adequate information which led to fraud, abuse and significant revenue leakages.

The findings further revealed that revenue collection in Garissa County was positively and significantly affected by technology and automation ($\beta = 0.426, t= 6.910, p = 0.000$). The

results implied that a unit increase in technology and automation would result to increased revenue collection in Garissa County by 0.426 units holding all factors constant. The findings were consistent with those of McCluskey (2012) which revealed that ICT adoption was crucial in enhancing the efficiency in revenue collection. The findings were also in concurrence with those of Biwott, Mulongo, and Omboto (2017) which revealed that technology adoption positively impacted on revenue collection by making the revenue collection exercise efficient and effective.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter provides a summary of the major findings of the study, the conclusions drawn from these findings and the various recommendations made for policy and practice. This was undertaken in accordance to the study objectives. Suggestions for further research are also provided.

5.2 Summary of Findings

The purpose of this study was to assess the effect of organizational practices on revenue collection in Garissa County, Kenya. In achieving this objective, four specific objectives were drafted as follows; to examine the effect of personnel training and motivation on revenue collection in Garissa County, Kenya; to determine the effect of tax payer/public education on revenue collection in Garissa County, Kenya; to establish the effect of revenue monitoring on revenue collection in Garissa County, Kenya and to explore the effect of technology and automation on revenue collection in Garissa County, Kenya.

5.2.1 Personnel and Motivation and Revenue Collection

The study examined the effect of personnel training and motivation on revenue collection in Garissa County. The study found based on the responses given that even though the county government had put in place structures and penalties for addressing non-performance among revenue collectors, there was no much commitment towards having in place incentives for rewarding highly performing revenue personnel in the county. The study also discovered that commitment in allocation of funds for continuous training and development of the county revenue collection clerks and teams, organizing regular seminars and workshops on revenue collection for county staff and recruitment of the county revenue clerks and teams on the basis of their qualifications and competencies was only done to a moderate extent and was not satisfactory as highlighted by the respondents. The study also found that the leading challenges in training and motivating revenue collection personnel in the county were inadequate budgetary allocations to facilitate training and motivation exercises, lack of established HR policies and reward systems, lack of recognition and promotion opportunities for performing

revenue clerks and inconsistent or irregular trainings and seminars. The regression results revealed the level of revenue collection in Garissa County was positively and significantly affected by personnel training and motivation implying that adoption of measures to enhance the training and motivation of revenue collection staff would result to enhanced revenue collection in the county by enabling and motivating the revenue staff to carry out their tasks.

5.2.2 Taxpayer/Public Education and Revenue Collection

The study also determined the effect of tax payer/public education on revenue collection in Garissa County. From the descriptive analysis, it was noted that the county government on average had adopted diverse and interactive communication channels in reaching out to tax payers/residents and had also adopted efficient feedback systems in dealing with taxpayer/public queries and concerns. However, on average, the commitment to holding regular forums and programs for training the county residents on their tax obligations, allocation of adequate funds for the implementation of taxpayer/public training programs in the county and conducting regular taxpayer/public education and sensitization campaigns across the county by the county government was just moderate. The study also found that measures to enhance taxpayer/public education and awareness for enhanced revenue collection given by the respondents centred on advertising and sensitizing public on need for paying taxes on local radio stations, TV shows, public barazas in local dialect and also the adoption of friendly public participation and engagement structures in revenue collection and administration. Enhanced budgetary allocations towards public education and sensitization on tax obligations and employment of more staff for sensitization and awareness campaigns on revenue issues at the ward levels were also among the amplified measures suggested. The study further found that tax payer/public education had a positive and significant effect on revenue collection in Garissa County. This meant that heightened taxpayer/public education in the county would enhance revenue collection in the county by enlightening the public on their tax obligations to the county government.

5.2.3 Revenue Monitoring and Revenue Collection

The study also sought to establish the effect of revenue monitoring on revenue collection in Garissa County. The study based on the descriptive statistics generated found that on average, the county government had created a revenue taskforce for addressing issues of fraud, abuse and significant revenue leakages in the county and that there was timely publication of progress

and feedback reports on county revenue mobilization for accountability. On the contrary, on average, the county government did not adequately implement the recommendations outlined in revenue audit reports in the county and also did not adequately facilitate the revenue monitoring departments through resources and support by the county government. The study also found that on average, the respondents were undecided as to whether the county government had active and well-equipped committees for monitoring revenue issues in the county which held regular consultative meetings. Among the major obstacles to effective and efficient revenue monitoring in the county were inadequate funding to facilitate revenue monitoring activities, lack of co-ordination and hindrances from other departments, lack of follow up on implementation of audit report recommendations, slow uptake of digitalized and integrated information management systems leading to loss of crucial files, high cases of fraud, corruption and lack of political good will and lack of clear revenue monitoring framework. The study found that revenue monitoring positively and significantly affected revenue collection in Garissa County.

5.2.4 Technology and Automation and Revenue Collection

The study further explored the effect of technology and automation on revenue collection in Garissa County, Kenya. The study established that on average, the county government had not adequately automated its revenue collection processes or adequately integrated all its revenue collection and administration processes. The responses given indicated that on average, the county revenue collection and administration staff were only capable of using ICT system to collect and report on revenue to moderate extent and that increases in budget allocations towards ICT support services for revenue collection systems in the county were also moderate. The use electronic revenue reports generated by the county systems by the county government was also found to be moderate. The major obstacles in the use of technology and automation in revenue collection in Garissa County Inadequate budgetary allocations towards automating county revenue systems, lack of capacity to use ICT among county staff, lack of established ICT infrastructure in the county and slow uptake of automated systems by the public. The study further found that technology and automation had a positive and significant effect on revenue collection in Garissa County.

5.3 Conclusions

Based on the study findings, several conclusions were made. The study concluded that revenue collection in Garissa County was significantly affected by organizational practices adopted within the county government. The study concluded that organizational practices particularly personnel training and motivation, taxpayer/public education, revenue monitoring and technology and automation had considerable impact on the revenues collected by the county government. The study concluded that generally, technology and automation had the greatest effect on revenue collection in the county followed by revenue monitoring. The study concluded that enhanced revenue collection in the county would be attained when the county adopted or enhanced the implementation of favourable practices within the county government.

5.4 Recommendations

Based on the study findings, several recommendations to different parties were made. The study recommends that the county government through the departments of finance and accounts should increase budgetary allocations towards programs for developing the capacity of revenue clerks and other revenue administration teams in order to enhance their efficiency in undertaking their duties. This should be done in consultation with the human resource department in order to ensure that the staff development needs are assessed and appropriate structures for implementing these programs are put in place. The study also recommends that the HR department should develop clear and reasonable reward systems and incentive plans for motivating revenue clerks to deliver in their duties. Adherence to recruitment policies and guidelines by the HR department is also recommended in order to ensure qualified revenue clerks are employed. Platforms for regular on job trainings is also recommended so as to sharpen the skills and competencies of revenue collection teams in the county on a continuous basis.

The study also recommends that the county government through the relevant departments should develop public education and sensitization plans and campaigns and aggressively implement them in order to ensure that the public are informed on their tax obligations to the county and the importance revenues collected to the county's development. The study recommends that the relevant departments in carrying out public education should be equipped with adequate personnel and other resources to facilitate regular sensitization campaigns which can be achieved through increased budgetary allocations to these functions. The study also

recommends that the county government should exploit structures and platforms such as local radio stations and barazas that allow for residents at the grass root level to be reached so that revenue issues are understood by all county residents. The study further recommends that the county government should set up county structures that allow residents to be involved in the county revenue administration and management so that residents are receptive of new revenue systems and policies meant to enhance revenue collection in the county.

The study recommends that the county government should set a framework and guidelines that guarantee the selection of competent revenue committee members who are active and committed in discharging their mandate. The study recommends that there should be adequate facilitation and support by the county government that is accorded to revenue monitoring committees in order to ensure that they independently carry out their work. The study recommends that the relevant departments involved in monitoring revenues at the county should have adequate budgetary allocations so that the necessary structures and resources needed to facilitate the revenue monitoring exercises are available. The study further recommends that there should be continuous follow ups on audit recommendations given in regards to the county revenues by an independent taskforce within the county government in order to ensure that queries raised by auditors are addressed and no repeat is reported.

The study recommends that the county government should set aside adequate budgetary allocations towards developing the ICT infrastructure and other ICT support services required in setting up integrated information management systems touching on revenue collection and management in the county. The study also recommends that the county government should enhance the pace of uptake of automated revenue collection systems and laid down the necessary plans and structures needed to encourage acceptance among the public and the county staff. The study recommends that the county government should review the milestones made in its ICT road map in regards to revenue collection and identify key areas for improvement. The study also recommends that the development of the ICT infrastructure required in setting up revenue collection systems should go hand in hand with training of staff to ensure that they are able to exploit technological resources in the county to solve pertinent issues in the revenue collection exercises in the county.

5.5 Suggestions for Further Research

The study recommends that a similar study taking in to consideration other organizational practices in the county not considered in this could be undertaken. The study also recommends that a study exploring the challenges in the adoption of integrated and automated revenue collection systems in the counties in Kenya could be carried out.

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APPENDICES

Appendix I: Letter of Introduction

Dear Sir/Madam

RE: ACADEMIC RESEARCH PROJECT

My name is Mohamed Hussein. I am a student at the Kenyatta University pursuing a Master's Degree. I am here to conduct a research on "**Organizational Practices and Revenue Collection in Garissa County, Kenya.**" This letter therefore, is a kind request for you to give me permission to gather the relevant information related to the subject under study from randomly selected employees. The information collected during this research will be used for academic purposes only. Names and private information will not be divulged and used against any of the respondents. No one will be quoted directly as having given any information that will be collected. The findings will be used to make recommendations on how to improve efficiency and performance in revenue mobilization in the county. I therefore request you to take a few minutes of your time to fill the questionnaire.

Your cooperation will be highly appreciated.

Yours Faithfully,

Mohamed Ali Hussein

Appendix II: Questionnaire

Kindly answer the following questions as honestly and accurately as possible. The information given will be treated with a lot of confidentiality. Please do not write your name anywhere on this questionnaire. You are encouraged to give your honest opinion.

Section A: Demographic Information

1. Gender

- a. Male () b. Female ()

2. Highest Education Level attained;

- a. Diploma ()
b. Undergraduate Degree ()
c. Masters ()
d. PhD ()

3. Age Bracket:

- a. Less than 30 ()
b. 31 - 40years ()
c. 41 – 50years ()
d. Above 50 years ()

4. How many years have you worked in the county government?

- a. Less than 1 year ()
b. 1 to 3 years ()
c. More than 3years ()

5. What is your work position in the county?

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Section B: Personnel Training and Motivation

6. Using the scale given below, indicate how accurately the following statements describe personnel training and motivation in relation to revenue collection in the county: **1= Strongly Disagree, 2= Disagree, 3=Somewhat Agree, 4= Agree, 5=Strongly Agree.**

Statement	Strongly Disagree	Disagree	Somewhat Agree	Agree	Strongly Agree
There is committed allocation of funds for continuous training and development of the county revenue collection clerks and teams.					
The county organizes regular seminars and workshops on revenue collection for county staff.					
The county revenue clerks and teams are recruited on the basis of their qualifications and competencies.					
There are incentives for rewarding highly performing revenue personnel in the county.					
The county has put in place structures and penalties for addressing non-performance among revenue collectors.					

7. In your opinion, what are the major challenges in training and motivating county personnel and teams involved in the revenue collection process in the county?

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Section C: Tax Payer/Public Education

8. Using the scale given below, indicate how accurately the following statements describe tax payer/public education in relation to revenue collection in the county: **1= Strongly Disagree, 2= Disagree, 3=Somewhat Agree, 4= Agree, 5=Strongly Agree.**

Statement	Strongly Disagree	Disagree	Somewhat Agree	Agree	Strongly Agree
The county government holds regular forums and programs for training the county residents on their tax obligations.					
There is adequate funds allocated for the implementation of taxpayer/public training programs in the county.					
The county conducts regular taxpayer/public education and sensitization campaigns across the county.					
The county has adopted diverse and interactive communication channels in reaching out to tax payers/residents.					
The county has adopted efficient feedback systems in dealing with taxpayer/public queries and concerns.					

9. In your opinion, what measures can the county government adopt to increase the level of taxpayer/public education and awareness for enhanced revenue collection in the county?

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Section D: Revenue Monitoring

10. Using the scale given below, indicate how accurately the following statements describe revenue monitoring in relation to revenue collection in the county: **1= Strongly Disagree, 2= Disagree, 3=Somewhat Agree, 4= Agree, 5=Strongly Agree.**

Statement	Strongly Disagree	Disagree	Somewhat Agree	Agree	Strongly Agree
The county has active and well-equipped committees for monitoring revenue issues in the county.					
There are regular consultative meetings held by revenue committees in the county.					
There is adequate facilitation of revenue monitoring departments through resources and support by the county government.					
The county government has created a revenue taskforce for addressing issues of fraud, abuse and significant revenue leakages in the county.					
There is timely publication of progress and feedback reports on county revenue mobilization for accountability.					
There is adequate implementation of recommendations outlined in revenue audit reports in the county					

11. What are the major obstacles to effective and efficient revenue monitoring in the county?

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Section E: Technology and Automation

12. Using the scale given below, indicate how accurately the following statements describe technology and automation in relation to revenue mobilization in the county: **1= Strongly Disagree, 2= Disagree, 3=Somewhat Agree, 4= Agree, 5=Strongly Agree.**

Statement	Strongly Disagree	Disagree	Somewhat Agree	Agree	Strongly Agree
The county has adequately automated its revenue collection processes.					
The county government has adequately integrated all its revenue collection and administration processes .					
The county government extensively uses electronic revenue reports generated by the county systems.					
There is increased budget allocations towards ICT support services for revenue collection systems in the county.					
The county revenue collection and administration staff are capable of using ICT system to collect and report on revenue.					

13. What are the major obstacles in the use of technology and automation in revenue collection in the county?

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Section F: Revenue Collection in Garissa County

14. Using the scale given below, give your assessment of the level of revenue collection in the county in terms of the following: **1= Strongly Disagree, 2= Disagree, 3=Somewhat Agree, 4= Agree, 5=Strongly Agree.**

Statement	Strongly Disagree	Disagree	Somewhat Agree	Agree	Strongly Agree
The gap between the annual revenue collected and the revenue target has significantly reduced over the past 5 financial years					
The level of revenue leakages has significantly reduced over the past 5 financial years					
The county has reduced its budget variance over the past 5 financial years					
The percentage of county own-source revenue has significantly increased over past 5 financial years					
The level of efficiency, effectiveness and transparency in revenue collection has improved significantly over the past 5 financial years.					

15. In your opinion, what are the measures which can be adopted by the county government to enhance revenue collection in the county?

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Thank you!

Appendix III: Secondary Data Collection Template

The following template has been developed to help the researcher gather information pertaining to revenue collection in Garissa County.

Year/Revenue Collection Indicator	Realization of Target Revenues (%)	Budget Variance (Kshs.)	Percentage of county revenues collected locally (%)
2013			
2014			
2015			
2016			
2017			
2018			

Appendix IV: Research Authorization



KENYATTA UNIVERSITY
GRADUATE SCHOOL

E-mail: dean-graduate@ku.ac.ke

Website: www.ku.ac.ke

P.O. Box 43844, 00100
NAIROBI, KENYA
Tel. 810901 Ext. 4150

Internal Memo

FROM: Dean, Graduate School

DATE: 24th April, 2019

TO: Mohamed Ali Hussein
C/o Accounting and Finance Dept.

REF: D53/OL/GAR/26668/2015

SUBJECT: APPROVAL OF RESEARCH PROJECT PROPOSAL

This is to inform you that Graduate School Board at its meeting of 18th April, 2019 approved your Research Project Proposal for the M.BA Degree Entitled, "Organizational practices and revenue collection in Garissa County, Kenya".

You may now proceed with your Data Collection, Subject to Clearance with Director General, National Commission for Science, Technology and Innovation.

As you embark on your data collection, please note that you will be required to submit to Graduate School completed Supervision Tracking Forms per semester. The form has been developed to replace the Progress Report Forms. The Supervision Tracking Forms are available at the University's Website under Graduate School webpage downloads.

Thank you.

A handwritten signature in black ink, appearing to be 'Annbell Mwaniki'.

ANNBELL MWANIKI
FOR: DEAN, GRADUATE SCHOOL

c.c. Chairman, Accounting & Finance Department
Supervisors:

1. Dr. Vincent Shiundu Mutswenje
C/o Department of Accounting and Finance
Kenyatta University

AM/ik

Appendix V: Approval from County Management

Mohamed A. Hussein
Reg No: D53/OL/Garissa/26668/2015
P.O Box 1357-70100,
Garissa.

County Executive Committee Member,
Finance & Economic Planning,
County Government of Garissa
P.O. Box 1377-70100
Garissa



Dear Sir;

RE: REQUEST FOR PERMISSION TO CONDUCT RESEARCH

I am an MBA- Accounting & Finance student at Kenyatta University. I am undertaking a research project on "*Organizational Practices and Revenue Collection in Garissa County-Kenya*".

This project will be conducted under the supervision of *Dr. Vincent Mutswenje Shiundu* of Kenyatta University vmutswenje@gmail.com, + (254) 0723807834.

I am hereby seeking your consent to allow me approach a number of employees at your Directorate- Revenue Management, Finance and Budget units.

I have provided you with a copy of my project proposal, as well as a copy of the approval of research project proposal from Dean of Graduate school.

Upon completion of the study, I undertake to provide the Directorate of Finance and Economic Planning with a copy of the full research report.

Thank you for your time and consideration in this matter.

Yours sincerely,

Mohamed A. Hussein
MBA- Accounting & Finance Student
D53/OL/GARISSA/26668/2015
Kenyatta University.

Appendix VI: Research Permit

