

ABSTRACT

Executive Agencies are semi-independent public institutions that are designed to operate at arms length from their parent Ministries. Typically, they have greater autonomy, they pay higher salaries, they can hire from outside the public service, and they can retain the revenues they generate.

In times of financial crisis and tight public budgets the pressure on government agencies to find new funding sources is rising. Every institution needs to define its own strategy for altering its income sources apart from public funding. The aim of this research was to establish factors that hinder generation of income by government agencies with Government Chemist Laboratory Agency (GCLA) as the case study.

The study involved 38 employees from GCLA and 8 major customers of GCLA. The main data collection methods were in-depth interviews and questionnaire. Despite many opportunities for government agencies to generate income, the study managed to establish factors hindering generation of income by these agencies. Among other factors is poor quality of service with regard to timely delivery of service. It was also discovered that, not having accreditation from international bodies have been limiting the capacity of these agencies to generate income.

The need for government agencies to get accreditation from international bodies was highly recommended. Management of these agencies was also advised to focus on customer satisfaction as a strategy to improve income generation.

LIBRARY
INSTITUTE OF ACCOUNTANCY
ARUSHA