

**FACTORS INFLUENCING FRAUDULENT PRACTICES IN  
GOVERNMENT REVENUE COLLECTION DEPARTMENTS IN  
KENYA: A CASE OF KENYA REVENUE AUTHORITY (KRA)**

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## ABSTRACT

The main objective of this study was to investigate the factors influencing fraudulent practices in government revenue collection departments in Kenya with a case study of Kenya Revenue Authority. The specific objectives of the study were to establish if compensation, technology, organizational leadership and organizational policy influence in government revenue collection departments on fraudulent practices in Kenya. The study will be of importance to the management of Kenya Revenue Authority, other companies and researchers. The study used descriptive research design and stratified random sampling procedure to select the sample that represented the entire population. The study targeted 124 respondents from the three levels of management and a sample size of 62 respondents. Questionnaire was the main method of data collection. Then the results were analyzed by use of both qualitative and quantitative techniques which involved the use of tables and charts for easy interpretation. The study made conclusion that compensation is a motivator to employee and poor compensation influences fraudulent practices procedures as noted by 81% of the respondents. It was concluded that the technology use can affect the malpractices in revenue department this is in line with 84% of the respondents, the study made conclusion that the kind of leadership offered may influence how corrupt leaders will be thus doing all malpractices as 79% of the majority respondents stated and the organizational policy influence the fraudulent practices .Policies govern the organization to the right direction as 85% of the majority respondent. It was recommended that the government should give monetary and non monetary compensation to give to morale the employees to stop fraudulent, the study recommended that adoption of better technology is vital to improve tax processes and reduce the malpractices in the department, better leadership should be chosen in the revenue department to give better direction to all the systems and employees and recommendation were that better organizational policies should be implemented to combat fraudulent practices.