

**APPLICATION OF MCKINSEY 7s MODEL APPROACH IN EFFECTIVE
MONITORING OF REVENUE COLLECTION IN TRA: CASE STUDY OF
KINONDONI MUNICIPALITY**

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**A DISSERTATION SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENT FOR THE MASTERS OF ARTS IN MONITORING AND
EVALUATION OF THE OPEN UNIVERSITY OF TANZANIA**

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CERTIFICATION

The undersigned certifies that has read and hereby recommends for the acceptance of this dissertation titled; “*Application of Mckinsey 7s Models Approach in Effective Monitoring of Revenue Collection in TRA: Case of Kinondoni municipality*” in a partial fulfillment of requirements for the degree of masters of Arts in Monitoring and evaluation of the Open University of Tanzania.

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Date

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DECLARATION

I, **Remigius Libenth**, do hereby declare that this dissertation is my own original and that it has not been presented to any other university for similar or any other degree award.

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Date

DEDICATION

I dedicate this work to my mother in law Martha Chailla Kamuhabwa for her untiring effort in this dissertation work. That effort went into it to the most understanding and caring people I know.

When times are good they make me laugh uncontrollably. When times are tough the smile doesn't leave my face because of the unconditional love and joy they bring to my heart.

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ABSTRACT

This study provides a theoretical analysis to determine application of McKinsey 7s model Approach in effective monitoring of revenue collection in TRA: Case of Kinondoni municipality. The study was justified based on the fact that effective monitoring on revenue collection in TRA; through application of 7's models approach. Survey population of 78. A sample of 65 was drawn. CI, 95%, ME, 5%. Primary and secondary data has been used. To study relations between variables independent and dependent multiple linear regression model were used. Descriptive statistics were analyzed by SPSS. Theories that were used McKinsey 7s models Approach and System theory. Questionnaires administered to sixty five (65) to TRA employee responded (62). Findings on the Factors that influence effective monitoring on revenue collection in TRA starting with 7s only three variables which are statistically significant over the other four variables at the 95% level. Challenges facing effective monitoring on revenue collection in TRA through application of McKinsey 7s models Approach, 53.22% of the respondents agreed, 11.29% strongly agreed, 16.12% undecided, 12.90% and 6.45% were disagreed and strongly disagreed. Conclusion, the fundamental issues to be addressed in the context of effective monitoring on revenue collection are to reach the design of current revenue organization and to strengthen TRA management. 7s models is valuable tool to initiate changes processes and to give the direction. Recommendation, There is the need of putting more emphasize on effective monitoring on revenue collection through all cycle of the organization has been screened on 7s McKinsey models approach such as Strategy, structure, system, skills, style and shared values.

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LIST OF ABBREVIATIONS

DTSC	Dar es Salaam Tax Services Centre
EFDs	Electronic Fiscal Devices
GDP	Growth Domestic Product
GDP	Gross Domestic Product
IT	Information Technology
KPIs	Key performance Indicators
RC	Revenue collection
SKL	Skills
SPSS	Statistical Package for Social Sciences
ST	Strategy
STF	Staff
STL	Style
STR	Structure
SV	Shared value
SYST	System
TRA	Tanzania Revenue Authority
TRAMED	Tanzania Revenue Authority Monitoring Evaluation Database
VAT	Value Added Tax

CHAPTER ONE

1.0 INTRODUCTION

1.1 Background to the Study

Revenue collection is the major source of government in revenues such as Tanzania. Revenue collection is very necessary payment for which no service or value to be rendered in compensation term. Revenue collection, Majority of revenue collection in Tanzania is in form of tax revenues and TRA is a collector an executive agency working under Finance ministry that was established in 1996. TRA is responsible to collect major taxes including tax income, Value added tax, Import duty and excise duty. It is the revenue charge imposed on individual or legal entity by the given government. Revenue is the price we pay for dwelling in a civilized community/ society. Justice Wendell Holmes (1905).

Revenues are based on an arbitrary system of laws passed by Parliament and interpreted by the judiciary and giving effect to what one must assume to be the democratic will of the citizens (Akoto, 2001). Tanzania has had a taxation system according to modern principles since the turn of the century. It was introduced by the colonial European powers which took charge of the administration of the territory. The first colonial administrators to introduce taxation were the Germans. They introduced simple forms of direct taxes such as the hut and poll taxes. These were introduced primarily to force the African population to participate in Tax Law in Tanzania (Tanganyika) money economy and only incidentally to raise revenue. The budgetary expenses of the colonial administration were mostly financed by grants

from the imperial government. However, the German period in Tanzania (Tanganyika) did not have a lasting impact on the country's legal institutions including taxation. This is because they failed to establish effective control of the territory. Between 1884 and 1891 the only German presence in colonial government was established. But even then no effective control was achieved. Luoga (supra) attempts an analysis of the Income Tax Act, 1973 in the light of its fairness to taxpayers as well as its effectiveness monitoring as a socio-economic tool.

The Tanzania Revenue Authority (TRA) was established by Act of Parliament No. 11 of 1995, and started its operations on 1st July 1996. In carrying out its statutory functions, TRA is regulated by law, and is responsible for administering impartially various taxes of the Central Government. This edition of the Tanzania Revenue Authority Act, Cap. 399 incorporate all amendments up to 30th November, 2006 and are printed under the authority of Section 4 of the Laws Revision Act, Cap.4. (J. P. Mwanyika, Attorney General, 2006) Tax law enforcement strategies, Revenue collection and administration improvements and effective tax system. www.tra.go.tz Tanzania Revenue Authority has got four core departments namely Customs and Excise, Domestic Revenue, Large Taxpayers and Tax Investigations. Among them it is the Customs and Excise Department which deals with Customs Administration.

The revenue comes from taxes that can be generated through households, land, and other firms that consume the legal taxed those are things that are associated with tax African governments and international development agencies increasingly acknowledge that more effective monitoring tax systems are central for a sustainable

development because they can mobilize the domestic tax base as a key mechanism for developing countries to escape aid or single resource dependency, reinforce government legitimacy through promoting accountability of the government to taxpaying citizens and good public financial management and achieve a fairer sharing of the costs and benefits of globalization (Pretoria Communiqué 2008).

There is also a growing realization in Africa that taxation and state-building are linked (Ayee et al 2010). The way revenue is raised significantly influences both economic growth and democratic consolidation (Braütigam et al 2008; Moore 1998, 2004; OECD-DAC 2006). In this perspective, the effectiveness monitoring tax system may contribute to improved governance through main channels (Moore 2008; Fjeldstad and Moore 2008). Bargaining over taxes is central to building relations of accountability between the state and citizens based on mutual rights and obligations, rather than on patronage and coercions.

Taxpayers' mobilization around common interests has potentially positive outcomes for governance. This idea of bargaining and negotiation over taxes is central to the concept of a social fiscal contract: a pattern monitoring of regular and routine accountability based on the principle of reciprocity and mutual obligations. This is essentially about stimulating good governance at the interface between state and society, in response to the demands of citizens. A.J.Mtasiwa, (2013). Revenue collected is useful in in providing all citizen needs and demand in a given government. Government is so serious with revenue collections. A 'virtuous circle' may be generated whereby the generation of government revenues leads to improved service provision, which in turn increases citizens' willingness to pay their taxes. It is

also about politics and power -the way that authority is exercised in a country through its formal and informal institutions. Common interest processes which ensure that governments have stronger incentives to promote economic growth since they are dependent on taxes and therefore on the prosperity of taxpayers.

State capacity processes which require states to develop a bureaucratic apparatus for revenue collection because of their dependence on taxes, particularly, direct ones. This is likely also to lead to broader improvements in public administration. The organization which collect the highest amount of revenues from the existing sources in fastest time and in balanced costs is always regarded as an efficient an organization. And this can be done when the organization revenue collection system is in side of monitoring protocol since the scientific attitudes towards whatever seen under the category of revenue collection. Samici, (1999)

How effective monitoring is in revenue collection, is a matter of concern of regional managers and public relation regional Officer to go on electronic and print media to explain factual issues regarding revenue collection to the public. This is an attempt to educate the public to discourage egoistic comments, provide a holistic approach to tax, reduce administrative and revenue compliances, costs and provide soundly better services to tax payers. It is also to promote effectiveness collections of revenue and equitable distribution of revenue burden and ensure transparency, integrity and also cooperate with law enforcement agencies. The critical success factor of the revenue collections division is the major revenue collection centres (Vochl, 1992). Institution, Individuals needs to be treated in respect care and gignity. And also revenue

collection division should be considered for satisfaction of core business of revenue collection. It is a set of momentary emotional responses affected by the gap between expected and perceived outcome by the concerned parties (Parasuraman & Zeithaml, 1985). Therefore effectiveness monitoring should follow established protocols, be statistically valid, generate quantifiable data, and produce results that, when tested, are repeatable.

TRA aims to “Increase domestic revenue through enhancement of voluntary Tax compliance” by the 2013/14-2017/18 period of the implementation of the fourth Corporate Plan, to increase from the current 61% to 70% by June 2018. In view of the foregoing, tax revenue collection projections using the rebased GDP data for the revised CP4 are set to increase from Tsh. 9.4 trillion in 2013/14 to Tsh. 16.4 trillion in 2017/18 equivalent to an increase of 74.7% during the five year period. Revenue yield on the other hand will increase from 12.5% in 2013/14 to 13.9% in 2017/18. As stipulated in the TRAs Vision which considers a modernized administration system as one that has a strong enforcement capacity delivered by highly qualified, motivated and committed staff. (TRA) Corporate plan (2013/14-2017/18) pg.15.

TRA mission are “*We make it easy to pay tax and make lives better*” TRA believes that it is possible to mobilize revenue in a simplified and transparent manner and taxpayers shall have easy access to services that are offered promptly. In return compliance increases shall be realized with more revenue for the Government to provide adequate and quality social services. (TRA) Corporate plan (2013/14-2017/18) pg.15

Effectiveness Monitoring: Monitoring of inputs and activities generally takes place at a more disaggregated level indicators to be monitored include Strategic Performance, Key Performance Indicators and Perception Indicators. These indicators will be monitored to enable TRA have a view of the state of affairs on plan execution and comprehend the degree of achievement of TRA objectives at a particular point in time. Key Performance Indicators (KPIs) the nature and scope of operations and effectiveness of TRA. The information for the KPIs is gathered from operational data using the existing transactional and analytical systems for Tax Administration, Customs and other support functions.

Provision of High Quality and Responsive Customer Services: This goal will be achieved to a great extent through implementation of service delivery initiatives which include: Implementation of Quality Management System and ultimate, Establishment of Dar-es-Salaam Tax Service Centers (DTSC) and Taxpayer Call Centre, Enhancement of trade facilitation through implementation of the Time.

Promote Voluntary Tax Compliance: To ensure that, it is a fair and competent tax administration, TRA developed effective enforcement coupled with taxpayer service and education programs that promote voluntary tax compliance which include: Introduction of Electronic Fiscal Devices (EFDs) and enhancement of the Block Management System which has increased taxpayer registration.

Enhancement of Staff Performance Management Systems: This goal focuses on ensuring that TRA retains qualified, skilled and motivated staff with high integrity to be able to conduct business in a modern environment. The main achievements in this

goal include: Implementation of Staff Performance Appraisal System that incorporates Balanced Score Card perspectives and introduction of an integrated system to Facilitate Up-to-Date Human resource data (ARUTI), Implementation of TRA Monitoring and Evaluation Database (TRAMED), strengthening of the Institute of Tax Administration and Strengthening of the Internal Affairs Unit to address ethical issues.

1.3 Statement of the Problem

TRA in Kinondoni municipality has been facing various challenging issues which make it not to attain the targeted plan for example in 2016/2017 the target was 19,012,844,999 with the actual revenue being Tsh 16,101,569,981 (equivalent to 91.6%) or a difference of Tsh. 2,430,039,100 deficit. The general objective was to determine effective monitoring on revenue collection in TRA; through Application of 7s models Approach: Case of Kinondoni municipality.

To maximize the intended revenue collection for the government it is vital to the revenue collector agencies to be effective in monitoring on how and who so that to satisfy the public and target to be meant. It is the government policy to increase revenue collections at a faster rate than GDP growth. In order to finance increase expenditure and reduce dependence on donors funding in the budget. The government is also committed to tax policy that does not hinder growth in business and investment that is equitable and fair, that has minimum compliance and administrative costs and that is simple as possible. In that case that we need more revenue collection so that we should not depend on donors Strictly we need to put more emphases on effective monitoring based on strategy, structure, system, staff,

style and skills that will influence revenue collection as targeted. The level of revenue collection should be determined by the level of economic activity of a given area (James & Alley, 2001). The growth of revenue collection in this area should correspond with the growth in development activities in revenue collection. The actual revenue collection has different angle greatly as compared to the potential revenue (Kinondoni regional tax Office, 2014/15). This trend has created a gap in revenue collection performance in Kinondoni municipality. In the light of developments, this study seeks to examine effectiveness monitoring on revenue collection in TRA: case of Kinondoni municipality. Campo (2007) acknowledged that it takes time to build an effective monitoring system, noting that strengthening of institutions and learning from mistakes plays a vital role. Effective monitoring has something vital to do with revenue collection and performance management tool.

1.4 Objectives of the Study

The main objective of the study is to determine Application of Mckinsey 7s Models Approach in Effective Monitoring of Revenue Collection in TRA: Case of Kinondoni Municipality.

1.5 Specific Objectives

Specifically, the study will attempt to:

- i. Determine the factors that influence effective monitoring on revenue collection.
- ii. Determine the measures needed to ensure effective monitoring on revenue collection.
- iii. Examine the challenges facing effective monitoring on revenue collection.

1.6 Research Questions

The study was seeking to address the following research questions;

- i. What are factors that influence effective monitoring on revenue collection.
- ii. What factors needed to ensure effective monitoring on revenue collection.
- iii. What are challenges facing effective monitoring on revenue collection.

1.7 Research Hypothesis

Ho: There is no significant relationship between the effectiveness monitoring and revenue collection in TRA; through application of 7s models approach.

H1: There is significant relationship between the effectiveness monitoring and revenue collection in TRA; through application of 7s models approach.

1.8 Significance of the Study

Many studies have been conducted on effectiveness revenue collection but very few have focused on effectiveness monitoring on revenue collection aspect in Kinondoni through application of 7s models approach. The findings of this study aimed at to develop a new knowledge which that will add new concept to the existing literature on revenue collection in Kinondoni municipality. Also research findings will assist the decision makers to understand the strength and weakness which are related to challenges of revenue collection. It is also planned that this study was potentially open up new directions that will assist in future research. The study was presented an opportunity to analyses and see revenue collection with special focus on procedures, systems, staff, style, structure, skills/competence, training, measures and remedies used by other researchers in performance levels basically on planners and researcher during taxation planning for increasing government revenue collection.

1.9 Scope of the Study

The study was carried out at TRA Kinondoni municipality in Dar es Salaam. The targeted population was a sample of TRA employee.

CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Chapter Overview

This chapter presents a review of existing literature related to the research problem. For the purpose of the review, the chapter is divided into the following ways: Definition of key terms, Effective monitoring revenue collection system, Revenue power of individuals and the community to pay taxes in effectively manner, The ability of government in effectively revenue collection, Mckinsey 7s Model Approach theory, System theory, Top down and bottom up theories of perception, Empirical studies, Gap in knowledge and Conceptual framework.

2.2 Definition of Key Terms

Effectiveness in this study is defined as “a criterion according to which an alternative is recommended if it results in the achievement of a valued outcome (Fox & Meyer, 2005:41). In particular it refers to a condition in which a focal organization, using a finite amount of resources, is able to achieve stated objectives as measured by a given set of criteria, and the extent to which a program is achieving or failing to achieve stated objectives (; Gerber, Nel & Van Dyk, 1998:19-20; Fox & Meyer, 2005:41; Gray & Manson, 2005:565; Torrington, Hall & Tailor, 2005:753-767).

“Effectiveness” is a factor that concerns “the level of achievement of the objectives, “whereby services are provided based on an accurate assessment of citizens’ needs and the local context (Jibao, 2009). **Monitoring:** Monitoring is the regular observation and recording of activities taking place in a project or programme. It is a

process of routinely gathering information on all aspects of the project. To monitor is to check on how project activities are progressing. It is observation; — systematic and purposeful observation. Monitoring also involves giving feedback about the progress of the project to the implementers and beneficiaries of the project. Reporting enables the gathered information to be used in making decisions for improving project performance. Loudes Sada (1967, 1987, 2007). **Effectiveness Monitoring:** Effectiveness monitoring is an avenue to determine what restoration actions are working and where refinements to restoration actions may be needed. Effectiveness monitoring can play a key role in demonstrating the accountability, success, and value of restoration in revenue collection. Effectiveness monitoring is designed to determine if TRA is effective at meeting its target and economic objectives. Effectiveness monitoring should follow established protocols, be statistically valid, generate quantifiable data, and produce results that, when tested, are repeatable. Government Finance Officers Association of the United States and Canada (2017).

Tax Revenue: Tax revenue is defined as the revenues collected from different sources such as income and profits, social security contribution, tax levied on goods and services, payroll taxes on ownership and transfer of property and other taxes. OECD, (2017)

2.3 Effective Monitoring Revenue Collection System

Being effective is about doing right things and relating them into input and what many organizations do. To be efficient one must therefore attend the input requirements of the revenue collection so that can be clarified in terms of objective, planning, direction and control. Mullins, (2008).

Personality which is extraversion or introversion, agreeableness, conscientiousness, emotional stability or instability, openness or close-mindedness is powerful to determine organizations effectiveness. Friedman & Rosenman, (1988, 2003) Effectiveness is more important than efficiency because one must be doing the right kind of work, only then does it matter whether the work is done efficiently. Effectiveness is measured by Actual Output divided by Expected output multiplied by one hundred. Stewart (1985)

2.4 Revenue Power of an Individual

The effective factors in the power of individual are determined by two sets of factors which are structure and volitional. The main structural factors are effective on the ability of individuals in payment this include the level of per capital income of income of economic texture of the society and the significance of the various kind of development activities as well as the macroeconomic policies adopted by the government. The effective volitional factors which influence the ability of individuals and the society in revenue matters those include the level of development of a culture of a given government; the position that public opinion holds about the revenue system, the altitude of the citizens towards the government that may be influenced by the quality of public services and the way of allocation of the tax revenue and expending it on providing the requirements of the people would effectively influences the payment of revenues. Yayra, (2011)

2.5 The Ability of Government in Revenue Collection

Includes enactment of appropriate revenue laws, accessibility of revenue bases, tax rates, number of revenue sources and the executive expenditure of domestic revenue

collection. The ability of government in revenue collection depends not only on structural factors but also on official factors. The low level of revenue collection depends on the fact that the tax laws are not carried out properly and perfectly. (Nikehehreh, 2005, Yayra, 2011) In this study preferably will use the following theory or the McKinsey 7s model approach which will be based on the following relationship collective work: Structure, Strategy, System, Skills, Style, Staff and Shared value in revenue collection.

The Linear Regression Model: The multiple linear regression models will be used to study the relationship between a dependent variable and one or more independent variables. (Application of McKinsey 7s model approach in effective monitoring of revenue collection in TRA) Wooldridge .J.M (2003)

2.6 Theory or the McKinsey 7s Model Approach

A number of theories are applied here to review the study of revenue collection in terms of effective monitoring. The McKinsey 7s model approach; System theory and Top to down theory are among of theories applied to determine effective revenue collection. In the context of this study McKinsey 7s model is applicable. The McKinsey 7s framework is a management model developed by Robert H. Waterman. Jr. and Tom Peters in the 1980s on organization effectiveness. The 7s are strategy, structure, system, skills, style, staff and shared values. This model is based on the theory that for organization to perform well. These seven factors needs to be aligned and mutually reinforcing so that model are in a position to help and identify what is needed to be realigned to improve performance in the revenue collection process.

The way the model is presented in figure one below depicts the interdependency of the elements and indicates how a change in one affects all the others.



Figure 2.1: McKinsey 7s Model

Source: Peters (1980), Stace and Dunphy (2001) and Chapman (2002).

The 7s are justified as follows:

Strategy: the plan devised to maintain and buildup competitive advantage and other achievement to the maximum target. Strategy also means that action that an institution plans in a response to or anticipation of changes in its external environment –its customer. Strategy is obviously a central concern in much development situations. (Alfred D. Chandler, Jr, 1980, Yayra 2011). Revenue collection, the application of tax laws through the use of collection manual is considered to be the best strategy. However, whether this strategy is effectively applied is a matter of concern.

Structure: this indicates the way the organization is structured and who reports to whom. The basic theory underlying structure is simple. Structure divides tasks and then provides coordination.

Systems: the daily activities and procedures that staff members engage in to get the domestic revenue collection done. The administrative systems where vital areas that can bring in domestic revenue collection. McKinsey, Yayra (2011)

Shared Values: called 'super ordinate goals' when the model is developed, these are the core values of the organization that are evidenced in the corporate culture and the general work ethic. The core values of the authority are integrity, fairness, teamwork, innovation and professionalism. Whether these values are working in the office under investigation is a great concern.

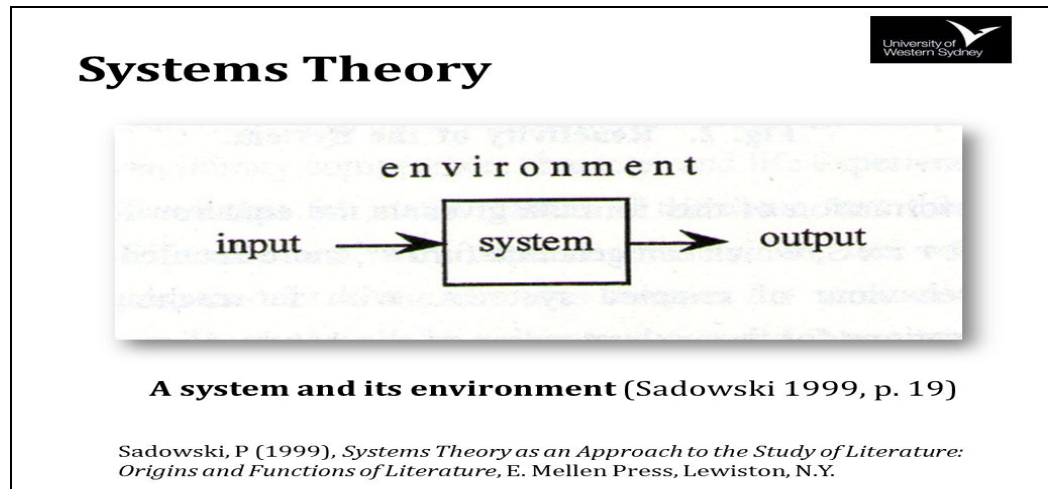
Style: the style of leadership adopted. The leadership style adopted in any organization has direct impact on performance. Friedman & Rosenman, (2009).

Staff: the general capability and employee, The capabilities depends on several factors like qualifications, experiences and motivation among others. Absence of any of these may lead to ineffective.

Skills: the actual skills and competencies of the employees working for an organization are also vital for effective performance.

The McKinsey 7Ss model is one that can be applied to almost any organizational or team effectiveness. If something within an organization or team isn't working, chances are there is inconsistency between some of the elements identified by this classic model.

2.7 Systems Theory



Source: secondary (<http://www.systemrun.net>), (2017).

Systems theory provides that authority such as TRA is like other open systems which of necessity engage in various modes of exchange with the environment (Katz and Kahn, 1966). Systems theory emphasizes the considerations of the relationships between organizations and its environment as well as what goes on within organizations. The systems theory is mainly concerned with the problems of relationships of structures and the constant attributes of objects (Katz & Kahn, 1966). The fundamental idea in the central systems theory is the concept emergence and interactions. (Sadowski, P.1999, Oso and Owen, 2009).

2.8 Top-Down and Bottom-Up Theories of Perception

Psychologists often distinguish between top-down and bottom-up approaches to information-processing. In top-down approaches, knowledge or expectations are used to guide processing. Bottom-up approaches, however, are more like the structuralism approach, piecing together data until a bigger picture is arrived at. One of the strongest advocates of a bottom-up approach was J.J. Gibson (1904-1980),

who articulated a theory of *direct perception*. This stated that the real world provided sufficient contextual information for our visual systems to directly perceive what was there, unmediated by the influence of higher cognitive processes. Gibson developed the notion of affordances, referring to those aspects of objects or environments that allow an individual to perform an action. Gibson's emphasis on the match between individual and environment led him to refer to his approach as *ecological*. Most psychologists now would argue that both bottoms-up and top-down processes are involved in perception.

2.8 Empirical Studies

This section is providing a literature review on the empirical studies relevant to this study. The aim is to capture what other researchers have done so as to establish the gap or to use their findings as inputs to the current study. To achieve these aims, the literature review governed by the research objectives and research questions of this study. The empirical study is focusing into determining the effective monitoring on revenue collection in TRA; through Application of 7s models Approach: Case of Kinondoni municipality.

Academic studies was taken with the intention of generating new knowledge, and the knowledge may take many forms which include new problem solving method to improve practice, the discovery and exploration of new organizational and other phenomena about which there is limited or no knowledge at all (Swanson, 2000:274, Calvert & Martin, 2001:11-12, Dooley, 2002:338, Lynham, 2002:222; Gray, Iles & Watson, 2010:4). Welman and Kruger (1999:11& 17) explain theory as imbedded in the historical development of revenue collection and

principles as a set of interconnected related constructs or concept. The definition and proposition that represent a methodical view of phenomena by stipulating relationships that exists among variables with the purpose of explaining and predicting phenomena that is prevalent, and they explain the new ways of understanding the aspects that surround them (Swanson, 2000:274, Calvert & Martin, 2001:11-12, Hofstee, 2006:130, Zott, Amit, Massa, 2010:26). Within the historical development and principles of revenue collection, there is an underling theory that gives an explanation. Such explanation can either be general or specific, and covers the events or occurrences that are prevailing at a particular point in time (Swanson, 2000:274, Gray, Iles & Watson, 2010:4).

The 7s models approach illustrates the multiplicity interconnectedness of the factors that define an organizations ability to change. The theory helps to change managers thinking about how organization could be improved. It says that it is not just a matter of devising a new strategy and following it through. Nor is it is a setting up new systems and letting them generate improvement. To be effective organization must have a high degree of fit or internal alignment among all 7s. All S's must be consistent with and reinforce the others S's. All S's are interrelated so as changes in one has a ripple effect on all the others. It is impossible to make progress on one without making progress on all. (Dagmar Recklies, 2001. Jack Welch, 2016) New York. While some models of organizational effectiveness going in and out of fashion, one that has persisted is the Mckinsey 7s framework. Developed in the early 1980s by Tom Peters and Robert Waterman, two consultants working at the Mckinsey consulting firm the basic premises of model is that there are seven internal

aspect of an organization that needed to be aligned. It is to be successful. “Waterman Jr, Robert H. Peter, Thomas J, and Julien R.P, 1980s” Developing countries differ from industrial countries in revenue collection in financial indices. Developing countries records lower indices terms of revenue on income and profits, social security contributions, domestic taxes on goods and services and tax on international trade.

(Prest, 2007) the level of revenue collection differs from one country to another the level can be levied at high level of sophistication in industrial countries may not be an option in developing countries with low standards of administration for example of unstable revenue can be found in most developing countries including Caribbean and Bangladesh where that revenue can be most widened. It must be noted that no income revenue system can be expected to work effectively unless there is a situation of mutual respect between payer and collector as been emphases in the context of Latin America.

Hart, (1970) Here, the vast majority of the research looks at effectiveness, usually defined as the quantity or quality of services provided at the local level. Among the quantitative studies, Kauneckis and Andersson (2009), for example, use a large sample of municipalities from Brazil, Chile, Mexico and Peru to examine the effective monitoring on resource management services. They find large variation in the quality of service delivery among municipalities attributing it to variability in institutional design as well as national and local incentive structures across countries and local governments.

Table 2.1: Summary of the Empirical Studies

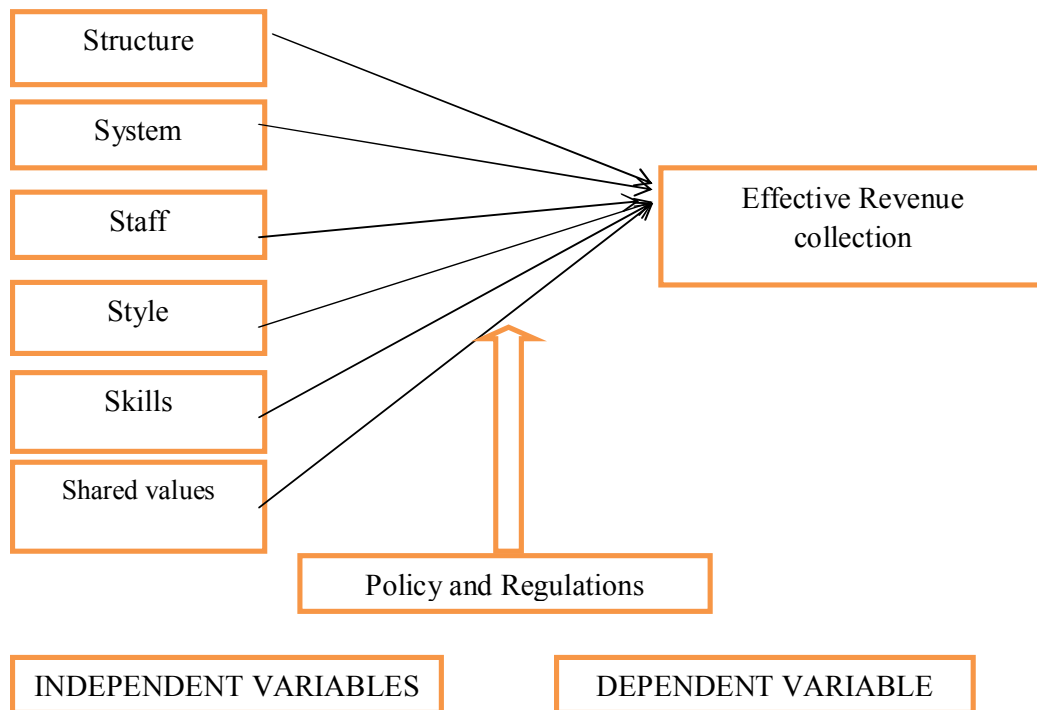
Variable	Country	Method	Findings	Author
Organization effectiveness going in and out of 7s Fashion	America, New York	Survey design	7's internal aspect of an organization that are needed to be aligned	Walterman Jr.(1980s)
Factors that define the ability of an organization Changes	New York	Case study design	It is impossible to make progress on one without making progress in all.	Jack Wilch, (2016)
Monitoring roles	South Africa	Tools for providing knowledge for continued implementation, planning and design	Sufficient of activities and specification of the use of monitoring	Passia and Gyros ,(2004)
System trend	Kisii tow, Kenya	Survey design	Effectiveness of registration in processing TIN,VRN should be considered in all angles	Lumumba,(2010) Kelvin walter (2013)
Employee Skills	Tanzania	Descriptive methods and multiple regression method	Positive impact on effective monitoring in skills operating efficiently	Savinus , Kwai (2015)
Effectiveness use of EFDs in revenue collection	Tanzania, TRA	Survey design	The results shown significance different between variables	Kelvin J. (2013)

Source: Literature Reviewed, (2017)

Lumumba (2010) conducted the study concerning the Effectiveness monitoring of Electronic Tax Registers in processing of VAT Returns the perspectives from registered VAT taxpayers in Kisii town, Kenya and established challenges that need to be addressed within the Kenya Revenue Authority include ETR are expensive, hence Government need to allow cost to be paid in installments K.Walter (2013). Chenya (2012) conducted a research concerning Evaluation of Electronic Fiscal Device on Value Added Tax (VAT) In Revenue Collection in Tanzania found out some of the problems that face the tax payers on the use of EFD on VAT in revenue collection such as lack of enough knowledge on the effective use of EFD in revenue collection. (Kelvin J, 2013).

2.10 Gap in Knowledge

From the reviewed literature theoretical, program and empirical sources, shows that most of the studies have been conducted on the revenue collection in TRA based on effectiveness. Further, the majority of the studies reviewed on revenue collection focused on more effectiveness and not on to determine the factors that influence effectiveness monitoring on revenue collection, determine the measures needed to ensure effectiveness monitoring on revenue collection and determine challenges facing effectiveness monitoring on revenue collection.



2.11 Conceptual Framework/Conceptual Model for the Study Topic

Source: Derived from Literature, (2017).

The Conceptual Framework gives a depiction on how the variable related to one another. The variable defined here are the independent, dependent and moderating variable. An independent variable influences and determines the effect of another variable .Mugenda 1999, Savinus H. 2003, Muiga 2015.

Independent variables: Independent variable is the variable that can be controlled and manipulate while Dependent variables: A dependent variable is a variable to be measured in the experiment or what is affected during the experiment. The change in dependent variable is due to change in independent variable(s).It tries to show the element that can contribute to effectiveness monitoring on revenue collection as skills and culture, enough staffs, behavior of such staffs as well modern way to conduct system and put it into practice, TRA management need more room of concern in order to meet the target.

CHAPTER THREE

3.0 METHODOLOGY AND APPROACH TO THE STUDY

3.1 Chapter Overview

All scientific studies conducted are based on some underlying philosophical assumptions in terms of what constitute a valid research. Research in common phraseology refers to a search for knowledge. It is a scientific and methodological search for appropriate information on a specific topic. This also have an impact on which research methods are appropriate for the study and the resultant development of knowledge in that given study. This chapter was dissected the research methodologies, and the design strategies that are underpinning this research. The study also presents the research methodologies and design that were used in the study instruments, Population, sample size and sampling procedure, data collection and data analysis.

3.2 Research Design

The study was conducted in Kinondoni municipality targeting Tanzania Revues Authority offices in the district. Survey approach was employed to undertake the study and thus the data were collected through survey questions conducted to TRA employees. The study used a quantitative research design to tackle the specified objectives as well as review of literature to support the quantitative findings.

3.3 Sources of Data

Data for the study was collected from both primary and secondary sources. The administration of questionnaires forms the basis for primary data. Data collected

from this source were centered on the background characteristics of respondents. Secondary data were gathered through different secondary sources such as reports and data from TRA offices and website, different published and unpublished reports and articles on related topic. Secondary data were used to support and consolidate knowledge on the studied topic.

3.4 Target Population

3.4.1 Area and Population

TRA especially at Kinondoni municipality is the area which was taken as the area of study. The area was considered due to some factors as been shown in multiple linear regression models. The Municipality has a total area of 321 square kilometers. According to the 2012 population Census, the Municipality had a population of 929,681 where male was 451,653 and female was 478,028 and projection of total population of 1,134,211 in 2016 where by male are 551,019 and female 583,192 with a growth rate of 5.0% per annum. The municipal is estimated to have 283,552 households with an average of 4 persons per household. Population density The municipal had population density of 2,896 people per square kilometer in 2012 and projected population density estimated to be 3,533 people per square kilometer in 2016. (2012 Census).

The targeted population of a study constitutes the group of persons, objects or institutions that defines the objects of the investigation (Patton, 2002) and (Kombo and Tromp, 2006). Staff and the registered taxpaying public in Kinondoni municipality Tax offices constitute the population for the study. Kinondoni

municipality tax office covers administrative area namely Kawe, Kijitonyama, Msasani and Bunju respectively. The municipal Office of the Revenue collection is located in Kinondoni regional, with three sub- offices in Mwenge, Kijitonyama and Tegeta respectively. And those areas are chosen purposively.

3.5 Sampling Method

The study employed a simple random sampling to determine the sample size involved in the study. Simple random sampling was employed to avoid the problem of selections bias and to get a true representative sample of the population. The sample size was determined from the sample frame of TRA staffs which compose of 78 staffs. The precise sample size was derived from the statistical formula illustrated below.

$$n = \frac{N}{1 + Ne^2}$$

Where;

n = Sample Size

N = 78

e is a standard error taken at 95% level of confidence interval ($e = 5\% = 0.05$)

Therefore;

$$n = 78 / [(1 + 78(0.05))] = 65$$

3.6 Model Specification

According to Johnson and Christensen (2005), research approach is a perspective that is based on the set of shared assumptions, values, concepts and practices. The researcher was used mixed method (a combination of both qualitative and

quantitative research design). The purpose of using both methods is to be able to examine further into the dataset to understand its meaning and to use one method to verify findings from other method (Creswell & Plano Clark, 2007; Morse, 1991; Onwuegbuzie & Leech, 2005).

Multiple regression analysis was used to analyse the relationship between various independent and dependent variables. Multiple regression analysis is more amenable to *ceteris paribus* analysis because it allows us to *explicitly* control for many other factors which simultaneously affect the dependent variable. This is important both for testing economic theories and for evaluating policy effects when we must rely on non-experimental data. Because multiple regression models can accommodate many explanatory variables that may be correlated, we can hope to infer causality in cases where simple regression analysis would be misleading. Wooldridge J.M.(2003) The multiple regression models are still the most widely used vehicle for empirical analysis in economics and other social sciences. Likewise, the method of ordinary least squares is popularly used for estimating the parameters of the multiple regression models. (Wooldridge J.M.2003).

In multiple regression analysis, the regression coefficients (viz., b_1 b_2) become less reliable as the degree of correlation between the independent variables (viz., X_1 , X_2) increases. If there is a high degree of correlation between independent variables, we have a problem of what is commonly described as the *problem of multicollinearity*. In such a situation we should use only one set of the independent variable to make our estimate. (Kothari, 2004). Multi-collinearity occurs when the independent variables are not independent from each other (Gujarat, 2010). A second important

independence assumption is that the error of the mean has to be independent from the independent variables. Presence of multi-collinearity makes it impossible to estimate the parameters of the model (Gujarat, 2010). Multi-collinearity was checked using Tolerance – the tolerance measures the influence of one independent variable on all other independent variables; the tolerance is calculated with an initial linear regression analysis. Tolerance is defined as $T = 1 - R^2$ for these first step regression analysis. With $T < 0.1$ there might be multi-collinearity in the data and with $T < 0.01$ there certainly is. The second test performed was Variance Inflation Factor (VIF) defined as $VIF = 1/T$. Similarly with $VIF > 10$ there is an indication for multi-collinearity to be present; with $VIF > 100$ there is certainly multi-collinearity in the sample.

Autocorrelation in Test. Autocorrelation occurs when the residuals are not independent from each other (Gujarat, 2010). In other words when the value of $y(x+1)$ is not independent from the value of $y(x)$. This for instance typically occurs in stock prices, where the price is not independent from the previous price. Durbin-Watson's 'd' test was used to check for autocorrelation While 'd' can assume values between 0 and 4, values around 2 indicate no autocorrelation. As a rule of thumb values of $1.5 < d < 2.5$ show that there is no auto-correlation in the data, however the Durbin-Watson test only analyses linear autocorrelation and only between direct neighbors, which are first order effects (Gujarat, 2010).

Linearity between Dependent and Independent Variable (s): Linear regression needs the relationship between the independent and dependent variables to be linear (Gujarat and Porter, 2010). If the two variables are nonlinear, the results of the

regression analysis will under-estimate the true relationship (Gujarat, 2010).

Homoscedasticity Assumption: The model assumes that the error terms along the regression are equal. Slight heteroscedasticity has little effect on significance tests; however, when heteroscedasticity is marked it can lead to serious distortion of findings and seriously weaken the analysis thus increasing the possibility of a Type I error (Gujarat, 2010). According to Gujarat (2010) can be Homoscedasticity diagnosed by using White Test.

To explain the empirical relationship between variables that determine the revenue collection in TRA, the following model was used;

$$RC = \beta_0 + \beta_1 ST + \beta_2 STR + \beta_3 SYST + \beta_4 STF + \beta_5 STL + \beta_6 SKL + \beta_7 SV + \mu_t$$

RC= Revenue collection, ST=strategy, STR= structure, SYST=system, STF=staff, STL=style, SKL=skills SV=Shared values. Revenue collections as dependent variables its effectiveness monitoring is explained by 7S independent variables (Strategy, Structure, System, Staff, Style, Skills, Shared values).

3.6.1. Justification for Variables Selection

ST = Strategy was selected because it shows what strategic road map as the institution has to ensure effective monitoring in revenue collection. STR = Structure was selected as it show the diversity and distributions of different roles in ensuring effective monitoring in revenue collection. SYST = System is important for show how revenues are collected and submitted. STF = Staffs show the significant number of institutional personnel involved in revenue collection. STL = Style shows method and approaches used in revenue collection SKL = Skill identifies personnel capacity in revenue collection, SV = Shared Value

3.6.2. Hypothesis

The null hypothesis for the study was positive betas as the independent variables were hypothesized to influence positively the effectiveness monitoring of revenue collection, through application of 7s models approach.

Null Hypothesis; $\beta_i > 0$, where $i = 1, 2 \dots 7$

3.7 Data Collection Tool

The study used structured questionnaire with close ended questions, which was administered to sampled TRA staff. The tool was tested for reliability where the Cronbach's Alpha was used to test for reliability. The value of alpha was used to accept the null hypothesis of reliability. To ensure the quality of the tool and data collected, the tool was piloted from TRA Ilala branch and errors that emerged were corrected.

3.8 Data Analysis

Data analyses were assisted by the aid of Statistical Package for Social Sciences (SPSS) and excel depending on data demand and presentation. Descriptive analysis was used to analyze data to produce frequencies and percentage of different subjects involved in the study. Regression analysis was used to determine the effectiveness monitoring of revenue collection as well as to determine the relationship between variables explaining revenue collection. Data was presented through different ways, Pie and chart tools (column) to facilitate easy understanding of findings.

CHAPTER FOUR

4.0 FINDINGS AND DISCUSSION

4.1 Chapter Overview

The main focus of this chapter is on the analysis of the data collected from the field of the study depending on the responses given by the respondents. Research findings were obtained by using questionnaires. The presentation of data has been illustrated in terms of chart tools (column). The presentation of the Research findings was carried out according to each research question by pinpointing different issues which support or challenge each research question.

The study constituted 62 respondents who responded on questionnaires. To do this, the responses were grouped into discrete variables like Gender, Level of education and others which are vital. The data was analyzed using statistical tools like Diagram, Frequency, percentages, among others with the Microsoft office and Statistic's package for social sciences (SPSS) vision 16.0 software. Results were presented and analyzed as tested according to the specific objectives which were as follows: - "TO"

- i. Determine the factors that influence effective monitoring on revenue collection.
- ii. Determine the measures needed to ensure effective monitoring on revenue collection.
- iii. Examine the challenges facing effective monitoring on revenue collection.

4.2 Demographic Information

4.2.1 Gender of Responds

The results in the figure 4.1 presents the proportional of gender of respondents involved in the study. The study involved 59.67 % of male and 40.32% female. The study was aware with gender equality in the participation of survey; however the turn-up of female respondents were low. Findings however reveal that TRA has more male employees than female.

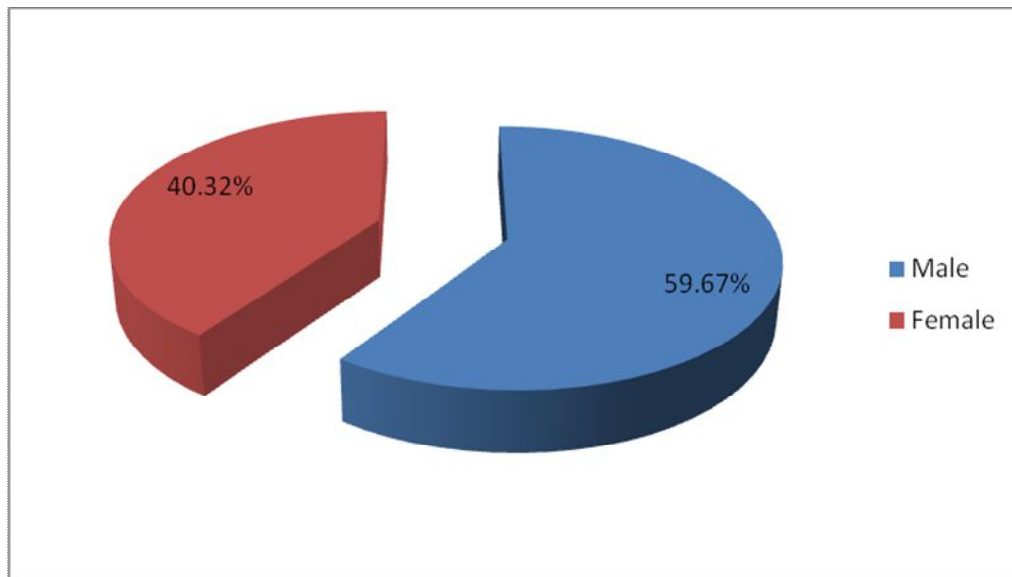


Figure 4.1: Respondents Gender Distribution

Source: Field data, (2017)

4.1.2 Education Level of Employees

The detail about the level of education of respondents were obtained and presented in the figure above. Results revealed that majority of respondents involved in the study were employees with advanced diploma and degree (41.93%). following to it were employees with only diploma who were about 24.19%. employees with master level

of education were 14.51% whereas, those with secondary education were 12.90%. Few with PhD level of education (6.45%) were involved in the study. Results translate that many of TRA employees have advanced diploma and degree education which translate and determine the effectiveness in term of staffs and skills.

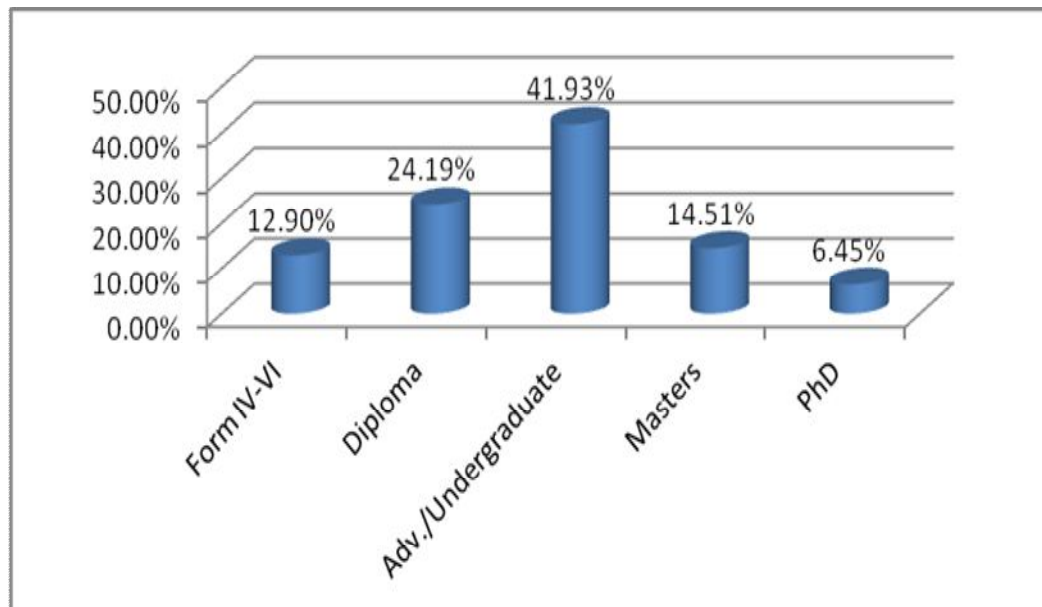


Figure 4.2: Level of Education

Source: Field Data, (2017).

4.3 Experience of Employees

Experience of employees was important to the study for capturing knowledge of employees on the subject matter. Experience reveals the understandability and.

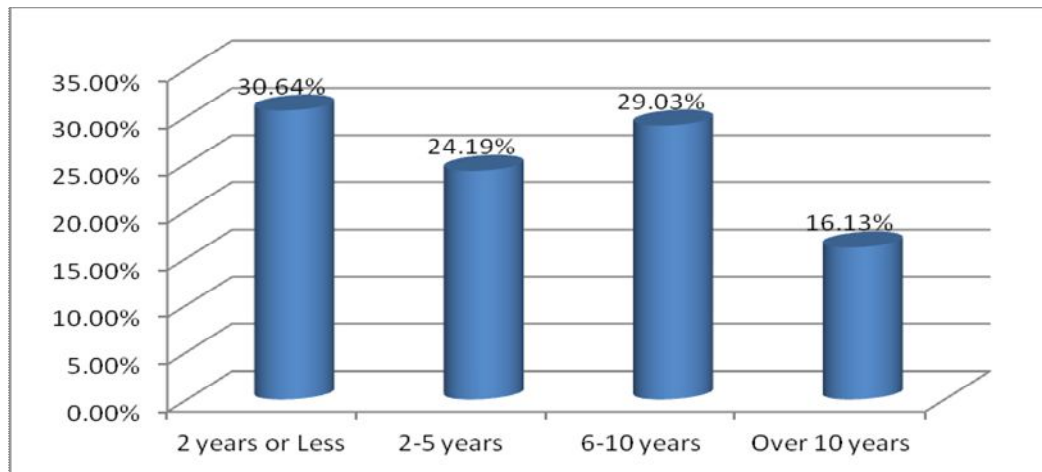


Figure 4.3: Experience of Employees

Source: Survey data, (2017).

From the description above it is clearly evident that the majority of the respondents are 30.64% years and between 29.03% and 24.19%. It can be concluded that the majority of the respondents are in the most years that are challenging and reasonably experienced.

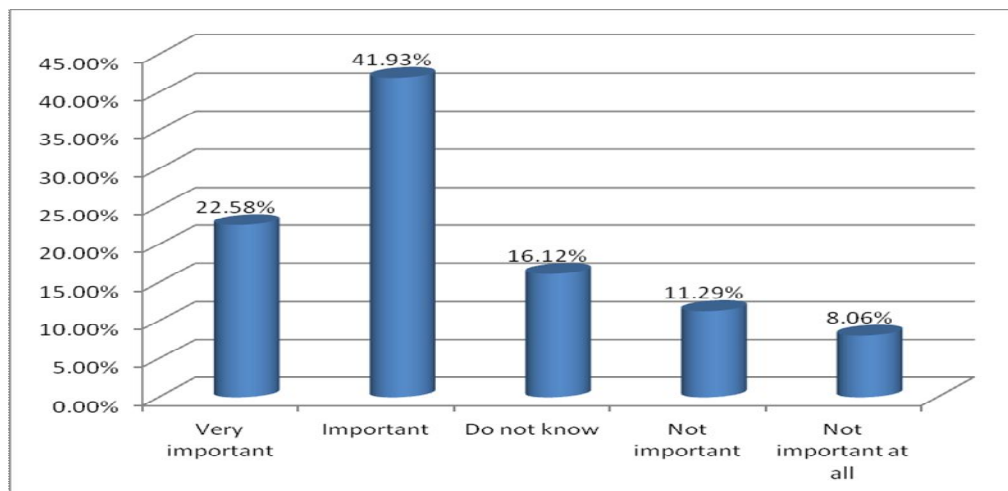


Figure 4.4: Importance of Effective Monitoring

Source: Field Data, (2017)

Based on findings the majority of respondents 41.93% agreed based on effectiveness monitoring on revenue collection important. Followed by the respondent based on very important who are 22.58% and those who are in between 16.12% and 11.29% I t can be concluded that the majority of the respondents are in the most levels of important that are reasonably experienced.

Factors influences Effectiveness Monitoring on Revenue Collection in TRA

Strategy: the plan devised to maintain and build competitive advantage and to achieve maximum target and also those actions that can institutionalized planned in the response to or anticipation of changes in its external environment with customers whether this strategy is effectively applied is a matter of concern.

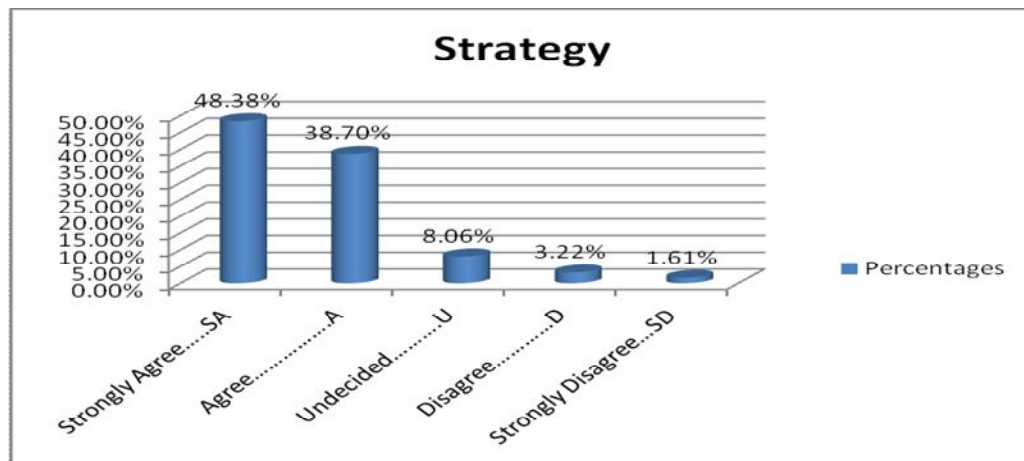


Figure 4.5: Strategy

Source: Field Data, (2017)

Based on the findings 48.38% of the respondents indicated that organizations were well strategically followed by 38.70% that indicate effectiveness and support on strategically matters that were well planned in strategically manner and the findings also showed that 3.22% and 1.61% were disagreed and strongly disagreed

respectively and some numbers proportionally of the respondents did not react in any way. Therefore the majorities of respondents Strong agreed with how strategy is working and how is sweating on revenue collection.

Structure: this indicates the way the organization is structured and who reports to whom. Structure divides tasks and then provides coordination.

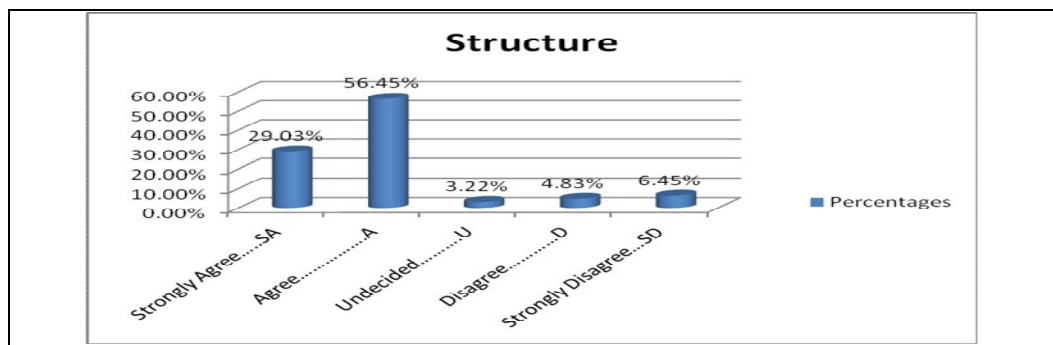


Figure 4.6: For Structure

Source: Field Data, (2017)

Based on the findings 56.45% of the respondents indicated that the structure were a vital instrument in effectiveness monitoring on revenue collection. Followed by 29.03% that indicate on strongly agree basses. The findings also showed that between 6.45% and 4.83% were Disagree and Strongly Disagree. In a small and balanced proposition of the respondents responded on the basses of undecided about the structure. Majority responded on high rate that structure is working in good way and better.

Systems: the daily activities and procedures that staff members engage in to get the revenue collection done. The systems were vital areas that can bring in effectiveness monitoring on revenue collection.

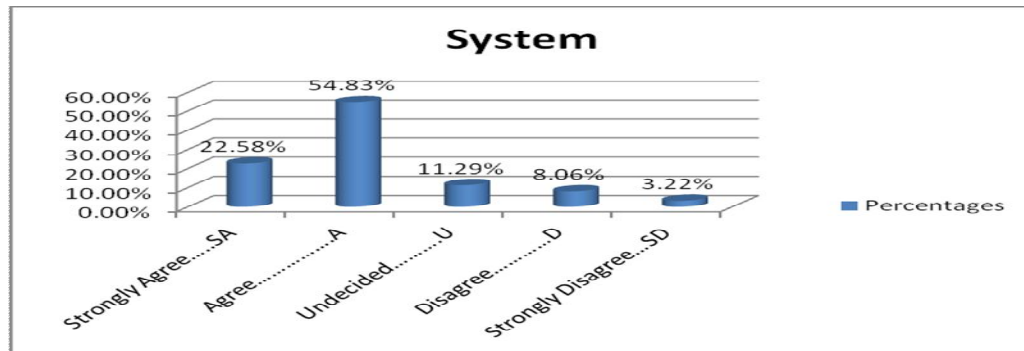


Figure 4.7: For System

Source: Field Data, (2017).

From the findings data indicated that 54.83% of the respondent agreed with the system used by TRA effective monitoring on revenue collection since we are based on findings data followed by 22.58% that indicate strongly agree on system matters. The findings also showed that 8.06% and 3.22% were Disagree and strongly Disagree also other respondents did not react on it since they failed to sort out on what to answer hence responded by Undecided. Majority of respondent agreed and followed by strongly agree meaning that the system is very active.

Style: the style of leadership adopted. The leadership style adopted in any organization has direct impact on performance. Based on the findings 51.61% of the respondents indicated that the style used is very important and agreed strongly and followed by 37.09% that indicated on agree with respondents based on style used bases. Also showed that 6.45% and 3.22% those percentages shown the respondents were disagreed and strongly disagreed respectively. In other hand some respondents responded 1.61% on undecided about the style factor. Majority of respondent strongly agreed and Agreed in the sense that style is important factor and is strong tool in effective monitoring revenue collection.

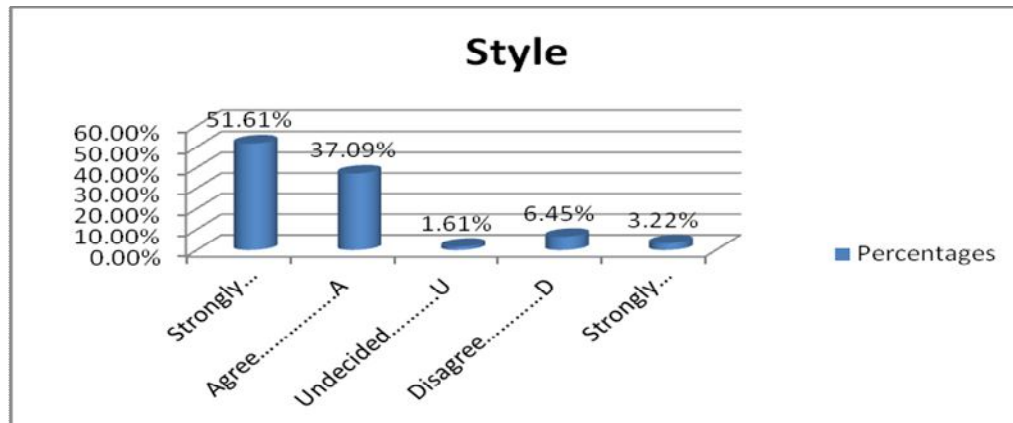


Figure 4.8: For Style

Source: Field Data, (2017).

Skills: the actual skills and competencies of the employees working for an organization are also vital for effective performance.

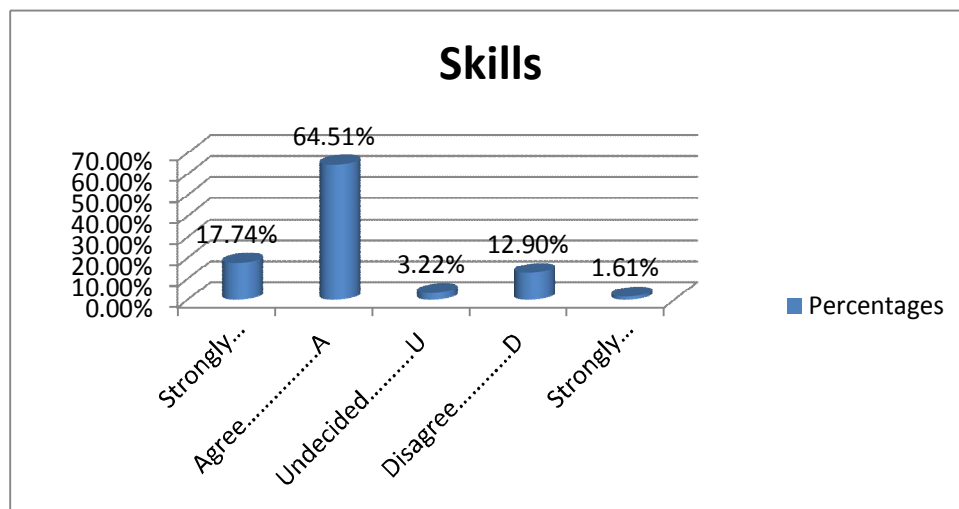


Figure 4.9: For Skills

Based on the findings 64.51% of the respondents indicated that the skills used is very important and agreed and followed by 17.74% that indicated Strongly agree with respondents based on skills used basically. Also showed that 12.90% and 1.61%

those percentages shown the respondents were disagreed and strongly disagreed respectively. In other hand some respondents responded 3.22% on undecided about the skills factor. Majority of respondent agreed and strongly agreed in the sense that skill is important factor and is strong tool in effective monitoring revenue collection.

Staff: general capabilities and employee. The capabilities of staffs depends on several factors like qualification, experience and motivation among others. Absence of any of these may lead to ineffective.

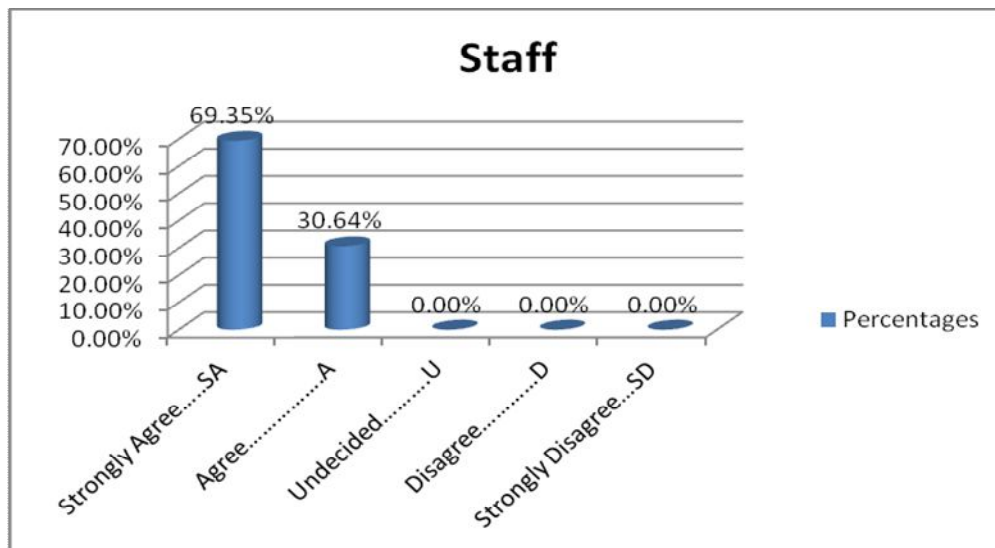


Figure 4.10: For Staff

Source: Field data,(2017)

Based on the findings 69.35% of the respondents indicated strongly agreed that the staff is very important and followed by 30.64% that indicated agree with respondents based on staff used basically. Also showed that 0.00% and 0.00% those percentages shown the respondents were disagreed and strongly disagreed respectively. In other hand some respondents responded 0.00% on undecided about the staff factor.

Majority of respondent agreed and strongly agreed in the sense that staff is important factor and is strong tool in effective monitoring on revenue collection.

Shared Values: called ‘super ordinate goals’ when the model is developed, these are the core values of the organization that are evidenced in the corporate culture and the general work ethic. The core values of the authority are integrity, fairness, teamwork, innovation and professionalism. Whether these values are working in the office under investigation is a great concern.

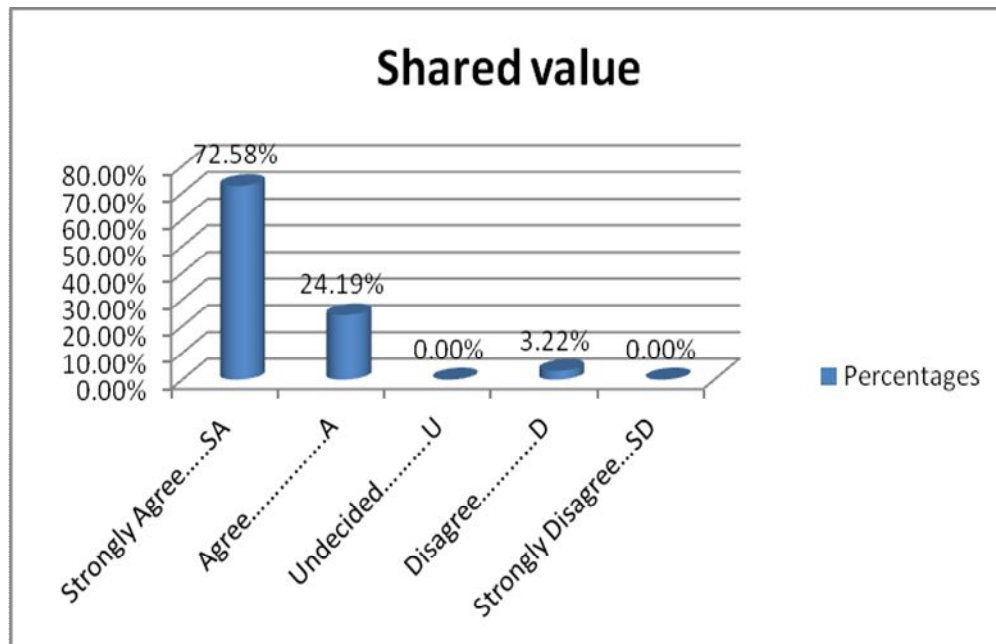


Figure 4.11: Shared Value

Source: Field Data, (2017)

Based on the findings 72.58% of the respondents indicated that the shared value used is very important and strong tool on effective monitoring and has been strongly agreed and followed by 24.19% that indicated agree with respondents based on

shared value used basically. Also showed that 3.22% and 0.00% those percentages shown the respondents were disagreed and strongly disagreed respectively. In other hand some respondents responded 0.00% on undecided about the shared value factor. Majority of respondent agreed and strongly agreed in the sense that shared value is important factor and is strong tool in effective monitoring revenue collection.

Factors Needed to Ensure Effectiveness Monitoring on Revenue Collection The following statements describe the factors for effectiveness monitoring on revenue collection in TRA: case of Kinondoni municipality.

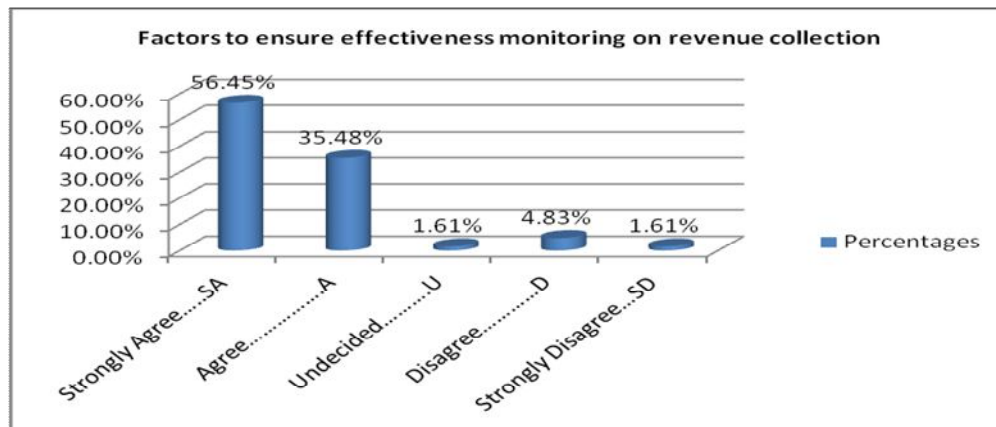


Figure 4.12: Factors Needed to Ensure Effectiveness Monitoring on Revenue Collection

Source: Field Data, (2017)

From the findings, majority 56.45% of the respondents of the factors needed to ensure effectiveness monitoring on revenue collection in TRA are strongly agree. Followed by 35.48% as were indicated by respondents. A significant of respondents 4.83% and 1.61% showed the response on disagree and strongly disagree. In other

side there some of respondents were not able to be ready to show their side means undecided towards to factor needed to ensure effectiveness monitoring on revenue collection.

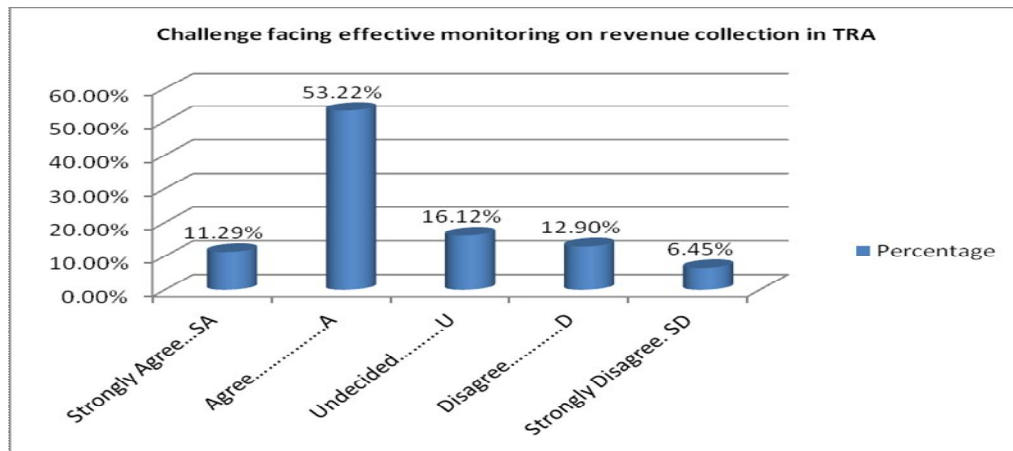


Figure 4.13: Challenges facing Effective Monitoring on Revenue Collection in TRA: The case of Kinondoni Municipality

Source: Field Data, (2017).

Based from the findings, majority 53.22% of the respondents of the challenges facing effectiveness monitoring on revenue collection in TRA are agreed while 11.29% Were strongly Agree. Followed by 16.12% as were indicated by respondents to be undecided. A significant of respondents 12.90% and 6.45% showed the response on disagree and strongly disagree. In other side there some of respondents were not able to be ready to show their side means undecided towards to challenges facing effectiveness monitoring on revenue collection.

How Super Ordinate Goals shared Values Works? Strategy, Structure, System, Staff, Style, Skills and Shared value. Towards to effective monitoring revenue collection.

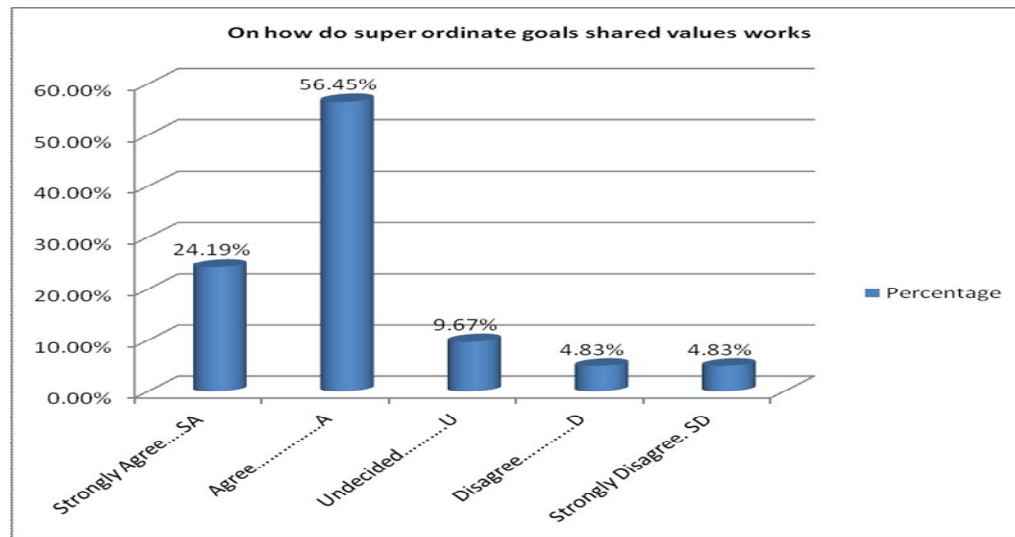


Figure 4.14: How Super Ordinate Goals shared Values Works?

Source: Field Data, (2017)

Based from the findings, majority 56.45% of the respondents on how do super ordinate goals shared values works effectiveness monitoring on revenue collection in TRA are agreed while 24.19% Were strongly Agreed. Followed by 9.67% as were indicated by respondents to be undecided. A significant of respondents 4.83% and 4.83% showed the response on disagree and strongly disagree. In other side there some of respondents were not able to be ready to show their side means undecided towards to how do super ordinate goals shared values works effectiveness monitoring on revenue collection.

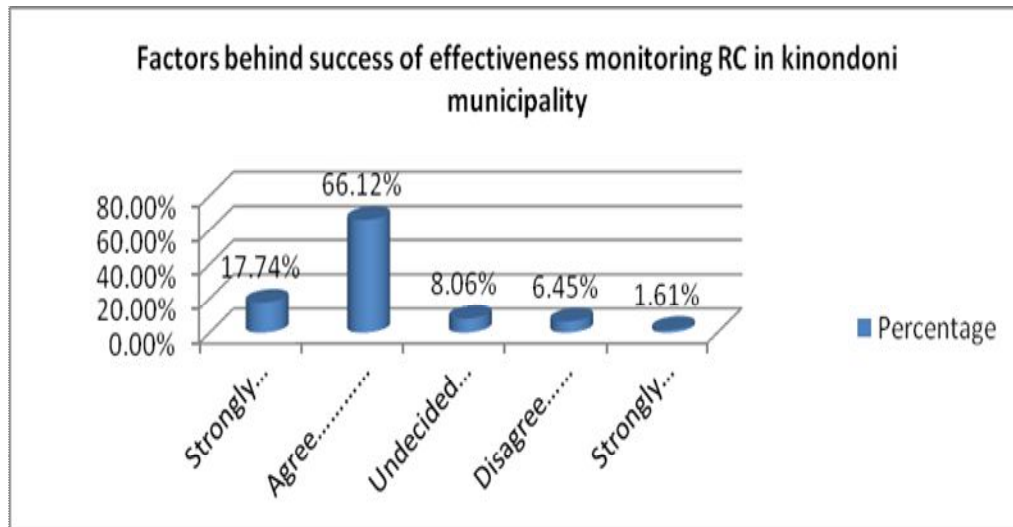


Figure 4.15: Factors behind Success of Effectiveness Monitoring on Revenue Collection in Kinondoni Municipality

Source: Field Data, (2017)

Based from the findings, majority 66.12% of the respondents agreed on the factors behind success on effectiveness monitoring on revenue collection in TRA. While 17.74% were strongly agreed. Followed by 8.06% as were indicated by respondents to be undecided. And other respondents 6.45% and 1.61% showed the response on disagree and strongly disagree. In other side there some of respondents were not able to be ready to show their side means undecided towards to how do super ordinate goals shared values works effectiveness monitoring on revenue collection.

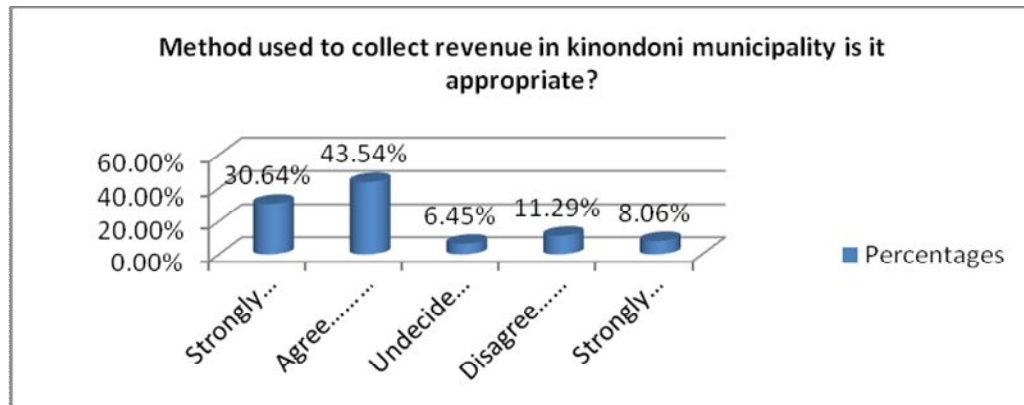


Figure 1.16: Method Used to Collect Revenue in Kinondoni Municipality is it Appropriate

Based from the findings, majority 43.54% of the respondents agreed on the method used to collect revenue in kinondoni municipality in TRA. While 30.64% were strongly agreed. Followed by 6.45% as were indicated by respondents to be undecided. And other respondents 11.29% and 8.06% showed the response on disagree and strongly disagree. In other side there some of respondents were not able to be ready to show their side means undecided towards to the methods used to collect revenue in TRA.

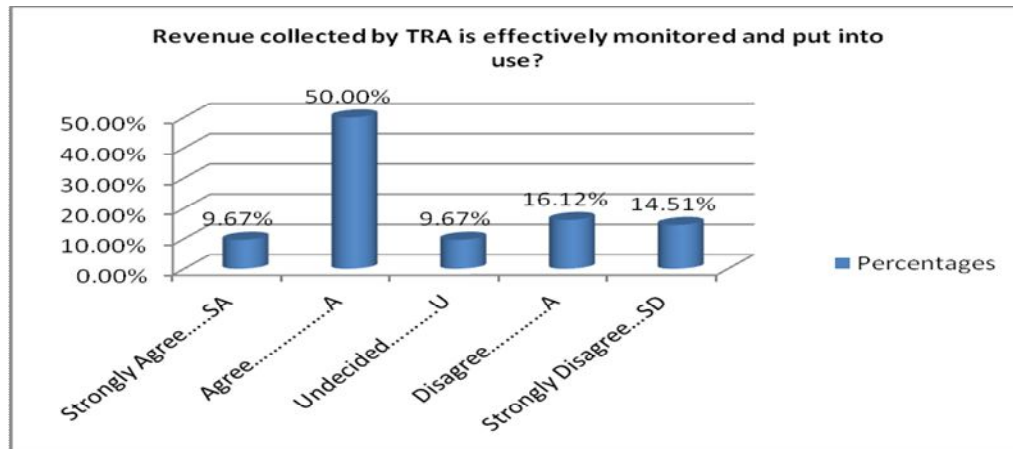


Figure 4.17: Revenue Collected by TRA is Effectively Monitored and Put Into Use?

Source: Field Data, (2017).

From the findings, majority 50.00% of the respondents agreed on revenue collected by TRA is effectively monitored and put into use. While 9.67% were strongly agreed. Followed by 9.67% as were indicated by respondents to be undecided. And other respondents 16.12% and 14.51% showed the response on disagree and strongly disagree. In other side there some of respondents were not able to be ready to show their side means undecided towards to revenue collected by TRA is effectively monitored and put into use.

Improve effective Monitoring Mechanism in Management of Revenue collection, how effective monitoring mechanisms can influence the performance of revenue collection in TRA as follows

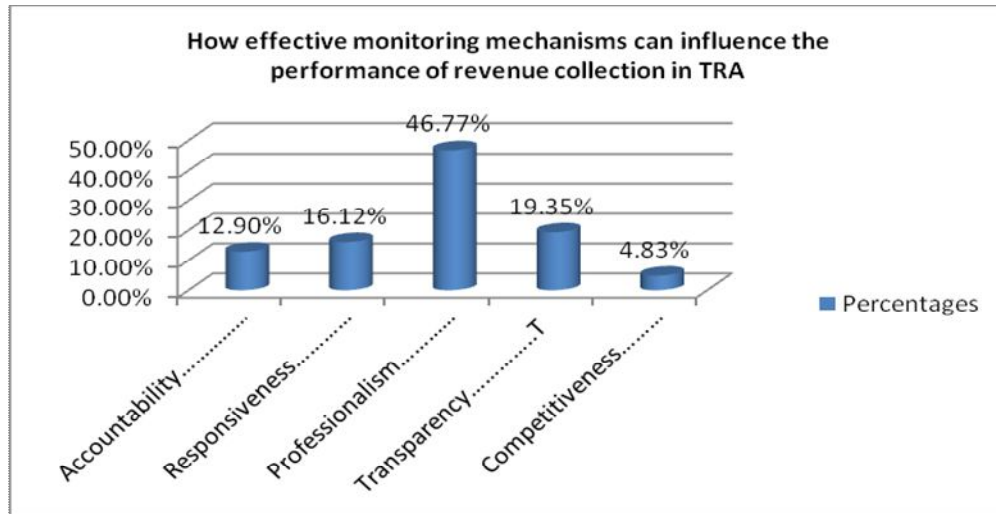


Figure 4.18: Improve Effective Monitoring Mechanism in Management of Revenue Collection

Source: Field Data, (2017)

From the respondent's major number 46.77% which is professionalism should be the first element to consider followed by 19.35% which is Transparency, 16.12% which is Responsiveness, 12.90% Accountability and lastly competitiveness 4.83%. Meaning that number 1 should be Professionalism, 2. Transparency, 3. Responsiveness, 4. Accountability, 5. Competitiveness. Here is how effective become higher and visible

4.4 Regional Revenue Comparison

The analysis also included comparison of revenue collection between the three TRA regions in Dar es Salaam. The aim being to compare the volume of collection which connotes effectiveness monitoring of revenues collections in TRA Kinondoni region. The figure below illustrates the trend of revenues collection covering the first three quarters of the 2016/17 financial year.

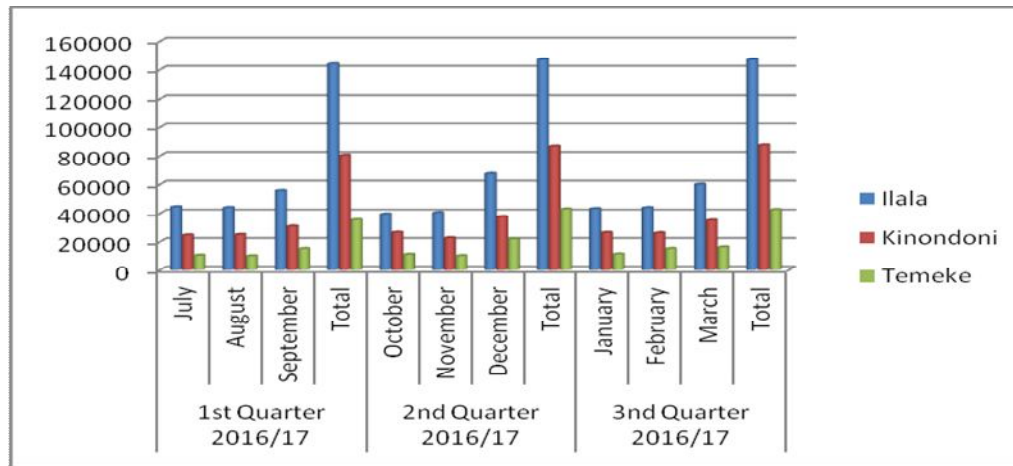


Figure 4.19: Regional Revenue Comparison

Source: TRA Quarterly Tax Revenues Collection, (2016/17)

Results in the figure above show an increasing trend of revenues collection for both TRA regional centers of Ilala, Kinondoni and Temeke. Ilala region leads in revenues collections in all three quarters followed by Kinondoni region. Despite the fall in revenue collections in October and November of the second quarter in Kinondoni district but the total revenue collection in the said quarter increases compared to the previous quarter.

4.5 Testing the Assumption of Multiple Linear Regression Model Multi-Collinearity Test on Independent Variables

Before running regression, the test of multi-collinearity between independent variables was done; Presence of multi-collinearity inflates the variance of the parameter estimates, making them individually statistically insignificant even though the overall model may be significant. Additionally multi-collinearity causes problems in estimation of the coefficients of independent variables and the interpretation. The tolerance and variance inflating factors (VIF) were used to detect

multi collinearity between exploratory variables. Results of multi-collinearity test between tests on independent variables.

Table 4.1: Tolerance and the Variance Inflating Factors (VIF)

	Collinearity Statistics	
Model 1	Tolerance	VIF
Staff	.117	2.785
Skills	.145	-2.747
System	.124	2.006
Shared value	.136	2.887
Structure	.083	.758
Style	.093	.267
Strategy	.118	2.785

Source: Field Data, (2017).

Table 4.1 indicates that the tolerance is greater than 0.1 (10%) and the variance inflating factors (VIF) does not exceed 5 to 10, In this results the study was conducted that there is no problem of multi-collinearity among exploratory variables. In that case regression coefficients are clearly estimated and reliable.

4.7 Checking Linearity between Dependent and Independent variables

The analysis to test the linear relationship between variables. To achieve this objective the researcher used Correlation matrix to establish whether the included variables were linear or not. Relationship is linear if the difference between correlation coefficient and nonlinear correlations is small. The probability associated with correlation coefficient between factors that influence effectiveness monitoring on revenue collection is 0.000 while the average correlation coefficient for all factors

were 0.401 larger than the probability. This implies that relationship between dependent variables and independent variables is linear. The correlation coefficient between effective monitoring and revenue collection is 0.136 while the probability value is 0.000 indicating a positive linear relationship among the variables. The correlations coefficient between staffs, shared values, system, and structure and strategy take long time is 0.117 while probability is 0.000 which indicate that there is a positive linear relationship among the tested variables. The correlation of coefficient between shared value, system and revenue collection is 0.124 while the probability is 0.000 indicating that the two variables have positive linear relationship.

Table 4.2: Test of Autocorrelation Assumption (Durbin Waston Test)

Model	R	R.Square	Adjusted R	Std Error of	Durbin-Waston
			square	estmet	
1	.926	.913	.910	.4099	2.785

Source: Field Data, (2017)

The test was done by using Durbin Waston test. Multiple linear regression assume that the errors are independent

- a. Predictors: (constant) effective monitoring factors some done little activity of staffs, skills and shared value.
- b. Dependents variable: Revenue collection

Illustrates the results of the test of independent of observation the test was done by using Durbin Watson test, multiple linear regression assume that the errors are independent and there no serial correlations. Errors are residuals of differences between the actual score for all cases and score estimate using the regression equation. No serial correlation implies that the size of residual for one . Case has no

impact on the size of the residual for the next case. Durbin waston statistic is used to test the presence of serial correlations among the residuals. The value of the Durbin Watson statistics range from 0 to 4 as a general rule of thumb If the Durbin Watson statistics is approximately 2 and acceptable range is 1.5 to 2.5 Table 4.3 shows that Durbin Watson statistics is 2.785 which fall with the acceptable range. It implies that there are no serial correlations of errors and therefore in that case model was correctly specified.

Table 4.3: Test of Normality

Factors	Kolmogorov-smirno			Shapiro-Wilk		
	Statistics	df	Sig	Statistics	df	sig
strategy	.062	65	.000	.072	65	.000
structure	.063	65	.000	.083	65	.000
system	.046	65	.000	.124	65	.000
staff	-.322	65	.000	.117	65	.000
style	.025	65	.000	.093	65	.000
skill	.29	65	.000	.233	65	.000
shared value	.392	65	.000	.136	65	.000

Source: Field Data, (2017)

Lilliefors Significance Correlation: Using the Shapiro-wilk test of normality, shows that the value of for all factors tested is 0.000. This probability value are less than 0.01 level of the significance indicating that the variables are not normally distributed. According to Ghaserni and Zahedias (2012) with the large sample size which is greater than 30-40 like the sample used in this study (65) violation of normality assumptions should not cause major problem meaning that distribution tend to be normal regardless of the Sharpe of data

4.8 Test of Homoscedasticity Assumptions

Heteroscedasticity means presence of error of variance in the linear regression model which is a variation against homoscedasticity variation assumptions. Gujarati and Porter (2010) state that heteroscedasticity can be diagnosed by using white test. According to them. White test can be done by comparing the value of calculated and observed Chi-square value by using the formula:

$X^2 = N \times R^2$ Whereby x^2 = is the calculated Chi-square, N = Is the number of observation and R^2 = R-Square or coefficient of determination. The rule of thumb is when Chi-square calculated is less than chi-square observed there is no heteroscedasticity problem in the model (Gujarati and Porter 2010) $R^2=0.233$ and $N=65$, therefore calculated $X^2 = 0.233 \times 65 = 15.145$ while the chi square observed at 0.05 level of significance and $N=65$ is 71.205. The result indicate that calculated chi-square is less than observed Chi square which imply that the model does not exhibit heteroscedasticity problem.

Table 4.4: ANOVA

	Model	Sum of Square	df	Mean square	f	sig
1	Regression	1251.874	5	210.375	99.513	.000
	Residual	12.43	85	0.84		
	Total	164.304	90			

a Predictors (constant) Strategy, Structure ,System, Staff, Skills, style and shared values

b Dependent variables: Revenue collection

4.9 Regression Analysis

Ordinary Least Square regression analysis over all seven independent variables was run against the revenue collection as a dependent variable to determine the causal

relationship among variables. The analysis was performed at the 95% level of confidence interval and the revenue collection variable was transformed into log form to reduce high variability between the dependent and independent variable. The figure below illustrates the OLS regression results.

Table 4.5: OLS Regression Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.118	.401		2.785	.007	.317	1.920
	Staffs	-.322	.117	-.317	-2.747***	.008	-.556	-.088
	Skills	.290	.145	.233	2.006***	.049	.001	.579
	System	-.046	.124	-.042	-.368	.714	-.293	.202
	Method	-.062	.076	-.096	-.817	.417	-.215	.090
	Shared_Value	.392	.136	.315	2.887***	.005	.121	.663
	Structure	.063	.083	.085	.758	.451	-.102	.228
	Style	.025	.093	.030	.267	.790	-.160	.210
a. Dependent Variable: LnRevenue Collection				*** Significant at 95% Confidence Interval				

Source: Field Data Survey, (2017)

Results reveal that only three variables (Staffs, Skills and Shared Value) are statistically significant over the other four variables at the 95% level. Results further reveal that Staffs, System and Methods are negative related to revenue collection, and increase in number of staffs reduces revenue collection by 32.2%, system reduces revenue collection by 4.6% and method reduces revenues by 6.2%. These results however are not as the hypothesis predicted a positive result to all the seven variables. However, the TRA has to improve both the seven variables to ensure effective revenue collections as both of them accounts for minimum 50% contributions to revenue collection even those negative ones could be positive.

CHAPTER FIVE

5.0 CONCLUSION

5.1 Summary

Kinondoni Municipality council is one of the fifth municipalities within the city of Dar es Salaam in Tanzania. The vision of the municipality is to have a community which is highly motivated, dynamic, with developed socioeconomic infrastructure. The overall objective of the mission is provision of quality services to the community through effective and efficient use of resources; capacity building, good governance and respect to the rule of law hence improve the living standard. Kinondoni municipality council is charged with the responsibility of delivering services the people and those will be solved when revenue are collected has been planned and targeted.

From the findings the research study shown that kinondoni municipal council collect revenue from different sources by through different style and system and those source are licenses and permit, parking fee, fine and penalties, rents , rates and markets in order to deliver services to the people and meet a targeted budget. Study revealed that some of central government directives are also responsible for increase of revenue collection ability to the municipality council. This is largely associated with the restriction imposed by the government on the certain source of revenue collection authority. It is also important to acknowledge that with effect from the property tax fee were reintroduced as an attempt to increase the council revenue collection by effectively monitored. There has been high level of revenue collection in Kinondoni municipality compared to other years like 2014/15 and 2015/2016 this

has been due to political influence and will on to increase revenue collection. This is due to strongly enforcement of rules and procedures of collecting revenues. The government of Tanzania in its quest to increase revenue collection and decided to impose scientific target on regional in order to obtain a targeted estimate and plan and also to ensure effectiveness monitoring of revenue collection. As the result this study identified effectiveness monitoring on revenue collection and this can be seen on the factors used to verify the statement based on effectiveness monitoring in real actual amount collected. Highest amount of the revenue from existing resources in the fast possible time duration as planned. This study was conducted to examine the effectiveness monitoring on revenue collection based on factors targeted through respondents mostly specific objectives was so much concerned with factors also which are strategy, structure, system, styles , staffs , skills and shared values.

Numbers of respondents identified high percentage of shared value in the collection of revenue as the reasons for high of which more than half of respondents Identified skills, strategy, system and staffing has been used in good manner for effectiveness monitoring . It must be noted that shared values is the vital element for effectiveness monitoring on revenue collection. Currently there is system in place that generates reliable revenue collection all those comes once when Mckinsey model of organization is effective monitored in ones of the factors entire the system. All respondents have recognized the utilization of the system and style of the services used as factors for effectiveness monitoring on revenue collection. The increase of use of EFDs also provides the ground for utilization of more effective monitoring and advancement of management system in the organization. The ratio used in

analyzing the success of the effective monitoring on revenue collection is the ratio equal one which indicates that revenue collection system has been able to collect the revenue as estimated, targeted and planned in kinondoni municipality. In case the ratio is less than one it would be the indicator of the failure of effective monitoring on revenue collection in failure to ratify achieving the budget. If incase this ratio is higher than one it indicates whether the budget estimation has not been based on real factors.

5.2 Policy Implications

The fundamental issues to be addressed in the context of effective monitoring on revenue collection are to recheck the design of current revenue organization structure and to strengthen TRA management. In additional, Measures are required to enhance the tax payers compliance and this cannot be done without substantial and consider political will and support from revenue collected to channel of the service delivery to the given citizens meaning the government.

The important thing to stress is to encourage citizens and civil society to engage in financial effective monitoring at all levels this measure should start from accounting and shared values mechanism it can strengthen the legitimacy and standing of Authority by contributing with complementary measures to improve and control in effective monitoring of revenue collection. Revenue collection system is greater emphases on the cost effectiveness monitoring of revenue collection, taking into account not only the direct costs of revenue administrative. As Mckinsey 7s models is working effectively in revenue collection. It is because of consistency between the

elements identified in the models as a theory been used in this research. This models of 7s approach made TRA work in a good procedure as the strong organization to be able on effective monitoring hence good results in revenue collection as fifth government needs and demand on more revenue to be collected in every source of income.

5.3 Recommendations

Based on the findings of the study, it is recommended as follows:-

- i. There is a need of putting more emphasize on effectiveness monitoring in revenue collection throughout all cycle of organization demand and structure starting from strategy, structure, system, skills, style and shared values so that to maintain an agreeable revenue collections. This will imply the organization (TRA) to be in better position to understand what is needed and how should it be done, planned and targeted in terms of organization cycle hence there will be an improvement in revenue collections
- ii. Current demands, needs and targets should be used when planning and carrying budget estimation and allocations this will imply the allocation will be as real as budget to avoid cost overrun which will impact on effectiveness monitoring. Further the collected revenue should be channeled to the right use.
- iii. There is need to improve on more external stakeholders for better insights and more rational ways of conducting effectiveness monitoring on revenue collection that would lead to realization of intended results or target.
- iv. Should be stricter enforcement of laws from both sides by government and politicians and severe punishment and penalty of employee who misconduct

themselves in fraudulent activities, the Judicial and other assemblies must come together and implement joint enforcement strategies. This will make sure that enforcement is in on ground (attained)

- v. The utilization of EFDs and other IT matters, promotion, training of the personnel of revenue collector system it will make more effective monitoring factors.
- vi. Lastly, there a need for separation of responsibilities in revenue collections in order to enable submission of targeted plan or estimate approval, actual spending and effectiveness monitoring and not to be entirely left for the discretion of politician people.

Criterion Part	Strengths	Areas for Improvement
Leadership 1a: Leaders develop the mission, vision, values and ethics and are role models of a culture of excellence.		
1a	Improved Performance accountability and Transparency	Establishment of internal and external review mechanism
1a	Adherence to staff meetings	Encourage usage of suggestion box
1a	Existence of Medium Term Strategic Plan	Ensure holding of Departmental and workers council meetings
1a	Existence of Client Service Charter	Carrying out/ initiate the review process to access achievement
1a	Openness and Transparency	
Leadership 1b: Leaders are personally involved in ensuring the organisation's management system is developed, implemented and continuously improved.		
1b	Weekly management meetings	Enhance capacity for Implementation and monitoring of the MOF Strategic Plan
1b	Appointment of Substantive Heads of Department	To enhance Managerial and Negotiation Skills of Leaders
1b	Leadership Commitment to improve Performance	Strengthen feedback mechanism on Performance at all levels
1b		Establish incentive Package for exemplary Performance
Leadership 1c: Leaders interact with customers, partners and representatives of society		
1c	Budget guidelines issued timely	To have review mechanism of Donor conferences
1c		To have programmed Donor meeting
1c		Involve Stakeholders in major decisions
1c		Leaders meet Stakeholders regularly
1c	Participatory approach in Budget preparation	

Criterion Part	Strengths	Areas for Improvement
1c	Enhanced Transparent approach in Conducting Public business	
1c	Commitment by partners	Effective feedback from Customers
1c	To improve Service delivery	
Leadership 1d: Leaders motivate, support and recognise the organisation's people.		
1d	Involvement of staff in setting organization objectives /targets	Criterion for selecting best workers (rewarding)
1d	Good forum for meeting members of staff	SASE needs to be extended to staff below TGS6
1d	Trade Union are members of the management team	
1d	Management team's meeting held	
1d	Best staff awarded every year	
1d	Institutionalized periodic meetings	Improvement of an 'open door policy'
1d	Readiness of Leadership to Cooperate	
Policy and Strategy 2a: Policy & Strategy are based on the present and future needs and expectations of stakeholders.		
2a	Improved service delivery accountability and transparency	Review mechanism needs to be in place
2a	Focused budget	Close follow - up and execution of programs
2a	Stakeholders views are incorporated into government budget	Institutionalize Customers Service Delivery Surveys
2a	Various financial laws reviewed	Institutionalize Service Delivery Surveys
Policy and Strategy 2b: Policy & Strategy are based on information from performance measurement, research, learning and creativity related activities.		
2b	Improvement in Tax collection	Wider involvement of stakeholders in policy development
2b	A policy department in place	Capacity building
2b		Regular reviews
2b	A Planning Unit has been established at DAP	To increase staff and capacity at Policy Department and Planning Unit to conduct research
2b	Enhanced capacity at the Policy Analysis Department promising	
Policy and Strategy 2c: Policy & Strategy are developed, reviewed and updated.		
2c	Having more realistic budget	Enforcement of IFMS
2c	Improved management of financial resources	To have a clear review mechanism of the Policies and Strategies
2c	Compliance to PFA in reporting requirements	Comprehensive review of the Strategic plan
2c	Committed and involved leadership	
2c	Participation of stakeholders in institutionalized forum	
Policy and Strategy 2d: Policy & Strategy are deployed through a framework of key processes.		

Criterion Part	Strengths	Areas for Improvement
2d	Improvement of revenue collection	Capacity building
2d	Efficiency in payments	Regular review of the processes
2d	Ensured value for money and accountability	
2d	Strategic Plan identifies the critical areas	A System of Evaluation and Monitoring to be established
2d	Client Service Charter gives direction	Introduce Customer Needs Study
2d	Establishment of Planning Unit, Communication and Information Unit and LAN	Introduce Service delivery Surveys
2d	External Service Delivery Survey	
Policy and Strategy 2e: Policy & Strategy are communicated and implemented		
2e	Computerized financial management system (IFMS)	Close follow - up of the implementation process
2e	Budget sustainability	
2e	Timely preparation of budget	
2e	Presence of institutionalized arrangement for management and departmental meetings	Ensure conduct of departmental weekly meetings
2e	Commitment of top management /leadership	Review of effectiveness and frequency of meetings
2e		Ensure feedback to workers of the outcome of meetings
People 3a: People resources are planned, managed and improved		
3a	Existence of Training institutions i.e., IFM, TIA	Need for regular assessment of Employees morale
3a		Ensure timely promotion
3a	A revised MOF structure in place	Trained front line staff in customer care
3a	Required number of personnel in place	Provision of conducive working environment for staff
3a	Qualified financial management cadre	Deliberate effort of retooling
3a	Presence / availability of Scheme of Service and job description for workers	Formulation of clear and elaborate motivation and incentive scheme
3a		Institution of effective feedback mechanism /system from workers
3a		Preparation of implementable training programme
People 3b: People's knowledge and competencies are identified, developed and sustained.		
3b	Quality services	Regular review of TNA
3b	Committed staff	Post training evaluation
3b		Bond as regards sponsored staff
3b	DSA is now TIA. IAA has improved	Need to adopt a Human Resource Development Plan
3b	Training budget substantially	Consider review of salary scales to attract

Criterion Part	Strengths	Areas for Improvement
	increased and Government sponsorship of risen	retention
3b	The Strategic Action Plan identifies HRD as critical	
People 3c: People are involved and empowered.		
3c	Employees kept informed on the functions of the Ministry	Need for immediate review by Master Workers council
3c	Motivated work force	Adherence of departmental /annual ministerial workers council (calendar)
3c	Workers Council in place	Provision of research facilities
3c	Commitment of top leadership to involve and empower people	Adequate reward for outstanding performance and assessment criteria
3c		Institute system for workers to contribute ideas

Source: Secondary Data, 2017

5.4 Suggestion for Further Research Study

A similar study needs to be done comparing effectiveness monitoring on revenue collection in Tanzania Revenue Authority (TRA), Through application of 7s models Approach: Case of Kinondoni municipality and National wide.

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APPENDICES

Appendix I: Questionnaire

Effectiveness Monitoring On Revenue Collection in TRA; Through Application of Mckinsey 7s Model Approach: Case Of Kinondoni Municipality

The main objective of this study is to determine effective monitoring on revenue collection in TRA; through application of 7s Mckinsey models approach; case of kinondoni municipality. This interview schedule is designed to elicit information regarding this research work. Information given will solely be used for this research. You are also assured of full confidentiality, privacy and anonymity of any information that you provide. You're kindly requested to answer the questions as frankly and openly as you can. Please make a tick [√] where appropriate. Thanks for your co-operation.

1. AREA: A

Position of respondentLocation:

2. AREA: B PERSONAL PARTICULARS

- (i) Gender: Male [] Female [] Level of Education:
 Form 4 [], Form 6 [], Diploma [], Adv. /Dip, Undergraduate [], Masters [],
 PhD []
- (ii) Working experience in this organization/ business; Less than 2 years [], 2-5
 years [], 6-10 years [] Over 10 years []
- (iv) How do you see the importance of effective monitoring on revenue collection
 in TRA? VI =Very important I =Important DK =Don't know NI =Not important.
 NIA =Not Important at All

S/N	TRA Activities: Quality and customer services	VI	I	D K	NI	NI A
i	Implementation of quality management system					
ii	Establishment of Dar es Salaam Tax service centres (DTSC)					
iii	Introduction of EFDS					
iv	Block management system which has increased tax payer registration					
v	Enhancement of staff performance management systems					
vi	Implementation of staff performance appraisal system					
vii	Introduction of an integrated system to facilitate up to date human resource data					

1. What factors influence effectiveness monitoring on revenue collection?

Will be valued in this way-SA=5, A=4, U=3, D=2, SD=1

SD: Strongly Agree, A: Agree, U: Undecided, D: Disagree, SD: Strongly Agree

STRATEGY	SA	A	U	D	SD
TRA have quality management system					
TRA promote prompt clearance to improve trade facilitation					
Introduction of EFDs considered public view					
The technology enable proactive partner					

SA: Strongly Agree A: Agree U: Undecided D: Disagree SD: Strong Disagree

SYSTEM	SA	A	U	D	SD
TRA provide education on tax and laws based on tax matters					
Effective communication between TRA and tax payer					
How business man and tax payer perceive EFDs?					
The system used to provide education and training through different mass media.					

SA: Strongly Agree A: Agree U: Undecided D: Disagree SD: Strong Disagree

SKILLS	SA	A	U	D	SD
TRA employ professionalism					
TRA employ perform in good faith					
TRA employ have education on customer care					
Drive effectiveness in collection, accounting, audit, investigation and Objections					

SA: Strongly Agree A: Agree U: Undecided D: Disagree SD: Strong Disagree

STYLE	SA	A	U	D	SD
TRA Develop culture that drives performance, innovation, Collaboration and Leadership?					

TRA Improve strategic human resource capacity					
Increase ICT availability and utilization					
TRA Enhance good governance capability					

SA: Strongly Agree A: Agree U: Undecided D: Disagree SD: Strong Disagree

STRUCTURE	SA	A	U	D	SD
TRA administration enable administrative and policy improvements					
TRA Promote segment focused education and service to drive voluntary compliance					
Develop culture that drives performance, innovation, collaboration and Leadership					
Enable administrative and policy improvements					

2. What factors needed to ensure effective monitoring on revenue collection performance? The following statements describe the factors for effectiveness monitoring on revenue collection in TRA: case of Kinondoni Municipality. Indicate the extent to which you agree or disagree with the statements.

SA: Strongly Agree A: Agree U: Undecided D: Disagree SD: Strong Disagree

S/N	Issue	SA	A	U	D	SD
I	Quality staff recruitment and training					
ii	Open more offices and collection centre					
iii	Staff size should be improved					
iv	Education on tax laws are needed					
V	Proper authorization and verification					
vi	Technological advancement are vital					
vii	Separation of duties in handling accounting transactions					
viii	Good communication within the organization effectively					
ix	Use of IT resources					
x	Verify that all transactions initiated posted in a reasonable period					
xi	Ensure the reliability and integrity of financial information					
xii	Power availability and stability					
xiii	Physical location of business entities to be established and maintained					

3. What are challenges facing effective monitoring on revenue collection in TRA: case of Kinondoni municipality?

SA: Strongly Agree A: Agree U: Undecided D: Disagree SD: Strong Disagree

QNS	HOW	SA	A	U	D	SD
How do TRA make things easier for the taxpayers	<p><i>Simplify</i> – Reduce the administration burden on the taxpayer through guided, automated online workflows.</p> <p><i>Assist</i> – Address specific taxpayer queries more efficiently through context-sensitive help, and use workflows to channel queries to the right people and departments for improved response times.</p> <p><i>Engage</i> – Improve taxpayer services through the proactive management of taxpayer or constituent relationships through e-reminders, notices and triggered alerts.</p>					
How do TRA reduce internal costs	<p><i>Improve</i> – Rationalize, decommission and upgrade outdated technology for better system efficiencies, enhanced workflow and a modernized technology infrastructure.</p> <p><i>Equip</i> – Issue staff with the right tools and information that will help them do their jobs more efficiently and effectively</p> <p><i>Automate</i> – Streamline, improve and automate tax collection and calculation processes whenever possible</p>					
How do TRA improve collections and compliance	<p><i>Self Service</i> – Promote voluntary compliance and convenience through easy to use “always on” self-service models</p> <p><i>Act</i> – Deploy high performance analytics to uncover, track, analyze, and address non-compliance quickly and effectively</p> <p><i>Adapt</i> – Leverage data to research and improve compliance measures and better customize taxpayer services</p>					

4. Revenue collected by TRA is effectively monitored and put into use?

(a) SA- Strongly Agree, (b)A- Agree, (c)NS-Not sure, (d) D- disagree

(e) SD- Strongly disagree

5. The method used to collect revenue in Kinondoni municipality is it appropriate?

(a)SD- Strongly Agree, (b) A-Agree, (c) NS - Not sure (d) D-disagree (e)

SD-Strongly Agree

6. How do super ordinate goals share values works? : **Strategy, Structure, System, Staff, Style, Skills**. To what extent do you see with the following statement towards to effectiveness monitoring revenue collection management? (SA =**Strongly Agree**, A = **Agree**, DK = **Don't know** D=**Disagree**)

S/N	Issue	SA	A	DK	D
i	There is proper authorization of transactions by proper officials				
ii	There is clear segregation of duties				
iii	There is proper check of income, collection and expenditure records				
iv	There is proper control over cash, receipts, banking, payment and checks on bank reconciliation.				
v	The financial statements of the organization audited each year.				
vi	All disbursements made by cheque except for small amount.				
vii	Efficient and effective operations				
viii	Provide a mechanism for management to monitor the achievement of operational goals and objectives.				
ix	Ensure compliance with the many federal, state and local laws and regulations affecting the operations of our business				

7. What are factors behind success of effectiveness monitoring on revenue collection in kinondoni municipality

(a) SD- Strongly Agree, (b) A-Agree, (c) NS- Not sure (d) D-disagree (e) SD- Strongly disagree

FACTORS	S I	A	N S	D	S D
Management commitment to the reform process					
Government support					
Political and public will					
Technical support assistance from Dp's					

8. Improve Effective monitoring mechanisms in Effective Management of revenue collection

(i) How effective monitoring mechanisms can influence the performance of revenue collection in TRA.

Please arrange in high preference order from 1 -5

1. Accountability	
2. Responsiveness	
3. Professionalism	
4. Transparency	
5. Competitiveness	

Appendix II: TRA Organisation Structure

