

Abstract

Local Government Authorities function as key providers of public services. In order for LGAs to fulfil their responsibilities as public services providers, they need funds. In Tanzania, Local government authorities have sources of funds which fall into two categories; own source revenues and grants from Central Government. A major problem in all local government authorities in Tanzania is that own revenues are too low such that their expenditures rely heavily on the intergovernmental transfers which does not satisfy their needs. In most municipal councils own resources has been stagnate and revenue targets have not been met over the past years. In today's digital economy and quickly changing environment, use of technology is inevitable for organization's success and existence. For the local government authorities to improve the efficiency and effectiveness of their revenue collection efforts, they need to incorporate technology in their collection strategies. According to Randall (2002) technology offers significant promise for streamlining collection processes and enhancing revenue recovery.

This study concerns issues related to integrating IS/IT strategies with business strategies on revenue collection. Literature review discusses technology and its strategic capability and benefits that can be gained from adopting technology on revenue collection. Different IS/IT concepts, business concepts, and their strategic aspects are also discussed.

The main purpose of this research was to identify the strategies used by LGAs on revenue collection, how technology is employed on revenue collection processes and develop a framework for integrating IS/IT strategies with business strategies. To do so, this study employs case study research method utilizing questionnaires, interviews, observation, and documentary techniques. This study involves one case study from which data were gathered and analysed. The results show that LGAs have a number of strategies in use but technology is not incorporated. This study discusses how IS/IT strategies can be devised and be integrated with business strategies. Finally, different recommendations are made and future researches are discussed.

