Motivation as a Critical Success Factor to Knowledge Management Efficiency and Tax Administration Performance

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ABSTRACT

Tax administration performance in developing countries needs improvement as a result of low performance. However, motivation can improve knowledge management (KM) efficiency and tax administration performance. This study employed a case study on Nigerian tax administration to explain the critical roles of motivation in improving KM efficiency and tax administration performance. Tax administrators were interviewed face-to-face through semi-structured and open-ended interview questions which were recorded with a Smart Voice recorder. Qualitative data collected through face-to-face interviews with 20 tax administrators were thematically analysed by identifying and reporting themes based on participants' responses and the objectives of the study. Two main themes and six sub-themes were identified. The main themes for this study consist of financial and non-financial motivation while the sub-themes include allowance, bonus, financial reward, appreciation, recognition, and recommendation. This study found that financial and non-financial motivation can improve KM efficiency and tax administration performance through improved knowledge sharing, transfer, acquisition and application. Furthermore, financial motivation is more critical to KM efficiency and tax administration performance than non-financial motivation. Hence, this study recommends that the management of tax administration should emphasise more on financial motivation to improve KM efficiency and tax administration performance.

INTRODUCTION

Research conducted on tax administration performance in developing countries has shown that it is low and a major concern to the government, public institutions, tax administrators and individual researchers. According to Bird (2015), tax administration performance in developing countries is inefficient and ineffective. Similarly, Mansor and Tayib (2015) posited that tax administration performance in developing countries is low and needs improvement. Organisation for Economic Co-operation and Development (OECD, 2019), an inter-governmental economic organisation founded in 1961 to stimulate economic progress and world trade also noted that low tax administration performance of developing countries, especially for 26 African countries results in low tax revenue generation and tax revenue ratio to Gross Domestic Product (GDP). A study by OECD (2019) reported a low average tax revenue ratio to GDP of these 26 African countries which are 15.7%, 15.5%, 15.3%, 16.0%, 16.3%, 16.7%, 16.8%, 17.2%, 17.2%, 17.2% between the year 2008 and 2017 respectively (OECD, 2019).

However, tax administration performance can be improved via KM implementation. This is because tax administration is a knowledge-based organisation. According to Lin (2011), active, efficient and effective KM

implementation can assist organisations to solve problems, enhance performance and achieve organisational objectives. In continuation, Johannessen (2008) and Darroch (2005) conceptualized KM as key to administrative improvement and innovation. Specifically, Rosdi et al. (2016) said KM improves tax revenue generation and performance in general. In addition, Sejdija (2012) affirmed that KM can improve tax administration performance.

Furthermore, efficient and effective implementation of KM in an organisation required critical success factors (CSFs). One of the CSFs for the efficient implementation of KM is motivation. On this note, Lin (2011), and Moffett et al. (2003) said success or failure of KM implementation in an organisation is determined by employee motivation to share, acquire, and apply knowledge because employees hold knowledge of organisations. Moreover, knowledge workers who are motivated create and share knowledge with colleagues in an organisation (Lin, 2011). Likewise, Malhotra and Galleta (2003) have posited that motivation and commitment determine the success or failure of KM implementation. Mládková et al. (2015) also affirmed that motivation is connected to knowledge workers and KM performance.

Despite the critical roles of motivation in improving KM efficiency and organisational performance, literature on motivation as a factor for KM efficiency and organisational performance is limited, especially as a factor for KM and tax administration performance. The few studies on motivation as the factor that improve KM and organisational performance include Mládková et al. (2015), Lin (2011), Moffett et al. (2003), Malhotra and Galleta (2003). Based on the literature review, none of these studies explained motivation in terms of financial and non-financial classes and their components. Besides, there is no study that establishes the connection between motivation, KM efficiency, and tax administration performance. This study filled the research gap by explaining the connection between motivation, KM efficiency, and tax administration performance. To explain the connection between motivation, KM efficiency, and tax administration performance, this study addresses the following questions; how does motivation improve KM efficiency and tax administration performance and secondly, how critical is financial and non-financial motivation to KM efficiency and tax administration performance?

This study answered the questions from the perspectives of financial and non-financial motivation as a CSF to KM efficiency and tax administration performance. Financial motivation for this study consists of allowance, bonus, and financial reward while non-financial motivation comprises appreciation, recognition, and recommendation. Both financial and non-financial motivations are critical to efficient KM implementation and tax administration performance. Based on the questions above, two objectives of this study are to understand how motivation improves KM efficiency and tax administration performance and to understand how critical are financial and non-financial motivation to KM efficiency and tax administration performance.

BACKGROUND OF STUDY
Motivation, Knowledge Management, and Organisational Performance
In literature, motivation has been acknowledged as a CSF to KM efficient implementation and organisational performance (Tan, 2016; Busanad, 2016; Downes, 2014; Amayah, 2013; Ajmal et al., 2010; Malhotra & Galleta, 2003). Motivation is one of the major determinants of the success or failure of KM implementation in an organisation. According to Lin (2011) and Moffett et al. (2003), the success or failure of KM in an organisation is based on employee motivation to share, acquire, and apply knowledge because employees hold knowledge of organisation. KM consists of processes and systems (Gonzalez & Martins, 2017; Salleh, 2008; Park, 2007; Gallupe, 2001). While the KM process consists of knowledge creation, storage, transfer, and application, KM system is the information technology system employed for KM.

Literature has shown that motivation acts as a catalyst for both KM process and system (Tan, 2016; Busanad, 2016; Downes, 2014; Amayah, 2013; Lin, 2011; Ajmal et al., 2010; Gottschalk, 2009; Malhotra & Galleta, 2003). On this note, Tan (2016) reported Davenport and Prusak (2000) that motivation such as bonuses, better stimulus, career security, and promotion facilitate knowledge sharing by knowledge workers and enhance KM implementation in an organisation. Motivation stimulates the KM system because knowledge workers receive incentives for work done (Tan, 2016; McDermott & O'Dell, 2001). Likewise, Busanad (2016) also stated that motivation enhances knowledge sharing and KM success. Downes (2014) affirmed that motivation enhanced knowledge sharing, application, teamwork, creativity, and innovation. Hence, there is a need to motivate knowledge workers to enhance the success of KM implementation (Downes, 2014). According to Amayah (2013), a major prerequisite for knowledge sharing is motivation as knowledge resides in knowledge workers. In addition, three motivating factors that enhance effective knowledge sharing include personal benefits, community-related consideration, and normative consideration (Amayah, 2013). Gottschalk et al. (2009) agreed that motivation in

the form of reward encourages knowledge workers to give valuable possessions such as knowledge. Also, Ajmal et al. (2010) assert that motivation is critical to KM efficiency and effectiveness. Therefore, KM system should not ignore motivation in order not to fail (Ajmal et al., 2010). Another study by Davenport and Prusak (1998) confirmed that status and reward are critical factors which enhance free flow of knowledge in an organisation.

Motivation enhances knowledge creation, storage, transfer, and application. Sharing and free flow of knowledge in organisations are enhanced by motivation. Therefore, knowledge workers need to be motivated financially and non-financially to enhance KM efficient implementation. This study focused on financial and non-financial motivation to improve KM efficiency, and tax administration performance. Financial motivation for this study includes allowance, bonuses and financial rewards. Likewise, non-financial motivation includes appreciation, recognition, and recommendation.

Furthermore, KM is a catalyst that stimulates organisation performance in this era of the knowledge-based economy (Downes & Marchant, 2016; Donate & Pablo, 2015; Merat & Bo, 2013; Cardoso et al., 2012). According to Downes and Marchant (2016), KM enhances workers' skills, knowledge dissemination, efficiency and performance in an organisation. Additionally, Donate and Pablo (2015) said KM stimulates the efficiency of organisational processes, and improve productivity, quality and organisational performance. Merat and Bo (2013) affirmed that KM is employed as a strategy for organisational performance. Moreover, Cardoso et al. (2012) stated that KM enhances organisational performance through an intelligent act by organisation as a result of the availability of knowledge. This study focused on the motivation of knowledge workers to stimulate KM efficiency, and tax administration performance. Tax administration is a knowledge-based organisation hence; KM is critical to its performance.

Tax Administration Performance and Knowledge Management
The need to improve tax administration performance, especially in developing countries has been emphasised in literature (Bird, 2015; Ocheni, 2015; Mansor & Tayib, 2015; Das-Gupta et al., 2016; Pantamee et al., 2017; OECD, 2019). According to OECD (2019), tax administration performance in developing countries is low which is demonstrated in the tax revenue ratio to Gross Domestic Product (GDP) of developing countries. Also, Bird (2015) said the need to improve tax administration performance in developing countries has been long an issue of concern. Pantamee et al. (2017), Das-Gupta et al. (2016), Mansor and Tayib (2015), and Ocheni (2015) affirmed the need to improve tax administration performance in developing countries. In order to improve tax administration performance in developing countries, studies have presented several strategies as contained in the literature.

On the issue of strategies to improve tax administration performance, Bird (2015) focused on eight factors which include: (1) knowing the context, (2) keeping it simple, (3) having a reform strategy, (4) taxpayer as the client, (5) compliance cost matter, (6) manage ICT properly, (7) keep your eye on the ball, and (8) dealing with non-compliance. Mansor and Tayib (2015) developed a holistic performance management framework that combined an open system and an integrated framework in order to improve tax administration performance. Additionally, Das-Gupta et al. (2016) measured tax administration effectiveness and its impact on tax revenue and found a major significant impact of tax administration effectiveness on tax revenues. Moreover, Pantamee et al. (2017) developed a framework to enhance tax revenue generation from a reformed perspective.

In terms of KM as a strategy/tool to improve tax administration performance, the literature is limited. The few studies on KM as a strategy to improve tax administration performance include Sejdija (2012), Rosdi et al. (2016), Heisig (2016), and Umale et al. (2019, 2020). According to Sejdija (2012) who studied KM in tax administration in Germany, KM system can improve tax administration performance. Sejdija (2012) explained that the integral system (ISYS) is used as a system to improve tax administration performance in tax administration in Germany. Similarly, Rosdi et al. (2016) studied the role of information technology in transforming the Inland Revenue Board of Malaysia and emphasised on "knowledge base" system (K-Base) as a strategy employed to improve tax administration in Malaysia. Both Sejdija (2012) and Rosdi et al. (2016) focused on KM systems to improve tax administration performance.

Furthermore, Heisig (2016) who studied KM in Austrian tax and customs administration focused on the community of practice as a strategy to improve tax administration in Austria. Umale et al. (2019) explored KM framework to improve tax administration performance from a system-based perspective. Also, Umale et al. (2020) studied organisational structure as an input factor to improve tax administration performance at Federal Inland Revenue Service (FIRS) in Nigeria. However, there is limited literature on motivation as a CSF to improve KM, and tax administration performance. Therefore, this study focused on motivation as a CSF to improve KM

efficiency and tax administration performance in developing countries. The next section discussed the research methodology employed for this study.

METHOD

Qualitative research principle was used in this study to understand how motivation improves KM efficiency, and tax administration performance. Financial and non-financial motivations were critically examined toward KM efficiency and tax administration performance. According to Yin (2009), the qualitative research principle is suitable for research that provides answers to the "how and why" research questions. Therefore, the use of a qualitative approach is justifiable as the study provided answers to the "how" research questions presented in the introductory section. In addition, a case study on Nigerian tax administration was employed to collect qualitative data. Gerring (2007) and Mansor (2011) posit that a single case study is appropriate for data collection to test circumstances under study when it represents a "critical case". Hence, Nigerian tax administration can represent a "critical case" in testing how motivation can improve KM efficiency, and tax administration performance in developing counties. This is because the implementation of KM in tax administration in developing countries is limited. Moreover, tax administration and tax revenue performance are low in Nigeria which makes tax administration in Nigeria a "critical case" for this study.

This study was conducted at the Federal Inland Revenue Service (FIRS) in Nigeria. FIRS is in charge of all federal taxes in Nigeria. Moreover, it determines the tax system used in Nigeria. Ethical consideration is important to this research. Therefore, a formal application for data collection was written to the chairman of FIRS. A copy of the interview protocol for this research was attached to the application for data collection and was approved by the FIRS chairman. After approval of the application, the head of Planning, Research and Statistics (PRS) appointed tax administrators in different cadres and departments to participate in the interview based on their experience.

Twenty (20) tax administrators in Nigeria were interviewed face-to-face and these interviews were employed as instruments for data collection. This sample size of twenty is considered acceptable as Bernard (2013) has recommended between 10 and 20 participants as a saturated sample size for organisational case study interviews. During the study, twenty tax administrators were interviewed within six months. Semi-structured and open-ended interview questions were used. Copies of the interview protocol were made available to the participants prior to the interview session in order to prepare them adequately.

Before the interview section began, the aims and objectives of the research were explained to the participants. The participants were also assured of the confidentiality of the information they would be providing. The participants were then interviewed face-to-face in their offices at FIRS which lasted between 30 to 40 minutes depending on the response of the participant. A smart voice recorder was used to record the face-to-face interview with the twenty tax administrators. In addition to the recording of the interview, notes were taken where necessary by the leading researcher. The recorded interviews were then transcribed and presented to the participants for the validity and reliability of data.

Next, the data collected were thematically analysed with NVivo 10 qualitative software. The process of analysis for this study includes transcription of recorded interviews, coding of data, selection of themes and identification of connection between themes. Data collected were grouped into two main themes based on the responses of participants and the objectives of the research. These themes are financial and non-financial motivation. Financial motivation is further grouped into allowance, bonus, and financial reward. On the other hand, non-financial motivation is grouped into appreciation, recognition, and recommendation.

RESULTS

This section discussed motivation as a CSF for KM efficiency, and tax administration performance based on data collected via face-to-face interviews. Lin (2011) and Moffett et al. (2003) agreed that the success or failure of KM in an organisation is based on employee motivation to share, acquire, and apply knowledge because it is the employees that hold knowledge of organisation. Thus, motivation is critical to KM efficiency, and organisational performance. Motivation is required for the efficient and effective implementation of KM in tax administration. There are different classes of motivation that can be employed to improve KM efficiency, and tax administration performance.

The result of the interview conducted showed that both financial and non-financial motivation are essential to KM efficiency, and tax administration performance. From the interviews, it was revealed that there are three components of financial motivation as well as three components of non-financial that are essential to KM

efficiency, and tax administration performance. The three components of financial motivation are allowance, bonus, and financial reward while the three non-financial motivations are appreciation recognition, and recommendation.

The result of the interview is based on the responses of the fifteen (15) participants who expressed their opinion about motivation in connection to KM efficiency, and tax administration performance. Participants in the interview affirmed that financial and non-financial motivation can improve KM implementation efficiently, and tax administration performance. Although, twenty (20) tax administrators were interviewed the explanation of five (5) participants on motivation is not in line with sub-themes and sub-sub-themes for this study. The next section presents financial motivation as a sub-theme of motivation.

Financial Motivation
Based on the interviews conducted, financial motivation in tax administration involved payment of allowances, bonuses, and financial rewards. The responses demonstrated how financial motivation stimulates tax administrators' performance. Furthermore, how motivation enhances KM efficiency and tax administration performance was explained. In this regard, participant 4 said:

> *"Motivation is very critical to knowledge management and tax administration that is why tax officials are highly paid in this country. This gives them the zeal to perform more and avoid corruption. Financial motivation in the form of reward and bonus enable staff to perform maximally. When staff are financially motivated they have no reason not to perform their duties effectively including knowledge sharing. Hence, it is vital for knowledge management efficiency"* (Participant 4, Manager).

> *"Motivation is critical to knowledge management because staff need to be motivated so that they produce value for money. With motivation, staff can derive value to the organisation. Financial motivation such as payment of allowance and bonus are necessary for knowledge management effectiveness in tax administration. When people are motivated financially, knowledge is disseminated willingly which enhances staff performance"* (Participant 12)

> "*Motivation is a power engine to knowledge sharing. If someone is motivated to do something, that person will put more effort and it will yield positive results. Staff need to be motivated by paying bonus and allowances that are due to them. When staff are well taken care in terms of finance, they perform more. Hence, financial motivation is important to knowledge management effectiveness in tax administration"* (Participant 8, Tax Officer I).

> *"Motivation is very critical to knowledge management. Financial entitlement like bonus is critical for motivation effectiveness and knowledge management efficiency but majority of staff do not receive bonuses"* (Participant 19, Manager).

> *"Motivation is very important to knowledge management efficiency in tax administration. Continuous payment of bonus and encouragement from the leaders in tax administration are vital for effectiveness of motivation and knowledge management"* (Participant 17, Tax Officer II).

> *"We are self-motivated even though it depends on how you define the term motivation. Some people are motivated when given money while others are motivated when given power to head. In tax administration we are self-motivated. Motivation is very critical to knowledge management process"* (Participant 15, Manager).

The above expressions showed financial motivation improves the performance of tax administrators. Furthermore, financial motivation is essential to KM efficiency, and tax administration performance. Financial motivation stimulates knowledge sharing in tax administration.

> *"..... Financial motivation such as payment of allowance and bonus are necessary for knowledge management effectiveness in tax administration. When people are motivated financially, knowledge is disseminated willingly which enhances staff performance".*

Responses from the interview showed;

> *"……financial motivations required for KM efficiency, and tax administration performance are allowances, bonus, and financial rewards. Next section presents interview responses on non-financial motivation."* (Participant 12 who is a manager)

> *"Motivation is very critical to knowledge management and tax administration because people would share knowledge and improve productivity when they are motivated. Staff are motivated when they have enabling environment to execute task, part of decision making, and appreciated."* (Participant 2, Assistant Director)

Non-Financial Motivation

The result of the interview with tax administrators showed that non-financial motivations required for KM efficiency, and tax administration performance are recognition, recommendation, and appreciation. Participants' responses demonstrated how non-financial motivation in the form of appreciation, recognition, and recommendation enhances the performance of tax administrators, KM efficiency, and tax administration performance.

> *"These are non-financial motivation but very key to staff performance in terms of knowledge sharing and transfer. Our former chairman once said staff motivation brings maximum result for them. This will automatically increase our revenue generation and therefore achieve our target. No organisation is perfect, but FIRS ensures that staff are motivated. They ensure right things are provided so that jobs are carried-out diligently, effectively, and accordingly"* (Participant 2, Assistant Director).

> *"Motivation in any system is vital. It can encourage staff to share experiences and knowledge. Therefore, it is critical to knowledge management in tax administration especially non-financial motivation. It can be in various forms. It might be through allowing staff to actualize their dreams, appreciation, recommendation and gift. When this is in place, staff perform better"* (Participant 11, Assistant Director)

> *"Motivation is very critical to knowledge management because when you motivate your staff, they will be willing to share knowledge and do more on their assigned jobs. Recognition is very important. Staff fill honoured and have sense of belonging when they are recognized. Furthermore, they work more so that organisation would continue to recognize them. I think this can be called non-financial recognition"* (Participant 6, Manager).

> *"Motivation is critical to knowledge management and organisation performance because it make staff put more effort in their work. There are different types of motivation that can encourage staff to do more in their job. It is not just financial motivation I am talking about. It could be recognizing someone's efforts in doing an assignment in the office. It could be a recommendation letter. These non-financial motivations are key that if put in place will improve knowledge management in tax administration"* (Participant 3, Senior Manager).

> *"Motivation is critical to knowledge management process efficiency in all human organisation. An average human being likes to be motivated. Well, it depends on how we view motivation. Some consider cash reward as a way of motivation, while some consider appreciating what they are doing as motivation. For me, personally, if my boss can appreciate or recognise my work, I will feel motivated. That is what I do in the department I head. So, it all depends on how we define motivation. In FIRS, we do end of year party. Each department is asked to bring the names of their three best staff for the year. The best staff are presented during the party and gifts are given to them. Financial and non-financial motivation bring effectiveness to knowledge management process in tax administration"* (Participant 1, Deputy Director).

Also, participant 9 added that:

> *"Motivation is critical to everything you do including knowledge management. Motivation does not necessarily mean monetary. If I have a sense of belonging or appreciated on whatever I am*

doing, I will feel motivated." (Participant 9, Director).

According to participant 18:

> *"Motivation is an important management tool. It helps boost the morale of staff. There is a need for establishment of knowledge management department and leader that has the skill to drive knowledge management in tax administration to achieve its goals"* (Participant 18, Tax Officer II).

On the other hand, participant 20, contends that:

> "*Motivation is critical but sometime over-motivation also affects knowledge management. I mean there are people who want to go for training just to save money. We have a standard that any training that goes beyond one week, you must write an exam which should be recorded, graded, and filed. But if it is below one week, it does not need to pass through those processes. Some people, because of the money attached to training will always want to go while others will not be able to go. Unless we have proper training calendar, which is usually in place but not duly followed"* (Participant 20, Senior Manager)

Responses of tax administrators who participated in the interview indicated that non-financial motivation is necessary for KM in tax administration. Furthermore, non-financial motivation is essential for tax administration performance. For instance, participant 3 stated that:

> *".... These non-financial motivations are key that if put in place will improve knowledge management in tax administration". Non-financial motivation necessary for KM, and tax administration performance based on participants' opinion are appreciation, recognition, and recommendation."*

In summary, responses on motivation as a CSF for KM efficiency, and tax administration performance indicated that financial and non-financial motivation are essential. Thus, financial and non-financial motivation can improve KM efficiency, and tax administration performance. Both financial and non-financial motivation enhance knowledge sharing, transfer, acquisition, application and commitment of tax administrators to other KM processes and tax administration objectives.

DISCUSSION

Motivation is an essential and critical success factor (CSF) to KM efficiency (Tan, 2016; Busanad, 2016; Downes, 2014; Amayah, 2013), and tax administration performance. This study focused on motivation as a CSF for KM efficiency, and tax administration performance. In this regard, the present study addressed two objectives which are: (1) to understand how motivation improve KM efficiency, and tax administration performance. (2) to understand how critical are financial and non-financial motivation to KM efficiency, and tax administration performance. On this note, this study found that motivation improves KM efficiency, and tax administration performance by inspiring tax administrators to share, transfer, acquire and apply knowledge for efficient functioning of tax administration.

Participant 6 stated that;

> *"Motivation is very critical to knowledge management because when you motivate your staff, they will be willing to share knowledge and do more on their assigned jobs...."*. *Knowledge sharing, transfer, acquisition, and application are fundamental and essential to KM efficiency, and tax administration performance.*

Thus, knowledge sharing, transfer, and acquisition create knowledge that is employed to execute tasks for the efficient performance of tax administration. This finding is in line with Lin (2011) and Moffett et al. (2003) who found that employee motivation inspired them to share, acquire, and apply knowledge for the efficiency and effectiveness of organisation. Other studies that found motivation as a CSF to KM efficiency, and organisational performance include Tan (2016), Busanad (2016), Downes (2014), Amayah (2013), Ajmal et al. (2010), Malhotra and Galleta (2003).

Furthermore, participants in the interview explained that both financial and non-financial motivation enhanced KM efficiency and tax administration performance. Components of financial and non-financial motivation that

enhance knowledge sharing, transfer, and application to improve KM efficiency, and tax administration performance were identified. Payment of allowance, bonus, and financial reward were identified as the components of financial motivation that are essential to KM efficiency, and tax administration performance. For example, participant 12 said that:

> *"…… Financial motivation such as payment of allowance and bonus are necessary for knowledge management effectiveness in tax administration. When people are motivated financially, knowledge is disseminated willingly which enhances staff performance".*

Also, participant 4 revealed that:

> *"....Financial motivation in the form of reward and bonus enable staff to perform maximally. When staff are financially motivated they have no reason not to perform their duties effectively including knowledge sharing. ….".*

In the same vein, appreciation, recognition, and recommendation were recognised as the components of non-financial motivation for efficient KM, and tax administration performance. Participant 11 who is an assistant director explained that:

> *"Motivation in any system is vital. It can encourage staff to share experiences and knowledge. Therefore, it is critical to knowledge management in tax administration especially non-financial motivation. It can be in various forms. It might be through allowing staff to actualize their dreams, appreciation, recommendation and gift. When this is in place, staff perform better".*

Payment of allowances, bonuses, and financial rewards to tax administrators inspired them to share, transfer, and apply knowledge maximally to achieve the objectives of tax administration. Also, tax administrators share, transfer, and apply knowledge to achieve tax administration objectives when motivated through appreciation, recognition, and recommendation. According to the participants in the interview, either financial motivation or non-financial motivation can inspire tax administrators to share, transfer, acquire, and apply knowledge. However, it depends on individual values.

While there are tax administrators who value financial motivation others value non-financial motivation. On this note, participant 1 revealed that:

> *"…. Well, it depends on how we view motivation. Some consider cash reward as a way of motivation, while some consider appreciating what they are doing as motivation. For me, personally, if my boss can appreciate or recognise my work, I will feel motivated. That is what I do in the department I head. So, it all depends on how we define motivation. ….".*

On the second objective, participants emphasised more on payment of bonuses to tax administrators as motivation that can improve KM efficiency and tax administration performance. For example, participants (4, 8, 12, 17 and 19) emphasised on bonuses as motivation that can improve KM efficiency, and tax administration performance. Bonus is a component of financial motivation. Therefore, financial motivation is more critical to KM efficiency, and tax administration performance. Although, non-financial motivation is critical to KM efficiency, and tax administration performance. However, participants in the interview emphasised more on financial motivation. Based on the literature review, there is no study on KM that focus on motivation in terms of financial and non-financial perspective. Therefore, there is no study that examines how critical is financial and non-financial motivation to KM efficiency and organisational performance. The next section draws the conclusion to the research.

CONCLUSION AND RECOMMENDATION

In conclusion, this study explained motivation as a CSF for KM efficiency and tax administration performance. Furthermore, the critical role of financial and non-financial motivation in KM efficiency, and tax administration performance is presented. This study contributes to the literature on motivation, KM, and tax administration. Drawing from the literature on motivation, KM, and empirical investigation, this study integrates financial and non-financial motivation and its components to improve KM efficiency, and tax administration performance. Thus, this study focused on classes of motivation and its components that can improve KM efficiency and tax administration performance. The components of motivation that can improve KM efficiency and tax

administration performance as discovered empirically by this study are payment of allowance, bonus, and financial reward in respect of financial motivation. While components of non-financial motivation are appreciation, recognition, and recommendation.

Thus, these components of financial and non-financial motivation inspire tax administrators to share, transfer, acquire, and apply knowledge to improve tax administration performance. Furthermore, the empirical investigation showed that payment of bonuses as financial motivation is more critical to KM efficiency, and tax administration performance. Hence, this study recommends that the management of tax administration needs to focus more on financial motivation to improve KM efficiency and tax administration performance. The theoretical application of this study is that it contributed to the literature on motivation, KM, and tax administration performance as it explained motivation as a CSF to KM efficiency and tax administration performance.

Therefore, theoretically, this study is important to researchers, teachers and students in the field of motivation, KM and tax administration as it can be employed for further studies. Furthermore, in terms of managerial application, motivation can be employed to improve KM and tax administration efficiency. Both financial and non-financial motivation and their classes can be employed as management tools/strategies to improve KM and tax administration efficiency which can increase tax revenue generation in developing countries. Management in tax administration can focus more on financial motivation which participants in the interview emphasised. The limitation of this study is that it focused on motivation only as a CSF for KM efficiency, and tax administration performance. There are other CSFs that can improve KM efficiency, and tax administration performance. Other CSFs that can improve KM efficiency, and tax administration performance include human resources and training. Therefore, future studies should focus on human resources and training as CSFs for KM efficiency and tax administration performance.

DECLARATION STATEMENT

The lead author* affirms that this manuscript is an honest, accurate, and transparent account of the study being reported; that no important aspects of the study have been omitted; and that any discrepancies from the study as planned (and, if relevant, registered) have been explained.

ACKNOWLEDGEMENT

CONFLICT OF INTEREST

The authors declare no self-interest in the study conducted.

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