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Addis Ababa University  
College of Law and Governance Studies  
Center of Federalism and Governance Studies

Assessing Local Good Governance in the Ethiopian Federal System:  
The Case of Addis Ketema Sub-City Small Taxpayers Branch Office,  
Addis Ababa

By: Berhane Gerezgiher Kidanemariam

Advisor: Regassa Bayissa (Ph.D.)

A Thesis Submitted to Addis Ababa University, Center of Federalism and  
Governance,  
in Partial Fulfillment of the Requirements for the Award for the Degree Master of  
Arts in Federalism and Governance.

June 2024

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## APPROVAL

This is to certify that the thesis prepared by Berhane Gerezgiher entitled “**Assessing Local Good Governance in the Ethiopian Federal System: The Case of Addis Ketema Sub-City Small Taxpayers Branch Office, Addis Ababa**” and submitted in partial fulfillment of the requirements for the Award for the Degree Master of Arts in Federalism and Governance fulfills the regulation of the university and meet the accepted standards with respect to originality and quality.

Approved by Examiners

_____	_____	_____
Advisor	Signature	Date
_____	_____	_____
Internal Examiner	Signature	Date
_____	_____	_____
External Examiner	Signature	Date

## **DECLARATION**

I, the undersigned, hereby declare that the thesis entitled “**Assessing Local Good Governance in the Ethiopian Federal System: The Case of Addis Ketema Sub-City Small Taxpayers Branch Office, Addis Ababa**” is my original work and has not been submitted for the award of any degree or diploma before in another university and all sources of materials used for the thesis have been duly acknowledged.

**Declared by:**

Name: **Berhane Gerezgiher**

Signature \_\_\_\_\_

Date \_\_\_\_\_

**Confirmed by: Dr. Regassa Bayissa (Advisor)**

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**Date:** \_\_\_\_\_

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## ACRONYMS

AKSCSTBO	Addis Ketema Sub city Small Taxpayers Branch Office
Art.	Article
DFID	Department for International Development
ECA	Economic Commission for Africa
FDRE	Federal Democratic Republic of Ethiopia
IMF	International Monetary Fund
OECD:	Organization of Economic and Cultural Development
PDRE	Peoples Democratic Republic of Ethiopia
UNDP	United Nations Development Programs
UNESCAP	United Nation Economic and Social Capital for Asia and Pacific
UN-HABITAT	United Nations Settlements Programme

## **ABSTRACT**

*The main aim of this study is to assess local good governance in Addis Ketema Sub-City particularly in the Sub city's Small Taxpayers Office. The study has attempted to evaluate the prevalence of local good governance and to identify the major challenges in Addis Ketema Sub-City Small Taxpayers Branch Office, and whether the federal system has helped the practice of good governance in the study area was also explored. The study has used survey method and the total of 330 samples from both category 'A' and category 'B' taxpayers were assessed. Stratified proportional sampling method was employed to determine the taxpayer's sample. Interviews were conducted for 10 employees of the office. Mixed research approach with a descriptive design was used in this research. Data was collected from both primary and secondary sources. Questionnaire and interviews were the main sources of the primary data. To analyze the quantitative data collected the SPSS software version 26 was utilized. The simple statistical methods including frequency percentages and means, were also employed. While the content analysis approach was employed to narrate the qualitative data. Generally, despite the claims of the organization, based on the five principles of good governance, good governance has not been effectively executed in Addis Ketema Sub city Small Taxpayers Branch Office. The findings of the study revealed that the level of transparency is not satisfactory in the organization, there is poor accountability, the level of customer's participation in the office is not enough, responsive service delivery is not ensured, and customer's interest is not fulfilled by the process of service delivery in the office. Frequent interruption of the internet system, employee's different way of understanding and interpreting tax rules, the taxpayers' low level of knowledge and understanding on the tax rules and proclamations were among the main challenges of good governance in the organization. Recommendations to enhance good governance and to tackle the challenges in the organization were stated in the study.*

*Keywords: Good Governance, local good governance, principles of good governance, taxpayers, decentralization, challenges of good governance*

# CHAPTER ONE

## Introduction

### 1.1. Background of the study

The idea of good governance arose in the last quarter of the 20<sup>th</sup> century, at least with the meaning that currently in use. In 1989, the World Bank stated that the main obstacle to African growth, concentrating on Sub-Saharan Africa, was the lack of good governance. (Gisselquist, 2012) International and multilateral organizations and agencies began concentrating on governance-related concerns after that point. The concept of good governance has acquired a substantial momentum in the 1990s, primarily because of the acknowledgement of foreign aid agencies that its absence is a major barrier to the economic growth of developing countries—an objective they have consistently upheld (Gisselquist, 2012). Experts and organizations have described good governance from a variety of perspectives.

The UNDP defines good governance as having capable, adaptable, transparent, and inclusive government structures. Each country, whether developed or developing, must always strive for more effective governance. (Gisselquist, 2012). Good governance, in its literal sense, refers to either adequate or non-bad government, or to high levels of goodness in governing practices. Thus, it is proposed that the features of good governance include decreased corruption, increased accountability, sufficient decentralization, efficient management of public resources, the introduction of appropriate laws and equal rights, reorganizing the public sector, and so forth. (Grindle 2004)

Nowadays, local governance has emerged as a crucial component of governance and development. There is mounting proof of the efficacy of dynamic local experimentation in planning, providing services, financing, multisector collaboration, and involvement (UNDP, 2005). “Decentralization processes as one feature of federalism can have an impact on local governance—for instance, if service provision is an expectation of local governments that were previously delivered by national institutions” (UNDP. et al, 2007:3). The features of federalism as a political system can strengthen good governance.

One of the main benefits of federalism is that it permits local action on issues of specific relevance and national action on issues of broader national significance. Federalism enables people to establish distinctive policies while uniting with other states as a single entity. (A. Epelle. et al, 2014) Federalism is well known and has emerged as a key component of improving good governance in nations with diverse populations including language, tradition, religion, and other categories.

According to FDRE Ombudsman, the good governance in Ethiopia had major problems. Specially, during the tyrannical monarchy and dictatorship governments good governance was significantly affected. Since the transitional administration was established following the overthrow of the PDRE government, Ethiopia has seen significant political, economic, and social changes (Misgana, 2013).

The FDRE constitution (1995), creates a federal democratic system. “State governments shall be established at state and other administrative levels that they find necessary and adequate power shall be granted to the lowest units of government to enable the people to participate directly in the administration of such units” (FDRE constitution, 1995: Art. 50(4)). Therefore, the FDRE constitution has given states and local governments a high degree of autonomy and the ability to make their own decisions. This will enhance effective service delivery and good governance. Unfortunately, Ethiopia has not produced enough empirical evidence to support this broad and crucial statement on a global scale. “The Ibrahim Index of overall governance ranks Ethiopia 31 out of 54 countries in Africa.” (USAID, 2017:1) This reveals the status of good governance in Ethiopia is below the African average.

Therefore, this study has assessed the extent of good governance prevalence in local administration by taking the case of Addis Ketema Sub city’s revenue sector. This study also explored whether the existing decentralized federal system has helped the practice of good governance at the lower administrative order. The main challenges in the application of good governance in the AKSCSTBO was investigated and relevant solutions for promoting good governance was suggested.

The evaluation was conducted by utilizing five attributes of good governance, which consists of transparency, responsiveness, accountability, effectiveness and efficiency, and public participation. Those elements are principles that have widely accepted and practiced by majority

of international organizations including the UNDP, OECD, UNESCAP etc. and they are also principles highly related with problems and complaints raised by the customers in AKSCSTBO.

The study was carried out in AKSCSTBO. It was intentionally selected by the researcher. Because of the office's convenience to the researcher due to its closeness. The presence of abundant number of customers in the office makes it possible for the researcher to collect a sufficient number of responses from a diverse range of backgrounds in an appropriate setting in order to study the link across service users and good governance.

## **1.2. Problem statement**

A growing amount of people think that bad governance is one of the primary causes of all evil in our communities. In contrast to earlier times, people nowadays have become less tolerant, more judgmental of others, and more demanding when their expectations are not fulfilled (UNESCAP, 2009).

Like many other African nations, Ethiopia has encountered several obstacles in the course of democratization and the establishment of good governance (ECA, 2005). After a long history of centralized government in Ethiopia power had been decentralized to local level in two phases. "Ensuring democracy, good governance, timely responses to community needs and interests in the delivery of basic services, and enabling residents to participate in local affairs are among the major goals of the decentralization process" (Tariku, 20220:84).

The actual implementation of good governance is still being closely examined, despite the efforts of the federal and the city governments, and the backing of the global community. Generally, in Ethiopia, in the study area in particular, still there are significant challenges with regard to good governance. There is public discontent and outrage in the AKSCSTBO due to less competent service delivery. Public complaints about administrative accountability and transparency, authorities' and personnel' lack of responsiveness, inadequate service delivery, and information unavailability were frequently observed by the researcher as he has been close to the office for more than a decade because of the researcher's work and residence has been within the sub city. This gave the researcher the chance to visit the office multiple times. So, these complaints raised by the customer leads the researcher to take the initiative this issue of lacking good governance in the study area have to be investigated.

Some researchers attempted to study regarding good governance. For example, thesis by Hamid (2020) entitled “Assessment of Local Good Governance in Wolkite Town Administration in Gurage Zone” done with the aim to assess local good governance in Wolkite Town Administration. The researcher employed mixed approaches. The researcher findings showed that “the main obstacles to implementing good governance was the absence of communication and collaboration between various administration institutions and the community”.

Another researcher Mulugeta (2019) studied “an assessment of the prevalence of good governance of Revenue Sector: The Case of Gullele Sub city of Addis Ababa City Administration” The research was conducted by using three principles of good governance “to assess to what extent good governance is prevalent in the organizations”. The study employed qualitative research methodology. The researcher findings showed that “institutions are striving to achieve good governance practically in their institutions”.

Nanu Dame (2020) authored a thesis that was named “assess the practice and challenges of good governance in local government in Gasera woreda, Bale Zone, Oromia”. The research findings indicated “weak implementation of accountability, transparency, and effective and efficient good governance in the land management and municipal government”.

The result of these studies shows the status and challenges of good governance are different from institution to institution. So, studies should be conducted to assess the status of implementation and to specify the challenges of good governance within the institution. The researcher could not access research conducted with the same or related topic in the study area. This was one of the reasons to conduct the research in this institution. Therefore, the study evaluates the current status of good governance in AKSCSTBO, fills in any gaps that exist and weren't covered in earlier research, and adds to the body of information already in existence.

Majority of the research on good governance were made by scholars from Department of Public Administration. This topic is less studied from the perspective of other fields including federalism and governance. The positive features of federalism's political system can help to improve good governance (A. Epelle. et al, 2014). “Effective decentralization (as one feature of federalism) brings decision-making closer to citizens and can yield programmes and services that better address local needs and demands” (UNDP. et al, 2007: i). So, the researcher believed the federalism’s role in ensuring good governance should be explored. This was less studied issue,

and it gives the researcher another reason to take the initiative to assess local good governance in the Ethiopian federal system of by taking the case of AKSCSTBO.

Therefore, the study has assessed local good governance in AKSCSTBO. This study has used 330 questionnaire respondents and 10 interviewee participants to conduct the study. The prevalence of good governance was assessed by using five major principles of good governance.

### **1.3. Objectives of the study**

The research was carried out with the goal of achieving the following objectives.

#### **1.3.1. General Objective**

The major objective of the research is to assess local good governance in AKSCSTBO.

#### **1.3.2. Specific Objectives**

The specific objectives of this research are;

- To evaluate to what extent good governance is prevalent in AKSCSTBO both in principle and on the ground.
- To explore whether the existing federal system in the country has helped the practice of good governance in AKSCSTBO.
- To identify the major challenges of exercising good governance in in AKSCSTBO.
- Finally, to recommend relevant solutions for promoting good governance in AKSCSTBO.

### **1.4. Research Questions**

The study attempts to answer the following basic questions.

1. To what extent is good governance prevalent in AKSCSTBO?
2. Does the existing federal system has helped the practice of good governance in AKSCSTBO?
3. What are the major challenges during good governance implementation in AKSCSTBO?
4. What possible measures should be taken for promoting good governance in AKSCSTBO?

### **1.5. Significance of the Study**

This study essentially presents how much does good governance prevalent in AKSCSTBO. Hence, AKSCSTBO officials will be conscious enough about the degree of prevalence of good governance in their office and can introduce better strategies and methods to improve good governance practice and to diminish the challenges by applying pertinent action.

This study provides information on how the existing federal system in the country has influenced the practice of good governance. The results of the research could be used by policymakers

for the development, application, and assessment of strategies and policies in the sector. The findings of this research may be able to support the relevant organizations in developing suitable intervention strategies and programs that may lessen the difficulties associated with revenue administration's good governance.

Additionally, this investigation will provide insight into good governance to anyone who are interested in the field and can act as a foundation and reference for additional and related research projects.

The study's findings will offer important information on the difficulties and practices of local good governance in the revenue sector to researchers, legislators, tax administrators, and other decision-makers.

## **1.6. Delimitation of the study**

The major aim of the research is to evaluate the prevalence of good governance principles and exploring the difficulties hindering their implementation.

The study assessed the prevalence of good governance by considering the main principles of good governance. The major principles used for this study were: transparency, accountability, responsiveness, participation, effectiveness and efficiency. Therefore, evaluating practical implementation of these major characteristics shows to what extent is good governance prevalent in AKSCSTPBO. The study also tried to identify the major challenges for the implementation of good governance in the organization.

The Addis Ketema Sub city of Addis Ababa, Ethiopia, was the geographical boundary of this study domain. The study was delimited its scope in assessing the prevalence of good governance and investigating the challenges in AKSCSTBO. It also tried to explore whether the existing federal system in Ethiopia has helped the practice of good governance in the organization. Finally, possible measures for promoting good governance in AKSCSTBO were recommended.

## **1.7. Limitation of the Study**

This study investigates local good governance in AKSCSTBO. Initially there was an interest by the researcher to include other sectors in the study to create full image of local good governance of the sub city, but vastness of the sub city forced the researcher to change his idea and concludes it would be unmanageable. Therefore, the study is confined to AKSCSTBO sector

only and the results can't be broadened for generalizing to the whole of Addis Ketema Sub city administration.

Respondents' reluctance to provide valid data and less concerned on providing true and accurate information, and respondents' failure to return questionnaires were the main challenges faced in the process of gathering data for the research.

Nonetheless, the researchers exerted every effort to overcome the limitations and provide trustworthy results.

## **1.8. Organization of the Study**

Five chapters make up this research. The first chapter presents the introduction part of the study; including the background, the problem statement, the general and specific objective, the study's delimitation, the study's significance and limitations.

The second chapter reviews relevant literature on the conceptual and theoretical frameworks that are crucial to this study. Concepts and theories regarding governance, good governance, characteristics of good governance, local government and decentralization were discussed in this chapter.

Chapter three deals with description of study area, research design, research approach, sampling technique, Sample size and sources of data. In the fourth chapter data was analyzed, interpreted and presented. Lastly, the fifth chapter discusses the summaries of the findings, the conclusions and recommendations.

## CHAPTER TWO

### 2. REVIEW OF RELATED LITERATURE

#### 2.1. Introduction

The review of relevant literature on the various conceptual frameworks that are crucial to this research is the focus of this chapter. This study presents a conceptual framework for implementing good governance and summarizes the views of various scholars and institutions regarding governance, good governance and the characteristics of good governance. In order to understand and interpret the research, various concepts of local governance were analyzed.

#### 2.1. Concepts about Governance

The term "governance" was hardly ever heard in the development area, before it was introduced in the report of the World Bank "Sub-Saharan Africa: From Crisis to Sustainable Growth" in 1989(World Bank, 1994). A more precise definition pertinent to their goals was later offered by Governance and Development, which read as follows: "the manner in which power is exercised in the management of a country's economic and social resources for development." According to the World Bank, there are three main components of governance: (i) the type of political system in place; (ii) the process by which a country's social and economic resources are managed for development; and (iii) The potential of governments to come up with and carry out strategies (World Bank, 1994). After the term governance was introduced with new notion by the World Bank, it has been presented from many perspectives by various intellectuals and organizations.

For the UNDP (1997), the idea of governance refers to "the exercise of economic, political and administrative authority to manage a country's affairs at all levels. It comprises mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations, and mediate their differences" (Gisselquist, 2012:.3)

Based on the OECD definition, governance means "the use of political authority and exercise of control in a society in relation to the management of its resources for social and economic development. This broad definition encompasses the role of public authorities in establishing the environment in which economic operators function and in determining the distribution of benefits as well as the nature of the relationship between the ruler and the ruled" (Weiss, 2000:797).

The organizations, procedures and norms in a people which decide how power is utilized, how significant actions that impact community are decided and how different viewpoints are rendered a place in such determination is what the Institute of Governance defines as governance (Weiss, 2000:797).

Governance was defined by other institution called Commission on Global Governance as “the sum of the many ways individuals and institutions, public and private, manage their common affairs. It is a continuing process through which conflicting or diverse interests may be accommodated and co-operative action may be taken. It includes formal institutions and regimes empowered to enforce compliance, as well as informal arrangements that people and institutions either have agreed to or perceive to be in their interest” (Weiss, 2000:797).

## **2.2. The Meaning of Good Governance:**

The idea of good governance was initially mentioned in a 1989 World Bank report of the Sub-Saharan Africa, when the region's issue was described as a "crisis of governance" (World Bank, 1989). As a basic agenda, good governance has gained a lot of traction worldwide, particularly in the last three decades. As a result, social scientists, attorneys, legislators, economists, and representatives of local, and global organizations as well as various foundations, are becoming increasingly interested in this topic.

“Good governance has become an important component of the international agenda, discourse about good governance was linked to new policies in those countries receiving development assistance or investments from international lending agencies” (Weiss, 2000:801). “Good governance has become a political and economic conditionality that is inseparable from debates about appropriate bilateral and multilateral financing for developing and formerly socialist bloc countries” (Ibid).

The World Bank states that in order to establish and preserve an atmosphere that supports robust and fair growth, good governance needs to be combined with smart economic policy (World bank, 1992).

As stated by UNDP, “Good Governance is, among other things, participatory, transparent, and accountable. It is also effective and equitable. And it promotes the rule of law. Good governance ensures that political, social, and economic priorities are based on broad consensus in society and that the voices of the poorest and the most vulnerable are heard in decision making over the allocation of development resources” (UNDP, 1997:12).

Notion of good governance incorporates not only the ability of public sector management, but also the regulations and organizations that establish an appropriate, equitable, transparent, and responsible structure for the development and application of public policy. It entails conducting matters of public concern utmost respect for democratic values and the supremacy of law while being transparent, accountable, participative, and egalitarian. It focuses on the institutional framework that guides policymaking, the political customs that define political suit, and the procedures and techniques used to possess power (Santiso, 2002).

“Without good governance in a state, the economic development of that state is not stable. All elements of economic development, such as production, distribution, investment, and even consumption, face various obstacles. If good governance is established, such obstacles will be removed and the fair distribution of state resources will be possible” (Biswas, 2023:5).

## **2.3 Characteristics of Good Governance**

Based to the UN-ESCAP, there are eight key principles of good governance. These are transparency, responsiveness, effectiveness and efficiency, participation, consensus oriented, accountability, equity and inclusiveness, and follows the rule of law (UN-ESCAP, 2009). Each of the characteristics are elaborated as follows.

### **2.3.1 Participation**

“All men and women should have a voice in decision- making, either directly or through legitimate intermediate institutions that represent their interests. Such broad participation is built on freedom of association and speech, as well as capacities to participate constructively” (UNDP, 1997:14). Additionally, to ensure good governance, societies and groups that are directly impacted by programs and projects must be given the chance to contribute to the formulation and development, as well as in the application of strategies (Wase, 2020).

### **2.3.2 Rule of law**

“Good governance requires fair legal frameworks that are enforced impartially. It also requires full protection of human rights, particularly those of minorities. Impartial enforcement of laws requires an independent judiciary and an impartial and incorruptible police force” (UNESCAP, 2009:2).

According to Dicey (1982:120), the "rule of law" is primarily about the complete supremacy of legitimate law over the influence of power that is arbitrary, and it does away with any possibility of governmental prerogative, arbitrary actions, or even wide discretionary power. (Nanu, 2020).

Examining the disconnections between institutions in the broader governance context, which encompasses the societal domain as a whole, is a useful strategy for addressing weak governance.

### **2.3.3 Transparency**

Government activity, decision-making procedures, and public sector and stakeholder consultation processes are all enhanced by transparency. External organizations, civic society, and other government agencies monitor these procedures.

According to UNDP, “Transparency means acting honestly and freely while exchanging information. Transparency also makes it possible for interested parties to obtain data that could be vital for identifying violations and protecting their own rights” (UNDP 1997:60). Clear processes for public making choices, open lines for interactions between authorities and those who matter, and easy availability of a variety of information are characteristics of transparency (Ibid).

### **2.3.4. Responsiveness**

“To practice good governance, organizations and their processes must strive to give service to all service seekers in a manner that respect time” (UNESCAP, 2009). The swiftness and quality with which a service supplier responds to a demand for any service by a customer is referred to as responsiveness. Establishing trust between community and public servants is a critical component of promoting good governance. The responsiveness implies an organization's capacity to adjust to the demands of the people it serves.

### **2.3.5. Consensus Oriented**

Consensus oriented in a given society is among the basic characteristics of good governance. In a society the actors and points of view are multiple. To create consensus of the whole society's best interest and how it can be achieved, good governance demands the conciliation of the different welfares. It also requires an extended period, broad sight on what maintainable human growth implies and how to achieve its purposes. This can be made likely by creating a society aware of its cultural, and historical backgrounds (UNESCAP, 2009).

There exist two definitions for consensus. One is a consensus that is generally held by the people in a certain group or community. The other is as a method and theory of obtaining these kinds of agreements. In order to reach consensus, all group members' or stakeholders' opinions

must be carefully examined. Generally, consensus is the result of cooperation rather than compromise (Nanu, 2020).

### **2.3.6. Fairness and inclusiveness**

Jae and Judy (1993) stated inclusiveness as “treating everyone equally regardless of one's difference in gender, age, religion, disability, socioeconomic standing, or any other characteristic that divides people”. Variations in beliefs, traditions, ideas, and perspectives are productively utilized. Inclusiveness is complete defense of human rights, especially minority rights. Fairness is the way everybody is equally able to preserve and enhance their well-being. It is also impartial application of the law

### **2.3.7. Effectiveness and efficiency**

“Processes and organizations that address societal demands while optimizing available resources are considered to exhibit good governance. In the framework of good governance, environmental preservation and the sustainable use of natural resources are also included in the notion of efficiency” (UNESCAP, 2009). High-quality public outputs and effective public delivery systems are fostered by effectiveness and efficiency. It addresses how much public esteem the civil service gets. Corruption is one element of bad service delivery. Offering competitive compensation and using incentives to motivate employees are two strategies for combating corruption. Strong legislation overseeing the civil servants are also required. These laws can specify the organizational structure and the procedures for appointing and promoting civil workers based on merit. (Nanu, 2020).

### **2.3.8. Accountability**

In its most basic form, accountability refers to holding authorities accountable for their wrong decisions. Since officials with political power are eventually accountable to their constituents for decisions and acts taken by their government, accountability within government is necessary. The means by which this accountability is established vary greatly among nations, based on factors such as cultural traits, historical developments, political structures, and managerial competence (World Bank, 1992).

Accountability is crucial not only in the government but also in the entire economic system. Governments can also play a significant role in maintaining private sector accountability by

means of competitive policy, regulatory monitoring, and company and securities laws. This role becomes especially crucial as the state withdraws many of its profitable investments in developing nations (World Bank, 1992).

## **2.4. The concept of Local Government**

Most federal systems comprise three tiers of government: federal, provincial/regional, and local; but the position and function of local government differ significantly according to their system of government. In certain states, local governance exists only under the purview of the state or provincial government, but in others, it is an officially recognized branch of government. (Steytler, 2005) However, the growing influence of local government on the governance of federal nations is putting additional pressure on the principles and applications of federalism. Additionally, as it takes on a new role, its standing is evolving (Ibid).

The fundamental acknowledgment of local government in a constitution as a level of government in federal systems is a relatively recent development. Local government was not recognized as tier of government in the earliest federal constitutions written in the modern era. Both the Swiss Constitution of 1848 and the United States Constitution of 1787 were mute on this issue (Steytler, 2005). The 1867 Canadian Constitution only mentioned local government as a matter under the provinces' purview. Local self-government did not start to show up in federal constitutions until after World War II, and then only occasionally in tandem with the restoration of democracy. First was the 1949 Federal Republic of Germany Constitution (Ibid).

As previously mentioned, local government was not recognized in the earlier federations' constitutions, but throughout the course of the past half-century, it has seen varied degrees of constitutional entrenchment (Steytler, 2005). By contrasting full recognition countries like Austria and India with Canada and Australia, the importance of constitutional recognition was made abundantly evident. In the latter two nations, where local government is not protected by the constitution, provinces have the authority to dissolve municipalities completely (Ibid).

The wide range of affairs and stakeholders that affect fiscal, political, and social growth as well as administration at the local level is encompassed by local governance. Political trends, institutional setups, responsibility frameworks, levels of civic independence, and local resource-generating capabilities are among the factors that influence local government (UNDP. et al, 2007:18).

“Local governance can extend the possibility of more targeted solutions to development problems, more accountability, better and more comprehensive service delivery, and the growth of a more politically aware and representative culture”. (UNDP. et al, 2007:19) Shah & Shah define local government as the planning and carrying out of communal act at the local level. (Kassahun, 2010) They characterize local governance as a broad term at the level below the national that connects the democratization and decentralization processes. Local democracy is not necessarily necessary for local governance, although it is generally accepted that decentralization without local democracy is ineffective. (Ibid)

“Decentralization is the process of transferring a number of political, economic, and administrative duties from the national government to regional and local governments as well as, occasionally, the private sector and civil society” (UNDP. et al, 2007:.5). ‘Decentralization is frequently referred in relation to democratic government. It needs to be conceived in terms of its effects on the capacities, accountability, and responsiveness of local governance and strengthen the responsibilities that decentralized authorities play in local development” (Ibid).

## **2.5. Objectives of Local Government**

The most crucial regulatory concepts that local government units must abide by are responsibility, and leadership in communities at every Level and within all local government components. (Tamirat, 2020) The use of sustainable forms and purpose-built structures is vital to uphold the ideal of transparency, facilitating citizens' access to knowledge and creating a supportive environment with their local neighborhood. (Ibid) Planning strategically have to guide both growth and distribution of service. In every field that a local government unit operates in, creativity and innovation ought to be valued and promoted

Among the many goals set forth by local governments are the following: lowering poverty, promoting the advancement of citizens' quality of life and livelihoods, accelerating local growth, and strengthening and expanding democracy by empowering the society to direct and manage their own issues (Tamirat, 2020). When operations and development plans are put into practice, they can support comprehensive and sustainable development by delivering the services near to the community (Ibid).

## **2.6. The local governance and Federalism**

For federal systems, local government's function is essential. First, local government serves as an essential bridge between the state and society. This is where democracy starts, and if democratic institutions are not built here, they won't be found anywhere else either. (Risse, et al., 2008)

Local governance must then be included into the intricate framework of a federal system. Rules and procedures for its involvement in political decision-making must be established, and its relationship to the wider regional and national levels of government must be clarified (Ibid).

There are two functions for local government. The first objective is the administrative one of delivering products and services; the second is to represent and involve locals in determining the demands of the community and the most effective way to address those needs.

Devolution of power and decentralization of government are key components of true democracy. Government representatives who are used to the top-down paradigm must be made aware of the changed circumstances surrounding local self-governance. (Risse, et al., 2008) The unique and independent character of every order of government, the idea of reciprocal not intervening in the dynamics of power, and the existence of a court to arbitrate disputes among various orders of government are some of the fundamental characteristics that define the federal government. (Ata-Agboni. Etal, 2023) These rules guarantee that each level of government can function autonomously while still recognizing the authority of others, which is essential for preserving equilibrium of authority in the federal system. (Ibid)

Due to the division of authorities and responsibilities, authoritarian rulers find it difficult to maintain control over a federal state, as demonstrated by global experiences and models. (Tamirat, 2020) Additionally, it holds the federal parliament responsible for keeping an eye on the federal president and head of government and keeps them accountable to state council and administration. (Ibid)

## **2.7. Federalism and Good Governance**

According to Aruego and Aruego-Torres federal government is “a form of government in which governmental powers are by the common sovereign distributed between a central government and sub-central or local governments, each being supreme within its own sphere”. (A. Epelle. Etal, 2014:120) “Federalism in general is a form of government in which sovereign powers are constitutionally divided between a central government and geographically defined, semi-autonomous regional governments”. (M. P. Singh, 2005:431) Federal constitutions often assign

authority to geographically defined entities like states and provinces, but some also assign authority to smaller organizations like districts and towns. (Ibid) “The federal government uses a decentralized system of power devolution to implement the principles of separation of power between the national and sub-national constituencies” (Elazar, 1995:6).

Good governance can be enhanced by a variety of means including constitutionalism and the supremacy of law, government accountability and transparency, administrative effectiveness, and institutional frameworks. These are among the advantages of federalism that can enhance good governance in a polity. (A. Epelle. Etal, 2014) Federalism provides a framework for regulating diversity and maintaining peace in nations that are fundamentally diversified. It has the ability to manage diversity and heterogeneity and a framework that makes each federating unit feel like a part of the system. (Ibid)

As K.C Wheare stated, “federalism is a government in which the powers of different levels and arms of government are provided for in a written constitution. Federalism thus promotes constitutionalism, and constitutionalism is the foundation of good governance.” (A. Epelle. Etal, 2014:120) When a constitution explicitly specifies the qualifications, tenure, and power of the authorities, good governance is protected. Abuse of power can be prevented by federalism. Federalism calls for compromise and negotiation. Anywhere federalism is practiced, there will be negotiations and economic exchanges among the centralized government and the federating constituents, furthermore, there will be collaboration and interdependence between the federal government and the federating States. (Ibid)

## **2.8. Decentralization in Ethiopia**

Ethiopia evolved throughout the past century to become one of the world's most centralized nations. During the Derg administration, centralization reached its zenith. Nevertheless, the primary stage toward implementing a decentralized governance was taken with the overthrow of the PDRE government and the assignment of authority to the state was implemented (Zemelak, 2008). The country's federalization lays the legal groundwork for a more decentralized form of government. Currently, a decentralized structure of governance is being entrenched through regional constitution (Ibid).

The Constitution of the country stipulated as “every Nation, Nationality and People in Ethiopia has the right to a full measure of self-government which includes the right to establish

institutions of government in the territory that it inhabits and to equitable representation in state and Federal governments” (FDRE Constitution, 1995, Art. 39(3)). As a result, several regional states used their constitutions to transfer powers to the local level in 1995. Major power devolution to the local level occurred in 2001. (Zemelak, 2008) In other words, a woreda is created in a region that is home to one hundred thousand or more individuals. Additionally, each woreda is split up into several kebeles. (Ibid)

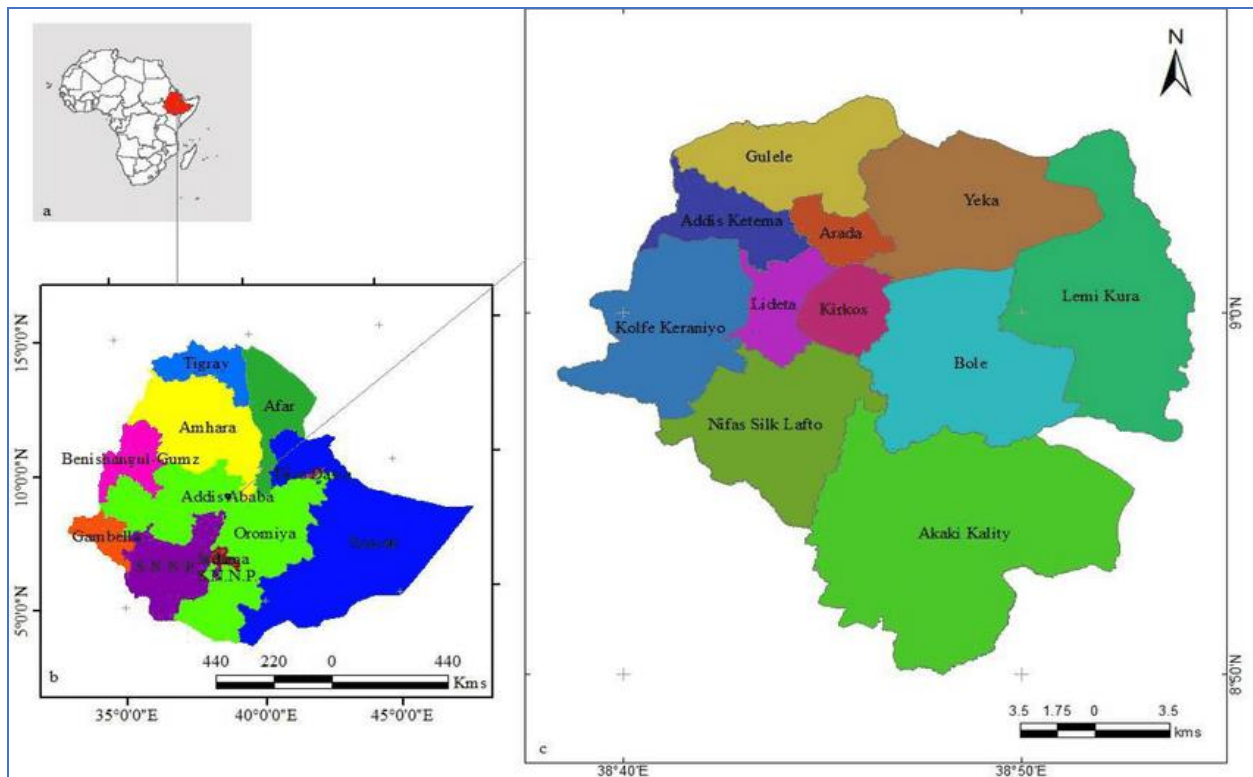
There are three key reasons why Ethiopia is trying to decentralize power at the local level. These justifications include democratization, development and reduction of poverty, and ethnic-related justifications. One of the four pillars of the nation's government-initiated agenda for sustainable development and poverty reduction is decentralization. (Zemelak, 2008) The government aims to empower women and the impoverished while promoting democracy through decentralization. Furthermore, it is thought that the decentralized system will assist in controlling and lessening interethnic conflicts in the nation. (Ibid)

## CHAPTER THREE

### RESEARCH METHODOLOGY

#### 3.1. Description of the Study Area

The Addis Ababa City Administration in Ethiopia, particularly Addis Ketema Sub City, was the study's location. Addis Ababa is Ethiopia's political capital and most significant commercial and cultural hub. Addis Ababa is situated at 9°2'N and 38°45'E, in the country's geographic center. With the highest peaks reaching 3,200 meters at Entoto peak in the north, it has an average height of 2,400 meters. Because of this, Addis Ababa is among the world's high-altitude capital cities. (Erena D. et al, 2017:1)



*Figure 3.1. Map of Addis Ababa*

Addis Ababa's climate is subtropical highland with year-round moderate temperatures, averaging around 23°C for highs and 11°C for lows. Kiremt, the primary wet season, lasts from June to the beginning of October. Approximately 80% of the 1,200 mm of yearly rainfall occurs during the major rainy season. (Ibid)

The entire land area of Addis Ababa is 540 square kilometers, and it is encircled by mountains. (Erena D. et.al, 2017:1)

According to the Addis Ababa City Government Charter Proclamation No. 87/1997 under the FDRE Constitution, Addis Ababa is a federally chartered city. Two self-governing Ethiopian cities holding the status of special autonomous cities under the federal government system are Addis Ababa and Dire Dawa. Its Council is accountable both to the city voters and the federal government. The city administration of Addis Ababa has 11 sub-cities locally known as kifleketema and 116 woredas, which are the lowermost administration components. Addis Ababa called "the political capital of Africa" because of the city's importance for the continent large international organizations seats in Addis Ababa.

Specifically, this study was conducted in Addis ketema Sub-city taxpayer branch office. The Addis Ketema sub city borders the sub cities of Gullele to the north, Arada to the east, the Sub Cities of Lideta and Kolfe Keranio to the south, and the Oromia Regional State borders to the west. Africa's largest open-air market, Mercato, is located in the Addis Ketema sub city.

### **3.2. Design of the Study**

The study has descriptive design. The purpose of this study is to assess the local good governance in AKSCSTBO. To successfully achieve this aim, descriptive survey method was used. This descriptive survey method is backed by different authors. Best and Kahan (2005) stated as “descriptive survey design is appropriate to describe condition that exist, opinions that are held, and processes that are going on, trends that are developing and also to assess large sample size”. To get a broadly described assessment of prevalence and challenges of good governance in the study area descriptive survey was employed by the researcher.

### **3.3. Research Approach**

This research employed mixed research approach. Qualitative technique was used for the theme under investigation for analyzing the primary and secondary data. The secondary sources that applied in the study were written documents such as annual reports of the tax office, taxpayers' complaints and appeals, letters, and archival documents of the tax office.

The qualitative aspect is the interviews and observations that were prepared for collecting primary data sources. In a qualitative method, the data collected in many ways have been triangulated, as the qualitative method generates knowledge in a multiple perspective.

Tables and numbers were used to express quantitative research. Quantitative research is the methodical, scientific study of quantitative characteristics. Quantitative analysis use numbers and statistical information in the collection and analysis of data, while qualitative research concentrates on meanings and terms. Together are necessary to get different types of data. Quantitative method was utilized in this study in data collection and analysis regarding questionnaires directed to taxpayers and answers obtained, by using descriptive statistics.

### **3.4. Sampling Technique**

The method of sampling which was used in this research is described in this section. In this research probability sampling method was used to determine the sample size of taxpayers. To achieve illustrative sample of respondents for the investigation, stratified proportional method was employed to the category 'A' and category 'B' taxpayers. The research was conducted in Addis Ketema Sub City, which was selected using the purposive sampling technique. Because of the reason that no study had done related to good governance issue in that sub city's revenue sector and the office is more convenient for the researcher. Accordingly, the revenue sector was selected purposely from the existing sectors because of the existence of a big number of service takers in the institution.

### **3.5. Target population and Sample Size**

The research's target population are all category 'A' and category 'B' taxpayers and employees of the Sub-city's Taxpayers Office of 2023/24 GC budget year. The total population of this study is 8389 (Eight thousand three hundred eighty-nine) taxpayers and 401(Four hundred one) employees of the organization. The taxpayer population have two categories, 4429 category 'A' and 3960 category 'B' taxpayers.

This research executed a probability sampling methods of proportional approach for the taxpayers. The sample size of both category of taxpayers were determined depending on the stratified proportional random sampling method. The size of respondents in both category of taxpayers was proportionally decided. For this study from a total of 8389 taxpayers in the

organization the sample of 382 service users were drawn by probability sampling method using the Yamane (1967) sample size determination formula. From the total population of 4429 category ‘A’ taxpayers 201 samples were drawn by proportional sampling and from the total population of 3960 category ‘B’ taxpayers 181 samples were drawn by proportional sampling.

The study employed Yamane's (1967) calculation of sample size technique to determine service user respondents.:

$$n = \frac{N}{1 + N(e^2)} \text{----- (1)}$$

Where n= Sample size

e= level of precision

N= population size of the study

The sample size for this research was calculated  $n = \frac{8389}{1 + 8389(0.05^2)}$   
 $= \frac{8389}{1 + 8389 * 0.0025} = \frac{8389}{21.972} = 381.79$

Total service user respondents were=382

So, the total population for the study was 382 taxpayers. Additionally, 10 tax office employees were addressed through interview.

**Table 3.1. Sample proportion**

Category of Taxpayers	Number of taxpayers	Sample size	Percent	Techniques
category ‘A’	4429	201	52.7	Proportional sampling
category ‘B’	3960	181	47.3	Proportional sampling
Total	8389	382	100.0	

### 3.6. Data Sources and Data Collection Tools

The primary as well as the secondary data from various sources were used in this study. A variety of data gathering methods, including questionnaires and interviews were used to gather the primary data. Each of them presented as follows.

### **3.6.1. Questionnaires**

In this research, the close ended and open-ended questionnaires were prepared together and distributed to respondents. For obtaining comprehensive data and broaden the knowledge base, questionnaires with open responses were employed. Closed-ended surveys were intended to reveal each respondent's unique perspective on a given topic. Questionnaires were designed in the easily understandable way.

### **3.6.2. Interviews**

Interviews were hold to employees and officials in the study area and used to collect data from the service provider side It supplements and enhances the results of the questionnaire. As a result, some of the questionnaire's equivalent inquiries were posed. The interviewer had a well-defined set of points to ask.

Apart from the instruments mentioned above, the study used the offices various documents. Addis Ababa City Administration Legal and policy documents on tax administration and other reports found in the office were utilized.

## **3.7. Data Presentation, Analysis and Interpretation**

Quantitative data of this study were analyzed by using the descriptive analysis. Condensing data into a more comprehensible and informative format is the primary purpose of the descriptive technique. This research had utilized the Version 26 of Statistical Package for Social Science to compute the data with quantitative character. There was also use of basic statistical methods such as means, percentages, and tables. On the other hand, organizing and presenting the material from interviews in a way that was visually appealing allowed for the study of qualitative data, which made it simpler to find patterns or problems and look into connections within the data. In this study, important themes were emphasized and expanded upon, and comments were provided in regard to the findings that complemented the research body. In order to find discrepancies, the researcher does this by comparing the collected data with reviews of the literature.

A Likert scale was the tool employed by the researcher for collecting data through questionnaire. A common rating scale used in social science research to measure data is the Likert scale. The gap for each variable that breaks the range is determined using the Likert scale (Likert, 1932) as

follows: The range = (maximum-minimum)/maximum  $(5-1)/5= 0.8$  It means the score fall between the ranges of: 1.00-1.80 is taken as strongly disagree, 1.81-2.60 is disagree, 2.61-3.40 is neutral, 3.41-4.20 is agreed, 4.21-5.00 is considered as strongly agree.

### **3.8. Ethical considerations**

Legal considerations for this research must be given in the same context as the evaluation and collection of primary data. As a result, while gathering data, the following ethical considerations were made. First, the respondents and informants were given an explanation of the purpose of the data collection and its intended use. The informants were given the freedom to respond in any way they saw fit. They were given the option to withdraw from the study at any time. The respondents were not expected to write their name and the informants were also assured that their identity and other personal information would remain confidential and would not be shared with outside parties.

## Chapter four

### Data Analysis and presentation

#### 4.1. Introduction

In this chapter the quantitative and qualitative data collected from the service users and employees were analyzed, interpreted and presented. The researcher had prepared questionnaires for the determined 382 sample size of service users and 86% of the dispersed questionnaires were returned. The SPSS software, version 26, was used to compute the data gathered through questionnaires. The interview was carried out for 10 employees of AKSCSTBO and the output was presented in this chapter.

#### 4.2. Reliability

“Reliability is the extent to which test results are consistent with one or more causes of inconsistency, such as the specific questions chosen, the raters selected, and the testing day and time” (Livingston, 2018). Although there are various techniques of reliability test, Cronbach’s alpha is the most common measure of reliability. The purpose of Chronbach's alpha is to determine internal consistency, or if each variable in the measuring tool measures the same thing. Therefore, this study used Cronbach’s alpha to measure the internal consistency of the items in the questionnaire. As table 4.2. indicates the Alpha coefficient of this study for the general scale computed as a reliability sign is 0.907. Chronbach’s alpha coefficient greater than 0.9 is considered as excellent.

*Table 4.2. Reliability Statistics*

#### Case Processing Summary

		N	%
Cases	Valid	330	100.0
	Excluded	0	.0
	Total	330	100.0

*Table 4.3. Reliability Statistics*

Cronbach's Alpha	N of Items
.907	25

Source: Output of SPSS version 26

### 4.3. Demographic Characteristics of the Respondents

In this part personal data of respondents was analyzed by focusing on three items. Gender, age composition and educational background of respondents were analyzed. The personal data of the total 330 respondents; 174 category 'A' and 156 category 'B' taxpayers were presented in the table below.

**Table 4.4. Personal Data of the Respondents**

1	Gender of Respondents		Frequency	Percent
		Male	210	63.6
		Female	120	36.4
		Total	330	100.0
2	Age of Respondents		Frequency	Percent
		18-25	44	13.3
		26-35	145	43.9
		36-45	93	28.2
		46-55	43	13.0
		55 and above	5	1.5
		Total	330	100.0
3	Educational background of Respondents		Frequency	Percent
		Primary Education	15	4.5
		Secondary Education	75	22.7
		Diploma	93	28.2
		Bachelor's Degree	122	37.0
		Master's and above	25	7.6
		Total	330	100.0

Source: Field survey, 2024

According to the first item of table 4.3 that indicates the respondent's gender, 210 (63.6%) of the respondents are male, and the remaining 120 (36.4%) are female. This indicates that men make

up the majority of responders. In comparison with the proportion of male customers in the sub city, the percentage of female taxpayers was negligible.

As table 4.3 depicts more than one third of the total respondents 122(37%) had first degree qualification, 93 (28.2%) of them had diploma, 75(22.7%) of the respondents had secondary education, 25(7.6%) had master's and above and the remaining 15(4.5%) of the respondents had only attended the elementary education only. Based on this characteristic of data the organization composes different educational status that creates the opportunity to expose the opinions that the investigation needs by knowing how local good governance concepts are now being implemented in the studied area.

Table 4.3 shows that 145 respondents, or 43.9% of the total, are between the age of 26 and 35, and 93 respondents, or 28.2%, are between the ages of 36 and 45. While 43(13.0%) of respondents are between the age of 46 and 55, 44(13.3%) of respondents are between the age of 18 and 25. Five responders, or 1.5% of the total, are 55 years of age or older. This suggests that the majority of study participants are in the 26–35 age range.

## **4.4. Analysis of Quantitative Data on Prevalence of Good Governance**

### **4.4.1. Transparency**

Transparency is among the major characteristics of good governance, and it is used to evaluate the prevalence of it in the study area. “Being open and forthcoming with details is what is meant by transparency. Through transparency, interested parties can obtain data that could be vital for identifying breaches and protecting their rights” (UNDP 1997:60). Transparency enhances openness in government activity, decision-making procedures, and public sector and stakeholder consultation processes. The response of the service users to four statements regarding transparency are analyzed and presented in the following four tables with each of them supplemented with description.

**Table 5.4. The rules of the game are clear in the administration process of the institution.**

**Crosstabulation**

			strongly disagree	Disagree	Undecided	Agree	strongly agree	Total
category of taxpayers	category 'A'	Frequency	32	55	21	48	18	174
		%	18.4%	31.6%	12.1%	27.6%	10.3%	100.0%
	category 'B'	Frequency	33	44	20	50	9	156
		%	21.2%	28.2%	12.8%	32.1%	5.8%	100.0%
Total		Frequency	65	99	41	98	27	330
		%	19.7%	30.0%	12.4%	29.7%	8.2%	100.0%

Source: Field survey, 2024

Table 4.4 depicts the respondents' response on whether rules of the game are clear in the administration process of the institution. 55(31.6%) of category 'A' taxpayer respondents and 44(28.2) of category 'B' respondents cumulative of 99(30%) of the total respondents disagree. While 32 (18.4%) of category 'A' respondents and 33(21.2%) of category 'B' respondents combined together 65(19.7%) of total respondents strongly disagree. Whereas 98(29.7%) of the total respondents agree and 41(12.4%) were undecided. The remaining 27(8.2%) of the total respondents only strongly agree. This indicates most of the respondents are not clear with the rules of the game in the administration process of the organization. Thus, it is unclear to the customers what the organizational rules are. From the customers view there is lack of one of the components of transparency in the organization and the view from the service provider side will be discussed later in this chapter in the qualitative part.

**Table 4. 6 When the office makes change of service delivery and methods updated information's are distributed to customers. Crosstabulation**

category of taxpayers			Strongly disagree	Disagree	Undecided	Agree	Strongly agree	Total
	category 'A'	Frequency	41	85	21	22	5	174
		%	23.6%	48.9%	12.1%	12.6%	2.9%	100.0%
	category 'B'	Frequency	50	72	10	18	6	156
		%	32.1%	46.2%	6.4%	11.5%	3.8%	100.0%
Total		Frequency	91	157	31	40	11	330
		%	27.6%	47.6%	9.4%	12.1%	3.3%	100.0%

Source: Field survey, 2024

Table 4.5 depicts most of total respondents had negative opinion to the statement “updated information’s are distributed to customers when the office makes change of service delivery and methods”. 85(48.9%) of the category ‘A’ and 72 (46.2%) of the category ‘B’ respondents disagree, 41(23.6%) of the category ‘A’ and 50 (32.1%) of the category ‘B’ taxpayers strongly disagree. While 22(12.6%) of the category ‘A’ and 18(11.5%) of category ‘B’ respondents agree and 21(12.1%) of the category ‘A’ and 10 (6.4%) category ‘B’ were undecided. The rest 5(2.9%) of category A and 6(3.8%) of category ‘B’ taxpayer respondents strongly agree.

After combining the respondents' responses together in a means that strongly disagree and disagree indicates service takers negative impression on the issue while strongly agree and agree indicates positive impression. Based on this 248 (75.2%) of the total respondents had negative opinion on the idea of the statement, and 51 (15.5%) of them had positive impression. This reveals about three fourth of the total respondents responded that updated information’s were not distributed to taxpayers when the office modifies its approach to providing services. Thus the customers argued that transparent governance is practiced at low level in the organization because they were unable to access updated information.

**Table 4.7 Organizational decisions are transparent to the people.**

	Frequency	Percent	Cumulative Percent
Strongly disagree	83	25.2	25.2
Disagree	132	40.0	65.2
Undecided	42	12.7	77.9
Agree	58	17.6	95.5
Strongly agree	15	4.5	100.0
Total	330	100.0	

Source: Field survey, 2024

The table in the above shows 132(44%) of the respondents disagreed and 83(25.2%) of the respondents strongly disagree to the idea that “organizational decisions are transparent to the people”. Whereas about 58 (17.6%) and 15(4.5%) of the respondents agree and strongly agree respectively. The rest 42(12.7%) of the respondents had unable to decide. This indicates that more than two third of the respondents had responded the opinions that reflect negative impression, strongly disagree and disagree. Thus, the customers argued that the organizational decision-making lacks openness to the public.

**Table 4. 8 Annual performance reports are announced to the people.**

	Frequency	Percent	Cumulative Percent
Strongly disagree	75	22.7	22.7
Disagree	110	33.3	56.1
Undecided	61	18.5	74.5
Agree	62	18.8	93.3
Strongly agree	22	6.7	100.0
Total	330	100.0	

Source: Field survey, 2024

The table in the above depicts 110(33.3%) of the respondents disagreed and 75(22.7%) of them responded strongly disagree to the statement “annual performance reports are announced to the people”. While 62(18.8%) agreed and 22(6.7%) of the customers of the organization strongly

agreed. The rest 61(18.5%) taxpayers undecided on the statement” annual performance reports are announced to the people”. Thus, when the two with negative impressions, the strongly disagree and disagree, are combined it counts majority of the of the taxpayers who replied. This implies that they have low level of agreement to the statement that reports of the organization are not publicized.

#### 4.4.2. Accountability

Accountability is among the basic principles of good governance. The researcher has utilized accountability as one aspect to evaluate to what extent is good governance prevalent in AKSCSTPBO. Accountability refers to holding the authorities accountable when they decide wrong and act badly. Any of the officials and employees have to be accountable and punished for any of their wrongdoing or decision. The response of the respondents to the six statements regarding accountability are presented in the table 4.8 and table 4.9 as follows.

**Table 4.9. Responses Regarding Accountability**

No			Strongly disagree	Disagree	Undecided	Agree	Strongly agree	Total
1	The office has strong rules and regulations to manage the employees	Frequency	74	132	55	54	15	330
		Percent	22.4	40.0	16.7	16.4	4.5	100.0
	Means	2.41						
2	The authorities take quick appropriate measures when the rules and regulations of the organization are violated.	Frequency	74	116	60	59	21	330
		Percent	22.4	35.2	18.2	17.9	6.4	100.0
	Means	2.51						
3	Customers have the way to expose unethical practices to the authorities.	Frequency	69	99	69	71	22	330
		Percent	20.9	30	20.9	21.5	6.7	100.0
	Means	2.63						

Source: Field survey, 2024

The table in the above indicates 132(40%) of the respondents disagree with the statement “the office has strong rules and regulations to manage the employees” and 74(22.4%) of them also strongly disagree. While 54(26.4%) of the taxpayers replied agree and 15(4.5%) of them strongly agree. The remaining 55(16.7%) respondents replied undecided. Based on the response of the customers on the statement the mean value is 2.41 which is below the minimum point for neutral (2.61) and this implies most of respondents have negative impression towards the statement that “the office has strong rules and regulations to manage the employees”. Thus, the customers argued that the office has no strong rules to manage their employees.

The table 4.8 shows 116(35.2%) of the taxpayers who gave their response were disagree to the idea that “the authorities take quick appropriate measures when the rules and regulations of the organization are violated.” and 74(22.4%) of them also strongly disagree. While 59(17.9%) of the taxpayers agree with the idea and 21(6.4%) of them strongly agree.60(18.2%) of other respondents are undecided. Based on the response of the customers on the statement the mean value is 2.50 which is below the minimum point for neutral (2.61). This reveals that majority of the respondents have negative impression towards the statement “the authorities take quick appropriate measures when the rules and regulations of the organization are violated.” Thus, the respondents argue that the office authorities did not take quick appropriate measures when the rules are violated.

A table 4.8 indicates 99(30%) of the respondents disagreed and 69(20.9%) of them responded strongly disagree to the statement “customers have the way to expose unethical practices to the authorities”. While 71(21.5%) agreed and 22(6.7%) of the taxpayers who participated in the survey are strongly agreed. The rest 69(20.9%) taxpayers undecided to the statement “customers have the way to expose unethical practices to the authorities”. Thus, when the two with negative impressions, the strongly disagree and disagree, are combined it counts more than half of the respondents. This implies the customers argued that customers have no way to expose unethical practices to the authorities.

**Table 4. 10. Responses Regarding Accountability**

No			Strongly disagree	Disagree	Undecided	Agree	Strongly agree	Total
4	Personnel/officials of the service provider institution do not ask irregular payments to accomplish your task in the institution.	Frequency	85	103	51	63	28	330
		Percent	25.8	31.2	15.5	19.1	8.5	100.0
		Mean	2.53					
5	The tax office is free from embezzlement and nepotism	Frequency	93	115	51	51	20	330
		Percent	28.2	34.8	15.5	15.5	6.1	100.0
		Mean	2.36					
6	The officials and other employees are punished for their wrongdoing or decision.	Frequency	84	103	62	56	25	330
		Percent	25.5	31.2	18.8	17	7.6	100.0
		Mean	2.50					

Source: Field survey, 2024

As the first item of the above table clearly presented, the response of respondents to the statement “personnel/officials of the service provider institution do not ask irregular payments to accomplish your task in the institution” is 103(31.2%) disagree, 85(25.8%) strongly disagree, 63(19.1 %) agree, 28(8.5%) strongly agree and the rest 51(15.5%) undecideds. Based on the response of the customers to the statement the mean value is 2.53 which is below the minimum point for neutral (2.61) and this enables to conclude the respondents’ level of agreement is low. So, most of the customers who responded to the survey disagree with the idea that “personnel/officials of the service provider institution do not ask irregular payments to accomplish task in the institution”. Therefore, the respondents argued that there is poor accountability in the organization as this one basic component of accountability is lost in the organization.

According to the above table, 115(34.8%) of taxpayer respondents disagree while 93(28.2%) of them strongly disagree. Other 51(15.5%) of the participants undecided while other 51(15.5%) of them agree and the remaining 20(6.1%) are strongly agree on the statement “the tax office is free from embezzlement and nepotism”. Thus, when the two opinions with negative impressions, the strongly disagree and disagree, are combined it counts majority (63%) of the respondents. The mean for this statement is 2.36 which is below the point of 2.61(minimum point for neutral) and this enables to conclude that the participants’ degree of agreement is low. This implies that from the customers view the tax office is not free from embezzlement and nepotism.

As table 4.9 depicts 103(31.2%) of the participants responded disagree to the idea that “the officials and other employees are punished for their wrongdoing or decision” and 84(25.5%) of them also strongly disagree. While 56(17%) of the participants agree and 25(7.6%) of them strongly agree. Other 62(18.8%) respondents unable to decide. The average mean for this statement is 2.50 which also indicates low level of agreement of the respondent. This implies most participants had negative impression towards the statement “the officials and other employees are punished for their wrongdoing or decision.”. Thus, the respondents argue that the officials and other workers are not penalized for their wrongdoing. Based on this respondent’s opinion, there is low level of accountability in the organization. This means one of the vital characteristics of good governance is lost in the organization. This customers’ opinion was also supported by the service providers, and it will be discussed later in this chapter in the qualitative part.

#### **4.4.3. Participation**

Participation is among the fundamental principles of good governance. This study utilized as one aspect to evaluate to what extent is good governance prevalent AKSCSTBO. So, the researcher has included statements regarding participation in the questionnaire that forwarded to the service users. The response of the participants to the statements are presented in table 4.11 and followed up by the descriptions.

**Table 4.11. Responses Regarding Participation**

No			Strongly disagree	Disagree	Undecided	Agree	Strongly agree	Total
1	Customers have chances to participate directly in preparing rules and regulations that influence them	Frequency	78	113	80	42	17	330
		Percent	23.6	34.2	24.2	12.7	5.2	100.0
		Mean	2.42					
2	The level of customer's participation in the office is enough	Frequency	76	125	53	65	11	330
		Percent	23	37.9	16.1	19.7	3.3	100.0
		Mean	2.42					
3	The office holds meeting to identify and prioritize customer's problems	Frequency	84	107	61	59	19	330
		Percent	25.5	32.4	18.5	17.9	5.8	100.0
			2.46					
4	Customers and other stakeholders actively participate to solve problems in the tax collection process	Frequency	80	109	58	63	20	330
		Percent	24.2	33	17.6	19.1	6.1	100.0
		Mean	2.50					
5	Customers can easily provide their suggestions, questions, comments and complaints for the service	Frequency	79	91	60	70	30	330
		Percent	23.9	27.6	18.2	21.2	9.1	100.0

	provider institution.								
		Mean							2.64

Source: Field survey, 2024

As table 4.10 indicates, 113(34.2%) of the participants responded disagree to the idea that “customers have chances to participate directly in preparing rules and regulations that influence them” and 78(23.6%) of them also strongly disagree. While of the respondents 42(12.7%) agree with the statement and 17(5.2%) of them strongly agree. 80(24.2%) of other respondents were undecided. This reveals more than half of the respondents have negative impression towards the statement “customers have chances to participate directly in preparing rules and regulations that influence them”. Based on the response of the customers to the statement the mean value is 2.42 which is below the minimum point for neutral (2.61). Thus, the respondents argue that customers have low chance to participate directly in preparing rules and regulations that influence them.

As the table in the above indicates, the response of respondents to the statement “the level of customer’s participation in the office is enough” is 125(37.9%) disagree, 76(23%) strongly disagree, 65(19.7 %) agree, 11(3.3%) strongly agree and the rest 53(16.1%) undecideds. Most of the participants responded that the degree of customer’s participation in the office is not enough. The mean of the response given to the statement is 2.42 which also indicates low level of agreement of the respondents. So, from the customers view the level of customer’s participation in the office is not enough, and it is at low level.

As Table 4.10 shows 107(32.4%) of the respondents disagree and 84(25.5%) strongly disagree to the idea that “the office holds meeting to identify and prioritize customer’s problems”. Whereas about 59 (17.6%) of the respondents agree and 19(5.8%) strongly agree respectively to the statement. The rest 61(18.5%) of the respondent had unable to decide. This indicates that the most of participants responded that the office did not call meeting to identify and prioritize customer’s problems.

As table 4.10 depicts 109(33%) of the participants in the survey disagree to the statement “customers and other stakeholders actively participate to solve problems in the tax collection process” and 80(24.2%) of them also strongly disagree. While 63(19.1%) of the repliers agree to the statement and 20(6.1%) of them strongly agree. Other 58(17.6%) respondents unable to decide. This reveals that more than half of the taxpayers who responded have negative impression towards the statement “customers and other stakeholders actively participate to solve

problems in the tax collection process”. Thus, taxpayers and other relevant parties did not take part to solve problems in the tax collection process.

Table 4.10 illustrates, 91(27.6%) of the participants of the survey disagree to the statement “customers can easily provide their suggestions, questions, comments and complaints for the service provider institution.” and 79(23.9%) of them also strongly disagree. While 70(21.2%) of the respondents agree with the statement and 30(9.1%) of them strongly agree.60(18.2%) of other respondents were undecided. This implies more than half of the respondents has negative impression towards the statement “customers can easily provide their suggestions, questions, comments and complaints for the service provider institution.” Thus, the respondents argue that it is challenging for taxpayers to offer their recommendations, queries, remarks, and grievances for the service provider institution. From the customers view, voice of customers is not listened in the organization because of the difficulty to provide recommendations, queries, remarks, and grievances for the organization that provides service.

#### 4.4.4. Responsiveness

Responsiveness is the swiftness and quality in which a service giver reacts to a demand for information or action. Good governance cannot be ensured without responsive service delivery. To evaluate the prevalence of good governance in an organization, responsiveness should be one of the dimensions. The researcher had collected the opinions of the service users regarding responsiveness of service provision in AKSCSTBO. The service user’s response to the statements regarding responsiveness are analyzed and presented as the following.

**Table 4.12. The service providers give timely responses when taxpayers have complained regarding tax decision**

			Category Of Taxpayers		
			Category A	Category B	Total
The service providers give timely responses when taxpayers have	Strongly Disagree	Frequency	53	56	109
		Percent	30.5%	35.9%	33.0%
	Disagree	Frequency	61	38	99
		Percent	35.1%	24.4%	30.0%
	Undecided	Frequency	24	25	49
		Percent	13.8%	16.0%	14.8%
	Agree	Frequency	30	37	67
		Percent			

complained regarding tax decision.		Percent	17.2%	23.7%	20.3%
	Strongly Agree	Frequency	6	0	6
		Percent	3.4%	0.0%	1.8%
Total		Frequency	174	156	330
		Percent	100.0%	100.0%	100.0%

Source: Field survey, 2024

Table 4.11 depicts that the response of the service users on whether the service providers give timely responses when taxpayers have complained regarding tax decision. 53(30.5%) of category 'A' taxpayer respondents and 56(35.9%) of category 'B' respondents cumulative of 109(33%) of the total respondents strongly disagree. While 61 (35.2%) of category 'A' respondents and 38(24.4%) of category 'B' respondents combined together 99(30%) of total respondents disagree. Whereas 67(20.3%) of the repliers agree and 49(14.8%) were undecided. The rest 6(1.8%) only strongly agree. This shows 208 (63%) of the total respondents argue that the service providers did not give timely responses when customers have voiced reservations about taxes decision. This implies the complaints regarding the tax decision by both category of taxpayers in the institution were not timely responded. Therefore, from the customers opinion responsive service delivery is not delivered in the organization.

**Table 4.13. Organizational framework of the organization is properly constructed to assure responsiveness.**

			Category Of Taxpayers		
			Category A	Category B	Total
The institutional structure and processes are designed appropriately to ensure responsiveness	Strongly Disagree	Frequency	40	36	76
		Percent	23.0%	23.1%	23.0%
	Disagree	Frequency	71	63	134
		Percent	40.8%	40.4%	40.6%
	Undecided	Frequency	29	23	52
		Percent	16.7%	14.7%	15.8%
	Agree	Frequency	31	23	54
		Percent	17.8%	14.7%	16.4%
	Strongly Agree	Frequency	3	11	14
		Percent	1.7%	7.1%	4.2%

Total	Frequency	174	156	330
	Percent	100.0%	100.0%	100.0%

Source: Field survey, 2024

Table 4.12 depicts most of the participants in the survey have negative opinion on the statement “the institutional structure and processes are designed appropriately to ensure responsiveness”.

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(40.8%) of the category ‘A’ and 63 (40.4%) of the category ‘B’ respondents disagree, 40(23%) of the category ‘A’ and 36 (23.1%) of the category ‘B’ taxpayers strongly disagree. While 31(17.8%) of the category ‘A’ and 23(14.7%) of category ‘B’ respondents agree and 29(16.7%) of the category ‘A’ and 23(14.7%) category ‘B’ were undecided. The rest 3(1.7%) of category ‘A’ and 11(7.1%) of category ‘B’ strongly agree.

After combining all of the responders' responses in a means that strongly disagree and disagree indicates negative impression on the issue and strongly agree and agree reveal positive opinion, it shows that, 210 (63.6%) of the taxpayers who responded have negative opinion on the subject raised while 68 (20.6%) had positive impression. This implies that majority of the participants in the survey responded that the organizational framework of the organization is not constructed to assure responsiveness.

**Table 4.14. The worker of the office reacts to a demand for action or information swiftly.**

			Category Of Taxpayers		
			Category A	Category B	Total
The worker of the office reacts to a request for action or information swiftly	Strongly Disagree	Frequency	37	36	73
		Percent	21.3%	23.1%	22.1%
	Disagree	Frequency	59	65	124
		Percent	33.9%	41.7%	37.6%
	Undecided	Frequency	30	15	45
		Percent	17.2%	9.6%	13.6%
	Agree	Frequency	40	34	74
		Percent	23.0%	21.8%	22.4%
	Strongly Agree	Frequency	8	6	14
		Percent	4.6%	3.8%	4.2%

Total	Frequency	174	156	330
	Percent	100.0%	100.0%	100.0%

Source: Field survey, 2024

Table 4.13 shows that the response of the respondents on whether “the worker of the office reacts to a request for action or information swiftly”. 59(33.9%) of category ‘A’ taxpayer respondents and 65(41.7%) of category ‘B’ respondents cumulative of 124(37.6%) of the total respondents disagree. While 37 (21.3%) of category A respondents and 36(23.1%) of category ‘B’ respondents combined together 99(30%) of total respondents strongly disagree. Whereas 74(22.4%) of the total repliers agree and 45(13.6%) were undecided. The rest 14(4.2%) only strongly agree. This shows 197 (59.7%) of the total respondents argue that the worker of the office did not react swiftly to a request for action or information.

#### 4.4.5. Effectiveness and Efficiency

Effectiveness and efficiency are among the basic principles of good governance. The researcher has utilized effectiveness and efficiency as one aspect to evaluate the prevalence of good governance in AKSCSTBO. The response of the service users to the statements regarding effectiveness and efficiency are analyzed and presented as the following.

**Table 4.15 Response of taxpayers on statements regarding effectiveness and efficiency**

No			Strongly disagree	Disagree	Undecided	Agree	Strongly agree	Total
1	The process of service delivery by the office fulfills customer’s interest.	Frequency	108	134	40	35	13	330
		Percent	32.7	40.6	12.1	10.6	3.9	100.0
		Mean						2.32
2	Service provided by the office as per designated on the service delivery standards.	Frequency	101	103	65	40	21	330
		Percent	30.6	31.2	19.7	12.1	6.4	100.0
		Mean						2.56
3	Decisions in the	Frequency	96	93	66	58	17	330

	institution are implemented accordingly	Percent	29.1	28.2	20	17.6	5.2	100.0	
		Mean							3.42
4	Members of the staff in the office are competent enough.	Frequency	90	104	46	69	21	330	
		Percent	27.3	31.5	13.9	20.9	6.4	100.0	
		Mean							2.48

Source: Field survey, 2024

As table 4.14 indicates, 134(40.6%) of the total taxpayers responded disagree to the idea that “the process of service delivery by the office fulfills customer’s interest.” and 108(32.7%) of them also strongly disagree. Whereas 35(10.6%) of the customers agree with the statement and 13(3.9%) of them strongly agree 40(12.1%) of other respondents unable to decide. This implies more than two third of the respondents had negative impression towards the statement “the process of service delivery by the office fulfills customer’s interest.” The mean for this statement is 2.32 which also indicates minimal degree of agreement of the respondents. Thus, the respondents argue that the process of service delivery by the office does not fulfill customer’s interest.

As the table in the above indicates, the response of respondents to the statement that “service provided by the office as per designated on the service delivery standards.” is 103(31.2%) disagree, 101(30.6%) strongly disagree, 40(12.1%) agree, 21(6.4%) strongly agree and the rest 65(19.7%) undecideds. Majority of the respondents responded that the service provision in the office is not as per designated on the standards. The mean of the response for the statement is 2.56 which is below the point of 2.61(minimum point for neutral opinion) and this enables to conclude that the respondents’ have minimal degree of agreement. Based on this respondent’s opinion, the service in the office is not provided as per the designated service delivery standards, means the service is not provided efficiently and effectively in the organization.

As we can observe from table 4.14, 96(29.1%) of the participants in the survey strongly disagree to the statement that “decisions in the institution are implemented accordingly” and 93(28.2%) of them also disagree. While 58(17.6%) of the taxpayer participants in the survey agree and 17(5.2%) of them strongly agree. Other 66(20%) respondents unable to decide. This implies majority of the respondents has negative impression towards the statement “decisions in the

institution are implemented accordingly” The mean of the response for the statement is 2.42 which is below the point of 2.61(minimum point for neutral) and this enables to conclude the respondents’ have minimal degree of agreement. Thus, the respondents argue that decisions in the institution are not implemented accordingly.

As Table 4.14 shows 104(31.5%) of the respondents disagree and 90(27.3%) of them strongly disagree to the statement “members of the staff in the office are competent enough.”. Whereas 69(20.9%) of the respondents agree and 21(6.4%) of them strongly agree to the statement. The rest 46(13.9%) had unable to decide. The mean of the response for the statement is 2.48 which is below the point of 2.61(minimum point for neutral) and this enables to conclude the respondents’ level of agreement is low. This indicates that most respondents argue that members of the staff in the office are not competent enough. Efficient and effective service is impossible without competent staff.

## **4.5. Power decentralization and Federalism’s Role in Good**

### **Governance**

The application of sound governance in local government is one of the benefits of a decentralization system (Utomo ,2017;245). “Decentralization promotes good governance by enabling the community to gain authority, resources, and skill to manage their interests and problems” (Tariku, 2020). Decentralization's potential to result in effective governance will depend on the circumstances surrounding its conception, execution, and evaluation. So, assessing of power decentralization is necessary to understand prevalence of good governance in the organization. Statements were included to assess the opinion of the service users on to what extent is the organization is empowered, how much the organization has power to make independent decisions and to what extent the existing decentralized federal system in the country has promoted good governance in the organization. The response of the participants of the survey is analyzed and presented as the following.

**Table 4.16 Level of power decentralization and Role of Federalism in Good Governance**

No			Strongly disagree	Disagree	Undecided	Agree	Strongly agree	Total
1	The organization is empowered through planning, implementations and evaluations in their own affairs	Frequency	63	125	57	74	11	330
		Percent	19.1	37.9	17.3	22.4	3.3	100.0
		Mean	2.53					
2	The organization has decentralized power to make independent decision on its own.	Frequency	58	113	62	78	19	330
		Percent	17.6	34.2	18.8	23.6	5.8	100.0
		Mean	2.66					
3	The existing decentralized federal system in the country has promoted good governance in the organization.	Frequency	68	115	65	63	19	330
		Percent	20.6	34.8	19.7	19.1	5.8	100.0
		Mean	2.55					

Source: Field survey, 2024

According to table 4.15, 125(37.9%) of the taxpayer participants replied disagree with the idea that “the organization is empowered through planning, implementations and evaluations in their own affairs” and 63(19.1%) of them also strongly disagree. While 74(22.4%) of others agree and 11(3.3%) strongly agree. Other 57(17.3%) respondents unable to decide. This implies the majority of the respondents has negative impression towards the statement “the organization is empowered through planning, implementations and evaluations in their own affairs”. Thus, from these customers view the organization is less empowered through planning and implementations of their organizational issues.

Table 4.15 illustrates, 113(34.2%) of the taxpayer participants replied disagree with the idea that “the organization has decentralized power to make independent decision on its own.” and 58(17.6%) of them also strongly disagree. While 78(23.6%) of the respondents agree and 19(5.8%) of them strongly agree.62(18.8%) of other respondents unable to decide. This shows more than half of the respondents has negative impression towards the statement “the organization has decentralized power to make independent decision on its own.” Thus, the respondents argue that the organization has no power to make independent decision on its own. This customers opinion reveals that good governance cannot be ensured in the organization because the organization has lack of power to make independent decisions on its own. The service providers opinion on this idea will be discussed later in this chapter in the qualitative part.

Table 4.15 illustrates, 115(34.8%) of the taxpayer participants of the survey responded disagree with the idea that “the existing decentralized federal system in the country has promoted good governance in the organization.” and 68(20.6%) of them also strongly disagree. While 63(19.1%) of the taxpayers agree and 19(5.8%) of them strongly agree. 65(19.7%) of other respondents were undecided. This reveals majority of the respondents had negative impression towards the statement “the existing decentralized federal system in the country has promoted good governance in the organization.” Thus, the taxpayers argue that the current decentralized federal system in the country has not promoted good governance in the organization.

## **4.6. Qualitative Data Analysis**

### **4.6.1 Prevalence of Good Governance**

Interview was conducted to ten officials and employees of the AKSCSTBO to assess their perception towards the application and challenges of good governance in their organization.

The first question that was forwarded to the interviewee was “how do you evaluate the practice of principles of good governance in your organization”. They were asked to respond by considering the major principles of good governance. All the informants agreed that there are improvements in the implementation of some characteristics of good governance in the organization but there are also limitations in implementation of some of the principles.

According to the officials and employee informants the organization takes several mechanisms to enhance good governance in the organization. To ensure transparency, the organization gives training to the customers twice a week. It communicates necessary information through telephone, official social media pages of the office and posting on the office's board. Performance reports also announced to the people at certain time interval. The informants said that the organization made accountable the employees with ethical problems to ensure accountability in the organization, but the informants agreed that the organization is not free from unethical works and corruption. They added that most of these actions are made by agreement between the employees and the customers and this made it difficult to expose easily. The interviewee revealed that even though, there is a way to expose unethical practices to the authorities, but customers have no trust to the process and the department that leads. It is not strongly institutionalized to lead and avoid this dynamic problem of the highly corruption exposed organization.

Regarding the responsive service delivery, majority of the informants agreed that there were limitations in providing responsive service to the customers. Customers did not get quick service. According to the informants, the cause for this delay is not only the employee's problem but also the customers themselves are responsible. Because majority of the customers have not the habit to come early days of tax payment period rather, they come at the last few days. This creates great burden at the service delivery process to give service to a big number of taxpayers within a brief time. Customers demand for service even without bringing the necessary documents for the service is another problem of the customers that lead to delay of the service delivery and complaints.

The majority of the informants revealed that the organization has improvements in providing efficient and effective service but there are shortcomings. The difference in level of efficiency and attitude of employee are among the reasons for these shortcomings. Some employees have great internal motivation to serve the customers while others are less motivated. Some employees are less efficient and effective even they have educational qualification for the position, this is mostly due to lack of experience. Even there are some trainings given to the employees, but they are limited to address the gap of the workers.

The majority of employee informants argued that customers participation is ensured in the organization. Customers can provide their comments, suggestions, and complaints through different mechanisms, including the suggestion box, complaint receiving format and log of registration box. Customers participate in different meetings that held by the organization.

The second question forwarded to the interviewee was to compare which category of taxpayers has faced more problems of good governance and which one is better. The majority of the interviewee agreed that more good governance problems and delay to pay their tax on time are faced at category “B” taxpayers than category “A”. Category “A” taxpayers have more knowledge on the tax collection process as compared to the category “B”. They got when they were at the lower level or category “B” level, which has similarity in the way of tax collection with the category “A”. This helps them to become familiar with the system, but in category “B” their knowledge is limited at the biggening.

Another question forwarded to the interviewees was whether the existing decentralized federal system in the country has helped in the practice of good governance in the organization. The interviewee responded that the existing federal system in the country has helped in improving good governance in the institution, but the achievements are limited by some implementation problems.

Some of the achievements mentioned by the informants are the federal system has enabled the Addis Ababa city administration to establish independent revenue authority at city level. This shortens the length of bureaucracy by giving independent power to plan, implement and evaluate tasks at city level rather than country level. This enables the sub city level revenue sector customers to get final decision at city level for any of their complaints that were not solved at sub city level.

The interviewees were asked whether their organization has empowered through planning, implementation, and evaluations in their own affairs. Most of the informants replied that their organization has empowered for some issues but lacks autonomy for others including the financial budget and human resource issues.

The researcher forwarded a question to the employee interviewee whether the organization has organized meeting with customers to give solution for problems or to discuss regarding the topic

of good governance. The majority of the informants agreed that the organization held meetings or discussion with customers to solve problems or to discuss regarding the issue of good governance. Additionally, trainings were given to the customers weekly.

The researcher asked the interviewee to forward their possible solutions to enhance good governance in AKSCSTBO. They responded that technologically supported advanced system(e-tax) should be introduced. The manpower-based tax system should be replaced by technologically advanced tax system(e-tax). Another solution recommended by the informants was to take advanced tax system experiences from other similar institutions. For example, the Federal Ministry of Revenue has better tax collection system, and this experience should be introduced by customizing with the organization. The Revenue authority should prepare clearly articulated rules and instructions by addressing every issue of tax collection process. Rules and instructions should be stable and not to be changed again and again with in brief time frame.

Based on the informant's opinion, low income and salary of employees are among the causes for good governance problems particularly corruption. Increasing employee's salary will reduce the level of corruption. So, this kind of measures have to be taken to ensure good governance in the organization.

#### **4.6.2. Challenges of Good Governance**

Regarding the major constraints of good governance, data were collected from both the customers and the service provider employees of the AKSCSTBO. Among the question that forwarded to the employee informants were to respond to the question "what are the determinant factors that affect the practice of the principles of good governance in the organization". According to most of the informants the main constraints of good governance in the organization are the following.

- Most of the tasks of the organizations are manpower based rather than developing technologically supported advanced system(e-tax). Even the existing system in the organization is not always functional and interrupted repeatedly. This internet system interruption made the service delivery interrupted and the employees remain idle.
- Some issues of tax collection process have not clearly articulated rules. To address this gap circulars and directives are distributed frequently. So, the circulars and directives

are not stable, they changed again and again with in short period of time. This and other factors create difference of understanding on the circulars and directives by the employees.

- Lack of trainings to the employees is another problem. The employees did not get enough trainings that help them to update their knowledge and understandings.
- Staff is not fulfilled. Large number of positions have no manpower assigned and little more than half of the staff is fulfilled. Low income and small salary of the workers is one of the factors for turnover of employees, corruption, and other unethical works.
- Failures of other stakeholder offices. Because of the failure of the Sub city's Trade Office to accomplish its task, some merchants work their business without having license. This leads to resentment of the legal taxpayers due to the unfair market competition with the illegal businessman.
- The taxpayers' low level of knowledge and understanding on the tax rules and proclamations. Taxpayers demand of service at similar time i.e., the last few days of the tax payment period.
- The tax office officials' interest on achieving the planned goals of the tax to be collected at any cost. They focus on collecting large amount of tax rather than solving the good governance problems of the customers.

On the other hand, the taxpayers had provided their opinion regarding the main challenges of good governance in the open-ended part of the questionnaire. According to majority of the customers attitude, the main challenges of good governance in AKSCSTBO are the following.

- Poor service delivery. Some employees lack pleasant attitude to serve the customers. The employees did not treat the customers with respect and some employees generalize all taxpayers as thief and treating them as such. During the service provision some windows have large number of customers that create delay of service while others are empty.
- The presence of corruption and unethical works. The organization failed to control their workers. Most commonly employees that assigned to control the customers whether they are using the cash register are not going to punish to a businessman that gives them inducement.

- The presence of uncompetent staff members in the organization. The employees are afraid of being responsible for any error that may happen in the process rather than providing the service confidently. The employees of the organization are not making decisions independently based on the rules rather they depend on the instructions of their officials.
- The frequent interruption of the internet system of the organization.
- Lack of transparency. The employees that make tax decisions did not provide clear information about the process and the decision.
- Low level of participation. The service providers cannot understand problems of the customers and cannot fulfill their interests. Because there were no open discussions and meetings between the service users and the service providers.
- Geographical location of the office itself is not medium for all customers (it is located in Gulelle Sub city)

## **CHAPTER FIVE**

### **5. SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Introduction**

The major objective of this study is to assess local good governance in Addis Ketema Sub-City particularly in the Small Taxpayers Office. The following particular issues are intended to be addressed by the study. To what extent is good governance prevalent in AKSCSTBO? Does the current federal system have helped the good governance implementation in AKSCSTBO? What are the main difficulties during good governance implementation in AKSCSTBO?

With the aim to meet the research's objectives 330 sample of service users and 10 interviewees from the service providers were participated. The data was gathered with the use of both survey and interview techniques. Questionnaire has been employed for the service users and interview for the service providers. The collected data has been examined by employing frequency, percentile and mean.

Based on the data presented and interpreted in the previous chapter, this last chapter of the study summarizes the research's key findings, draws concluding remarks, and suggest recommendations. Major findings were summarized in the first section of the chapter. The

second section of the chapter draws the main conclusions of the study and at the last section recommendations were suggested.

## **5.2 Summary of the Major Findings**

In consideration of the data analyzed and interpreted in the previous chapter the key findings are summarized as the following.

Majority of the of the respondents responded that the organizational governance procedure lacks clarity regarding the rules of the game. Most of the respondents show in their response their stand against the notion that taxpayers were given current details whenever the organization changed the way services were provided or the approaches used.

Most of the service user respondents had responded that the opinions that reflect negative impression, strongly disagree and disagree, to the idea that decisions made by the organization are open to the public. According to most of the taxpayers who participated in the study annual performance reports of the organization are not announced to the people. Conversely, though the service providers responded in the interview that the organization provides clear rule and updated information to the customers. Annual report announced to the people and organizational decisions are transparent.

Majority of the taxpayers who participated in the study has replied negatively to the idea that the office has strong rules and regulations to manage the employees. Most of the customers revealed that customers and employees have no way to expose unethical practices to the authorities. Based on the service user's opinion, workers of the organization that provides services ask irregular payments to get service in the organization and the office is not free from embezzlement and nepotism. Also, the officials and other employees are not punished for their wrongdoing or decision. The employee informants in their response in the interview agreed that the organization workers are not free from unethical works and there is corruption but not easily exposed. Even though, there is a way to expose unethical practices to the authorities, but customers have no trust of the process and the department that leads.

The respondents responded negative opinions towards both statements regarding the customers have the chances to participate directly, in preparing rules and regulations that influence them and to solve problems in the tax collection process. Based on taxpayer responders, it is challenging for taxpayers to submit their recommendations, queries, remarks, and grievances to

the service provider organization. Majority of the respondents generalized that the taxpayer's participation in the office is not enough.

Based on most of the taxpayer respondents, the service providers did not give timely responses to both category of taxpayers, category 'A' and 'B' in the institution when taxpayers have complained regarding tax decision. Majority of the respondents responded that the organizational procedures and framework are not made to guarantee responsiveness. Most of the service user respondents argue that the worker of the office did not react swiftly to a request for action or information. Based on the service provider interviewee, majority of the informants agreed that there were limitations in providing responsive service to the customers.

Regarding the efficient and effective service delivery the findings are the following. Most respondents disagree to the idea that the procedure of service delivery by the office fulfills customer's interest. Based on most of the respondent's response, the service in the office is not delivered as per the designated standards. Majority of the respondents has negative impression towards the statement that decisions in the institution are implemented accordingly. Most respondents argue that members of the staff in the office are not competent enough. Most of the informants revealed that even though, there are improvements in providing efficient and effective service but there are still limitations.

The findings regarding the level of decentralization and role of federalism in good governance in the organization is summarized as the following. Most of the service user respondents had responded negatively towards the statement that the organization is capable of taking charge of their own affairs through planning, executing, and evaluating. The service user respondents responded that the organization had less power to make independent decision on its own affairs. The existing decentralized federal system in the country had less role in promoting good governance in the organization is the response of the majority of the service user respondents. On the other hand, most of the employee informants replied that their organization had empowered for some issues but lacks autonomy for others including the financial budget and human resource issues. The interviewee responded that the existing federal system in the country has helped in ensuring good governance in the institution, but the achievements are limited by some implementation problems.

Some of the most commonly mentioned challenges of good governance by the taxpayers and workers were the following. The frequent interruption of the internet system of the organization is one of the obstacles. Another one is some issues of the tax collection process have not clearly articulated rules. The circulars and directives are frequently changed and not stable. Another obstacle raised by the employees is the employees' difference of understanding on the circulars and directives. The taxpayers' low level of knowledge and understanding on the tax rules and proclamations is also among the challenges raised by the employees. Geographical location of the office is not medium for all customers because it is located geographically outside of the Addis ketema Sub city. Lack of trainings to both the taxpayers and employees. Another obstacle is failure of stakeholder offices like the Sub city's Trade Office to accomplish their task, some merchants work their business without having license. This leads to resentment of the legal taxpayers due to the unfair market competition with the illegal businessmen.

### **5.3 conclusions**

In consideration of the research findings, conclusions have drawn by the study. These conclusions are presented as the following.

The organizational decisions are not transparent to the people, clear rules and updated information is not distributed to the customers. Transparency as among the main characteristics of good governance is implemented at low level in the organization.

According to the findings from both the service takers and service providers, there is corruption and other unethical works in the organization. The rules of the organization are not strong enough to manage their employees. The officials and other workers of the organization are rarely penalized for their wrongdoings. The way to expose unethical practices to the authorities is less trusted. In general, there is poor accountability in the organization.

The customers have low chance to participate directly in preparing rules and regulations that influence them. Customers and other stakeholders did not actively participate to solve difficulties faced in the course of tax collection. Generally, the level of customer's participation in the office

is not enough, and it is at low level. Thus, prevalence of good governance in the organization is challenged by low level of customers participation.

Regarding the responsive service delivery, complaints on the tax decision by both category of taxpayers, category 'A' and 'B', were not responded on time. The workers of the office did not react swiftly to a request for action or information. There were limitations in delivering responsive service to the taxpayers. Therefore, responsive service delivery is not ensured, and this is challenging the practice of good governance in the organization.

Based on the findings, customer's interest is not fulfilled by the process of service delivery in the office, decisions in the institution are not implemented accordingly, members of the staff in the office are less competent. Without competent staff it is difficult to provide efficient and effective service. The organization has improvements in providing efficient and effective service but there are limitations that should be addressed.

The organization had different challenges that negatively influence the implementation of good governance. Some of the most common were the following. The frequent interruption of the internet system of the organization is one of them. Another one is absence of clearly articulated rules on some issues of tax collection process and that leads the employee's different way of understanding and interpreting them. Also, the circulars and directives are frequently changed and not stable. The taxpayers' low level of knowledge and understanding on the tax rules and proclamations was also among the difficulties in the organization. Geographical location of the office is not medium for all customers because it is located geographically outside of the Addis ketema Sub city. Lack of trainings to both the taxpayers and employees. Failure of stakeholder offices like the Sub city's Trade Office to accomplish its task, some merchants work their business without having license. This leads to resentment of the legal taxpayers due to the unfair market competition with the illegal businessmen.

“The federal system of government uses a decentralized system of power devolution to ensure separation of power” (Elazar, 1995:6). Decentralization processes have an impact on local government practices. Decentralization's potential to result in effective governance will depend on the circumstances surrounding its conception, execution, and evaluation. “Effective decentralization brings decision-making closer to citizens and can yield programmes and services that better address local needs and demands”. (UNDP. et al, 2007: i). The Addis ketema

sub city small taxpayers' office had less authority over their own activities through planning, executing, and evaluating. The organization had empowered for some issues but lacks autonomy for some others including the financial budget and human resource issues. It cannot fulfill the manpower gap in the organization because it is expected to be hired by the higher bureau. Low level of decentralization has negatively influenced the implementation of good governance in the organization. The current federal system in the country had a role to some extent in enhancing good governance in the organization, but the achievements are limited by implementation problems.

## **5.4. Recommendations**

Depending on the findings and conclusions of this research, the following recommendations are suggested by the researcher to promote good governance in the organization.

- As the finding reveals the level of transparency is not satisfactory in the organization. It is recommended to bring well-informed individual employees to the information desk department that can enhance the level of transparency in the organization. Promoting and effective use of the wave sites and official social media pages of the organization can enhance organizational transparency.
- Empowering the ethics monitoring department and creating awareness on the people can help to ensure accountability. The organization is recommended to make the ways of exposing unethical practices to the authorities are trusted by the employees and customers. The sub city peoples' representative supervision and control on the organization was at low level. It is advised the sub city council members to make continuous supervision and control on the organization.
- The customers were not satisfied by their degree of participation in the organization. To understand, prioritize and fulfill customers interest, continuous open discussions and meetings are advised to be held between the service users and the service providers.
- To deliver efficient and effective service in the organization the researcher recommended that to introduce technologically supported electronic tax system(e-tax). This can solve some of the problems emanated from manpower-based works. It can reduce corruption by decreasing the frequent contact of the employees and the customers.

- To deliver service efficiently and effectively it is recommended to develop the habit of continuous experience sharing with other similar institutions. For example, according to many of the respondents and informants, the Federal Ministry of Revenue has better tax collection system, and this advanced tax system experience can be introduced by customizing to the organization.
- The researcher recommends the organization to provide trainings to the employees regarding the tax rules and proclamations, service delivery, good governance principles, positive thinking and others. Trainings regarding the tax rules and proclamations can help employees to have common understanding on the tax rules and proclamations. Trainings regarding the service delivery and positive thinking will help the employee to provide service to the customers with pleasant attitude. Trainings regarding the good governance principles will develop the level of understanding on the basic principles of good governance that can enhance the practice in the organization.
- It is also recommended that all issues of tax collection process to have clearly articulated rules. So, to address the gap on the tax rules the sub city level tax office is recommended to report to the higher office and working collaboratively to make it happen.
- The organization officials are advised to balance their interest on achieving the planned goals of the tax collection and fulfilling the taxpayer's interest. It is expected to be concerned on both issues on achieving the planned goals of the tax to be collected and at the same time to be concerned on solving the taxpayer problems and ensuring good governance.
- Empowering the organization through planning, implementations and evaluations in their own affairs can enhance good governance in the Addis ketema sub city small taxpayers' office. It is recommended to empower the organization with full autonomy including the financial budget and hiring human resource.

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## **Annexes**

### **Annex 1**

**Addis Ababa University**

**College of Law and Governance Studies**

**Center of Federalism and Governance**

#### **Questionnaire to be filled by customers of Addis Ketema Sub-city Small Taxpayers Office**

The main objective of this study is to assess local good governance in the decentralized federal system of Ethiopia: The case of Addis Ketema Sub-city Small Taxpayers Office, Addis Ababa. This is to enable the researcher, a graduate program student at Addis Ababa University Center of Federalism and Governance, to complete his master's thesis. The data you provide is believed to have a great value for the success of this research. I confirm you that all data will be used for

academic purpose. I would like to thank you in advance for your co-operation and for your generous time, honest and prompt responses.

NOTICE: No need of writing your name. Kindly put a (  $\surd$  ) mark with the option that reflects your level of agreement with the given statement and some discussions for open-ended questions  
If you have any inquiries, please do not hesitate to contact me by Tel; 0923455570 or e-mail; [berhaneg2022@gmail.com](mailto:berhaneg2022@gmail.com).

### Part I: Demographic and Socio-Economic Questions

#### A. Background Information

1. Sex: - A. Male  B. Female

2. Age in a years A.18-25  B. 26-35  C. 36-45

D. 46-55  E. 55 and above

#### 3. Educational Status

a. Primary level education  c. Secondary level education  d. Diploma

e. Bachelor's degree  f. Master's and above

4. Work Experience A. <1 year  B. 1-5 years

C. 6-10 years  D. 11 and above years

5. Category of taxpayers A. Category 'A' B. Category 'B'

<b>1. Statements regarding the issue of</b>	Strongly	Disagree	Undeci	Agree	Strongly
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<b>transparency</b>	disagree		ded		agree
The rules of the game are clear in the administration process of the institution.					
When the office makes change of service delivery and methods updated information's are distributed to customers.					
Organizational decisions are transparent to the people.					
Annual performance reports are announced to the people.					
<b>2. Statements regarding the issue of accountability</b>	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
The office has strong rules and regulations to manage the employees.					
The authorities take quick appropriate measures when the rules and regulations of the organization are violated.					
Employees and customers have the way to expose unethical practices to the authorities.					
Personnel/officials of the service provider institution do not ask irregular payments to accomplish your task in the institution.					
The tax office is free from embezzlement and nepotism					
The officials and other employees are punished for their wrongdoing or decision					
<b>3. Statements regarding the issue of public participation</b>	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
Customers have chances to participate					

directly in preparing rules and regulations that influence them					
The level of customer's participation in the office is enough					
The office holds meeting to identify and prioritize customer's problems					
Customers and other stakeholders actively participate to solve problems in the tax collection process.					
Customers can easily provide their suggestions, questions, comments and complaints for the service provider institution.					
<b>4. Statements regarding the issue of responsiveness</b>	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
The service providers give timely responses when taxpayers have complained regarding tax decision.					
The institutional structure and processes are designed appropriately to ensure responsiveness					
The worker of the office reacts to a request for action or information swiftly					
<b>5. Statements regarding the issue of Efficiency and Effectiveness</b>	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
The process of service delivery by the office fulfills customer's interest?					
Service provided by the office as per designated on the service delivery standards.					

Decisions in the institution are implemented accordingly.					
Members of the staff in the office are competent enough.					
<b>6. Statements regarding the issue of decentralization</b>	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
The organization is empowered through planning, implementations and evaluations in their own affairs					
The organization has decentralized power to make independent decision on its own.					
The existing decentralized federal system in the country has promoted good governance in the organization.					

What are the major constraints of good governance in the organization? Please explain them.

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What kind of powers are left not decentralized to the organization that lead to good governance problems? \_\_\_\_\_

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What are the major problems related to the practice of good governance principles in the institution?

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What measures should be taken to promote good governance in the organization?

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## Annex 2

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የህግ እና አስተዳደር ኮሌጅ

የፌዴራላዊ ምክር ቤት አስተዳደር ጥናት ሙክክል

በአዲስ አበባ ከተማ አስተዳደር አስተዳደር ስተኛ ግብር ከፋዮች ቅርንጫፍ ጽ/ቤት ደምበኞች የሚከተሉት ማጠቃለያ

- ይህ ጥናት አዲስ አበባ ዩኒቨርሲቲ የፌዴራላዊ ምክር ቤት አስተዳደር ጥናት ሙክክል የድህረ ምረቃ ተማሪ በሆነ ተማሪ ለድህረ ምረቃ ትምህርት ማሟያ የሚሰጥ ነው። ይህ ጥናት በአዲስ አበባ ከተማ አስተዳደር ስተኛ ግብር ከፋዮች ቅርንጫፍ ጽ/ቤት ምን ያህል ማሳካት አስተዳደር እንደሰፈነ ለመግለጽ የሚሰጥ ነው። በመሆኑም ይህ ማጠቃለያ ለትምህርት ዓላማዎችና ማንኛውም ዓይነት ወይም በፅሁፍ የሚሰጥ ምላሽ በሚሰጥ ጥናት የሚያደርግ ነው።

በመሆኑም እናንተ በምትሰጡት ምላሽ ላይ የተመረኮዘ ወጠት ያለው ጥናት ለማስረት ያግዘኝ ዘንድ ከምንምን ገር ነፃ ሆነ ውያሉትን ችግሮች እና እውነታዎች እንዲመልሱልኝ ሥል ከታላቅ አክብሮት ጋር እጠይቅዎታለሁ። ማናቸውንም ዓይነት ጥያቄ ካልዎት እባክዎ በዚህ አድራሻ ያግኙኝ 0923455570 ወይም berhaneg2022@gmail.com

ስለ ትብብርዎ ከልብ አማካኝ ግናለሁ!!!

ትኩረት፡

- ስም መጥፍ አያስፈልግም፡
- ለእንደ ጥያቄ አንድ መልስ ብቻ ያስቀምጡ፡
- እባክዎ ይህንን (✓) ምልክት ከታች ከተዘረዘሩት ማረጫዎች የእርስዎን ሃሳብ የማይፈጠሩ ማረጫዎን ያመልክቱ

1. ጾታ፡- ሀ. ወንድ  ለ. ሴት

2. እድሜ ሀ. 18-25  ለ. 26-35  ሐ. 36-45

መ. 46-55  ሠ. 55 እና ከዚያ በላይ

3. የትምህርት ደረጃ

ሀ. አንደኛ ደረጃ  ለ. ሁለተኛ ደረጃ  ሐ. ዲፕሎማ

መ. የመጀመሪያ ዲግሪ  ሠ. ማኅተርስ ዲግሪ እና በላይ

4. የግብር ከፋይነት ደረጃ ሀ. ደረጃ “ሀ”  ለ. ደረጃ “ለ”

1. ግልጽነት የተመለከቱ መግለጫዎች	በጣም አልስማም	አልስማምም	አልወሰንኩም	እስማማለሁ	በጣም እስማማለሁ
ተቋሙ የአስተዳደር ሂደት ግልጽ የሆነ ህግ አለው					
መሣሪያ ቤቱ አገልግሎት አሰጣጥ ሂደቱ እና ህጉ ሲቀይር ለደንበኞቹ ተገቢው					

ሚገኝ በወቅቱ ያሳወቃል.					
የመከሪያ ቤቱ ወሳኔዎች ለህብረተሰቡ ግልጽ ይደረጋሉ					
አመታዊ እቅድ አፈጻጸም ሪፖርት ለህብረተሰቡ ይፋ ይደረጋል					
<b>2. ተጠባቂነት የተመለከቱ መግለጫዎች</b>	በጣም አልስማማም	አልስማማም	አልወሰንኩም	እስማማለሁ	በጣም እስማማለሁ
መከሪያ ቤቱ ሰራተኞችን የመቆጣጠር በትጠንካራ ህገ ደንብ አለው					
የመከሪያ ቤቱ ህገ ደንብ ሲጠስ አፋጣኝ ተገቢው እርምጃ በሃላፊዎች ይወሰዳል።					
ደንበኞች እና ሰራተኞች ህገ ወጥ አሰራሮች ሲፈጸሙ ለመቃወም አካል መጋለጥ የሚቻልበት የአሰራር መንገድ አለ					
የአገልግሎት ሰጪ ተቋሙ ሰራተኞችና ኃላፊዎች የትኛውንም ስራ ለመክፈት ህጋዊ ያልሆኑ ክፍያዎች አይጠይቁም					
በመከሪያ ቤቱ በዝመድና ሌሎች ምክንያቶች የሚከሰቱ ሙደሎች አሉ					
ኃላፊዎችም ሆነ ሰራተኞች ለጠፋት ጥፋት ቅጠት ይጣልባቸዋል።					
<b>3. ተሳትፎ የተመለከቱ መግለጫዎች</b>	በጣም አልስማማም	አልስማማም	አልወሰንኩም	እስማማለሁ	በጣም እስማማለሁ
የመከሪያ ቤቱ ደምገኞች በእነሱ ላይ ተጽእኖ ሊያሰድሩ የሚችሉ ህጎችና ደንቦች በመጠቀም ላይ በቀጥታ ተሳትፎ ያደርጋሉ					
በመከሪያ ቤቱ የደምገኞች ተሳትፎ በቂ ሁኔታ አለ					

መከላከያ ቤቱ የደምጻዎች ችግር ለመላየት እና ለመቆታት ስብሰባዎች ይጠራል					
በግብር አሰባሰብ ሂደት ላይ ለመቆጣጠር ችግሮች ደንበኞች እና ሌሎች የሚከተሉት ክፍሎች በቀጥታ በማስተካከል ይፈታል					
የመከላከያ ቤቱ ደንበኞች አስተያየታቸው፣ ምክራቸው፣ ጥያቄያቸውና ቅሬታቸው ለአገልግሎት ሰጪው መከላከያ ቤት በቀላሉ መከፈት የሚችሉበት መንገድ አለ።					
<b>4. ምላሽ ሰጪ ት የተመለከቱ መግለጫዎች</b>	በጣም አልስማምም	አልስማምም	አልወሰንኩም	እስማማለሁ	በጣም እስማማለሁ
ግብር ከፋዮች ለመቆጣጠር ብቸኛው ቅሬታዎች አገልግሎት ሰጪዎች በጊዜው መልስ ይሰጣሉ					
የመከላከያ ቤቱ አወቃቀር እና አሰራር የተቀላጠፈ ምላሽ ሰጪ ት አገልግሎት በመቆጣጠር መንገድ የተዘጋጁናቸው					
ለሚጠየቁ ስራዎች እና መረጃዎች የመከላከያ ቤቱ ሰራተኞች ፈጣን ምላሽ ይሰጣሉ					
<b>5. አገልግሎት ብቃት እና ወጠታማ ት የተመለከቱ መግለጫዎች</b>	በጣም አልስማምም	አልስማምም	አልወሰንኩም	እስማማለሁ	በጣም እስማማለሁ
የመከላከያ ቤቱ አገልግሎት አሰጣጥ የደምጻዎችን ፍላጎት የሚያረካ ነው።					
የመከላከያ ቤቱ አገልግሎት አሰጣጥ በአገልግሎት አሰጣጥ ስታንዳርድ መሰረት ነው					
በመከላከያ ቤቱ የተሰጡ ውሳኔዎች ተፈጻሚ ይደረጋሉ					

የመከሪያ ቤቱ ሰራተኞች ብቃት ያላቸው ናቸው					
<b>ያልተማከለ አስተዳደር የተማላከቱ መግለጫዎች</b>	በጣም አልስማምም	አልስማምም	አልወሰንኩም	እስማማለሁ	በጣም እስማማለሁ
ተቋሙ በራሱ ጉዳይ እቅድ የማይቀድም የመፈጸምና የማግኘት ማላ ሁኔታዎችን ስልጣን አለው።					
ተቋሙ በራሱ ጉዳይ በነጻነት ለመወሰን የሚያስችል ማላ ሁኔታዎችን ስልጣን አለው።					
በሃገሪቱ ያልተማከለ የፌዴራል ስርዓት መኖሩ በመከሪያ ቤቱ መላካት አስተዳደር እንዲሰፍን እገዛ አድረጓል። .					

በርስዎ አመለካከት በአዲስ ከተማ ክፍለ ከተማ አስተዳደር ግብር ከፋዮች ጽ/ቤት የመላካት አስተዳደር ማቆም ምን ድንገት ሊኖረው ይችላል? ይዘርዝቡ

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ለመላካት አስተዳደር ችግር መነሻ ሊሆኑ የሚችሉ ለመከሪያ ቤቱ ያልተሰጡ (ከላይ ያልወረዱ) ሁኔታዎች ወይም ስልጣኖች ካሉ ይዘርዝቡ

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በሚከተሉት ስራዎች ላይ ለተገኘው ሰው (ግልጽነት፣ ተጠያቂነት፣ ህዝባዊ ተሳትፎ፣ ምላሽ ሰጪነት፣ ብቃትና ውጤታማነት) በተያያዘ ያሉ ዋና ችግሮች ምን ድንገት ናቸው?

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በግብር ሰብሰቢ ሚኒስቴር ስራዎች ላይ ለሚከተሉት ምን ዓይነት የሚከተሉት ጸረ-ምግባር ማዕረግ አለበት ይላሉ?

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**Annex 3**

**Part two: Interview questions**

1. How do you evaluate the practice principles of good governance in Addis Ketema Sub city Small Taxpayers Office?
2. In your opinion what are the determinant factors that affect the practice of the principles of good governance in the organization?
3. Does the organization held meeting or discussion with customers or community to solve problems or to discuss regarding the issue of good governance?

4. What are the common grievances of your customers and how do you solve them?
5. what are the challenges of good governance based on the category of taxpayers? Which category of taxpayers is better to pay taxes on time?
6. Do you think the existing decentralized federal system in the country has supported the practice of good governance in the institution?
7. Do the organization has empowered through planning, implementations and evaluations in their own affairs?
8. What are the possible solutions to improve good governance in the Addis Ketema Sub city Small Taxpayers Office?

### **List of Informants**

	Name	Position	Date of Interview	Remark
1	Helen Kifle	Customers Service and Complaint Resolving Director Head	15/04/2024	
2	Brhanu Arage	Tax Decision Complaint Inquiry Director Head	17/04/2024	
3	Gebisa Olqeba	Cash Register Issues Team Leader	17/04/2024	
4	Sinidu Nigusse	Information Desk Officer	15/04/2024	
5	Gari Nigusse	Ethics Monitoring Director Head	16/04/2024	
6	Mohammed Sultan	Tax Audit Team Leader	16/04/2024	
7	Admasu Geresu	Complaint Resolving Officer	15/04/2024	
8	Nurhasen Ahmed	Tax Determination Team Leader	18/04/2024	

9	Yibgeta	Tax Data Collection Team Leader	17/04/2024	
10	Elsabet Kiefe	Ethics Monitoring Team Leader	16/04/2024	