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RELATIONSHIP BETWEEN REVENUE STAFF COMPETENCE AND REVENUE COLLECTION EFFICIENCY IN NANDI COUNTY GOVERNMENT

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ABSTRACT

The purpose of revenue collection is to lessen inequalities in the distribution of income and wealth, in modern economics taxes are the most important sources of revenue. Since the introduction of devolved system of Government counties have witness increased cases of financial deficit in their budget. The main objective of this study was to establish the relationship between Revenue staff competence and revenue collection in Nandi County. The target population for the study was employees of Nandi County in the revenue department. A sample size of 217 respondents was used for the study which represented a respond rate of 100.00%. The study adopted survey and explanatory design utilizing both qualitative and quantitative research method. A self-administered questionnaire was administered to collect information from the respondent. Reliability and Validity of the data collection instrument was tested using Cronbach alpha and Average Variance Extracted (AVE) respectively. Descriptive and inferential statistical analyses was carried out on the quantitative data using the Pearson's correlation coefficient which was used to determine the relationship between the independent variables and the dependent variables, while regression analysis was used to predict the relationship between Revenue staff competence and revenue collection . The study found out that β of revenue staff is .193 and its $\rho < .0$ .Revenue staff competence had a positive and significant effect on revenue collection efficiency. Therefore staff ought to be equipped with the necessary skills; Information Communication Technology which will provides counties with the opportunity to acquaint themselves with new strategies for effective delivery of services to citizens; also Human resource department should enhance human capital. The findings of the study will be of great significance to the County government for the purpose of making policies in order to maximize revenue collection.

Key Words: *Competency, Revenue Collection*

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INTRODUCTION

Revenue collection is a very important element for every government globally since it enables governments to run their activities and enhances the development of economies. Therefore revenue collection performance and efficiency is vital in promoting efficiency in the service delivery and economic development of in the public sector (Balunywa, Nangoli, Mugerwa, Teko and Mayoka 2014). Most of the governments all over the world are operating under the confines of public finance. According to Kayaga (2015) public finance entails effects of government on macroeconomic stabilization, efficient sharing of resources and distribution of income. It is distinguished further that, the government expenses comprise of government operations and income distribution. Globally, the revenue collection systems have been faced with a lot of challenges such as corruption that has led to various reforms on taxation (Aghion, Akcigit, Cage, and Kerr, 2016). Hence, Entrepreneur's face the bigger burden and expect infrastructure development by counties hampered by corruption where the vice increases welfare gains.

According to Ling and Ahamad Nawawi (2015) Asian and Pacific countries have shown that countries like Australia , New Zealand, Papua New Guinea and Singapore have autonomous tax systems. But a major reason for preparation, high integrity and performance management of workers is the demand for responsibilities in the provision of services and tax regulation that lead to profitability in countries such as India, indonesia , the Philippines and Cambodia. The autonomy of the human resources , budget and organization, thus flexibility, protects against political interference (Bird, 2015). Robert (2014) also notes the advantage of autonomy to avoid policy interference, which preserves tax structures. Further, certain income agencies, for example Malaysia's Cambodia, India, Indonesia , the Philippines, and ICT development, are key predictors of high compliance and low tax cost (Musya, 2014).

The accumulation of income is an essential means of fiscal policies within the African Government in Africa or in developing countries, since they promote budgetary spending (OECD, 2014). In order to optimize social and economic development, governments have to play a different role in the areas of political , social and economic activities. Governments require vast amounts of capital to fulfill these functions and duties. The sum collected by all dependent federal departments, commissions and other bodies shall be included in the Government's revenue. In terms of the accounting procedures from which these data are generated, this revenue is classified as revenue receivable from all public accounting funds (other than intra-government (revolving) systems, associations and private trust funds). Receipts from Ghana and Uganda are transferred though centralized in Liberia.

It is, however, warned that significant remittances to subnational jurisdictions of income and expenses by the government will likely impact on the capacity of the central government to make stabilization and macroeconomic changes through the budget (Karimi Maina and Kinyua 2017). In Kenya, the County Governments are getting tax income, permit fees, discontinuances, license fees and more. County government activities may cease, programs could fail, and workers may even go slowly and strike in some counties as they have historically been (Muriithi, 2015The 2010 Kenya Constitution stipulates that a county government will be formed. In Kenya there are 47 county governments whose constitutional framework, control and mandate is the same. Each county must produce its own revenue and a certain percentage of the national government revenue is allocated to it.

County governments are expected to raise mandatory taxes from the public in an efficient manner in order to provide essential services to its citizens. Moreover, the national government is overburdened by the financial demands of the county governments, which eventually negate the national economy (Muriithi, 2015). According to the Government of Kenya Report (2015), county governments in Kenya have been formed as stipulated in County Governments Act No. 17 of 2018. The Act stipulates that the County Government shall be responsible for any role given to it in compliance with the Constitution or the Act of Parliament. The Act also notes that any other role that may be delegated to county governments by national governments is, inter alia, the responsibility of the county government for the performance of executive functions, of the functions set out in Article 186 of the Constitution (Waema & Bowman 2014).

The county governments will usually be in a stronger position than national governments in the spirit of decentralization if they recognise local needs and boost service quality in public services (Beekes & Brown, 2014). In view of this insight, the county government of Nandi is obliged to recognize and collect incomes from local sources in the form of tariffs, tolls, real estate taxes, fees and fines to expand its financial base for local growth. The county government is therefore expecting to establish projects and programs that contribute to the reduction of poverty in its local regions (Aketch & Karanja 2013), in addition to the Internal Generated Funds (IGFs). The Public Finance act 2018 Article 207also establishes County Revenue Funds and provides for setting up of other funds at the county level.

The County revenue earnings are split into tax income and non-tax income, which includes property taxes and individual business licenses, among other items. Revenue from business is revenue from companies which are common for a specific business, company, partnership or sole-owner company. Kenya's counties receipt municipal income, including parking and single business license charges, from two key sources describing in Article 209 of constitutional property and entertaining taxes. It demonstrates that any new income sources can only be given by the act of the Parliament for county governments. Revenues are vital for the performance of the county's infrastructure and service delivery and long-term sustainability. In particular for Nandi, where the revenues are used for employee emoluments, co-funding of investment development projects, bourses supply, building administrative headquarters among other things, the importance of these County revenues can not be emphasized.

Statement of the Problem

According to Adenya and Muturi (2017) counties have collected on average just about 50% of the revenues in their budgets. Ideally, Counties in Kenya are expected to identify and raise revenue from local sources in form of rates, tolls, property tax, fees and fines among others to boost their financial base for development of the locality as empowered by the constitution. However, the trends in revenue collection show over reliance on National Government Funding. Even though counties have adequate revenue bases to finance the current level of services, but revenue collection levels are often low (Karimi, Maina & Kinyua 2017). In addition, most of the County governments face serious gap between financial resources and County expenditure needs. This fiscal gap is widening as County population expand, increasing the demand for infrastructure development and other services. The fact that the growth of revenue does not match the increase in economic activities is affecting service delivery (ICPAK Devolution Baseline Survey 2014).

According to the Controller of Budgets, Counties are not in a position to finance their budgets (Balunywa, Nangoli, Mugerwa, Teko and Mayoka, 2014). This can be attributed to the county governments' insufficient capacity to mobilize revenue within their jurisdictions.

The Constitution of Kenya 2010 stipulates that several public services functions should be devolved to the County Governments. Ideally these governments should finance their operations and function, Since the establishment of the County Governments in Kenya in April, 2013, they have been depending largely on the National Treasury for financial support. However, their over-reliance on the National Government for funds to a point of calling for a national referendum to have their allocation increased implies that there exists a major challenge in revenue collection at County level.

Therefore, a sound revenue collection system for county governments is an essential pre-condition for the success of fiscal decentralization (Bird 2015). The realization that manual revenue collection is no longer sustainable has created urgent need for automation of revenue collection systems. This is compounded by the realities of revenue streams since inception of the devolved system of Government from the year 2013.The revelation that Nandi County Government collected Ksh.132m in 2013/14 FY and Ksh.209m in 2014/15 against the projected revenues of Ksh.273m and Ksh.472m respectively is worrying and needs urgent intervention according to the Nandi County Financial Statements, 2016 audit report (KIPPRA, 2017). Therefore a need to address this problem as a failure would undermine the objectives of devolution. According to Adenya and Muturi (2017) revenue collection performance is attributed to various challenges where counties are not able to collect sufficient funds to cover their budget expectations and thereby causing huge local revenue collection gaps. The study opines that personnel capacity, information technology, revenue compliance and corruption in the devolved governments are some of the challenges facing counties. There are various aspects that determine the collection of revenue at the counties requiring investigation. This study seeks to establish the influence of Revenue staff competence in relation to Revenue collection in Nandi County government.

Objective of the Study

The objective of this study was to determine the relationship between staff competence and revenue collection efficiency of Nandi County government. The study was guided by the following hypothesis;

- **H_0 :** There is no significant relationship between Revenue staff Competence and Revenue Collection efficiency in Nandi County government.

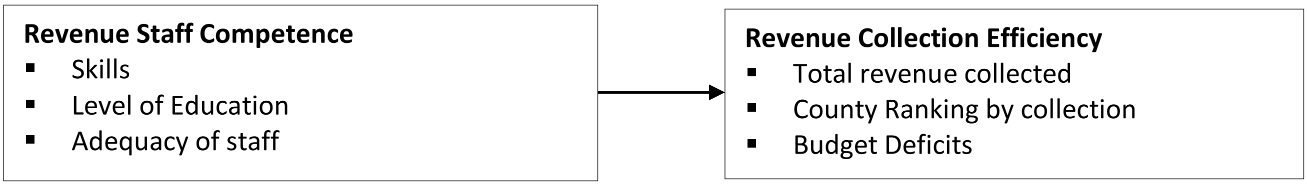
LITERATURE REVIEW

The New Public Management Theory

The New Public Management Theory was advanced by Manning (2001). According to Manning (2001) the New Public Management Theory (NPM) advocates for public performance effectiveness. There has also been the introduction of private practices in public affairs management which are similar to those applied in the private sector hence the New Public Management. The New Public Management Theory victory was very partial. According to Rainey and Chun (2005) transporting a technique across sectors raises much-discussed questions about whether one can apply a business technique in a public organization. However, comparing public to private management the NPMT consists of a set of complex ideas which prone almost the market elements in the public sector arena (Mackey, 2008).

There have been public sector reforms in many countries, both developed and developing countries, including Kenya and specifically in the County Finance. In the County Finance, this theory helps to understand the issues of policy enforcement in the tax reform process. Those who are charged with this responsibility are mainly low-level workers. They are considered as their attitude towards the new policies may hinder policy implementation, given the nature of their work and the position they occupy within an organization. New Public Management Theory is relevant to the study as it explains why public reforms fail in most places for example there is a very big shortage of the staff necessary to carry out the required jobs implies that the job will be substandard. This is a necessary consideration given that the impact of operational determinants on revenue collection is directly affected by how County Finance manages the process of revenue collection.

Furthermore, the operational determinants have brought in the public relations arena the concept of the public market, which was unlikely to deliver all the desired results. In public organisations, providing goods and services at least cost can not always thrive as it is for private entities. Therefore, the determinants of performance and service delivery in public sectors that may affect the efficiency of revenue collection in county governments are taken into account. According to Crook (2010), worst of all, most observers seem to agree that two main goals of the reform of public service aimed at improving the management of government budgets and initiatives and improving the capacity to give improved services have not been achieved (Osborne, 2009).



Independent Variables **Dependent Variables**

Figure 1: Conceptual Framework

Empirical Review

Revenue staff Competence on Revenue Collection

Employee competency and training enhance worker's execution by helping them to understand the mandatory level of comprehension through the impartation of data (Weru, Kamaara, & Weru, 2013). In addition, training as an application of the formal process to impart knowledge and skills that are pivotal to the realization of high output levels. It is the process of increasing knowledge and skills of employees required for the efficient performance of a particular job. Conversely, development involves the assistance of discovering that endeavors to expand the worker's ability and learning for future duties and assignments.

Therefore training are critical parts of support to tax mobilization in developing nations and they are for all intents and purposes constantly incorporated into aid programs to influence service delivery in the public sector. The fundamental objective of these exercises is to unwind limiting imperatives inside general society organization, while in the meantime illuminating government strategy, supporting trade of data between nations and invigorating level headed discussion around tax issues (Maisiba,& Atambo, 2016). According to Collins, Quick, Musau, Kraushaar, & Hussein, (2016) deficiencies are risk to financial development.

Therefore, along these lines, it is essential for business, government, public and private sector stakeholders to address this basic section of worker retention for enhanced competitiveness and service delivery. Further Awitta, (2015) carried out an empirical study to determine the effect of staff training in pecuniary collection and service delivery in various cities in the UK. The study used regression analysis among 70 respondents from 10 different cities. The results of the study revealed that tax collection was improved with improved staff training by the various governments. The improvement was attributed to the highly trained staff thus ensuring collection of revenues is done.

Odoyo, Moses, John, Aila, Ojera, & Siringi, (2013) carried out a study on the influence of training on revenue mobilization in the tax collection sector from the survey on 185 individual tax officials in Zonguldak city. In line with the assumptions, the outcomes showed that the central aspects of remuneration impact key results like occupation fulfillment, attraction, retention, execution, skill acquisition, co-operation, inspiration and turnover expectation of workers among staff that are utilized to help with accumulation of income.

Further, Collins, *et al*, (2016) analyzed the relationship between staff training and tax collection on a random sample of 20 parking attendants in China. The results of the study revealed that job performance in the tax collection sector was determined directly by extrinsic elements such as fairness of the latest training practices and ability for training. However, the local authorities in Kenya have a tendency to have a substantial staff supplement, they likewise encounter a high turnover of experts and specialized staff. This is because of the absence of motivators, inspiration and struggle between local authorities and the Public Service Commission (Muriithi, & Moyi, 2013).

The high turnover of the most qualified experts in the local authorities is both a cause and a side effect of the level of corruption and wasteful aspects that they are confronted with. Other than the inability to give administrations to tax payers and inhabitants of urban centers, the other property of most local authorities is their intermittent inability to pay their laborers expeditiously (Henry, Yongsheng, & Jun, 2016). Some council employees have turned to industrial action including boycott of duties to guarantee that they are paid back wages. In this circumstance, the employees‟ morale does endure as well as the tax payers are unduly hindered since administration conveyance is upset, deferred and underprovided.

Henry (2016) did a study on performance management activities in the Kenya local government sector in the City Council of Nairobi and found out that organizations have to build up strong culture in the organization for success, arrangement of the performance management framework and the current frameworks and techniques of the association (Nzuve and Njeru, 2013). Therefore organization leadership has to be committed to performance management.

METHODOLOGY

This study employed descriptive survey design. The target population comprised of 138 Nandi County staff who are involved in collecting of revenue, reporting of revenue, Management Administrators of revenue and Directors of revenue rates and 384 citizens within kapsabet town who own businesses in the CBD. Therefore the target population was 522. The study adopted survey and explanatory design utilizing both qualitative and quantitative research method. The larger the samples size the lower the likely error in generalizing the population (Saunders, Lewis and Thornhill, 2003; Creswell, 2009). The study used Yamane (1967:886) and modified by Saunders *et al*., (2003) and adopted by Israel 2013 was used to calculate sample sizes. i.e

$$\mathbf{n} = \frac{\mathbf{N}}{\mathbf{1+N(e^2)}}$$ **....................Equation 1**

Where, n=sample size, N=population size, e=the error of sampling. While the sampling error of 0.05.

Therefore, using Saunders *et al*., (2003) formula the sample size of the study was 217 employees and business owners.

The sample size is calculated as shown below.

$$\mathbf{n} = \frac{522}{1+522(0.05^2)} = \mathbf{102.602 = 217}$$ **.........Equation 2**

The determination of the sample size involved giving due recognition of the fact that it should be large enough for statistical analysis. The study used multi-stage sampling design because it allowed the researcher to segregate the population into several mutually exclusive sub-populations or strata which aided in increasing the sample statistical efficiency by providing adequate data for analyzing sub populations and allowing the researcher to use different research methods and procedures in different strata. The owners were selected purposively. The study also used simple random sampling method was used to choose the members within the strata. The study used Neyman allocation formula to distribute the respondents into the two selected strata. The purpose of the method is to maximize survey precision, given a fixed sample size. With Neyman allocation, the best sample size for stratum h would be:

$n_{h=} \left(\frac{N_h}{N}\right) n$ Where, n_h- The sample size for stratum h, n - Total sample size, N_h -The population size for stratum h, N - The total population Hence, distribution will be as follows;

Table 1: Sample Distribution

Population Category	**Target Population**	**Sample Size=$n_{h=} \left(\frac{N_h}{N}\right) n$**
Management and Directors of Revenue rates	27	11
Revenue Collecting and Reporting Staff	111	46
Business owners	384	160
Total	**522**	**217**

Source: ***Survey Data, (2019)***

A self-administered questionnaire was administered to collect information from the respondent. Reliability and Validity of the data collection instrument was tested using Cronbach alpha and Average Variance Extracted (AVE) respectively. Descriptive and inferential statistical analyses was carried out on the quantitative data using the Pearson's correlation coefficient which was used to determine the relationship between the independent variables and the dependent variables, while regression analysis was used to predict the effect of operational determinants of revenue collection efficiency. Severa; tests also werrecarried out to test the independence of the variable i.e Normality test, Linearity, Homoscedasticy and Multicollinearity.

Hypothesis Testing

The study adopted the criteria presented in table below for testing the hypothesis

Table 2: Hypotheses Testing

H_o	Statement	Test Statistics	Critical values/Decision Point
H_o	There is no significant effect of revenue staff competence on revenue collection efficiency of Nandi County government.	$\beta_{1,}\ p_{1,}$ F, R^2	P $\leq$ .05 significant

RESULTS AND DISCUSSION

A sample of 10 respondents from finance department in Uasin Gishu County government was done to ascertain whether the questionnaires were valid and reliable. Uasin Gishu County government finance department was chosen since it was a neighboring County and portrayed similar characteristics. The four independent variables (competence, automation, internal controls, and level of awareness) and the dependent variable (revenue collection efficiency) were subjected to reliability test using SPSS and the results obtained are shown in the Table below

Table 3: Reliability test

Variable	Cronbach alpha
Competence	.819

Source: (Researcher, 2020)

The results indicated that revenue staff competence results obtained had Cronbach's Alpha greater than 0.819 thereby achieving the recommended 0.7 and above for internal consistence of data (Mugenda & Mugenda, 2008). Construct alpha's of constructs in the study were considered to indicate a sufficient level of construct validity and reliability. The study constructs were highly correlated to each other.

A total of hundred and three (103) respondents participated in the study. In this study, out of 103 questionnaires that were distributed to the sampled respondents, 101 of them were filled and returned. The summary of the questionnaire return rate was as shown in Table below.

Table 4: Questionnaire Return Rate

		Frequency	Percent
Valid	Returned	101	98.06
	Not Returned	2	1.94
	Total	103	100.0

Source: (Researcher, 2020)

Therefore, 101 of the questionnaires were correctly filled and were used for the analysis in this study. This represented a questionnaire return rate of 98.06% of the sample size and falls within the confines of a large sample size Mugenda & Mugenda, (2009).

The study sought to establish general information regarding the following aspects of the respondents: Gender, highest level of education, age bracket, and current position of the organization and length of time worked in the County.

The study sought to correct information on gender of respondents in this study. It was aimed at establishing gender disparities of the employees in revenue department of Nandi County government. The below table shows the distribution of the respondents according to their gender.

Table 5: Gender of the Respondent

	Frequency	Percent
Male	61	60.4
Female	40	39.6
Total	**101**	**100.0**

Source: Researcher (2020)

Results in Gender respondence table illustrate that 61 (60.4%) and 40 (39.6%) of the respondents were male and female respectively. This implies that both sexes were represented in the study therefore there was no biasness. The study attributed this to the existing gender gap in the employment in the private and public sector in Kenya which is predominantly by the male gender.

Academic qualifications of the respondents

The study sought to establish the academic qualifications of the respondents used in this study. This aimed to link between their qualifications and their ability to perform properly. The summary of the findings was as indicated in the table below

Table 6: Education level of the respondents

	Frequency	Percent
Diploma	34	33.7
Graduate	63	62.4
Masters	4	4.0
Total	**101**	**100.0**

Source: Researcher (2020)

The study findings in the Education Level of the respondence table shows that 34 (33.7%) of the respondents were diploma holders, 63 (62.4%) of the respondents were graduates, and 4(4.0%) of the respondent were masters holders. These study findings also indicated that varied responses were collected from respondents of different educational backgrounds. This was important as it ensured that all opinions were reflected in the study.

Distribution of the respondent according to their age bracket

The study also sought to establish the age bracket of the respondents. This was to establish the relationship between the experience and employee performance. The table below showed the findings:

Table 7: Age bracket of the respondents

	Frequency	Percent
Below 30 years	10	9.9
30-40 years	54	53.5
40-50 years	37	36.6
Above 50 years	0	0.0
Total	**101**	**100.0**

Source: Researcher (2020)

The study finding in the table above showed majority of the respondent, 54(53.5%) were aged between 30-40 years. The study also indicated that 37 (36.6%) of the respondents were aged between 40-50 years. Lastly, 10 (9.9%) of the respondents were aged below 30 years. These results revealed that there was no bias based on the aged of the respondents as both genders participated in the study.

Distribution of the respondent according to length of service

The study also sought to establish the length of time the respondents have worked in the County. Table below showed the findings:

Table 8: Experience of the respondents

	Frequency	Percent
0-1 years	4	4.0
Above 1-5 years	53	52.5
Above 5-10 years	33	32.7
Above 11 years	11	10.8
Total	**101**	**100.0**

Source: Researcher (2020)

The study finding in above, majority of the respondent, 53(52.5%) had stayed in the County between 1- 5 years. The study also observed that 33 (32.7%) of the respondents had an experience of between 5-10 years. Lastly, 11 (10.8%) of the respondents had an experience of above 11 years in the County. This showed that the opinions of the respondents were collected from an array of persons with different experiences.

Correlation Analysis

The results of correlation analysis are as shown in the Experience of the respondence table. The findings indicated that there was a strong positive and significant relationship between competence and efficiency of revenue collection. This is depicted by a Pearson correlation coefficient $r=0.304$, p-value $=0.036<0.05$ which was significant at 0.05 level of significance. This implies that competence results in increase of efficiency of revenue collection.

Inferential Statistics

Effect of Competence on Revenue Collection Efficiency

This section focused on the effect of competence on revenue collection efficiency in Nandi County. The summary of the descriptive was as shown in. The findings indicated that 32(31.7%) of the respondents agreed that they were employed because of their high qualifications, while 54(53.5%) of the respondent agreed that the county has provided training for them on their job description strongly agreed. On the other hand, 31(28.6%) of the respondents agreed that there are enough of them working for the revenue department at the county.

With reference to the performance appraisal, 32(32.7%) strongly agreed that performance appraisals is done to enhance employee performance. Conversely, 34(34.1%) of the respondents were undecided on the idea that revenue staff are some of the most recognized employees due to their competence, and lastly, though 34(33.6%) of the respondents were undecided that revenue staff have a budget for revenue staff training, 34(33.6%) strongly disagreed on it.

The study findings were interpreted to mean that revenue staff competence is key in revenue collection. Therefore they ought to be equipped with the necessary skills. Effective training can minimize learning cost; improve individual, team and corporate performance speed and overall productivity, upgrade operational flexibility by extending the range of skills possessed by employees, attract high quality employees by giving them learning and development opportunity. It increases the job knowledge and enhances their skill thus enabling them to be more competent in the collection of the revenue. In the scale of 1-5(where 1=Strongly Disagree, 2=Disagree, 3=Undecided, 4=Agree, 5 = Strongly agree

Table 9: Descriptive statistics on Competence

Description	N	SD (%)	D (%)	U (%)	A (%)	SA (%)	Mean	S.D
I was employed because of my high qualifications	101	3 (3.0)	23 (22.8)	23 (22.8)	32 (31.7)	20 (19.8)	4.01	1.21
The county has provided training for me on my job description	101	1 (1.0)	4 (4.0)	18 (17.8)	54 (53.5)	24 (23.8)	4.25	1.132
There are enough of us working for the revenue department at the county	101	8 (7.9)	4 (4.0)	28 (27.7)	31 (30.7)	30 (29.7)	4.06	1.220
Performance appraisal are done to enhance employee performance	101	6 (6.0)	9 (8.8)	20 (28.5)	24 (24.0)	32 (32.7)	4.01	1.120
Revenue staff are some of the most recognized employees due to their competence	101	25 (24.4)	11 (10.6)	34 (34.1)	22 (22.1)	9 (8.8)	3.2	1.274
Revenue staff has a budget for revenue staff training	101	34 (33.6)	20 (19.8)	34 (33.6)	10 (9.7)	3 (3.2)	3.71	1.118

Source: Researcher (2020)

Hypothesis testing

H_0: *There is no significant effect of competence on revenue collection efficiency in Nandi County government.*

Table 10: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.657[a]	.431	.437	5.03507

Source: Researcher (2020)

From the study findings in the Model Summary Table , the value of R-square was 0.431. This implied that, 43.1% of variation of revenue collection efficiency of Nandi County government was explained by competence.

Table 11: ANOVA test

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	4320.7741	1	4320.741	170.431	.002[b]
	Residual	5704.176	100	25.352		
	Total	10024.916	101			

a. Dependent Variable: revenue collection efficiency

b. Predictors: (Constant), competence

Source: Researcher (2020)

From the findings in the ANOVA Test Table, at 0.05 level of significance the ANOVA test indicated that in this model the independent variable namely; competence is important in predicting of revenue collection efficiency of Nandi County government as indicated by significance value=0.002 which is less than 0.05 level of significance ($p=0.002 < 0.05$).

Table 12: Coefficients of the Model

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.049	1.592		11.915	.057
	Competence	.693	.053	.657	43.055	.002

a. Dependent Variable: Revenue collection efficiency

Source: Researcher (2020)

From the table above, the study findings revealed that competence had significant influence on revenue collection efficiency of Nandi County government (t-statistic=13.055, p-value=0.002< 0.05). Therefore at 5% level of significance the null hypothesis was rejected, indicating that competence had significant relationship with revenue collection efficiency of Nandi County government. Thus, for every unit increase in competence there was a corresponding increase on revenue collection efficiency of Nandi County government by 0.693.

The findings were supported by Maisiba,& Atambo, (2016) who notes that Specialized help and training are critical parts of support to tax mobilization in developing nations and they are for all intents and purposes constantly incorporated into aid programs. They can be either given in kind or through financing for tax ventures/programs. The fundamental objective of these exercises is to unwind limiting imperatives inside general society organization, while in the meantime illuminating government strategy, supporting trade of data between nations and invigorating level headed discussion around tax issues.

The findings are also supported by Collins, *et al*, (2016) in whose study revealed that job performance in the tax collection sector and hence collection of revenues was determined directly by extrinsic elements such as fairness of the latest training practices and ability for training. In spite of the acknowledgment of pay valence for workers when all is said in done dissatisfaction with training plans remains prominent in employee surveys.

The objective of the study was to establish the relationship between the Revenue staff competence on the revenue collection Efficiency. The study findings indicated that a majority (mean=4.01, std = 1.21) of the respondent the were of the opinion that the county employed the staff based on their high qualifications, while with a mean =4.25, std =1.132, the respondents the County has provided training on their job description. The respondents opined that there are enough of them working for the revenue department at the county (Mean =4.06, std=1.220) and performance appraisal is done to enhance employee performance (mean=4.01, std=1.120). On the other hand, the respondents neutrally responded that revenue staff are some of the most recognized employees due to their competence (Mean=3.20, std=1.274). And lastly, with a mean=3.71, std=1.318, respondents neutrally accepted that revenue staff have a budget for revenue staff training.

CONCLUSIONS AND RECOMMENDATIONS

The study concluded that revenue staff competence is important in revenue collection. Staff ought to be equipped with the necessary skills. Effective training can minimize learning cost; improve individual, team and corporate performance speed and overall productivity, upgrade operational flexibility by extending the range of skills possessed by employees, attract high quality employees by giving them learning and development opportunity. It increases the job knowledge and enhances their skill thus enabling them to be more competent in the collection of the revenue. Therefore the study accepted the alternative hypothesis, that is; there is a significant effect of revenue staff competence on revenue collection efficiency in Nandi County government (p = 0.002).

The study recommended that; the human resource department at the county should increase the number of revenue staff based on merit to ensure that they are able to address all issues related to physical revenue collection challenges.

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