



Midlands State University
Established 2000

Our Hands, Our Minds, Our Destiny

FACULTY OF COMMERCE
DEPARTMENT OF MARKETING MANAGEMENT

The impact of Public Relations strategies on taxpayer compliance levels in Tax Authorities.

Submitted by
Chingozho Takawira T
R0723971R

**SUBMITTED TO THE DEPARTMENT OF MARKETING MANAGEMENT,
MIDLANDS STATE UNIVERSITY IN PARTIAL FULFILMENT OF THE
REQUIREMENTS FOR THE ATTAINMENT OF A MASTER OF COMMERCE IN
MARKETING STRATEGY**

RELEASE FORM

NAME OF AUTHOR: Chingozho Takawira T

STUDENT REGISTRATION NO//: R0723971R

DISSERTATION TITLE: The impact of Public Relations strategies on taxpayer compliance levels in Tax Authorities.

DEGREE TITLE: Masters of Commerce Degree in Marketing Strategy.

YEAR GRANTED: 2018

Permission is hereby granted to the Midlands State University Library to produce single copies of this dissertation and to lend or sell such copies for private, scholarly or scientific research purpose only. The author reserves the rights by other publication and neither the dissertation nor extensive extracts from it may be printed or otherwise reproduced without the author's written permission.

SIGNED: _____

DATE: May 2018

PERMAMENT ADDRESS: 123 First Street Mutare

APPROVAL FORM

The undersigned certify that they have supervised the student R0723971R on a research entitled, Impact of Public Relations Strategies on taxpayer compliance levels in Tax Authorities, in partial fulfilment of the requirements of the Master of Commerce degree in Marketing Strategy at Midlands State University.

.....
SUPERVISOR

DATE

.....
CHAIRPERSON

.....
DATE

.....
EXTERNAL EXAMINER

.....
DATE

DEDICATION

This dissertation is dedicated to the almighty God and to my wife and two lovely kids for the support they provided me during the course of attaining this academic qualification.

ACKNOWLEDGEMENTS

Firstly I would want to thank the almighty Lord for his guidance throughout the period I was undertaking this research project, my heartfelt thanks also go to Mr. G Maibvisira my supervisor who worked with me patiently and tirelessly up to the completion of the research. I would also like to thank the Chingozho family especially my wife Thandeka for the emotional and financial supported they extended to me, their encouragement gave me strength to keep on pushing until I finished the dissertation. Lastly I would like to thank the M. com Marketing Strategy class of 2018 for all the encouragement and support we extended to one another in the true spirit of havruta, may the good Lord guide each and every one of you in your endeavors.

ABSTRACT

This study examined the impact of Public Relations strategies employed by tax administrations on the level of tax compliance in SME's in Zimbabwe. The study sought to determine the extent to which the PR activities implemented in ZIMRA as the tax administration in Zimbabwe are assisting in improving the levels of tax compliance, the main areas of the study were establishing tax compliance levels, establishing how increasing media presence could also affect tax compliance and how tax education impacted on tax compliance levels. Theoretical and empirical literature were reviewed in line with these study objectives. Overall, the study was guided by the Press agency model, public information model, two way asymmetrical model and two way symmetrical model as proposed by Grunig and Hunt. The study adopted a positivism philosophy to facilitate the use of quantitative techniques. The study adopted the deductive approach to understand the impact of Public Relations on the level of tax compliance in SME's in Zimbabwe. The target population and sample size were 650 and 242. Structured questionnaires designed using a 5-point Likert scale were self-administered to a number of SME's in Harare who were selected using simple random sampling and four Tax consultants were interviewed. Quantitative data was analyzed using SPSS. The study found out that most of that most of the SME's in Zimbabwe are not yet registered with ZIMRA and the reason being that the lack adequate knowledge on how they to go about the registration process. The study also found out that most of the corporate image of ZIMRA is not good and this is the major contributor to the low levels of tax compliance in the country. On tax education the programs were found out not to be effective as most of the respondents lacked adequate knowledge on the need to be tax compliant citizens and also on what the government uses the money they collect through taxation. The study also established that the press still plays a major role in the disbursement of vital information to the public, however it was realized that ZIMRA is not effectively using the media to transmit important information like policy changes as well as newly introduced products and services to the public. It was also realized that social media is increasingly playing a major role in information dissemination as a lot of people are now increasingly using the internet and the tax administration needed to increase their presence on these various social media platforms so as to increase their reach to the public. The study concluded that public relations is key in improving tax compliance and as such tax administrations need to increase their public relations

efforts. The research recommended that it was very important for tax administrations to improve their image to ensure acceptance in the public eye, there is also a need for tax administrations to increase their presence on various media platforms like the newspapers and electronic media platforms so as to increase accessibility of information by the public. Tax education was also suggested as a very important factor in improving tax compliance as most of the people lack adequate knowledge on the importance of being tax compliant citizens. The research then recommended the tax administration to engage with relevant authorities to ensure that tax education be incorporated into the curriculum both at basic and tertiary education so as to create a highly conscious society on taxation issues. It was also recommended that effective communication is also an important factor in improving tax compliance and the tax administration needed to create two way communication channels that would enable their public to reach out to them without a lot of challenges. The use of social media platforms was suggested as one of the best ways to expedite communication as they provide a chance for real time communication with the public but it would need ZIMRA to have experts manning the social media sites at all times to facilitate communication.

TABLE OF CONTENTS

Release Form.....	ii
Approval Form.....	iii
Dedication.....	iv
Acknowledgements.....	v
Abstract.....	vi
Table of contents.....	viii

CHAPTER 1 1

1.0 Introduction.....	1
1.1 Background to the Study.....	1
1.2 Statement of the Problem.....	7
1.3 Conceptual Framework.....	8
1.4 Research Objectives.....	9
1.5 Hypothesis.....	9
1.6 Significance of the Study.....	9
1.6.1 Theoretical Significance.....	10
1.6.2 Practical Significance.....	10
1.7 Delimitations.....	10
1.7.1 Conceptual scope.....	10
1.7.2 Time scope.....	11
1.7.3 Geographical scope.....	11
1.7.4 Methodology scope.....	11
1.8 Assumptions.....	12
1.9 Limitations.....	12
1.10 Definition of Key Terms & Abbreviations.....	12

1.11 Chapter Summary.....	13
CHAPTER 2	14
2.0 Introduction.....	14
2.1 Public Relations Overview.....	14
2.2 Models of Public Relations	16
2.2.1 Press Agency/Publicity Model.....	16
2.2.2 Public Information Model.	16
2.2.3 Two Way Asymmetric Model.	17
2.2.4 Two way Symmetric Model.	17
2.3 The Public Relations Transfer Process.....	18
2.3.1 Hostility to Empathy.....	19
2.3.2 Prejudice to sympathy	19
2.3.3 Apathy to Acceptance.....	20
2.3.4 Ignorance to Interest	20
2.4 Roles and Functions of Public Relations in Tax Administrations	21
2.5 Tax Compliance	22
2.6 Image Building in Tax Administrations.....	22
2.6.1. Types of image	24
2.7 The Media and Its Role in Improving Tax Compliance.....	25
2.7.1 Media Relations	26
2.7.2 Four Elements of Effective Media Relations	27
2.8 The Role Client Education in Improving Tax Compliance.....	28
2.9 The Role of Communication in Tax Administration.	32
2.10 Role of Social Media.....	33
2.10.1. The rationale behind the use of social media applications and the benefits expected	34
2.11 Chapter Summary.....	36
CHAPTER 3	37
3.0 Introduction	37
3.1 Philosophical Framework.....	37
3.2 Research Design	38
3.3 Target Population	39
3.4 Sampling Techniques and Sample Size	39

3.4.1 Probability sampling.....	40
3.4.2 Simple Random Sampling.....	40
3.4.3 Stratified Random Sampling	40
3.4.5 Sample Frame.....	41
3.4.6 Sample Size	41
3.5 Data Collection Procedures.....	42
3.6 Data Sources.....	42
3.5.1 Secondary Data.....	43
3.5.2 Primary Data.....	43
3.7 Research Instruments	43
3.7.1 Questionnaire.....	44
3.7.2 Personal Interviews.....	44
3.8 Validity and Reliability Test	45
3.9 Data Presentation and Analysis.....	45
3.10 Chapter Summary.....	45
4.0 Introduction	46
4.1 Response Rate	46
4.2 Demographic and General Information.....	47
4.2.1 Gender status of SME Owners	47
4.2.2 Age status	48
4.2.3 Tax Compliance Status.....	49
4.3 Objective 1: Effectiveness of client education on tax compliance.....	50
4.3.1 Effectiveness of Public Education on ZIMRA Mandatory & Reason for Tax Compliance.....	50
4.3.2 Effectiveness of public education: Role of tax to the communities & SMEs	51
4.3.3 Effectiveness of educational programs for the SME’s, Staff knowledge on Tax Compliance.....	52
4.4 Objective 2: Impact of communication on improving tax compliance.....	53
4.4.1 ZIMRA’s communication systems: Clients-Staff Interaction	55
4.4.2 ZIMRA and service responsiveness	55
4.5.1 ZIMRA social media pages & service responsiveness.....	55
4.4.3 ZIMRA communication & Tax compliance knowledge and access to tax information	55

4.5 Objective 3: Effects of corporate image on client tax compliance levels	57
4.5.1 ZIMRA corporate image & taxpayer loyalty	58
4.5.2 ZIMRA corruption & revenue abuse minimization	58
4.5.3 ZIMRA management of tax administration efficiency.....	58
4.5.4 Poor corporate image and public non-acceptance administrations of tax	59
4.6 Relationship between increased media education and taxpayer knowledge.....	60
4.6.1 ZIMRA media, tax source informative and new products and services.....	62
4.6.2 Effectiveness of Print media & access of tax information	62
4.6.3 News as media to communicate legislative and policy changes to public	62
4.6.4 Media houses critical in improving tax compliance	63
4.7 Chapter Summary.....	64
CHAPTER 5.....	65
CONCLUSIONS AND RECOMMENDATIONS	65
5.0 Introductions.....	65
5.1 Summary.....	65
5.2 Overview of major findings	66
5.3 Recommendations	67
5.4 Suggestion for further research	69
5.5 Conclusions	69
REFERENCES	69
APPENDIX 1	72
APPENDIX 2.....	76

LIST OF TABLES

Table 1.1 Revenue collections against Targeted Revenue (2012-2017).....	4
Table 2.1 Revenue Bodies' use of social media.....	35
Table 4.1 Response Rate	46
Table 4.2 Age Status	47
Table 4.3 Effects of ZIMRA tax education on Tax Compliance.....	50
Table 4.4 Role of Tax to the Communities & SME's	51
Table 4.5 Effects of Educational programmes for SME's on Tax compliance.....	52
Table 4.6 Impact of communication on Improving tax compliance.....	53
Table 4.7 Correlation Analysis for communication and Tax compliance.....	55
Table 4.8 Effects of corporate image on client tax compliance.....	56
Table 4.9 Correlation and regression Analysis.....	58
Table 4.10 Increased Media education and taxpayer Knowledge.....	60
Table 4.11 Rgression Analysis for increased Media Education.....	62

LIST OF FIGURES

Fig 1.1 Relationship between PR & Tax Compliance	8
Fig 2.1 The Public Relations Transfer process.....	18
Fig 2.2 Relationship between corporate Image and customer loyalty	23
Fig 2.3 The effect of taxpayer education on tax compliance.....	31
Fig 4.1 Gender status of SME Owners.....	47
Fig 4.2 Tax Compliance Status.....	48

Fig 4.3 Effectiveness of client education on tax compliance.....49

Fig 4.4 Impact of communication on improving tax compliance.....53

Fig 4.5 Effects of corporate image on client tax compliance levels.....54

Fig 4.6 Relationship between increased media education and taxpayer knowledge.....56

CHAPTER 1

GENERAL INTRODUCTION

1.0 Introduction

This chapter looks at the background to the study, problem statement, objectives, research hypothesis, conceptual framework, and significance of the study, delimitations, assumptions, and limitations, definition of terms, acronyms and chapter summary.

1.1 Background to the Study

Zeithaml, Bitner & Gremler (2009) in their definition of public relations highlighted that public relations includes activities that are built around a favorable company's image through publicity, and community events. The major functions of public relations being to create and maintain excellent relations with the organization's internal and external stakeholders, such as persons and private, governmental, and societal entities in general. Hobbs and Mann (2016) postulate that in the modern day society which is characterized with citizen journalism and where the public has become highly critical of organizational activities public relations has become the most used tool in building a favorable image within any organization.

IOTA (2009) states that tax and customs administrations around the world have embraced the use of public relations, this is mainly because the core business of tax administrations that of enforcing and collecting of taxes is not very popular. Hodges (2013) states that most tax authorities around the world have a task of explaining that the interests of the tax administration and their interest is the same. The tax authorities need an income to ensure that government, education, social security, etc. are well functioning and this can only be achieved if the citizenry is tax compliant.

Azubuike (2009) asserts, taxation pay a major role in all society in the world as it provides the much needed funding for governments as they undertake their developmental initiatives. He also explains that taxation is a very important and indispensable tool in the planning and development of strategies and changing economic structure of countries all over the world.

Gangl, Hoffman, Kirchler (2015) concedes that the main challenge facing many tax authorities all over the world are seeking public acceptance and to make the citizenry understand that they too have a role to play in the development of their countries. Soyode and Kajola, (2006) thus suggest that, taxation is a burden which every citizen must bear to sustain his government and it is a compulsory exaction of money by a public authority for public purposes. However, some citizens see the issue of compulsory exaction, as a way of extortion by governments and as such the need to educate their clients on the importance of meeting their tax obligations.

IOTA (2009) highlights that in open societies, tax authorities are highly criticized and they have to be prepared to quickly respond and put the record straight. This shows how important it is for them to communicate effectively with taxpayers. As such an OECD report (2011) encouraged governments and tax administrations to take on board social media technologies as they enable and inevitably result in informal and valuable communication and interaction with many taxpayers.

According to the IOTA report in 2009, most European countries have used public relations in improving the compliance levels and reducing tax crimes, below are some of the examples of how these European tax administrations have used public relations strategies in improving tax affairs:

- In Belgium, the tax authority has created long lasting relationships with various Belgian radio channels, which has in turn improved interactive communication with the taxpayers. This initiative has improved the knowledge of taxpayers on various tax issues resulting in high levels of compliance.
- In Finland, the tax authority gives lectures during the business fair on central taxation issues where they largely target business start-ups and entrepreneurs, which has greatly improved awareness and avoidance of tax crimes.
- In most Nordic countries as well as Spain there is a history of educating young people in schools, which has resulted in an enlightened generation, which appreciates taxation and its advantages to the community.

Gill (2016) highlights that in sub Saharan Africa countries like Nigeria and South Africa have managed to use internet based communication technologies as a useful learning tool for the taxpayers. Gill (2016) further highlights that internet based technologies have managed to act as an effective public relations tool for the interchange of tax information between revenue authorities and taxpayers. A Botswana Unified Revenue Services report (2017) highlighted that the Botswana tax administrator managed to improve compliance levels through successfully implementing communication campaigns and brand management programmes. These programmes managed to promote understanding of the BURS services and as such resulted in the public acceptance of the tax administrator's role in the development of their country.

Musarirambi (2013) as cited in Zivanai *et.al* (2015) suggests that in Zimbabwe like many other African states the image of tax administrations is marred with a lot of negativity rising from poor corporate governance issues like corruption, lack of transparency, abuse of funds as well as high

levels of inefficiency amongst civil servants. This has resulted in very low compliance levels amongst the citizenry and as shown by the poor performance of the authority in past years shown in Table 1 below. The table shows the performance of the Zimbabwe Revenue Authority in the past 5 years where there is a comparison of their collections against the financial targets given by the Ministry of Finance.

Table 1.1 Revenue collections against Targeted Revenue (2012-2017)

YEAR	TARGET –US\$ 000,000	ACTUAL -US\$ 000,000	VARIANCE
2017	3 400	3 749	10.29%
2016	3 462	3607	-4%
2015	3 500	3 760	-7%
2014	3 600	3 820	-6%
2013	3 430	3 640	-6%
2012	3 454	3 233	1%

Source- ZIMRA website

Zivanai,Chari, Nyakurimwa (2015) highlight that the economic environment in Zimbabwe has also dealt the revenue authority a major blow, with most manufacturing companies closing shop the tax collector has seen the revenue net shrinking with the income tax , value added tax as well as pay as you earn tax heads reducing drastically. Ngwenya (2016) further asserts that economic downturn diminishes the capacity of taxpayers therefore widening the gap between budgeted revenue and the actual revenue collected by the authority. With the economy, showing signs of continued deterioration ZIMRA faces compliance risks, as citizens tend to put tax at the end of

their priority list. This resulted in the need for the revenue authority to go on a major drive in encouraging taxpayers to be compliant and contribute to the much-needed revenues.

Block (2013) as cited by Zivanai et.al (2015) states that the increased informalisation of the economy has also posed major challenges to ZIMRA as it has proven to be a lot difficult for the tax collector to catch all the informal traders into its revenue net. He highlights that a 2013 Finscope survey which is used by the government as a reference highlights that they are 3.5 million SME's which have created up to 5.7 million jobs and they generate an estimate annual turnover of about 7.4 billion dollars. However, the challenge is that most of these companies are not registered leading to the government losing a lot of potential revenue and thus there is need for improved communication and education of this very important grouping of people on the need to be registered and tax compliant citizens.

The Zimbabwe Revenue Authority has been faced with many challenges that have threatened the successful execution of their duties and some of them are:

- Lack of tax compliance amongst Small and Medium Enterprises where it estimated that 85% of the SME's are not registered (ZIMRA report, 2014). This might be evidence that the Revenue authority has not done enough, in educating the SME's on the benefits of being tax compliant. The other reason might be that the SME's do not even know the processes that are involved when one intends to register as a taxpayer.
- An antagonistic environment where taxpayers have a negative attitude towards tax and are not willing to cooperate in taxation issues. Zivanai et.al (2015). Tax administrations have always been a subject of scrutiny from time immemorial and as such, they need to

embark on extensive educational drives, where they enlighten the citizens on the importance of taxation to both the country and them as taxpayers.

- A poor image, which is a result of social ills like corruption, suspected abuse of funds and poor service delivery (Musariramwa 2013). This might call for tax authorities on the need to communicate with the publics on efforts they are undertaking in trying to cleanse themselves of various social ills that affect them in their daily operations.
- General lack of knowledge amongst the citizenry on issues to do with taxation leading to high levels of noncompliance. This might be a result of lack of visibility where many do not know the authority's operations. Tax authorities need to disseminate information on tax updates on social media applications, which have a potential of a far and wide readership and viewership, in order to increase the level of tax knowledge for voluntary tax compliance (Maseko 2016).
- Compulsory exertion, which many view as an extortionist approach of collecting money from citizens leading to many being resilient and non-compliant. Most people have little or even no understanding of legislation and as a result, they do not understand the role of different enforcement agencies in the country. The authority will then need to educate the publics on the various statutes and legislations that give them power to carry out their mandate (Eze & Abba 2016).

In their bid to gain public acceptance, ZIMRA has resorted to the use of an array of public relations tools which include their own publication the **Revnews corporate magazine** which is distributed free of charge. **Did you know column** published weekly in major newspapers, which aims at educating the various publics on customs and tax issues, **Breakfast meetings** aimed at getting client feedback and explaining sticky issues to clients, Social Responsibility, Social

Media applications, participation at different business fairs e.g. Harare Agricultural Show amongst a host of other public relations activities as well as Taxpayer appreciation days aimed at motivating compliance amongst taxpayers.

In 2017, ZIMRA experienced an interesting turn of events where it exceeded its annual revenue target by more than 10%, collecting \$3.76 billion against a target of \$3.4 billion (ZIMRA Report 2017). Many measures attributed to this sudden surge and questions will arise as to the contribution of public relations initiatives. The main purpose of this study is to find out if the large investments that the Zimbabwe Revenue Authority has made were paying off and if they have been successful in enhancing revenue performance for the authority in recent years.

1.2 Statement of the Problem

The national revenue administrator ZIMRA has of late been shouldering a very big responsibility of financing government developmental initiatives as well as government expenditure, with a target of 4.3 billion United States Dollars, which accounts for approximately 80% of the national budget. However, the revenue authority seemed to be facing a host of challenges that threaten the efficient and effective collection of revenues, which ranged from poor corporate governance i.e. rampant corruption, tax and duty evasion, gross misuse of funds, which have threatened the acceptance of its mandate in the public eye. The increased in-formalization of the economy might also have led to high levels of non-compliance, as most of the informal traders not registered with ZIMRA and the authority failing to harness into its revenue net, which shows that the authority needs to embark on an education drive aimed at encouraging taxpayers to comply and participate in taxation issues. The other challenge also appeared to be lack of understanding amongst the citizenry on the importance of being tax compliant citizens.

All the above challenges point to poor public relations initiatives , where the authority might not be doing enough to educate the citizenry on taxation, poor communication with the tax payers on legislative provisions, a poor corporate image resulting from lack of image building. Limited presence on various media platforms and social media applications might also be the reason for the low levels of knowledge on taxation issues. The authority seemed not doing enough in promoting good citizenry through shunning corruption and being tax compliant, as the scourge of corruption seems to be on the increase. The purpose of this study was to determine if the public relations initiatives undertaken by ZIMRA to the various taxpayers have done enough in improving compliance amongst the citizenry

1.3 Conceptual Framework

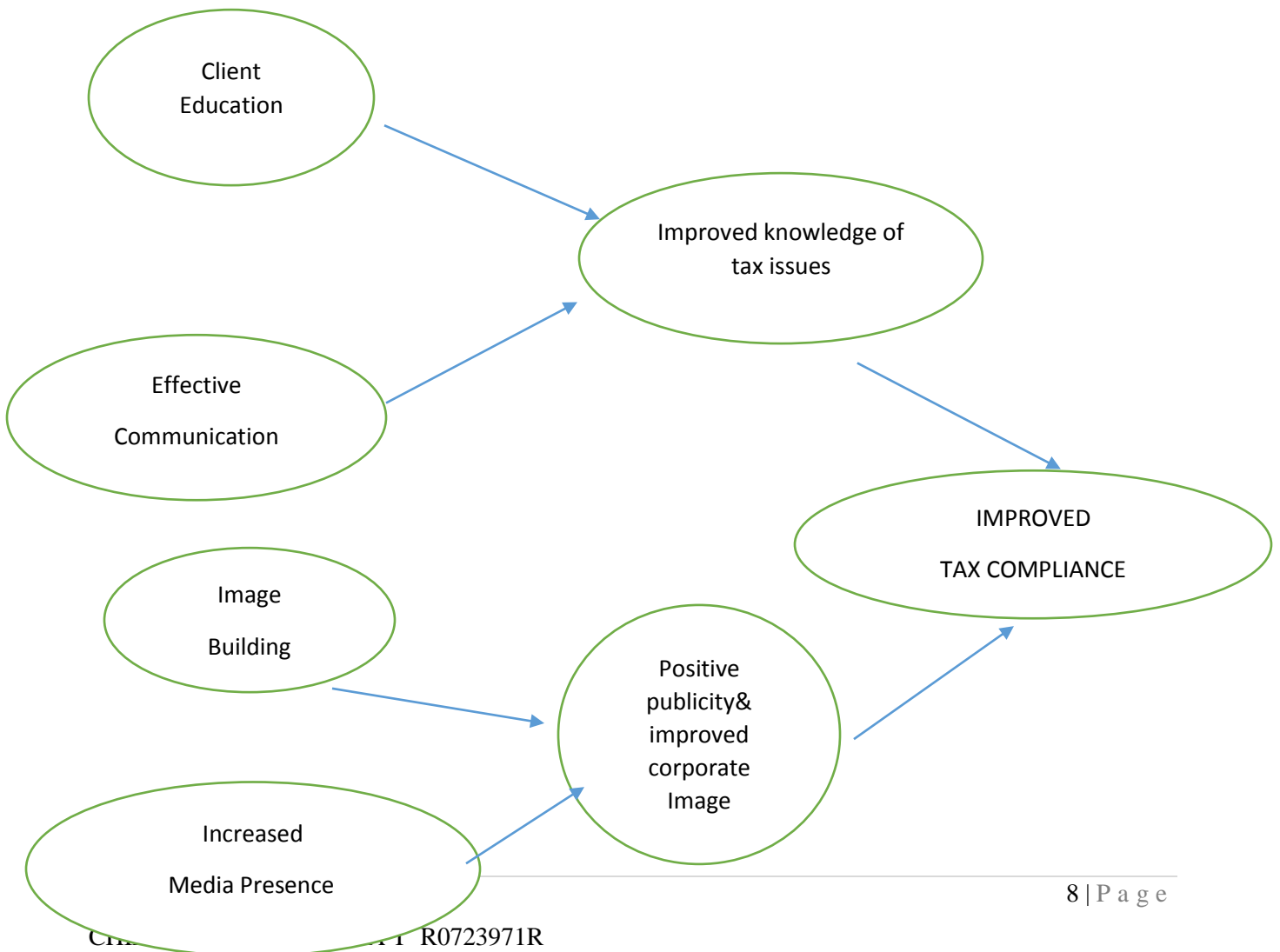


Fig 1.1 Relationship between Public Relations and Tax Compliance.

Source, researcher, 2018

1.4 Research Objectives

1. To assess the effectiveness of client education on tax compliance.
2. To examine the impact of corporate communication on improving tax compliance.
3. To explore the effect of corporate image on taxpayer compliance levels.
4. To find out the impact of increased media presence on taxpayer knowledge.

1.5 Hypothesis

Null hypothesis H_0 : Public Relations strategies have no impact on tax compliance.

Alternative hypothesis H_1 : Public Relations strategies have an impact on tax compliance.

1.6 Significance of the Study

Many developing nations have not embraced the use of public relations in tax administration; (Brinkerhoff, 2015) thus the desire to contribute to the area has driven the researcher into choosing this area as an area of study. This research study seeks to address the shortcomings that may be associated with the current system of public relations in public sector organizations.

1.6.1 Theoretical Significance

The use of PR and other business type processes is relatively new and it only now that most tax administrations, like most public sector organisations are realising that the people they serve are clients and expect customer service. IOTA (2009). This study focused on the role of client education, communication, image building and increased media presence in improving tax compliance amongst the citizens. While there is a lot of literature on how public relations is used in Europe and USA there is little that has been documented on its use in African Tax administration. This study gives an insight on how African tax administrations have used public relations to improve compliance levels.

1.6.2 Practical Significance

The results of the research might help the tax administrator to understand how the various public relation strategies embarked on could assist in improving the compliance levels amongst their taxpayers.

1.7 Delimitations

1.7.1 Conceptual scope

The study focused on public relations strategies employed by the Zimbabwe Revenue Authority. Literature focused on public relations models, theoretical framework of public relation strategies, types of public relation strategies used in public institutions, benefits of public relations to tax authorities and their clients and the role played by public relation strategies in improving compliance in tax administrations. Research objectives and the conceptual framework will guide the literature.

1.7.2 Time scope

The research covered from 2012 to 2017 which period the Zimbabwe Revenue Authority intensified its Public Relations efforts. Also in the same period the Minister of Finance and economic development, emphasized the importance of widening the revenue net to take on board the informal sector, which is now the key sector of the Zimbabwean economy.

1.7.3 Geographical scope

This research conducted the research in Harare because this was where there was high levels of activity in relation to tax issues and where most of the SME's are concentrated. Focus was on SME's as well as Tax consultancy because these are dealing with taxation issues on a day-to-day basis.

1.7.4 Methodology scope

- The study was a quantitative research, which sought to determine the relationship between PR strategies and tax compliance.
- In selecting respondents, the researcher used stratified random sampling where he grouped the respondents in two different groups, tax consultants and SME's and randomly picked respondents from these groups.
- The researcher used questionnaires as the main data collection tool and interviews used where there was need for further clarification. The researcher administered the questionnaires.
- The researcher drew the sample from a target population of 80 tax consultants and 500 SME's in Harare's central Business District and the sample size will be 226 as deduced from Krejcie and Morgan's model.

1.8 Assumptions

The following were the major assumptions in this research study:

- The researcher assumed that all respondents in the study had an appreciation of the different Public Relations Strategies that the Zimbabwe Revenue Authority employ as well as the general activities of the authority.
- All respondents approached in this study were willing to supply accurate information and fair in their judgment of all the organization's PR activities.
- Secondary data for this research was accurate and reliable.

1.9 Limitations

- Some of the targeted respondents were not willing to provide accurate information and the researcher assured them that the research was purely for academic purposes.

1.10 Definition of Key Terms & Abbreviations

- Taxation – Compulsory or coercive money collection by a levying authority usually a government and these can range from income tax, capital gains tax, PAYE, VAT etc.
- Customs- This is an authority or agency in a country responsible for collecting tariffs and for controlling the flow of goods including animals, transports, personal and even hazardous items.
- Rev News Article- A magazine that is published by the Zimbabwe revenue authority on a quarterly basis to advise the public on what will be happening in the authority as well as giving out information to the public on issues to do with taxation.

- ZIMRA- Zimbabwe Revenue Authority- A government agency that is responsible for the collection of revenues on behalf of the government of the Republic of Zimbabwe
- Value Added Tax- A tax on the amount by which the value of an article has been increased at each stage of its production or distribution. This tax is levied on the final consumer.
- Pay as You Earn- A withholding tax charged on income payments to employees they are usually collected by the employer who then finally hands them to the government.
- IOTA- Intra –European organization of tax administrations.
- OECD- Organization for economic co-operation and development.

1.11 Chapter Summary

The chapter looked at the background of the study, statement of the problem, the conceptual framework and research objectives were stated. It further looked at the research hypothesis, and significance of the study, delimitations, and assumptions, limitations of the study and definition of terms.

CHAPTER 2

LITERATURE REVIEW

2.0 Introduction

The literature review brings out views from other researchers, schools of thought and various authors' views on the subject topic. The literature is divided into theoretical evidence where the researcher looked at different insights of authors and empirical evidence where focus will be on other studies carried out previously by other researchers. The chapter looked at the public relation overview, models of public relations, image building in tax administrations, the roles of communication, tax education and the media in improving tax compliance.

2.1 Public Relations Overview

Rex F. Harlow cited in Palaniappan et.al 2016) describes public relations as a management function which maintain lines of communication, fosters cooperation between an organization and its public, management of crisis and also helps management to keep informed on and responsive to public opinion. In his definition the author puts emphasis on how public relations can be used as an important tool that ensures good relationship between an organization and its public for the mutual benefit of both parties. This view is supported by Dolleris (2014) who defines public relations as a management function which evaluates public attitudes, identify

policies and procedures of the organization with public interests and then execute programs that earn public understanding and patience.

Long and Hazelton (2016) describe public relations as a communication function of management through which organizations adapt to, alter, or maintain their environment for the purpose of achieving organizational goals. Their approach promotes the idea that public relations should also foster open, two way communication and mutual understanding, with the idea that an organization not just the target audience changes its attitudes and behaviors in the process. This definition however limits public relations to being a communication function and forget other important aspects of public relations like events, community programs which are aimed at improving the image of organization in the public's eye. Ashley (2011) holds this view when she highlighted that public relations can stand for the preservation of public image which is achieved through the work a company does for the community. She further asserts that public relations also represents the flow of information from company to the public, employees and the media.

Riley (2012) says public relations is a planned and sustained effort aimed at establishing and maintaining goodwill and mutual understanding between an organization and its publics. He further identifies employees, shareholders, trade unions, the general public, customers, pressure groups, media and the government as some of the important organizational publics. In this definition the author brings out the importance of building a favorable image in the minds of the various publics.

All the above definitions point to public relations as an organizational function that focuses on information transfers aimed at making the publics understand the various activities of an organization. They also emphasize the ability of public relations in creating a mutually beneficial relationship and acceptance of the organization and its activities in the public domain.

2.2 Models of Public Relations

Grunig and Hunt (1982) put forward four models of public relations which are: press agency/publicity model, public information model, two way asymmetric model and the two way symmetric model. Each of these model differs depending on the nature and purpose of the communication.

2.2.1 Press Agency/Publicity Model.

Roberts (2015) postulates that in the press agency/ publicity model organizations use persuasions to try and shape public opinion of the organization. Organizations do not seek to have audience feedback or even to conduct audience analysis research. The model is based on a more linear and traditional form of communication which is one way and does not give room for feedback, the public should create favorable images of the organization and its activities from the persuasive communication dished out to them.

Unfortunately today's audience are now too critical of organizational activities and this type of approach might not work in today's dynamic environment , which calls for a more interactive way of communication where practitioners start by considering what the publics need to inform their communication strategies.

2.2.2 Public Information Model.

According to Sledzik (2014), the public information model moves away from the manipulative tactics that are used in press agency and tries to present more accurate information. The major fall however the communication pattern is still one way and they usually come in the form of

press releases and newsletters where there is no need for feedback and communication is not targeted.

This model tries to move away from a propagandist approach and focus on more objective communication which is mainly used to distribute organizational information.

2.2.3 Two Way Asymmetric Model.

Roberts (2015) says that the two-way asymmetrical model presents a more scientifically persuasive way of communicating with key audiences. The organization conduct research to better understand the audience's attitudes and behaviors, which in turn informs the message strategy and creation. However they use persuasive communication to shape the opinion of the public and to force audiences to accept the organization's point of view. The main weakness of this model is it tends to benefit the organization more than its audience hence it is seen as imbalanced (Khan 2017).

2.2.4 Two way Symmetric Model.

Simpson (2014) says the two-way symmetrical model suggest that the public relations practitioner should serve as a liaison between the organization and key publics, rather than as a persuader. In this model PR practitioners do not use persuasion tactics but act as negotiators and use communication to ensure that all involved parties' benefit, not just the organization that employs them. The term "symmetrical" is used because the model attempts to create a mutually beneficial situation. Most scholars in the public relations field argue that this model is the most ethical and one that professionals should aspire to use in their everyday tactics and strategies (Roberts 2015).

2.3 The Public Relations Transfer Process

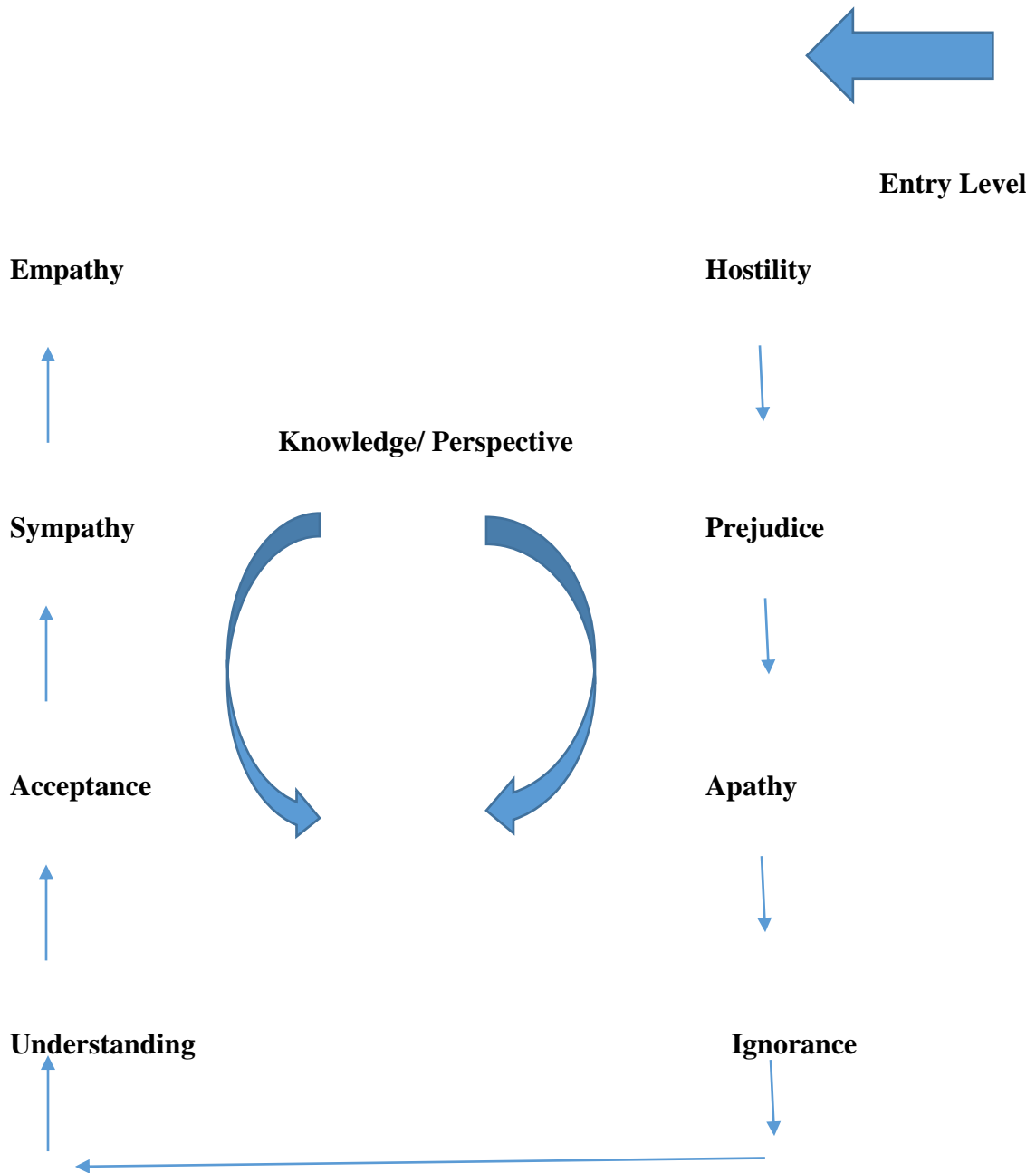


Figure 2.1 The public relations transfer process.

Source: adapted from Jefkins (as quoted in Van Ruler 2015)

2.3.1 Hostility to Empathy

Egan (2003) suggest that hostility may be irrational, based on fear, misunderstanding or false information. He further argues that the public may feel threatened by an organization or by what it does, yet no genuine threat may exist. In this instance it is the role of public relations to try and change the attitude of hostility to tolerance. However, (Van Ruler 2015) points out that the stage of empathy is rarely totally achieved as it denotes the stage when public opinions are in line with those of the organization. In most countries the citizens are very critical towards the tax administrators especially because of social ills that are associated to them. The tax administrators are also viewed as instruments of extortion who are used to forcibly take money from citizens by the government (Russell 2012). In light of the above discussion public relations efforts in tax administrations will be aimed at improving the attitudes of the public so that they understand that the tax administrator's role is developmental and is to the public's interest.

2.3.2 Prejudice to sympathy

McLeod (2008) states that prejudice is a result of an unjustified or incorrect attitude usually negative towards an individual based solely on the individual's membership of a social group. Public Relations at this stage requires to move public opinion into a broadly supportive mood aimed at gaining acceptance. Jacobs (2013) alludes that there are a lot of lobbyist groups who attempt to move public opinion against tax administration to further their particular cause, so in their regard public relations efforts should aim at winning them over to limit the negative influence that might result from their efforts.

2.3.3 Apathy to Acceptance

The biggest challenge that tax administrations all over the world are facing is finding acceptance in the public's eyes, issues of corruption, mismanagement of public funds as well as inefficiencies in service provision has led a lot of people not to appreciate the role of tax administrators. Hallahan (2000) argues that PR strategies should aim to enhance motivation and ability to understand their roles and to do this, it might well have to create opportunities to communicate information that addresses concerns and clarifies misunderstandings.

2.3.4 Ignorance to Interest

One of the main challenges faced by tax administrators in developing countries is the lack of knowledge by the public on tax issues, most of the people do not understand the role played by the tax administrators and what they as tax payers are supposed to do to meet their obligations. Antonakas and Giokas (2013) says public relations efforts are often good at generating media interest in causes and new product /service launches. So in order to generate interest in tax issues tax administrations need to write newsworthy press releases in ways that present their as initiatives as novel, they can also use exhibition to arouse interest.

Public interest may also be generated through journals, bulletins, through broadcast news reports or through industry seminars. A coordinated marketing communications campaign incorporating PR and supportive advertising may be key to stimulating initial interest (Broom 2009).

2.4 Roles and Functions of Public Relations in Tax Administrations

Broom (2009) stated that there are four major roles of Public Relations which are expert prescriber, communication facilitator, problem-solving facilitator, and communication technician.

- Expert prescriber is the expert who has the authority to solve Public Relations problems. Expert prescriber defines problem, develop program and responsible for the whole implementation.
- Communication facilitator maintains two-way communication and facilitates the exchanging of information between an organization and its public.
- Problem-solving facilitator collaborate with the management to define and solve the problem and they were a part of strategic planning team.
- Communication technician provides technical communication services such as writing release, feature article, preparing newsletter and dealing with the press.

Dozier (2014) agrees with Broom (2009) and he further states that in high-threat environment, the practitioners should take the role of expert prescriber and problem-solving facilitator whereas in low-threat environment, the practitioner should take the role of communication technician and communication facilitator.

Schmitz (2012) highlights that public relations functions are classified by the publics with which relationships are created, and knowledge of these publics will inform the different functions played by PR strategists.

2.5 Tax Compliance

Oloowokere et.al. (2013) posits that compliance is meant, broadly, meeting legal obligations imposed by the tax system, it is the degree to which the tax paying community meets the tax obligations as set out in the appropriate legal and regulatory provisions. Maxwell (2010) adds that that compliant tax payers make timely, proper and accurate declaration to the tax authority and voluntarily settle all the due tax liabilities. When we discuss about non-compliance in taxation we will be focusing on illegal tax evasion, which can be deliberate, from ignorance or made in error, however many people confuse it with tax avoidance which is legal and sanctioned at law. However, the distinction is not always clear cut because sometimes tax avoidance might end up crossing the line of legal acceptability. Eze (2015) suggests that taxpayer compliance depends on economic incentives embedded in the tax structure and the effectiveness in detecting and penalizing non-compliance. At the margin, people engage in tax evasion when the expected benefits are equal to the expected costs. On the one hand, communication and improved interaction between the tax authority and the taxpayers may also result in high levels of tax compliance because they increase trust towards the authorities.

2.6 Image Building in Tax Administrations

Adeniji (2013) posits that corporate image is an overall perception of the company held by different segments of the public. Kotler (as cited in Sobriech 2011) says that corporate image is the overall impression made on the minds of the public about the firm. The corporate image comprises of all visual, verbal and behavioral elements that make up an organization as such Kennedy (2013) suggest that corporate image has two principal components which are the functional and the emotional. Kandampully and Hu (2007) states that functional image consists of tangible characteristics that can be measured and evaluated easily. The second which is emotional consists of feelings, attitudes and beliefs the one have towards the organization. They

further went on to state that emotional components are consequences from accumulative experiences the customer have with the passage of time with the organization. Shawky (2014) argued that the company's reputation is one of the most critical, strategic and enduring assets that a corporation can possess.

According to Bravo et al., (2009) corporate image is a result of communication process in which the organizations create and spread a specific message that constitutes their strategic intent; mission, vision, goals and identity that reflects their core values that they cherish. This goes on to show how important Public relations efforts are in trying to create a favorable image for a company. Shawky (2014) also suggested that a favorable corporate image often results in high levels of customer satisfaction which result in customer loyalty. In the context of taxation this might as well mean that a favorable image of a tax administration might lead to loyalty which manifests into high compliance levels.

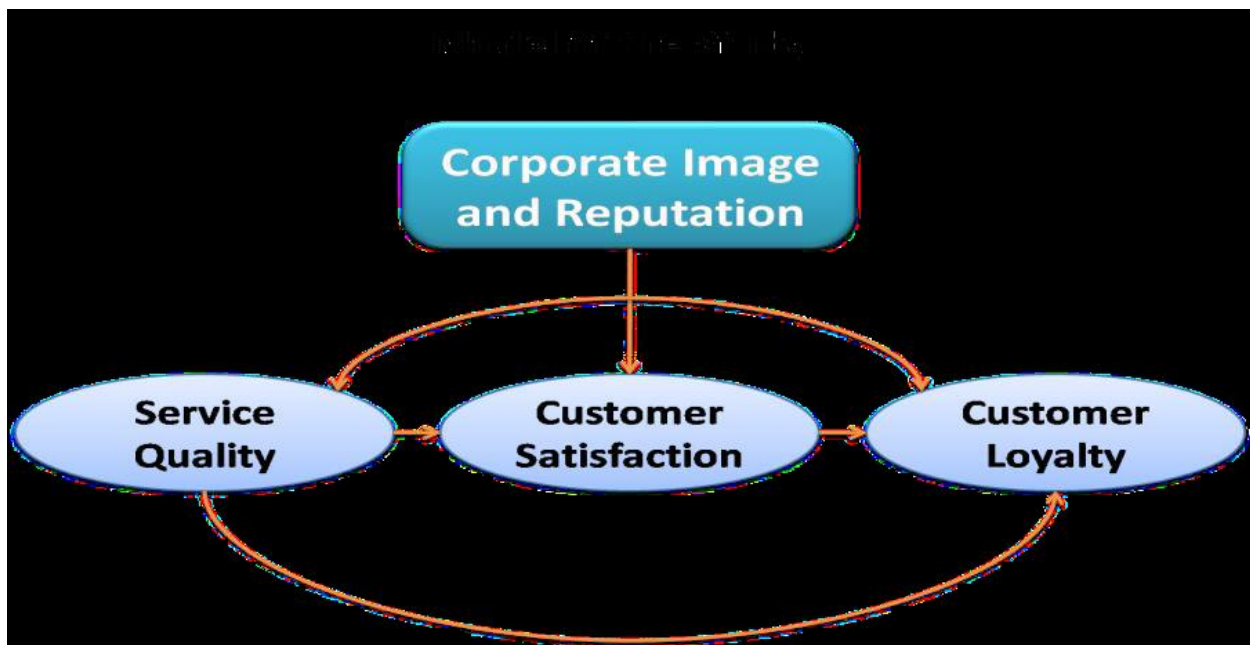


Figure 2.2 Relationship between Corporate Image and Customer Loyalty

Source: Shawky (2014)

Kirchler (2015) highlights that the major challenge faced by many tax administration over the world is that of lacking acceptability in the eyes of the public, as they are viewed as tools of oppressing the people through compulsory exaction as well as lack of transparency on how governments use the monies that are collected. This has resulted in a poor image on the part of the tax administrations and also low levels of compliance a view also shared by Musarirambi (2013) as cited in Zivanai et.al (2015) where he suggests that in Zimbabwe like many other African states the image of tax administrations is marred with a lot of negativity rising from social ills like corruption, lack of transparency, suspected abuse of funds as well as high levels of inefficiency amongst civil servants. He adds that this has also resulted in high levels of non-compliance amongst the general public. As such through the creation of a good corporate image the tax administrations may end up winning back the hearts of tax payers resulting in improved compliance.

2.6.1. Types of image

Mirror image

This is the impression people in an organization especially its leaders believe to be the impression outsiders have of the organization especially if the knowledge and understanding of the outside opinion is lacking.

Current image

This is the view held by people outside the organization. This is usually shaped by experience or poor information and understanding. So it can be seen that it depends on how much or how little people know about your organization.

Wish image

This is the desired image or simply the image management seeks to achieve.

Corporate image

This is the image of the organization itself separate from the image of its services or products.

This is made up of many things including among other factors, company's history, financial success, stability, industrial relations, social responsibility and even the reputation as an employer.

2.7 The Media and Its Role in Improving Tax Compliance.

A critical role of taxpayer services is to provide taxpayers with the information and assistance they need to enable them to meet their tax obligations the current trend is for tax administrations to engage with different media platforms so as to efficiently disseminate information to their various target audiences (USAID, 2013). According to Van Weeghel (2014) coverage of tax issues in newspapers, online news services, social media platforms and other media outlets play a critical part in the taxation policy. The recent global trend is for tax administrations to have a dedicated unit responsible for programs, product design, planning and coordination of initiatives related to taxpayer services commonly done through facilitation of public education and communication campaigns through news media (World Bank, 2013).

Chowdury (2014) says that in most tax authorities around the world they have developed extensive public education campaigns through the use of various types of media that ranges from traditional types of media such as print, television and radio to modern social media tools such as

Facebook and Twitter. They have also adopted the use of press releases whenever launching new taxation products as well as when introducing new tax legislations because of its wider reach.

2.7.1 Media Relations

Journalists often express frustration when they feel that public relations personnel are stonewalling, providing misleading information, or not being readily accessible to fully answer questions. This is traditionally a problem of effective media relations and, quite frankly, incompetence occurs in all fields, including public relations. Gitaru (2017) says media relations is considered very important by tax administrations and there is a planned and deliberate attempt at taking care of the media needs and fending their requirements and also churning out other strategies to get media interest on the organization. Media professionals are fully aware of the need for tax administrations to communicate to the masses through them and on their part they also see taxation as a good source of news and they generally respond to their communications.

According to Ndiragu (2015) Media relations is expected to help reveal and communicate the right corporate personality to the masses and always place the company in the right perspective. This expectation further divides down to establishing a good social image, image of a good employer, credibility and reputation among the various publics including investors, shareholders, customers, community at large. Considering that most tax administration face a challenge of increased scrutiny from the public and also their need to seek public acceptance media relations can become a key and important task of public relations.

Chowdury (2014) posits some media professionals have mixed feelings on corporate media releases while some view it as a useful source of information others feel it is a window dressed

effort which is in fact public relation material which mostly gives the side of the organization with little matter or content. Most corporates and tax administrations though look at the media as an intermediary audience that enables the organization to communicate to a wider segment including their target audience as such there is need to keep very good and mutually beneficial relationships with them.

2.7.2 Four Elements of Effective Media Relations

Varghesea (2014) posits that every corporate entity that wishes to project its image in the public cannot afford to ignore media or fail to cultivate it. A positive news piece in the media can enhance a company's good image and its goodwill. On the other hand media can destroy an institution, an industry or bring disrepute to a government if it so wills and if it is wrongly informed about facts. So there is need for organizations through their public relations departments to nurture mutually beneficial relations with the media.

The following four elements of media relations are cornerstones for achieving the most positive results (Varghesea 2014):

i. Media Relations Planning

The success of a campaign or event largely relies upon the planning that goes into it, planning in this case is to help reporters and various media representatives to have adequate information that will help them craft a good message to the public. It is the role of the organization to deliver the most complete and concise information for valuable stories to be published by the media. The planning process involves coming up with objectives, establishing the appropriate audience, key media sources, relevant media materials and messaging, program spokesperson, and the option for a media event or press conference.

ii. Media tactics

Media houses usually have very busy schedules as they always handle programs for different corporate houses, as such they don't usually have time for very long story pitches. The main role for the Public relations department in this instance would be to come up with very interesting story pitches that are catchy and able to catch the interest of the reporters. Sharing of information with the media can be done over the phone or email but taking care of the different preferences of the different media professionals.

iii. Briefing the media

The best way to impact a member of the media is to conduct a personal, face-to-face briefing where media materials can be passed on and questions are handled efficiently. Media briefings can offer the journalists and others from the media to understand better the information you want to be publicized and it also gives you a platform to be known to the media so that they will contact you in the future when they are seeking stories, information or comment.

iv. Media follow-up

Once you manage to get an appropriate contact from the media houses you need to constantly follow up on your stories, continuous check ensures that you maintain interest around your story. So the public relations personnel need to constantly follow up with the journalist on the progress they would have made with the publication and also to provide extra information where it is required.

2.8 The Role Client Education in Improving Tax Compliance

Ndiragu (2015) postulates that taxpayers' education can be described as a method of educating the people about the whole process of taxation and why they should pay tax. She further stresses

that taxpayer education assists taxpayers in meeting their tax obligations to the government. Gitaru (2017) weighs in and says that the primary existence of taxpayer education is to encourage voluntary compliance amongst taxpayers. Taxpayer education is one of the strategies of improving service delivery to the tax payers. Improving service delivery is critical to enhance voluntary tax compliance.

Taxpayer education can be described as a method of educating the people about the whole process of taxation and why they should pay tax (Aksnes, 2011). It assists taxpayers in meeting their tax obligations to the government. This means that the primary existence of taxpayer education is to encourage voluntary compliance amongst taxpayers. According to Russel (2012) Taxpayer education and assistance programs do not only help taxpayers but also their advisors understand their obligations and entitlements? This brings in an interesting dimension where taxpayer education doe no target only the taxpayer but also other interested stakeholders that are key in the taxation process. Previous researches show that there have been hostilities between tax collectors and taxpayers and most of the hostilities were a result of a lack of understanding of the role of taxation in the development of nations Gitaru (2017). This is further buttressed by Christina (2013) who argues that sometimes the non-compliance may be unintentional, where the taxpayer is not aware of his/her tax obligations or fails to fulfill his/her tax obligations due to ignorance of tax laws and procedures. It is expected that, tax education will assist taxpayers to understand tax laws and procedures as well as creating positive tax compliance attitude.

Oloowokere et.al. (2013) highlighted that taxpayer education provided necessary tax knowledge to the SMEs in Nigeria which enable them to comply with the tax matter and change the perceptions and attitudes towards tax compliance by creating more positive attitudes. This is testimony to the fact that the Nigerian Tax administration were successful in using tax education

in dealing with non-compliance practice amongst SME's. Gitaru (2017) weighs in and says that tax education increases compliance as educated tax payers are more aware of their responsibilities as well as the sanctions that might be imposed in cases of defaulting. This also help to show that have become increasingly important in increasing tax compliance amongst nations.

In a study carried out by Young, et.al, (2016) Using questionnaires administered to the participants the respondents identified factors that made them not to pay their taxes due, within the statutory period and not declaring the correct taxable income as; complexity of the tax laws, ability to pay, ignorance of the tax laws and the perceptions of high tax rates and unfairness of the tax system. Lack of knowledge on tax laws as well as how the revenue collected is used by the government has contributed largely to non-compliance but this can be effectively addressed by an effective program of tax education.

As a behavior problem, tax compliance depends on the cooperation of the public. There are greater gains in assisting compliant taxpayers meet their fiscal obligations rather than spending more resources pursuing the minority of non-compliers. SMEs entrepreneurs are able to understand their tax obligations when there is an aspect of fairness and tax benefits that can be received in real terms. There is a positive relationship between the level of tax knowledge and tax compliance (Aksnes, F. 2014). Similarly, Tan and Chin-Fatt (2008) aver that not only knowledge but an understanding of the tax system may have an effect on taxpayers' perceptions of fairness and attitudes towards compliance. In order to better understand the issues on compliance in taxation, this research project reviews and discusses how taxpayer's education enhances compliance.

Gituri (2017) highlights that in trying to come up with effective taxpayer education programs tax administrations have adopted the use of various medium of communication and some of them include electronic taxpayer education, print media, and stakeholder sensitization programs.

Independent

Variables

Dependent Variable

<p>Electronic taxpayer education- Advertising and internet news, iTax, CD-ROMs, DVD</p>
<p>Print media tax payer education- Newspapers, Magazines, prospects Pamphlets,, Booklets,</p>
<p>Stakeholder Sensitization - Seminars, workshops and cultural Events</p>

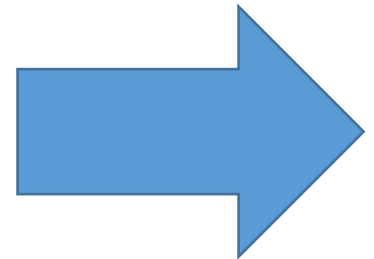


Fig 2.3 The Effect of Taxpayer Education on Tax Compliance

Adopted from Gitaru (2017).

In his study findings Gitaru (2017) affirmed that taxpayers will readily accept any new system introduced, if they have ample knowledge to understand the system. Thus, education programs organized by the tax authority or other public education institutions are needed to enhance taxpayers' ability to understand Self-assessment system and to increase their confidence in fulfilling their responsibilities as taxpayers.

In conclusion taxpayer education is necessary to increase public awareness especially in areas that concern taxation laws, the role of tax in national development, and especially to explain how and where the money collected is spent by the government. This is supported by Ndiragu (2015) who says taxpayer education program serves to: create taxpayer awareness of laws and procedures, educate taxpayers on their tax responsibilities and rights, assist and motivate taxpayer to comply voluntarily, assist taxpayers on reporting the correct income and amount of tax, maintaining close relationship between the tax authority and the taxpayer continuously, and, instill public confidence in taxation system.

2.9 The Role of Communication in Tax Administration.

Oldenbanning (2013) explained that Public Relations is different from other fields, the role of public relations is to strategically construct messages and leaders need to better understand on how communication connect the organization to its public in the larger social system. He further stresses that organization need to have a strong belief in the importance of honest and ethical organization communication and action. Gilaninia et.al (2013) highlighted that the world today is the world of communication and millions of information units are exchanged in the world today. He further posits that human life is improving increasing the need to information and communication every day, accurate and up to date information becomes very important in giving guidance in the daily lives of people. From the above statement you then realize that for tax administrations to be successful in the execution of their roles they is great need for there to be effective and accurate communication of relevant information to the different publics in their sphere.

Hodges (2013) says today more than ever, the world needs not more information but sensitive communicators and facilitators who can explain the goals and aspirations of individuals,

organizations, and governments to others in a socially responsive manner. As such Tax administrations need also to be highly sensitive when constructing information that they disseminate to the publics, so that their communication efforts become mutually beneficial to both parties. Goenaga (2014) postulates that the strategies of communication of Tax Administration should be designed with the main objective being to inform their taxpayers properly about procedures and deadlines but without forgetting the importance of to make citizens aware of their tax duties. According to a Croatian Tax Administration (2012 Report) their communication efforts are aimed at building a relationship with taxpayers based on trust with the main aim being to providing necessary information in relation to taxes and obligatory contributions at the same time informing taxpayers about their rights. These communication efforts will in the long run contribute to the raising of awareness that paying taxes is not only a law-imposed obligation but an act of moral responsibility of every taxpayer, a key element of achieving sustainability of the country's overall economy.

Olushola (2015) however emphasize that communication with taxpayers should not be one way where it is only the tax administration communicates to the taxpayers about their tax obligations and their rights.

2.10 Role of Social Media

Seitel (2017) posits that in today's world, public relations covers areas related to leading and changing public views and thinking. Social media applications like Facebook, LinkedIn, Twitter and other social media allow organizations not only access, communicate with the public but also tackle key issues, access new social groups and constantly involve them to change their thinking, attitudes and character. The rise of the Internet and social media has given PR a big boost. Many tax administrations now have a presence on social networking sites, such a

Facebook and Twitter, overseen by PR staff. The staffers are then tasked on to track what consumers will be saying about the organization its systems and services and to respond directly to any negative commentary.”

2.10.1. The rationale behind the use of social media applications and the benefits expected

S Araki (2014) postulates that a common goal to all revenue bodies is the desire to increase taxpayers ‘use of online services, ideally in a way that reduces the overall demand on other more expensive service delivery channels e.g. phone inquiries. Due to this most revenue authorities have embraced the use of social media initiatives. Below are some of the roles of using social media in tax administration as suggested by Onu (2014):

- *Education and service:* Tax education is a good way of providing relevant information to the taxpayers, thus contributing to a better tax culture/ increased tax compliance.
- *Calibrating the marketing effort:* The use of social media technologies has grown rapidly in recent years and is particularly prevalent across the younger segment of taxpayers, generally those least familiar with tax matters and by using these social media applications this might arouse their interest on issues to do with taxation.
- *Enhancing the overall web-based marketing effort:* Social media can add to a revenue body’s suite of web-based products, potentially increasing overall customer reach and further encouraging self-service by taxpayers. Research has found out that most of the taxpayers.
- *Image promotion:* A number of revenue bodies reported seeing the opportunity to leverage social media to more effectively control and enhance the revenue body’s image. By reaching our audiences where they are, we are able to expand awareness, share

information, direct to our traditional channels promote our brand and change perceptions of the organization.

- *Product evaluation:* Social media provides a cheap and effective means of getting feedback from taxpayers, in the words of one revenue body (Australian Taxation Office).

Table 2.1 Revenue bodies’ use of Facebook, Twitter and YouTube

Technology	Examples of revenue bodies use of these technologies
Facebook	<ul style="list-style-type: none"> <input type="checkbox"/> Promoting use of e-tax product (tax preparation and return filing software) to youth (Australia) <input type="checkbox"/> Awareness campaign on dangers of illegal drug trading (Austria) <input type="checkbox"/> Tax-related messages for Christchurch earthquake affected customers (NZ) <input type="checkbox"/> Marketing campaign for policy consultation (NZ) <input type="checkbox"/> Advertising targeting student loan borrowers in Australia & UK (NZ) <input type="checkbox"/> Recruiting (limited presence- just under 2,000 fans) (USA) <input type="checkbox"/> Taxpayer Advocate Service (just under 650 fans)
Twitter	<ul style="list-style-type: none"> <input type="checkbox"/> Provide key messages on activities & updates—promotional messages (e.g. new initiatives, tax time, reminders, event coverage & crisis communications (Australia) <input type="checkbox"/> Messages—new press release, something new & important on home page, seminars (Denmark)

	<input type="checkbox"/> Providing tips for the filing season and directing users to the CRA’s website for more information (Canada) <input type="checkbox"/> Promotion of new public relations site and tax return time(Japan) <input type="checkbox"/> Important news re revenue body activities (Mexico) <input type="checkbox"/> Tax-related messages for Christchurch earthquake affected customers (NZ) <input type="checkbox"/> Information on taxpayers rights (Portugal) <input type="checkbox"/> Latest tax news, new service initiatives, tax reminders (Singapore) <input type="checkbox"/> Corporate news service, including updates and deadlines (UK) <input type="checkbox"/> Promote programs, educate taxpayers & direct taxpayers to traditional channels (USA)
--	---

Adopted from IOTA report of 2009: The use PR strategies in Tax Administration.

2.11 Chapter Summary

The chapter looked at the various definitions of public relations that are put forward by different scholars, it further went on to look at the different models of public relations that were put forward by Grunig. A general discussion of the role of, image building, communication, tax education as well media relations on improving tax compliance amongst the citizens was also made.

CHAPTER 3

RESEARCH METHODOLOGY

3.0 Introduction

The chapter covers the research process detailing the steps that were taken by the researcher in the study to find out if there was a relationship between public relations and tax compliance. Thus the chapter discusses the following: philosophical framework, research design, target population, sampling methods and sampling techniques, sample frame, sample size, sample procedure, data sources, research instruments, data collection procedure and administration, validity and reliability of findings, data analysis and presentation tools and the chapter summary.

3.1 Philosophical Framework

Mkansi (2012) states that a research philosophy is a belief about the way in which data about a phenomenon is gathered, analyzed and used. The choice of a research philosophy in a research study is determined by what is believed to be true against what is known to be true. This study used the positivism philosophy since Saunders (2016) asserts that positivists believe that reality is stable and can be observed and described from an objective view point and observation should be repeatable after a series of studies are undertaken. This philosophy adopts a positivism approach which prefers a scientific and quantitative approach to collection of data as the research sought to find out if there was a relationship between the two variables public relations and tax compliance.

De Vos *et al.* (2011) add that, scientific theories are seen by positivists as providing hypotheses, which are then submitted to empirical testing. A hypothesis is thereby derived to enable the researcher to submit the hypothesis to rigorous empirical examination before rejecting, revising or accepting the hypothesis.

3.2 Research Design

According to Saunders (2016) a research design is a blue print or a road map that guides the researcher in the research process. It aids the researcher to use the resources they have effectively when deciding on tools to be used on collection, measurement and analysis of data. Since the research philosophy chosen was positivism the explanatory research design was used. Saunders *et.al* (2012) suggest that explanatory research is used when a research attempts to confirm a causal relationship between identified variables as such it was appropriate for this research which sought to ascertain if there is any relationship between public relations strategies adopted by taxes administrations and compliance levels for the taxpayers.

Furthermore, Van Wyk (2016) posits that the main aim of explanatory research is to identify any causal links between the factors or variables that pertain to the research problem, he adds that such research is also very structured in nature. Quantitative data was therefore gathered to and statistically tested. Similarly, Vosloo (2014) notes that explanatory studies are characterized by research hypotheses that specify the nature and direction of the relationships between or among variables. The data is quantitative and almost always require the use of a statistical test to establish the validity of the relationships. Vosloo (2014) posits that Quantitative methods emphasize objective measurements and the statistical, mathematical, or numerical analysis of data collected through polls, questionnaires, and surveys, by gathering numerical data and

generalizing it across groups of people so as to explain a particular philosophy. In this study explanatory research was used as the research sought to see if there was a causal relationship between the two identified variables since

3.3 Target Population

Target population refers to the entire group of individuals or objects to which researchers are interested in generalizing the conclusions he adds that the target population usually has varying characteristics and it is also known as the theoretical population. The target population for this research was made up of Small and medium enterprises as well as tax consultancy in Harare. There are approximately 50 registered tax consultancy and around 600 registered SME's (Newsday April 27, 2017).

The target population for this study is 650 made up of 600 SME's and 50 Tax consultancy in Harare where questionnaires were distributed to owners of the SME organizations as well as tax consultancy who usually work with the organizations in managing their tax affairs.

3.4 Sampling Techniques and Sample Size

The research population of the study was 650 and it was impossible for the researcher to select all the elements of the population to participate, as such a small sample was chosen to represent the bigger group. According to Coolican (2010) sampling is the process of selecting a number of individuals for the study in such a way that the individuals represent the larger group which they are selected. Choosing a smaller sample helped in reducing costs and also enabled generalizability of the research results.

3.4.1 Probability sampling

Blair (2009) suggest that in Probability sampling all the research elements in the defined population have got a known equal chance of being selected. Parveen (2017) adds that because all elements have a non-zero chance of being selected it makes our research more representative of the population under study. The probability sampling technique was the one which was used for this study so as to give all the elements of the population an equal chance to participate in the research. Simple random sampling and stratified sampling methods were used in this research.

3.4.2 Simple Random Sampling

Makhando (2009) suggested that the simple random sampling is the most basic among the probability sampling techniques, which involves assembling a sample in such a way that each independent, same-size subset within a population is given an equal chance of becoming a subject. In this research simple random sampling was used to select tax consultancy who were to be interviewed since tax consultancy are considered to have similar characteristics. Chabuda (2014) says that if done right, simple random sampling results in a sample highly representative of the population of interest. Simple random sampling simplifies data interpretation and analysis of results.

3.4.3 Stratified Random Sampling

According to Coventry (2010) describes stratified random sampling as a simple random sample where a sample is taken from each stratum. Cresswell (2008) adds to say stratified sampling ensures that each strata which has different characteristics is represented to ensure that all units of the population are well represented. In this study stratified random sampling was used to choose which SME's questionnaires were administered to. SME's were put into different groups depending on the economic sector they belonged to, and then they were then randomly picked from these different groups so as to ensure all the different sectors were represented. This is

supported by Kothari (1990) who says after using stratified sampling we are able to get more precise estimates from each stratum which in turn gives us a better estimate of the whole.

3.4.5 Sample Frame

Turner (2003) defines a sample frame as a set of source materials from which the sample is selected, in other words it is a set of elements from which you identify the sampling population for statistical purposes (Abowd and Vilhaber 2011). In this study the sample frame consisted of a list of about 50 tax consultancy which are registered with ZIMRA and 600 Small and medium enterprises that are registered under the department of SME's.

3.4.6 Sample Size

Myers et.al (2011) suggest that sample size is the number of observations in a sample that is the actual number of people under study. In the research a sample size of 242 was used as Morgan & Krejicee (1970) postulate that for a target population of 650 a sample size of 242 is appropriate using their table for determining sample size.

TABLE FOR DETERMINING SAMPLE SIZE FROM A GIVEN POPULATION

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	246
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	351
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	191	1200	291	6000	361
45	40	180	118	400	196	1300	297	7000	364
50	44	190	123	420	201	1400	302	8000	367
55	48	200	127	440	205	1500	306	9000	368
60	52	210	132	460	210	1600	310	10000	373
65	56	220	136	480	214	1700	313	15000	375
70	59	230	140	500	217	1800	317	20000	377
75	63	240	144	550	225	1900	320	30000	379
80	66	250	148	600	234	2000	322	40000	380
85	70	260	152	650	242	2200	327	50000	381
90	73	270	155	700	248	2400	331	75000	382
95	76	270	159	750	256	2600	335	100000	384

Note: "N" is population size
 "S" is sample size.

Krejcie, Robert V., Morgan, Daryle W., "Determining Sample Size for Research Activities", Educational and Psychological Measurement, 1970.

3.5 Data Collection Procedures

The researcher sought permission from the various respondents that were targeted to administer the questionnaire which was self-administered to the respondents by the researcher by hand and offered enough time to complete them. The researcher also sought permission from the various tax consultancy to ask interview questions, where the researcher introduced himself and the purpose of the interview, and after permission was granted then the researcher would then start asking the questions.

3.6 Data Sources

Data sources are divided into primary and secondary data and the researcher used both so as to get accurate and reliable information. This is data that the researcher used to analyze their data.

3.5.1 Secondary Data

Kothari (1990) says that secondary data is the data collected by a party not related to the research study but who had collected this data for another study at a time that is different from the time when the current study is carried out. Since the data would have been collected for a different study it becomes secondary data to the current research under study. Secondary data can come in different forms and can be available in written, typed or in electronic forms. Secondary data is also used to gain initial insight into the research problem (Turner 2003).

This study covered the period from 2012- 2017 and the various texts helped to clarify the role played by public relations in the different tax administrations around the world and how they in turn impact on tax compliance.

3.5.2 Primary Data

Brandes (2012) defines primary data as information collected by a researcher specifically for a research assignment. In other words, primary data is information that a researcher must gather because no one has compiled and published the information in a forum accessible to the public. Primary data are the data which the researcher collects through various methods like interviews, surveys, questionnaires etc. Primary data is usually collected through scientific methods and a theory of investigation is used for instance the use of a questionnaire and interview in a research study (Discroll 2011). In this research questionnaires and personal interviews were used as the main sources of collection of primary data.

3.7 Research Instruments

Zohrabi (2013) define research instruments as various procedures of collecting data, and in a quantitative research the instruments commonly used are closed ended questionnaires and

structured interviews. These were the research instruments used in this study. Questionnaires were distributed to various Small and medium enterprises in Harare and the structured interviews were conducted on tax consultancy to get their views on the role of Public relations on improving tax compliance.

3.6.1 Questionnaire

In this research a closed ended questionnaire with a 5 point Likert scales was used, the closed-ended questionnaires enabled the researcher to get numerical data as suggested by Blaxter et al. (2006) who says closed ended questionnaires provided the inquirer with quantitative or numerical data and open-ended questionnaires with qualitative or text information. Likert scales gave respondents a wide range of statements that gave them the platform to agree or disagree with certain statements provided on the questionnaires. The questionnaire was adapted to review the relationship that exist between PR strategies and tax compliance levels and comprised questions on the role of the media, communication, tax education and corporate image. The targeted group were the various owners of Small and medium enterprises.

3.6.2 Personal Interviews

Branders (2012) describes interviews as a method where the researcher personally meets the informants and ask necessary questions regarding the subject of enquiry. The interviews can also be done on the telephone and the interviewer efficiently collects the data from the informants by cross examining them.

The interviews were face to face closed, fixed response interviews and tax consultancy were targeted since they are responsible for managing the tax affairs of the different small to medium enterprises. Clarification of the questions was done to those who may not have understood the questions and there was room to probe for more answers and reasons for their preferred answer.

3.8 Validity and Reliability Test

In any research study it is important to ensure that the research instruments are able to measure what they are intended to measure as well as to ensure the consistency of the results that are obtained from the research (Branders 2012). To ensure that the questionnaires and interview guides measured the constructs under investigation the questionnaire was developed based on research objectives and validity was also affirmed by discussing the instrument with the supervisor and an expert in the subject.

3.9 Data Presentation and Analysis

The collected data was subjected to a rigorous examination to check for errors and completeness, all pages of the questionnaire were checked to see if they were all answered completely without any omissions. A Chi squared test was used as a statistical tool to test the hypothesis. The data was then assigned into groups with similar characteristics and research findings were presented into graphs, pie charts and tables. The Statistical software package (SPSS) was used to generate descriptive statistics from which inferences were made.

3.10 Chapter Summary

The chapter attempted to discuss and describe the research design used to gather information pointing out the target population, the plan for the study, research methodology, the sample size, data sources, research instruments and its design, the collection procedure and finally the data analysis and its presentation.

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.0 Introduction

The chapter provides data presentation, analysis and interpretation of the study which sought to examine the impact of Public Relations strategies on taxpayer compliance levels in Tax Administrations. Qualitative and quantitative primary data for the study was collected using questionnaires and interview guides. The data was analysed using SPSS version 21. Tables, pie charts and graphs were generated and presented in this chapter. The findings of the study were presented according to the objectives of the study starting with the response rate and demographics.

4.1 Response Rate

Data on response rate was presented as follows:

Table1: Response Rate

	Distributed	Returned	Response Rate
SME Questionnaires -	242	240	99%
Tax Consultants Interview Guides -	4	3	75%
Average Response rate			87%

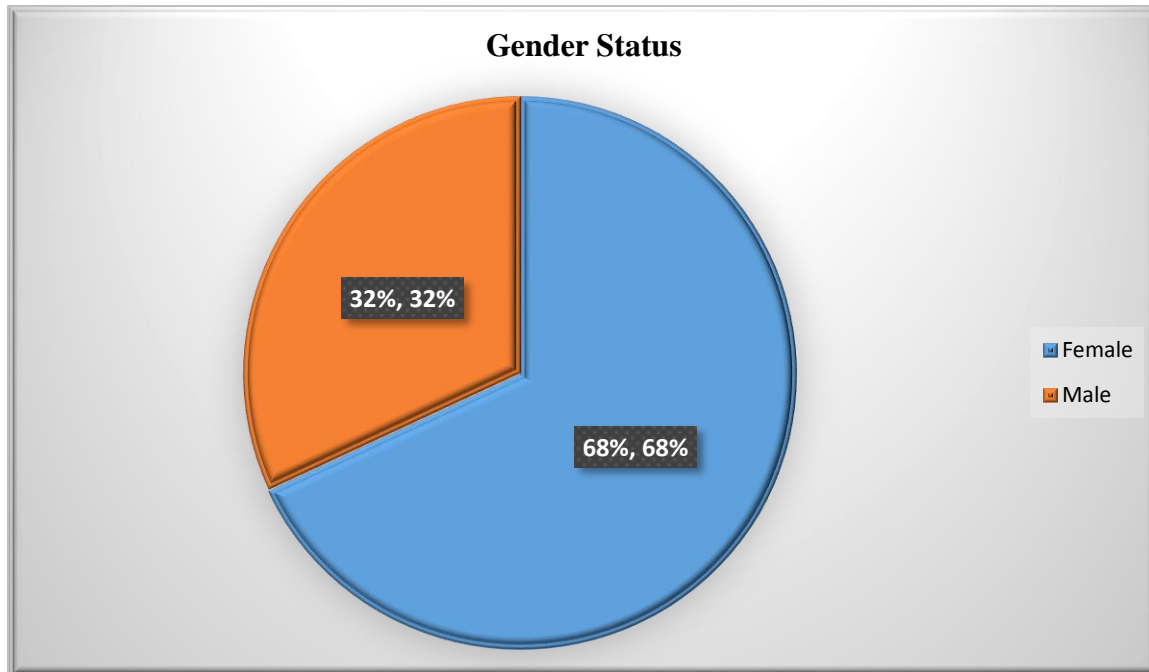
The results in Table 4.1 shows that out of 242 questionnaires personally administered to SMEs owners 240 were returned giving 99% response rate. In addition, out of 4 interviews which the researcher intended to conduct only 3 were successfully conducted giving a response rate of 75%. Moreover, an average of 87% was attained from total sample size of 242 as a cumulative sample of respondents responded during the study. However, the response rate was within the required level by literature. The results were in line with Ngonai (2013) who emphasize that for precision the response rate must be at least 70% of the sample size to estimate population parameter.

4.2 Demographic and General Information

4.2.1 Gender status of SME Owners

Data on gender was collected and presented as follows:

Figure 1: Gender status of SME Owners



The results in Figure 4.1 shows that majority of the respondents under SMEs were females relative to males. In addition the results of the study confirmed females form 68.1% of the SMEs owners under small to medium enterprise sector. The results suggests that SME sector is female dominated relative to males. The results of the study supports literature by Grandus (2016) who emphasized that female are more into informal trading small to medium business relative to males.

4.2.2 Age status

Data on age was collected and presented as follows:

Table.2: Age Status

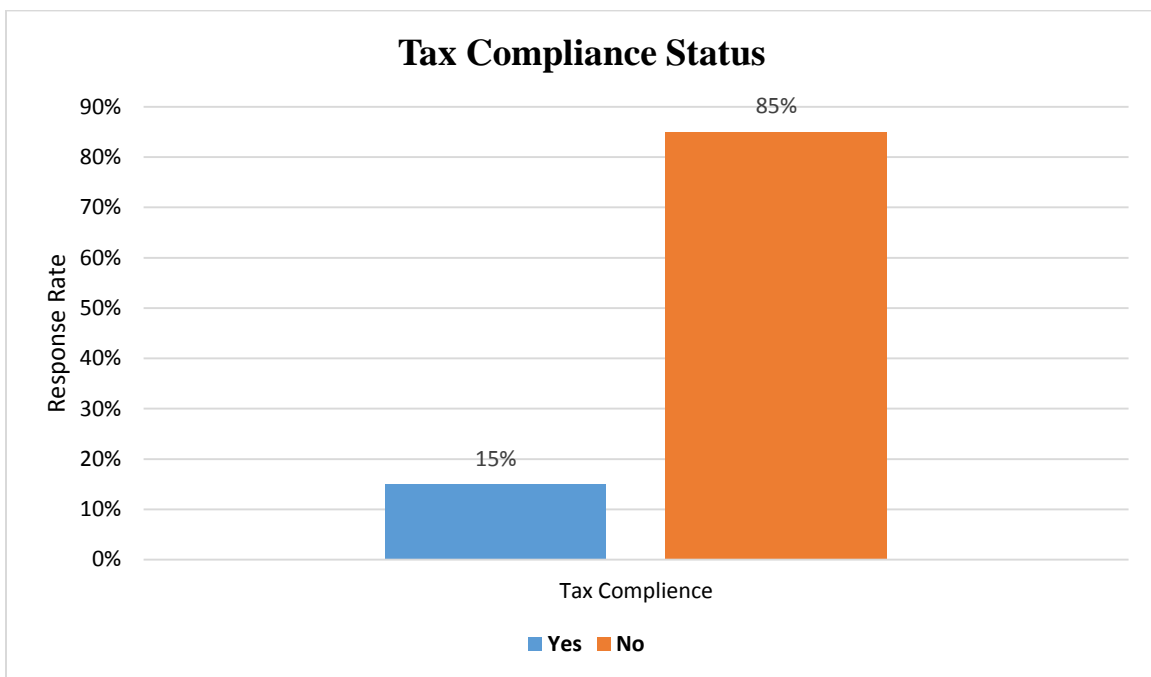
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 20-30 years	142	59.2	59.2	59.2
30-40 years	21	8.8	8.8	67.9
+ 40 years	77	32.1	32.1	100.0
Total	240	100.0	100.0	

The results of the study in Table 4.2 shows that majority of the SMEs owners under SMEs in Zimbabwe are less than 30 years relative to elderly age groups. Under such circumstance the results suggests that young aged SMEs owners dominate the SMEs in Zimbabwe. The results of the study supports literature by Bran (2016) who postulated that insurance as a business investment requires energetic and young sales personnel to ensure marketing coverage for customer engagement in gaining Tax Compliance .

4.2.3 Tax Compliance Status

Data on tax compliance was collected and presented as follows:

Figure.2: Tax Compliance Status

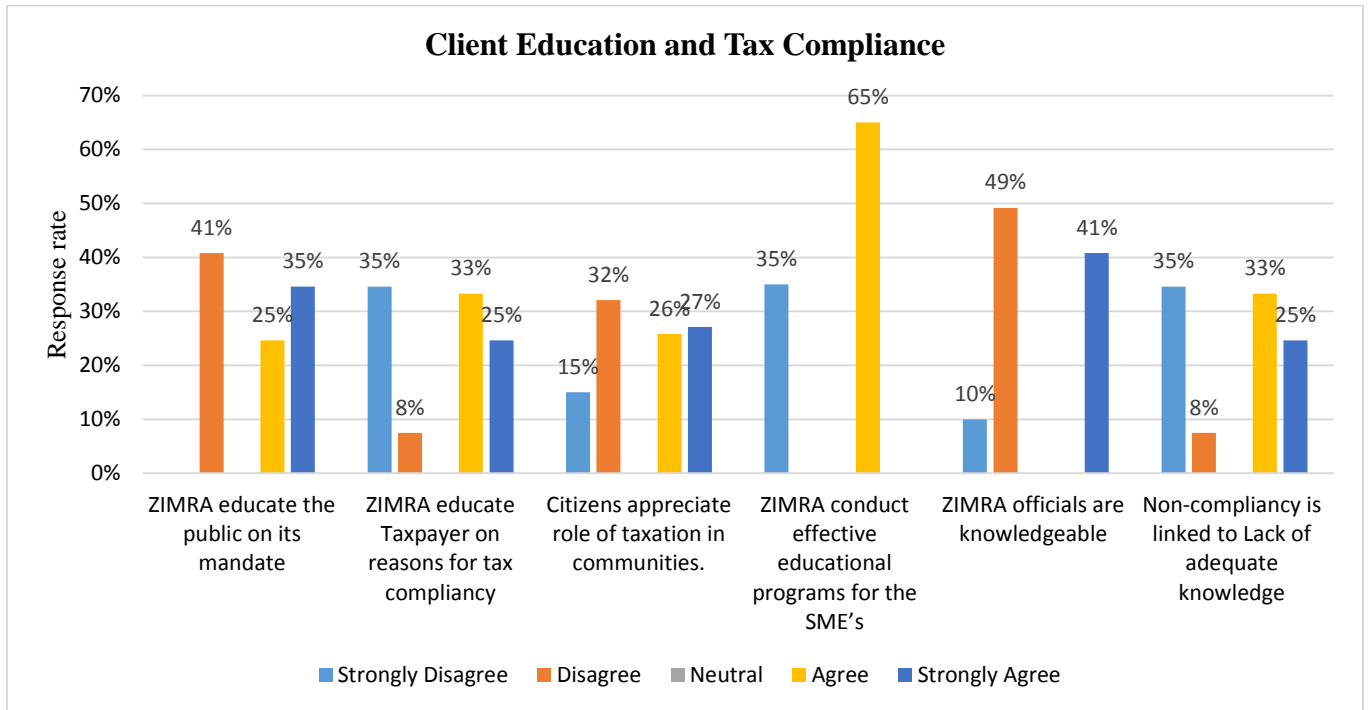


Results of the study in Figure 4.2 shows that majority of the SMEs owners in Zimbabwe have not registered with ZIMRA and are not complying with regulations. Results of the results of the study confirmed that only 15% of the SMEs are registered. The results suggests that few SMEs are complying with the regulations and are working illegally operating without licences. The results of the study confined to literature by Crique (2014) who argued that informal traders usually operates without licences under in formalization of the economy.

4.3 Objective 1: Effectiveness of client education on tax compliance

The first objective sought to examine effectiveness of client education on tax compliance. Data was collected using questionnaire and presented as follows:

Figure.3: Effectiveness of client education on tax compliance



The Figure 4.3 illustrates the effectiveness of client education on tax compliance in Zimbabwean SMEs. However, the next subsection describes the effectiveness in categories:

4.3.1 Effectiveness of Public Education on ZIMRA Mandatory & Reason for Tax Compliance

To answer the first research question of the study results in Figure 4.3 shows that majority of the respondents who constitute 41% strongly disagreed that ZIMRA educate public on its mandate. Contrary to that results of the study also shows that cumulatively 60% of the respondents agreed that ZIMRA is making significant efforts in education public in terms of its mandate, vision and mission.

However, the results in this case suggests that 41% who disagree might be part of those SMEs who do not have access to internet and website links. Results of the study confirmed that 35% of the SMEs strongly disagreed that ZIMRA educate them in terms of reasons to pay tax. However,

results of the study shows that majority of the SMEs are aware of the reasons they pay tax as informed by ZIMRA.

In addition, Descriptive statistics in Table 4.3 below also confirms whether ZIMRA educate the public on its mandate under SMEs in Zimbabwe has an effect on Tax Compliance.

Table3: Effects of ZIMRA tax education to the public on Tax Compliance

	N	Minimum	Maximum	Mean	Std. Deviation
ZIMRA educate the public on its mandate	240	2	5	3.53	1.328
ZIMRA educate Taxpayer on reasons for tax compliance	240	1	5	3.06	1.668
Valid N (listwise)	240				

With a minimum 1 which represents strongly disagree and 5 which represents strongly agree on likert scale adopted on questionnaire, max-min values of 1 and 2 imply that respondents strongly disagreed on a likert scale. A mean value of 3.06 with standard deviation of 1.668 which is smaller enough confirmed that on average ZIMRA is educating the public offering reasons why SMEs should pay tax though SMEs are not complying drawing from the tax compliance status. In support of the argument, results in Table 4.4 shows mean value of 3.53 and standard deviation of 1.328 which imply that SMEs are not gaining on the mandate of ZIMRA. Triangulating interview with the tax consultants highlighted that:

“ZIMRA has a website which clearly spell-out its mandate, vision and values to the public”

However, the results suggests that level of education offered to public and SMEs by ZIMRA is not effective as it is offered through internet which is not accessible by majority of SMES in Zimbabwe. Data on ZIMRA education in terms of Role of tax to the communities & SMEs was collected and discussed below.

4.3.2 Effectiveness of public education: Role of tax to the communities & SMEs

Results of the study in Figure 4.3 also shows that cumulatively 53% of the respondents agreed that ZIMRA is clarifying the roles of tax collected in communities and SMEs. Majority of the SMEs in Zimbabwe are gaining knowledge on the role of taxation in the community. In addition, the other 47% cumulatively are in disagreement that they have been informed by ZIMRA how

the tax will benefit the communities and SMEs business. Descriptive statistics in Table 4.4 below also supports results in Figure 4.3

Table.4: Role of tax to the communities & SMEs

	N	Minimum	Maximum	Mean	Std. Deviation
Citizens appreciate role of taxation in communities.	240	1	5	3.18	1.497
Non-compliance is linked to Lack of adequate knowledge	240	1	5	3.66	1.668
Valid N (listwise)	240				

Results of the study confirmed with a mean value of 3.18 and standard deviation of 1.497 that SMEs in Zimbabwe are not sure in terms of the benefits associated tax compliance in their communities and their business environment. Moreover, mean value of 3.66 standard deviation value of 1.668 meant that SMEs are quite sure that their failure to comply in related to lack of adequate knowledge in terms of the accrued benefits at community level to pay tax through ZIMRA. The interview with the tax consultants confirmed that:

“Tax is government revenue for social services and social development of communities and nation at large, but however, ZIMRA communicate this information its publications and websites not on a face to face basis”

However, the results suggests that the level of education offered by ZIMRA in terms of benefits of tax compliance to communities and SMEs is ineffective and is regarded as poor according to the results of the study. The results were in line with the literature by Franus (2016) who emphasized that for effective tax compliance the public relations must educate the tax payer in terms of accrued benefits associated with compliance.

Data on the effectiveness of educational programs for the SME’s, Staff knowledge on Tax Compliance was collected and discussed below.

4.3.3 Effectiveness of educational programs for the SME’s, Staff knowledge on Tax Compliance

The findings in Figure 4.3 confirmed that Results of the study also shows that majority of the respondents agree that employees under ZIMRA conduct effective educational programs for the

SME's I trying to improve Tax Compliance with 65% response rate. However, the other 35% strongly disagreed with that accession arguing that such programs are offered to requesting and recognizable enterprises. Results of the study has shown that ZIMRA offer such programs at a smaller scale based on requests. In addition, descriptive statistics in Table 4.5 below also supports results in Figure 4.3

Table 5: Effects of educational programs for the SME's, Staff knowledge on Tax Compliance

	N	Minimum	Maximum	Mean	Std. Deviation
ZIMRA conduct effective educational programs for the SME's	240	1	5	3.60	1.912
ZIMRA officials are knowledgeable	240	1	5	4.11	1.141
Valid N (listwise)	240				

Results of the study confirmed that employees are competent and possess product knowledge which is key in gaining Tax Compliance with means 4.11 and standard deviation of 1.141. The results of the study also confirmed that the educational programs are not effective as they also consider well known firms and requested companies e.g. breakfast meetings where usually executives from big companies are invited. The tax consultant through interview confirmed that:

“ZIMRA indeed provide programs and educational training on Taxation Compliance procedures based on requests for various companies.”

However, the results suggests that the level of Tax Compliance under SMEs in Zimbabwe is attributable to ZIMRA ineffective educational programs for the SME's. The results were in line with the literature by Franus (2016) who argued that the quality of educational programs offered to clients determined the quality of compliance expected.

4.4 Objective 2: Impact of communication on improving tax compliance

The second objective sought to examine impact of communication on improving tax compliance. Data was collected and presented as follows:

Figure.4: Impact of communication on improving tax compliance

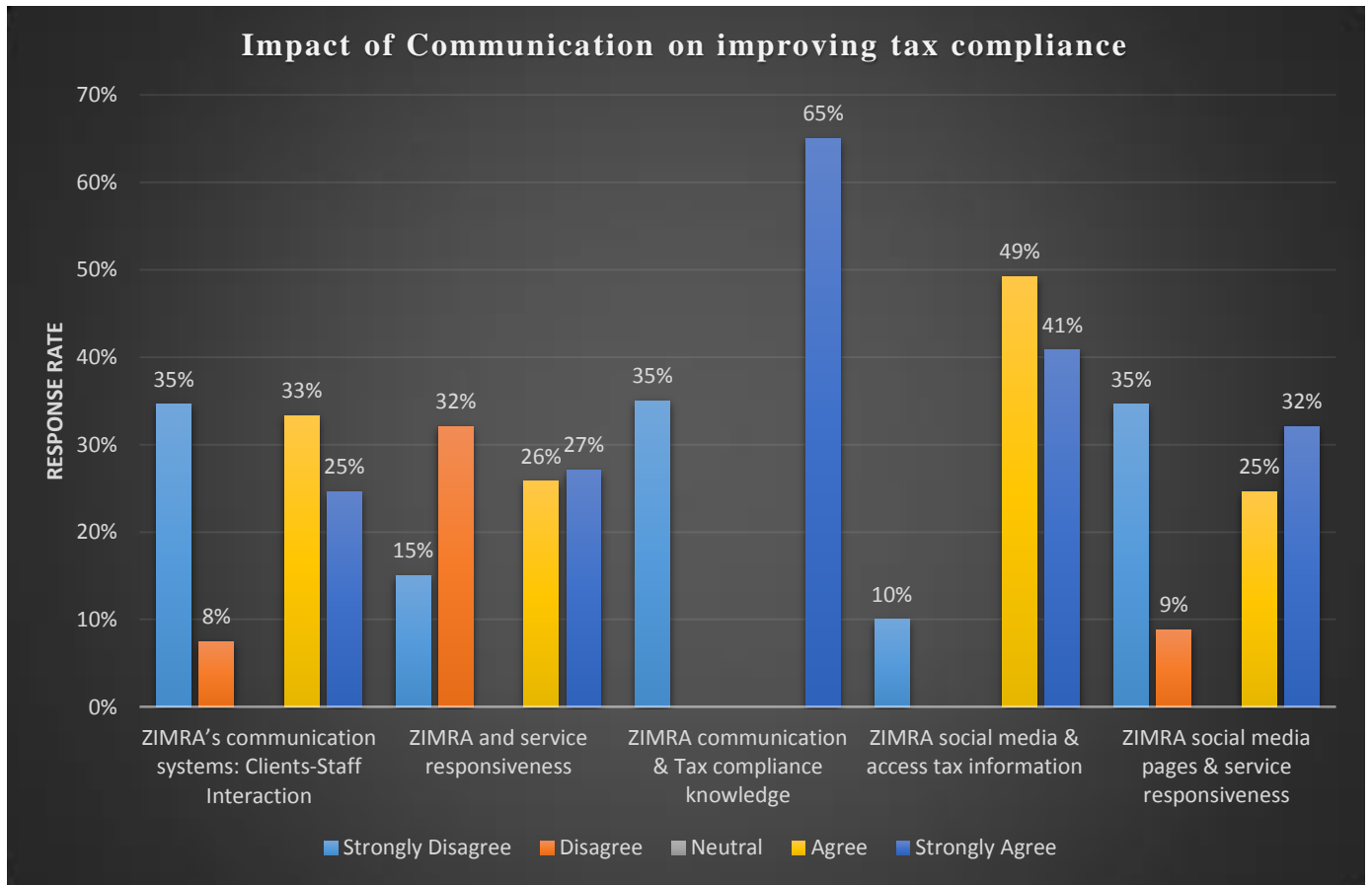


Table.6: Impact of communication on improving tax compliance

	N	Minimum	Maximum	Mean	Std. Deviation
ZIMRA's communication systems: Clients-Staff Interaction	240	1	5	3.06	1.668
ZIMRA and service responsiveness	240	1	5	3.18	1.497
ZIMRA communication & Tax compliance knowledge	240	1	5	3.60	1.912
ZIMRA social media & access tax information	240	1	5	4.11	1.141
ZIMRA social media pages & service responsiveness	240	1	5	3.11	1.732
Valid N (listwise)	240				

4.4.1 ZIMRA's communication systems: Clients-Staff Interaction

Results of the study in Figure 4.4 and Table 4.7 shows that 35% of the respondents who form the majority strongly disagreed that communication offered by ZIMRA to SMEs attributes towards tax compliance. In addition, 8% also disagreed that communication attributes towards tax compliance. Furthermore, 33% and 25% of the respondents agreed and strongly agreed respectively implying that cumulatively SMEs are agreeing that communication offered by ZIMRA is a key attribute towards tax compliance level to date with a mean value of 3.06 and standard deviation value of 1.668.

4.4.2 ZIMRA and service responsiveness

In terms of responsiveness to queries findings confirmed in Figure 4.4 and Table 4.7 that 32 of the respondents who disagreed together with 15% who strongly disagreed that ZIMRA respond to clients' needs in time with mean value of 3.18 and standard deviation of 1.497. Furthermore, cumulatively majority of the SMEs agreed that communication in terms of service responsiveness attributes towards tax compliance with 53% response rate. The results suggests that the service responsiveness as offered by ZIMRA has negatively impacting tax compliance.

4.5.1 ZIMRA social media pages & service responsiveness

Findings in Figure 4.4 revealed that 65% of the respondents who form the majority strongly agreed tax compliance is associated with responses of ZIMRA to cliental needs over internet webpages or Facebook platforms. The other 35% of the respondents disagreed that ZIMRA to cliental needs over internet webpages or Facebook platforms is attributing towards tax compliance. The results suggests that the tax compliance in Zimbabwe is not as a result of ZIMRA responding to cliental needs over internet webpages or Facebook platforms with mean value of 3.11 and standard deviation of 1.732 as shown in Table 4.7 above.

4.4.3 ZIMRA communication & Tax compliance knowledge and access to tax information

Results of the study in Figure 4.4 and table 7.4 confirmed that 90% of the respondents who form the majority agreed that ZIMRA communication via TV Stations, Newspapers attributes towards tax compliance. The results also shows that 10% strongly disagreed and it was noted that from the 10% who are in disagreement they do not buy newspapers and do not make use of ZTV as source of tax information. Overall the results imply that the tax knowledge is attributable from

communication offered through various social media and platforms such as TV, Newspapers and magazines with mean value of 3.6 and standard deviation value of 1.912.

Results of the study in Figure 4.4 also shows that 35% of the respondents who form the majority strongly disagreed that offering that access to tax bands and tax charge rates information is available via social media such as WhatsApp, linked, sms platforms. However, cumulatively 57% confirmed that if one open websites and Facebook accounts for ZIMRA they will get access of such information.

In order to ascertain the negativity or positivity of the impact of on a correlation analysis was done and results were presented as follows:

Table.7: Correlation analysis for communication and tax compliance

		Tax compliance	Communication
Pearson Correlation	Tax compliance	1.000	.991
	Communication	.991	1.000
Sig. (1-tailed)	Tax compliance	.	.000
	Communication	.000	.
N	Tax compliance	69	69
	Communication	69	69

The results of the study in Table 4.8 shows a positive, strong Pearson correlation coefficient value of 0.991 which is statistically significant ($p < 0.05$) between level of ZIMRA communication to clients and tax compliance. The results suggests that there is a strong positive relationship between communication and tax compliance. This implies that communication positively influence tax compliance. In addition, the person value as imply that 99.1% of tax compliance is attributed to communication of services under SMEs in Zimbabwe. However the results supports literature by Grill (2014) who posit that the communication of services or products have an influence on tax compliance.

4.5 Objective 3: Effects of corporate image on client tax compliance levels

The third objective sought to examine effects of corporate image on client tax compliance levels.

Data was collected and presented as follows:

Figure.5: Effects of corporate image on client tax compliance levels

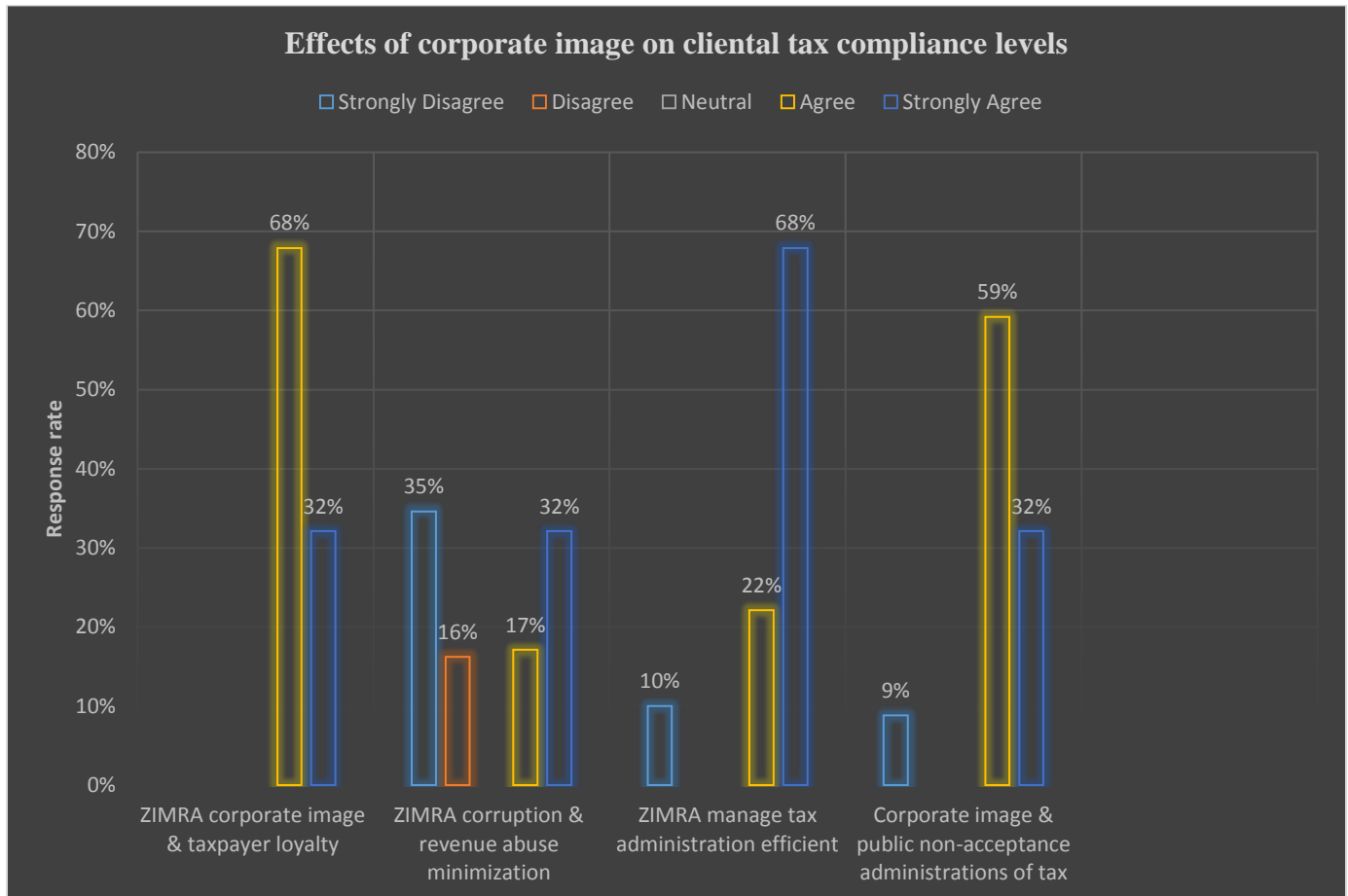


Table.8: Effects of corporate image on cliental tax compliance levels

	N	Minimum	Maximum	Mean	Std. Deviation
ZIMRA corporate image & taxpayer loyalty	240	4	5	4.32	.468
ZIMRA corruption & revenue abuse minimization	240	1	5	2.96	1.735
ZIMRA corporate image & compliance of taxpayers.	240	2	5	3.77	1.287
ZIMRA manage tax administration efficient	240	1	5	4.38	1.201
Corporate image & public non-acceptance administrations of tax	240	1	5	4.06	1.053
Valid N (listwise)	240				

4.5.1 ZIMRA corporate image & taxpayer loyalty

Findings in Figure 4.5 and Table 4.9 revealed that 68% of the respondents who form the majority agreed cliental tax compliance level is associated with high corporate images of ZIMRA services with mean value of 4.23 and standard deviation value of 0.468. The other 32% of the respondents strongly agreed that high corporate images attributes towards a cliental tax compliance level. The results suggests that all SMEs are aware that the image of the company plays a key role in improving tax compliance level.

4.5.2 ZIMRA corruption & revenue abuse minimization

Results of the study in Figure 4.5 and Table 4.9 shows that cumulatively 51% of the respondents who form the majority disagreed that level of corruption and abuse of revenues collected is attributing to tax non-compliance among SMEs in Zimbabwe with mean 2.96 and standard deviation value of 1.735.

Additionally, results also shows that 49% agreed that client tax compliance level is affected by the rumour of corruption within ZIMRA. Based on the interview results the tax consultant argued that:

“Various SMEs who import products and operate business with forex are no longer complying with ZIMRA due to some corporate governance issues which some clients are facing in the processing of acquiring necessary documentation”

Overall the results imply that the lower levels of tax compliance is attributable to corruption and rumour of abuse of collected revenues.

4.5.3 ZIMRA management of tax administration efficiency.

Results of the study in Figure 4.5 confirmed that 90% of the respondents who form the majority agreed that they are not complying with tax regulations because it is costly and timely inefficient at ZIMRA offices. One SME argued that there is cost of complying which resulted in majority of the fail to complying as shown in Table 4.8 with mean value of 4.38 and standard deviation 1.201.

In an interview with tax consultants she highlighted that:

“ZIMRA must make use of canons of simplicity and convenience to ensure that the collection process is convenient and very flexible to the tax bearer despite some complains that clients always pose that the administration takes long time to process the claims and issues. The clients are also facing great challenges in lodging tax returns as the system is always down”

However, overallly the results imply that SMEs and Tax consultants attribute low tax compliance to poor corporate image in terms of administration inefficiency.

4.5.4 Poor corporate image and public non-acceptance administrations of tax

Results of the study in Figure 4.5 and Table 4.9 confirmed with mean value of 4.06 and standard deviation 1.053 that majority of SMEs who form 59% agreed that poor corporate image together with public non-acceptance administration of tax from ZIMRA has affected cliental tax compliance level. Overallly the results imply that poor corporate image is influencing negatively tax compliance level.

In order to ascertain the negativity or positivity of the impact of on a correlation and regression analysis was done and results were presented as follows:

Table.9: Correlation and Regression analysis

		Cliental tax compliance level	Corporate image
Pearson Correlation	Cliental tax compliance level	1.000	.982
	Corporate image	.982	1.000
Sig. (1-tailed)	Cliental tax compliance level	.	.000
	Corporate image	.000	.
N	Cliental tax compliance level	69	69
	Corporate image	69	69

Model Summary

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate	Change Statistics				
						R Square Change	F Change	df1	df2	Sig. F Change
1	.982 ^a	.965	.964	.172	.965	1834.005	1	67	.000	

a. Predictors: (Constant), corporate image

The findings of the study in Table 4.10 shows a strong positive Pearson correlation coefficient value of 0.982 which is statistically significant ($p < 0.05$) between corporate image and cliental tax compliance level. This imply that there is a strong positive relationship between cliental tax compliance levels. In addition, corporate image has 98.2% impact over cliental tax compliance level.

The results in Table 4.10 also shows a coefficient of determination value of 0.965 which imply that 96.5% variation in cliental tax compliance level was explained by corporate image. In terms of adjusted R^2 value of 0.964 it imply that 96.4% variation in client tax compliance level was explained by corporate image of ZIMRA. F-statistic value of 1834.005 was large enough and statistically significant at $p < 0.05$ to show goodness of fit. Generally the results suggests that corporate image of ZIMRA positively influence cliental tax compliance level.

4.6 Objective 4: Relationship between increased media education and taxpayer knowledge

The fourth objective sought to examine relationship between increased media education and taxpayer knowledge. Data was collected and presented as follows:

Figure.6: Relationship between increased media education and taxpayer knowledge

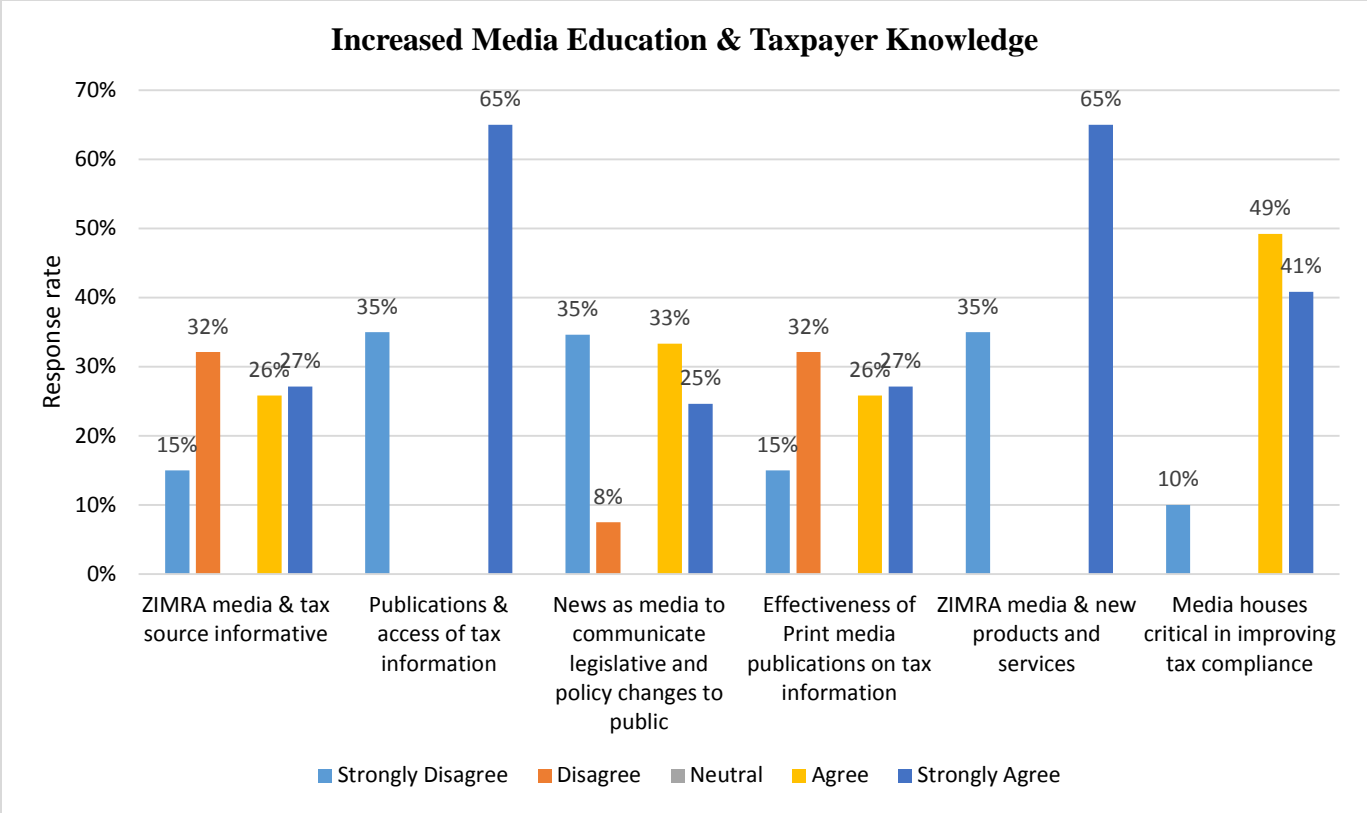


Table.10: Increased media education and taxpayer knowledge

	N	Minimum	Maximum	Mean	Std. Deviation
ZIMRA media & tax source informative	240	1	5	3.18	1.497
Publications & access of tax information	240	1	5	3.60	1.912
News as media to communicate legislative and policy changes to public	240	1	5	3.06	1.668
Effectiveness of Print media publications on tax information	240	1	5	3.18	1.497
ZIMRA media & new products and services	240	1	5	3.60	1.912
Media houses critical in improving tax compliance	240	1	5	4.11	1.141
Valid N (listwise)	240				

4.6.1 ZIMRA media, tax source informative and new products and services

Results of the study in Table 4.11 and Figure 4.6 confirmed that 53% of the respondents who form the majority agreed that ZIMRA media, tax source informative and new products and services have a positive effect on taxpayer knowledge with mean value of 3.18 and standard deviation 1.497 in Table 4.9. The results shows that 47% of the respondents disagreed that ZIMRA media, tax source informative and new products and services attributes towards a taxpayer knowledge. Interview with the tax consultant also confirmed:

“Webpages, social media and use of Revenue follow-up officers, are efficient ways which ZIMRA is making use of to improve taxpayer knowledge.”

However, statistically overall the results imply that ZIMRA media, social media pages and new products and services are attributing towards improved taxpayer knowledge.

4.6.2 Effectiveness of Print media & access of tax information

Results of the study in Figure 4.6 and Table 4.11 confirmed that 65% of the respondents who form the majority strongly agreed that increased media education in terms of print media of ZIMRA attributes towards a taxpayer knowledge with mean value of 3.60 and standard deviation of 1.912. Triangulating from tax consultant:

“Publications and annual reports are key in capacitating tax payers with information given that they take their time to read the literature”.

The results also shows that 35% strongly disagreed that increased media education of the company attributes towards a taxpayer knowledge. Overall the results imply that print media is effective in providing tax information and knowledge to SMEs in Zimbabwe.

4.6.3 News as media to communicate legislative and policy changes to public

Findings in Table 4.11 and Figure 4.6 revealed a mean value of 3.06 and standard deviation of 1.668 which imply that 35% of the respondents who form the majority strongly disagreed that news of as media to communicate legislative and policy changes to public to improve taxpayer knowledge. The results also shows that 8% disagreed that news of as media to communicate legislative and policy changes to public to improve taxpayer knowledge. Furthermore, 25% and 33% of the respondents agreed and strongly agreed respectively that news as media to

communicate legislative and policy changes to public to improve taxpayer knowledge. Overall the results imply that tax knowledge is attributable to news of as media to communicate legislative and policy changes to public to improve taxpayer knowledge cumulatively.

4.6.4 Media houses critical in improving tax compliance

Results of the study in Figure 4.6 confirmed that 90% of the respondents who form the majority cumulatively agreed that media houses critical in improving tax compliance which is key towards improving taxpayer knowledge. In order to ascertain the negativity or positivity of the effects of on a correlation and regression analysis was done and results were presented as follows:

Table.11: Regression analysis for increased media education and taxpayer knowledge

		Taxpayer knowledge	Increased media education
Pearson Correlation	Taxpayer knowledge	1.000	.978
	Increased media education	.978	1.000
Sig. (1-tailed)	Taxpayer knowledge	.	.000
	Increased media education	.000	.
N	Taxpayer knowledge	69	69
	Increased media education	69	69

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.978 ^a	.956	.956	.207	.956	1465.943	1	67	.000

a. Predictors: (Constant), increased media education

The findings of the study in Table 4.12 shows a positive, strong Pearson correlation coefficient value of 0.978 which is statistically significant ($p < 0.05$) between increased media education and taxpayer knowledge. The results suggests that there is a strong positive relationship between increased media education and taxpayer knowledge. This implies that positively increased media education influence taxpayer knowledge. In addition the person value as interpreted in the form of percentage imply that 97.8% of taxpayer knowledge is attributed to increased media education within the SMEs. Furthermore, the coefficient of determination value (R^2) of 0.956 imply that 95.6% variation in taxpayer knowledge was explained by increased media education within the SMEs. In terms of adjusted R^2 value of 0.956 it imply that 95.6% variation in taxpayer knowledge was explained by increased media education within the SMEs. F-statistic value of 1465.943 was large enough and statistically significant at $p < 0.05$ to show goodness of fit. Generally the results suggests that increased media education within SMEs influence 97.8% of the taxpayer knowledge.

4.7 Chapter Summary

The chapter presented the results of the study according to objectives. From the results it was noted that the modal group of SMEs owners are females who less than are 30 years of age. The results revealed that majority of SMEs owners are not registered with ZIMRA. In terms of effectiveness of client education on tax compliance it was noted that ZIMRA is not effectively educating majority of SMEs although they are making some efforts to introduce programs and make use of social media and publications for improving communication which is key towards improving tax compliance. Results have shown that due to corruption and abuse of collected revenues this has impacted on corporate image of the organization which in turns reduce the cliental tax compliance levels. A strong positive and significant relationship between increased

media education and taxpayer knowledge was noted and all the null hypothesis were rejected in the study. The results of the study confirmed also strong positive effects of communication on tax compliance. Furthermore results of the study revealed that corporate image has 98.6% on tax compliance. Lastly results of the study confirmed that 97.8% in the tax payer knowledge are contributed by increased media education.

CHAPTER 5

Conclusions and Recommendations

5.0 INTRODUCTION

The chapter looks at the overall summary of the previous chapters. It outlines an overview of the research findings and spells out possible recommendations for improving and enhancing the effectiveness of public relations efforts by ZIMRA.

5.1 SUMMARY

The research study sought to evaluate the effectiveness of public relations initiatives being undertaken by ZIMRA to improve taxpayer compliance levels through various PR activities they are doing. The researcher introduced the research study in chapter one by outlining the research

problem, research questions and research objectives. Chapter one also highlighted on the hypothesis, scope and research delimitation. In chapter two, literature relating to public relations as well as tax Research gaps were also unearthed. The research methodology was also looked at in chapter three. The chapter covered research method, research instruments together with their advantages and disadvantages. The reliability and validity of the instruments were also highlighted in the same chapter. The data gathered was presented, analyzed and interpreted in chapter four. Data presentation techniques such as charts and tables were used taking cognizance of their suitability and appropriateness to the study.

5.2 OVERVIEW OF MAJOR FINDINGS

According to the research findings it was noted that a larger group of the respondents that were SME's are not yet registered with ZIMRA as they cited challenges they faced in getting the requisite documents that are needed for one to be registered with ZIMRA.

The research findings also highlighted that most of the respondents were in agreement that a poor corporate image which was mostly due to poor corporate government issues and corrupt tendencies in the authority affected the authority negatively in their bid to improve tax payer compliance levels.

The study also indicated that most of the respondents agreed that the use of modern technologies and social media applications was good in educating and also providing information effectively to the modern day society. They also agreed that the media both print and electronic are very important in disseminating information to the public and also can be used as effective medias for educating the clients on taxation issues.

Most of the SME's highlighted that client education was mostly done when they visited client care offices while workshops also seemed to be popular ways of imparting knowledge to clients the SME's however highlighted that most of them never got the chance to attend these as they seemed to be organised for special groups of people.

The research also unearthed the not so good relationship between ZIMRA and its clients. The majority of the respondents cited very poor relationship between the two business partners. A considerable number of respondents think the relationship is very poor while an equal group looks at the relationship as good.

Most of the respondents also highlighted that effective communication was key in making them understand their tax obligations, they however viewed the communication by ZIMRA as being ineffective since it was mainly on web based technologies like the website and internet pages which were bit difficult for them to access. They also suggested that ZIMRA needed to provide open channels of communication that would enable them to communicate effectively with the tax administration whenever they needed to clarify things with them.

The tax consultants interviewed highlighted that one of the major challenges they faced in assisting their clients was the issue of inefficiency as the ZIMRA online platforms were always down thus affecting the level of compliance on their clients. They also highlighted poor attitudes as well as lack of knowledge amongst some of the Staff members as setbacks in their day to day dealings with the authority.

5.3 RECOMMENDATIONS

5.3.1. Increasing Tax awareness through improved Taxpayer education

The Zimbabwe Revenue Authority needs to improve the level and quality of their taxpayer education programs so as to improve the awareness of taxation issues amongst the citizenry. ZIMRA needs to partner with educational authorities like Ministry of Primary and Secondary Education and the Ministry of higher and Tertiary education so as to incorporate tax education in the curriculums that are taught in the schools and tertiary institutions. This will help create a highly conscious generation that appreciates the role of taxation in the development of the community which in turn might also improve the level of tax compliance amongst the citizenry.

It was also realized that most of the SME's are heavily reliant on tax consultants for the management of their tax affairs because they do not have a good appreciation of taxation and their obligations to the tax authorities. ZIMRA needs to increase their engagements with SME's through breakfast meetings, educational workshops, and consultative forums which provide the SME's with an opportunity to ask questions as well as raise queries in respect to taxation issues. This will in turn help the SME's to improve their level of appreciation of taxation and as such it might as well improve their level of compliance.

5.3.2 Increased Media presence

The media plays a very pivotal role in the dissemination of information to the public and as such it is a vital tool that can be used by ZIMRA when they want to communicate effectively and efficiently with their public. Legislative changes, new products and services on offer at the authority, as well as other compliance initiatives like tax amnesty should be effectively communicated to the public through mediums that are able to reach a wider audience. Communicating this important information through Newspapers, advertisements and Press conferences can actually assist in reaching out to a wider audience.

The media can also be a cost effective tool for tax payer education, where the authority can come up with interesting media pieces aimed at educating the public on various topics on taxation. While ZIMRA is currently running a did you Know article, it has not been a prominent feature in the press and it is usually tucked away on a small corner in the press and most of the people do not know about it. The public relations team then needs to advocate for more space in the media pages as well as increase the frequency with which they release these media releases so that they create a lot of awareness for the organization's activities.

The authority might also need to come up with live programming on both Radio and television where the tackle issues to do with taxation, they can as well incorporate phone call interactions with the public where experts can easily attend to client queries while there are on air, this actually makes it very easy for information to reach to the client and also providing an interactive platform that makes communication very effective.

5.3.3 Increased use of Social Media Platforms

Social media platforms like Twitter, Facebook and Linked In have become an instant hit with most corporates as they present a good opportunity for organizations to reach out to their publics more easily and cost effectively. ZIMRA has managed to create social media pages but the level of response to queries and issues raised on this platforms is low, the authority might then need to have tax experts who mane these social media pages at all times so as to improve the level of real time interactions with the public.

5.3.4. Corporate Image

A poor corporate image has been one of the major undoing for the authority in failing to get public acceptance, poor corporate governance issues like bribery and corrupt tendencies amongst the management and staff being at the center of the poor corporate image that has characterized the authority for a long time. ZIMRA needs to start showing the public that they are dealing decisively with social issues bedeviling the authority so as to restore confidence amongst the tax paying public. The authority can lay out all the measures they are undertaking in dealing with corruption, provide platforms that can be used by the public to report corruption cases as well as come up with media campaigns aimed at discouraging the public to partake in corrupt dealings.

5.4 SUGGESTIONS FOR FURTHER RESEARCH

The study mainly focused on how public relations as a tool could be used by tax administrations like the Zimbabwe Revenue Authority in improving taxpayer compliance amongst the tax paying public, and in this research main focus was on SME's. However there is need to explore how other tools like increased enforcement activities and restrictive legislation can also help in improve tax payer compliance. This will assist the authority to come up with an assortment of activities they can use in improving tax compliance in Zimbabwe.

5.5 CONCLUSION

The principal aim of this study was to assess the impact of public relations on taxpayer compliance levels, focusing on how the current public relations tools that have been used by ZIMRA have managed to help in improving tax compliance as well as looking at other PR tools the authority can also use in achieving tax compliance. This chapter looked at research summary, major findings, recommendations together with areas of further research.

References.

Achilov Nurbek (2016) **Advertising and public relations**, Journal of Mass Communication and Journalism.

Aksnes, F. (2014). **Tax Compliance, Enforcement and Taxpayer Education**. Paper

Bernays, E.L., (1961) **Crystallizing public opinion**. University of Oklahoma.

Broom, G.M. (1986). **Public relations role and systems theory: Functional and historicist causal modes**. International Communication Association, Chicago.

Broom, G.M. and Center, A.H (1983), **Evaluation Research; public relations quarterly**.

Chowdhury, M. S (2014). **Income Tax Compliance and Policy Issues in Developing and Emerging Economies: The Case of Bangladesh**

Cresswell J W (2008) **Research design, qualitative and quantitative and mixed methods approaches**, Sage Publishers, Singapore.

Cutlip, S., (1999), **Public relations History: From the seventh to twentieth century.**

Cutlip, S., Center, A. & Broom, G. (2009), **Effective public relations 6th Edition**, Prentice Hall

Gilaninia S, Teleghani M, Mohammadi M (2013) **The Role of Public Relations to organizational decision making**, Arabian Journal of Business.

Grunig J.E (1989), **Symmetrical presumptions as a framework for public relations theory.**

Grunig, J. E., and Hunt,T. (1984) **Managing public relations.** Fort Worth.

Guth, D.W. and Marsh, (2000), **Public relations a value driven approach**, 5th edition.

Iris Claus, Suido Araki (2015) **A comparative Analysis of Tax Administration in Asia and the Pacific**, Asia Development Bank.

Kothari G R & Gaurav G (2014) **Research Methodology**, Third Edition, New Age International Publishers.

Markus Mykkanen, Marita Vos (2015). **The contribution of public relations to organizational Decision making**, Public Relations Journal Volume 8.

Mkansi M (2012) **Electronic Journal of business research methods**, University of Pretoria.

Ndiragu Mercy Nyagakina (2016). **The effect of tax payer education on value added tax compliance by motor vehicle part dealers in Nairobi central business district**

Neema Varghesea*, Nik Adzrieman Abdul Rahman (2014) **The Practice and Effects of Corporate Media Relations in Chennai: Beyond just Denials and Evolving**, The International Conference on Communication and Media.

Nelson Maseko (2016) **Determinants of tax compliance by small and medium enterprises in Zimbabwe**, Journal of economics and International business research.

Nena Singh, Ram Pandey (2015) **Role of public relations in image management of an organization**, International journal of advanced research.

Nwosu M. Eze, Tondo E. Lorwuese & Wali B. Abba(2016), **The Challenges and Imperative of Tax System Reform in Nigeria**, International Journal of Economics and Finance; Vol. 8 SSRN Journal

Nyamwanza T (2012) **Tax Compliance**, Midlands State University

Olowookere, J. K., & Fasina, H. T. (2013). **Taxpayers' Education: A Key Strategy in Achieving Voluntary Compliance in Lagos State, Nigeria**. *European Journal of Business and Management*, 5 (10), 146-154.

Palaniapann H & Ramachandraiah A (2016) **Trainee Handbook on Public Relations**, Anna Institute of Management, Chennai.

Seitel, Fraser P (2000), **The practice of public relations** 8th edition. Prentice Hall, University of Stirling.

Sietel Fraser (2017) **Practice of Public Relations**, *International Journal of Public Relations*.

Sobiech Robert (2011) **Building Image of the civil service, Institute of Applied social sciences**, University of Warsaw.

Toshkov D (2016) **Research in Social Science, Interdisciplinary perspectives**, Prentice Hall.

Vosloo J.J (2014) **Research Design and methodology**, North West University.

Wirthlin Ashley (2011) **The Public Relations book, a guide to public relations best practices, social media and PR careers**, Business Training.

Wragg, D.W, (1993), **A step by step guide to cost effective public relations**.

Zivanai O (2015) **Tax compliance challenges in fulfilling tax obligations**, University of Zimbabwe.

APPENDIX 1

Questionnaire for SME's.

I am Takawira Chingozho a final year student at Midlands State University who is Studying towards a Master in Commerce Marketing Strategy. I am conducting a research on “**The impact of Public Relations strategies on taxpayer compliance levels in Tax Administrations**”. Your input, ideas and opinions are of great importance for this research study to be successful, and your input is going to be used only for academic purposes and privacy is strictly guaranteed. I kindly request for your participation in completing the questionnaire.

Instructions.

- *Do not write your name after completing the questionnaire.*
- *Show your opinion where applicable by ticking in the suitable box given below on the following statements using 5 point Likert scale, where:
1= strongly disagree 2=disagree 3 = Neutral 4 = Agree 5= strongly agree.*

Section A: Demographics and General Information.

1. Industry where your organization belongs to?

.....

2. Position in the Organization?

.....

3. Indicate your Gender.

Male Female

4. Indicate your Age.

20- 30 years 30- 40 years 40 years +

5. Is your organization registered as a taxpayer with ZIMRA?

Yes No

6. What’s your opinion on the following statements on the **role of image management in improving tax compliance**? Indicate using a scale of (1-5)

1= strongly disagree 2=disagree 3 = Neutral 4 = Agree 5= strongly agree.

IM/TC	Image Management and taxpayer compliance	1	2	3	4	5
IM/TC 1	ZIMRA has a good corporate image which encourages loyalty amongst the taxpayers.					
IM/TC 2	ZIMRA has done enough to deal with corruption and abuse of revenues collected from tax payers.					
IM/TC 3	ZIMRA is doing enough to ensure that it maintains a good corporate image that in turn encourages compliance by taxpayers.					
IM/TC 4	ZIMRA has managed to effectively and efficiently carry out its role as the tax administration in					

	Zimbabwe.					
IM/TC 5	A Poor corporate image is one of the key issues that is leading to non-acceptance of tax administrations by the publics.					

7. In your own opinion what are the issues that results in ZIMRA having a negative image in the public's eye?

.....

8. What's your opinion on the following statements on the **role of communication in improving tax compliance**? Indicate using a scale of (1-5)

1= strongly disagree 2=disagree 3 = Neutral 4 = Agree 5= strongly agree.

CM/TC	Communication Management and taxpayer compliance	1	2	3	4	5
CM/TC 1	ZIMRA's communication systems are efficient and encourage interaction with their clients.					
CM/TC 2	ZIMRA staff members are efficient in responding to questions and queries raised by their clients.					
CM/TC 3	Effective communication is vital for improving citizens' knowledge on taxation issues.					
CM/TC 4	The presence of ZIMRA on social media applications has improved the access of taxation information by the public.					
CM/TC 5	ZIMRA's social media pages are well managed and responses are quickly given when questions or queries are raised there.					

9. What are your suggestions to ZIMRA on how they can improve their communication systems for the benefit of taxpayers?

.....

10. Which other communication channels do you think ZIMRA can utilize if they are to improve their communication with taxpayers?

.....

11. What's your opinion on the following statements on the **role of taxpayer education in improving tax compliance**? Indicate using a scale of (1-5)

1= strongly disagree 2=disagree 3 = Neutral 4 = Agree 5= strongly agree.

TE/TC	Taxpayer Education and taxpayer compliance	1	2	3	4	5
TE/TC 1	The Zimbabwe Revenue Authority is doing enough to educate the public on the role they play in developing the nation.					
TE/TC 2	Taxpayer education is vital in making people understand why they need to be compliant taxpayers.					
TE/TC 3	Most of the Zimbabwean citizens appreciate and understand the role of taxation in their communities.					
TE/TC 4	The Zimbabwe Revenue Authority has managed to run effective educational programs for the SME's community in Zimbabwe.					
TE/TC 5	ZIMRA officials are knowledgeable and are able to tackle many of the issues presented to them during educational workshops and breakfast meetings.					
TE/TC 6	Lack of adequate knowledge on taxation issues is the greatest contributor to the high levels of noncompliance in the country.					

12. How many educational workshops organized by the Zimbabwe Revenue Authority have you attended in the past 3 years?

13. In your opinion what do you think needs to be done by ZIMRA to improve the citizens' knowledge on taxation issues?

14. What's your opinion on the following statements on the **role of media relations in improving tax compliance**? Indicate using a scale of (1-5)

1= strongly disagree 2=disagree 3 = Neutral 4 = Agree 5= strongly agree.

MR/TC	Media Relations and taxpayer compliance	1	2	3	4	5
MR/TC 1	ZIMRA constantly use the media both electronic and					

	print to provide informative pieces on taxation issues.					
MR/TC 2	Publications of media releases in both print and electronic media provides you the opportunity to access important information on taxation.					
MR/TC 3	News releases are the best method to communicate legislative and policy changes to the public					
MR/TC 4	Print media publications still enjoy very wide readership and can be exploited by ZIMRA to effectively communicate with the public.					
MR/TC 5	ZIMRA has managed to effectively use the media to provide information to the public on new products and services and policy changes.					
MR/TC 6	Media houses are critical and important player in improving the level of tax compliance in the country					

15. How often do you see media releases by the Zimbabwe Revenue Authority in the media?

.....

APPENDIX 2

INTERVIEW QUESTIONS FOR TAX CONSULTANTS

1. General information

- a. How long have you been in the accounting business?
- b. What types of services do you offer to SME's?
- b. What do you think are some of the reasons why SMEs solicit your services?
- c. What do you think is your role in the tax compliance equation/process?

2. Tax compliance factors.

- a. What do you think are the benefits of being tax compliant to an SME operator?

- b. From your experience, are there any tax compliance issue(s) that is/are unique to SMEs taxpayers?
- c. What do you think are some of the reasons why most SME's are not compliant in respect to their taxation issues?

3. Tax knowledge in SMEs

- a. In your own opinion what do you think is the level of tax knowledge amongst the taxpayers?
- b. What are the major challenges faced by your clients in understanding taxation issues?
- c. Do you think ZIMRA is doing enough to educate the publics on taxation issues?

4. ZIMRA communication systems

- a. Do you think ZIMRA communication systems are efficient? Why do u say so?
- b. How long does it take for the tax administrator to respond to queries raised by your clients?
- c. Do you think ZIMRA is adequately utilizing social media application when communicating to their publics?
- d. Is ZIMRA open to suggestions by the public and does it provide the communication channels to enable communication?

5. ZIMRA's corporate image

- a. Do you think ZIMRA's corporate image promotes tax compliance amongst the citizens? If your answer is no, what do you think contributes to the negative image?
- b. Do you think the corporate image of the tax administrator affects the level of tax compliance?

6. Suggestions for improvement to tax services and education

- a. Can you offer some recommendations that would improve tax knowledge and promote a more cooperative relationship between SMEs and ZIMRA?

b. We have covered a lot of interesting issues. Is there anything you feel we have left out or is there anything else you would like to add