

Business Continuity Plans and Operational Efficiency of Tax Offices in Rivers State

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ABSTRACT

This study focused on business continuity plans and operational efficiency of Tax Offices in Rivers State. The aim was to investigate the relationship between dimensions of business continuity plans and measures of operational efficiency. Four research questions and four hypotheses guided the study. The targeted population was 9 selected tax offices. The study adopted census techniques in taken 44 respondents with SPSS tool for the analysis. The finding revealed that dimensions of business continuity plans correlate with measures of operational efficiency. Therefore, the conclusion regarding business continuity plans and operational efficiency in tax offices organizations is that implementing strong business continuity plans can significantly enhance operational efficiency. However, the study recommended that Tax offices should develop and maintain a detailed business continuity plans that identifies potential risks and threats to tax office operations, such as natural disasters, cyber security breaches, or staffing shortages.

Keyword: Business Continuity Plans, Resource Allocation, Coordinator, Operational Efficiency, Customer Satisfaction, Quality of Service

INTRODUCTION

Tax offices in Rivers State recognize the importance of operational efficiency in revenue generation. Operational efficiency of tax offices in Rivers State is crucial for delivering essential services to taxpayers and generating revenue for the government. Operational efficiency in tax offices within Rivers State refers to the strategic management and optimization of processes, resources, and technology to maximize the productivity and effectiveness of tax collection and administration. Olaoye, and Ekundayo (2018) have stressed, optimizing operational efficiency ensures that tax authorities can maximize revenue collection while minimizing operational costs. It involves streamlining workflows, improving taxpayer services, and enhancing the overall performance of these offices to ensure that tax revenue is collected in a timely and cost-effective manner. Ogburu and Ekeocha (2019) have inquired into the importance of streamlining tax office operations to enhance the state's revenue generation capacity. By optimizing processes, improving staff performance, and leveraging technology, tax authorities in Rivers State can better serve their taxpayers while bolstering the state's fiscal sustainability. Efficient operations

within tax offices in Rivers State are vital for the state's fiscal health and sustainable revenue generation. Operational efficiency encompasses the use of best practices, innovative technologies, and skilled personnel to achieve the highest level of productivity while minimizing costs. This efficiency ensures that taxpayers' needs are met efficiently, compliance is enhanced, and tax revenue is collected and allocated to support essential public services and infrastructure development. Indeed it dependent on business continuity plans.

Business continuity plans serves as a strategic tool to safeguard the continuity of operations during unforeseen measures. By having a robust business continuity plan in place, tax authorities can minimize disruptions, protect data, and maintain service levels, contributing to the effective management of tax resources and revenue streams. A well-implemented business continuity plans plays a vital role in achieving this efficiency by providing a roadmap for responding to various crises and difficulties, ensuring that tax collection and processing continue seamlessly. This business continuity plan devices the strategies and etiquettes employed by tax offices in Rivers State to ensure the continued operation of revenue collection and taxpayer services during disruptive events such as natural disasters, pandemics, or other emergencies (John, 2018).

In holistic view, Business continuity plans are crucial strategies that organizations, including tax offices, employ to ensure their uninterrupted operation in the face of various disruptions or crises. In the context of Tax offices in Rivers State, operational efficiency is paramount for revenue collection and fiscal management.

Statement of Problem

Tax offices in Rivers State are disposed to various commotions such lack of resources for both financial and human for the development and maintenance of robust business continuity plans, also lack comprehensive plans for responding to specific proceedings, leading to confusion and delays during an actual crisis. Furthermore, political instability - Changes in tax laws, government policies, or regulations affect the effectiveness of existing business continuity plans. Including, outdated administrative processes and economic challenges. These challenges hinder the smooth operation of tax collection, customer satisfaction and service delivery, potentially leading to revenue shortfalls and hindering economic development.

Additionally, Tax offices in Rivers State face an assortment of operational challenges, ranging from staff shortages to outdated technology and inefficient practices. That has made business environment become increasingly complex and posing significant challenges to tax collection. Despite the apparent standing of business continuity plans in maintaining seamless operations, there is a research hole concerning the specific desires and plans required for tax offices in Rivers State. To bridge this gap, this study aims to investigate the relationship between business continuity plans and operational efficiency in tax offices in Rivers State.

Conceptual Framework

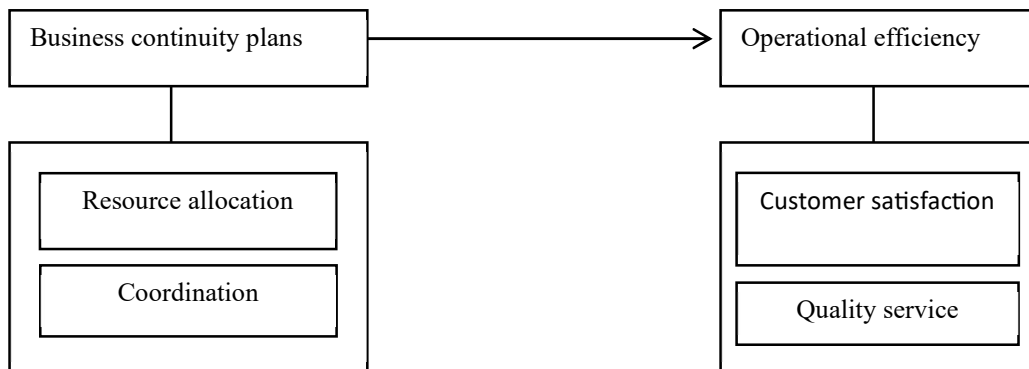


Figure 1.1: Conceptual Framework on the Relationship between business continuity plans and operational efficiency.

Source: Researcher's Conceptualization from Review of Related Literature (2023).

Aim and Objectives of the Study

The main aim of this study was to examine the relationship between business continuity plans and operational efficiency. But the following are the specific objectives:

- i. To determine the relationship between resource allocation and customer satisfaction of Tax offices in Rivers State.
- ii. To examine the relationship between resource allocation and quality services of Tax offices in Rivers State.
- iii. To determine the relationship between coordination and customer satisfaction of Tax offices in Rivers State.
- iv. To examine the relationship between coordination and quality services of Tax offices in Rivers State.

Research Questions

The following research question was raised to guide the study.

- i. What is the relationship between resource allocation and customer satisfaction of Tax offices in Rivers State?
- ii. What is the relationship between resource allocation and quality services of Tax offices in Rivers State?
- iii. What is the relationship between coordination and customer satisfaction of Tax offices in Rivers State?
- iv. What is the relationship between coordination and quality services of Tax offices in Rivers State?

Research Hypotheses

Based on the objectives and research questions the following null hypotheses were raised:

H₀₁: There is no significant relationship between resource allocation and customer satisfaction of Tax offices in Rivers State.

H₀₂: There is no significant relationship between resource allocation and quality services of Tax offices in Rivers State.

H₀₃: There is no significant relationship between coordination and customer satisfaction of Tax offices in Rivers State.

H₀₄: There is no significant relationship between coordination and quality services of Tax offices in Rivers State.

LITERATURE REVIEW

Business Continuity Plans

Business continuity plans refers to a continuous and never-ending state of business. The focus is on the resilience of people, real estate, processes, platforms and suppliers as well as the availability and integrity of information. Interruption refers to an interruption that has a progressive dimension and therefore at the enterprise level but that does not contain operational anomalies managed by standard operating procedures (Peter, 2018). Robert (2001), business continuity plans involve "the development of strategies, plans, and actions which provide protection or alternative means of operation for those activities or business processes which, if they were to be disrupted, might bring damage or loss to the organization.

Richard, Timothy, George, and Gerry (2005), business continuity plans are processes that identifies potential threats to an organization and the influences to business operations that those threats, if realized, might root, and which provides a framework for building organizational resilience with the capability of an effective response that safeguards the interests of its key stakeholders, reputation, brand, and value-creating activities.

John, Christos, Raffaella and Nicholas (2005), business continuity plans are the process of increasing and maintaining an organization's response to potential troubles, catastrophes, or calamities to ensure the continuation of serious business operations. Robbins (2006), business continuity plans are a universal management processes that identifies potential impacts that threaten an organization and provides a framework for building resilience and the capability for an effective response that safeguards the interests of its key stakeholders, reputation, brand, and value-creating activities.

Dimensions of Business Continuity Plans

Resource Allocation

Resource allocation is the strategic deployment of resources, including financial, human, and physical assets, to exploit efficiency, effectiveness, and competitiveness within an organization (Richard & Eriksen, 2003). Resource allocation is the study of how limited resources are distributed among competing uses to satisfy the unlimited wants and needs of society (Paul & William, 2001). Resource allocation refers to the process by which an entity allocates its resources to various activities, projects, or branches based on their relative importance and potential for achieving organizational goals (Lawrence & George, 2003). Resource allocation is the decision-making process that involves assigning resources, such as time, money, and personnel, to diverse tasks or projects in a manner that aligns with an organization's strategic objectives and priorities (Michael et al., 2008).

Coordination

According to Smith and Johnson (2005), coordination as the art of balancing competing interests and priorities to create a comprehensible and unified method to problem-solving and decision-making within an organization. Smith (2000), coordination is the act of integrating dissimilar rudiments or functions within an organization to ensure they work together efficiently and effectively. Taylor and Brown (2003) define coordination as the management of interdependencies among various parts or individuals in a system to achieve desired outcomes. Jones (2001) opined that coordination involves the synchronization of tasks, resources, and information to facilitate the smooth operation of a project or a team.

Operational Efficiency

Daryl and Stuart (2003), opines that operational efficiency is the degree to which an organization can diminish input requirements while maximizing output, or produce a given output with minimum inputs. Camp (2006) defines operational efficiency as "the ability to deliver products and services to customers at competitive prices with minimal waste while providing value to the customer. James, Ashford, Borden, Gentner, Hartke, and Porter (2007), Operational efficiency is the proportion of the definite output to the standard output that could have been produced under ideal conditions. David, De Giovanni, and Micelli (2017), define operational efficiency as the talent of employee to provide goods and services to customers with slight waste and extreme utilization of resources.

Measures of Operational Efficiency

Customer Satisfaction

Customer satisfaction is the extent to which a product or service meets or exceeds customer expectations (Philip, 2000). Customer satisfaction is a measure of how well a company's products or services meet or exceed customer expectations, leading to positive customer experiences (Parasuraman, Zeithaml, & Berry, 2000). Customer satisfaction refers to the degree to which customers perceive that their wants and needs have been fulfilled as a result of their interactions with a company (Claes, 2000). Customer satisfaction is the result of a cognitive and emotional evaluation of a customer's overall experience with a product or service, influenced by their expectations and perceived performance (Michael, Mittal, Rosenbaum, & Sharma. 2000). Customer satisfaction is a subjective assessment made by the customer based on their experiences and perceptions of the value received from a company's offerings (Giese & Cote, 2000).

Quality Service

According to Christopher (2001) opines that quality service involves delivering products or services punctually and efficiently. Quality service involves creating an emotional connection with customers, proving sympathy, and understanding their feelings and needs. Bitner and Zeithaml (2003) opine that quality service as Customers' sensitivities of how well a service meets or exceeds their prospects. Bitner, Booms, and Tetreault (2000) opine that quality service contains the talent of competence providers to meet customer needs, communicate effectively, and uphold a positive and satisfying customer-provider relationship. Given a fact that tax offices put measures on continuous improvement and customer centricity, aiming to create long-term relations with customers based on trust, satisfaction, and fidelity.

Resource Allocation and Operational Efficiency

Resource allocation is acute for achieving high levels of operational performance. When resources such as labor, capital, and materials are allocated optimally it helps reduce resource wastage, ensuring that resources are used meritoriously and competently; Effective allocation enhance quality control measures, leading to fewer defects and rework, which can improve overall operational efficiency; Properly allocated resources enable a tax office to respond promptly to changing customer burdens, helping to maintain customer satisfaction and fidelity (Richard *et al.*, 2005).

Coordination and Operational Efficiency

Christopher and David (2001) highlight the importance of aligning various functions and departments to achieve organizational goals and enhance performance. Coordination mechanisms such as performance measurement systems and incentive structures are explored as means to improve operational efficiency. Lee (2000) accentuates that coordination devices and information sharing among capacity sequence friends are decisive for improving operational efficiency and achieving better performance outcomes in a business context.

METHODOLOGY

This study used cross sectional research survey design with the population of 44 respondents drawn from 9 selected tax offices (Federal -5 and State - 4). The study employed census technique in taking 44 as the study sample size. Structured questionnaire was used for data collection after thorough validity and it reliability value considered. Data was analyzed through SPSS with 5 Likert scaling from strongly agree to strong disagree.

Results

Table 1: Descriptive on the respondent from each Tax offices

Particulars	Tax Offices	
	State	Federal
Tax offices	4	5
Directors	3	-
HODs	11	6 each Branch
Total	14	30
Grand total	44	

Above table shown that total number of tax offices are 9, directors from state tax offices are 3, none from federal, head of department is 11 from state tax offices, federal is 6. However targeted respondents from state tax offices are 14. While federal are 30. Amount to 44 respondents which was used for the data analysis.

Table 2: Distribution of Questionnaire

Questionnaire Administered	44
Properly completed and returned of questionnaire	44
Percentage of returned	100%

Source: Field Desk

The table 2 above shown the total number of questionnaire administered and it happens that the total number administered was small based on the number of directors and departments involves. Hence the acceptance of the 44 copies of questionnaire administered.

Below also is the test of the hypotheses stated above with a given summary of Spearman Rank Order Correlation Coefficient Statistical tool used.

Table 3: Test of relationship between resource allocation and measures of operational efficiency

		Resource allocation	Customer satisfaction	Quality service
Resource allocation	Correlation Coefficient	1.000	.662**	.633*
	Sig. (2-tailed)	.	.000	.000
	N	44	44	44
Customer satisfaction	Correlation Coefficient	.662**	1.000	.684**
	Sig. (2-tailed)	.000	.	.000
	N	44	44	44
Quality service	Correlation Coefficient	.633*	.684**	1.000
	Sig. (2-tailed)	.000	.000	.
	N	44	44	44
Spearman's rho	Sig. (2-tailed)	.000	.000	.000
	N	44	44	44

** . Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS output version 21.

The above table 3 of Spearman rank order correlation coefficient shows the relationship between resource allocation and measures of organizational effectiveness (customer satisfaction and quality service). Results shown that very strong positive correlation value between resource allocation and customer satisfaction ($\rho=.662^{**}$, $n=44$, $p < 0.01$), and also strong positive correlation value reported between resource allocation and quality service ($\rho=.633^{*}$, $n=44$, $p < 0.01$). Result from this analysis shown that resource allocation has greater influences on both customer satisfaction and quality service of the tax offices. The strength of the relationship and direction of the effect between the variables indicates that adequate allocation of resource leads to satisfaction of customer to compliance and staff to offer quality services to their clients in turns would increase revenue for the State. Based on this result, all null hypotheses are rejected.

Table 4: Test of relationship between coordination and measures of operational efficiency

		Coordinator	Customer satisfaction	Quality service	
Spearman's rho	Coordinator	Correlation Coefficient	1.000	.608**	.614*
		Sig. (2-tailed)	.	.000	.000
		N	44	44	44
	Customer satisfaction	Correlation Coefficient	.608**	1.000	.652**
		Sig. (2-tailed)	.000	.	.000
		N	44	44	44
	Quality service	Correlation Coefficient	.614*	.652**	1.000
		Sig. (2-tailed)	.000	.000	.
		N	44	44	44

** . Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS output version 21.

The above table 4 of Spearman rank order correlation coefficient shows the relationship between coordination and measures of operational efficiency (customer satisfaction and quality services). Results shown that there is strong positive correlation value between coordination and customer satisfaction ($\rho = .614^{**}$, $n = 44$, $p < 0.01$), and very strong positive correlation value reported between coordination and quality services ($\rho = .652^{**}$, $n = 44$, $p < 0.01$). Result from this analysis shown that coordination has greater influences on both customer satisfaction and quality services of the tax offices. The strength of the relationship and direction of the effect between the variables indicates that proper coordination leads quality services and customer satisfaction of the tax offices. With adequate coordination reflect on quality services and attracts clients. Based on this result, all null hypotheses are rejected.

DISCUSSION OF FINDINGS

The result of hypotheses 1 and 2 show that resource allocation has a strong significance relationship with customer satisfaction and quality services. Proper allocation of resources ensures that the right number of resources to be allocated to the right tasks and developments. Resource allocation can influence an organization's ability to innovate. Organizations that can allocate their limited resources judiciously are better positioned to maintain operational efficiency despite resource constraints. This agreed with the findings of Barney and Clark (2007).

Finally, the result of hypotheses 3 and 4 show that coordinator has a strong significance relationship with customer satisfaction and quality services. Coordinators act as intermediaries between different departments or teams, ensuring that information is communicated effectively to customers. Coordinators are involved in managing the processes that is related to service delivery. When service failures occur, coordinators are instrumental in service recovery efforts. This agreed with the findings of McColl-Kennedy and Sparks (2003).

CONCLUSION AND RECOMMENDATIONS

The conclusion regarding business continuity plans and operational efficiency in tax offices organizations is that implementing strong business continuity plans can significantly enhance operational efficiency. By having comprehensive strategies in place to mitigate disruptions and ensure the continuity of essential tax services, tax offices can minimize downtime, maintain service quality, and safeguard critical data. This does not only helps meeting regulatory taxpayer expectation, but also ensures that tax authorities can efficiently collect revenue and provide vital services even in challenging circumstances.

The following recommendations were:

- i. Tax offices should develop and maintain a detailed business continuity plans that identifies potential risks and threats to tax office operations, such as natural disasters, cyber security breaches, or staffing shortages.
- ii. Tax offices should Foster a culture of preparedness and ensure that all staff members are familiar with the business continuity plans and their roles in its execution.

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