

Factors Affecting Tax Officials' Occupational Stress in Binh Thuan Province

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ABSTRACT

The study aims to determine factors and the impact level of each factor on tax officials' occupational stress in Binh Thuan Province. Research data were collected from 300 tax officials using convenient sampling. Applying the exploratory factor analysis and multivariate linear regression, the study has proven factors that increase occupational stress of tax officials. Accordingly, they are work nature and organizational characteristics. Otherwise, factors reducing their occupational stress are career development, the organization's role, and tax officials' commitments. In particular, commitment has the most influence on their occupational stress.

KEYWORDS: stress, occupation, tax official

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1. PROBLEM STATEMENT

In recent years, along with the complicated and unpredictable fluctuations of the world economy, information technology has developed rapidly and strongly. The industrial revolution 4.0 has profound impacts on the global socio-economic life, including Vietnam. Therefore, the tax administration process in Vietnam, especially in Binh Thuan Province is facing challenges in the context of limited resources. The workload is increasing and tax records are more and more complicated while the processing time is shortened leads to job stress of tax officials. This situation affects the results of tax administration in the area. Job stress occurs when individuals perform tasks that require certain independence and authority to achieve the best effect, but the organization shows a low authorization upon their employees (Vansell et al., 1981). Luthans (1995) confirmed that job stress is a chronic disease that negatively impacts individual productivity. Research by Shahu and Gole (2008), Karunanithy and Ponnampalam (2013), Ali et al. (2014) pointed out that occupational stress reduces employees' job satisfaction and performance. With the above scientific arguments, this study is carried out to identify factors affecting tax officials' occupational stress in Binh Thuan Province.

2. LITERATURE REVIEW AND RESEARCH HYPOTHESES

2.1. Literature review

According to Selye (1956), stress reflects the rate of all wear and tear caused by life. Stress is a combination of limitations and needs. Vansell et al. (1981) argued that job stress occurs

when individuals perform tasks that require certain independence and authority to achieve the best effect, but the organization shows a low authorization upon their employees. Luthans (1995) said that occupational stress arises if the job demands exceed the employee's responsiveness. Bashir and Ramay (2010) showed that job stress comes from work overload, pressure from the manager and colleagues, and the time to completion. In addition to this, low salary, poor working environment, and negative coworkers lead to job stress (Bashir and Ramay, 2010; Badar, 2011).

2.2. Research hypotheses

Researches by Parker and DeCotiis (1983), Leka et al. (2003) demonstrated that characteristics of the organization, nature of work, career development, and the organization's role influence employees' work pressure. Moreover, Leka et al. (2003), Palmer et al. (2004) pointed out that workplace relationship is one of the elements causing stress in an organization. The relationship in an organization includes the connection with colleagues, superiors, and subordinates. Besides, the research of Allen and Meyer (1990) showed that commitment is a factor in work stress.

Based on the literature review, the study applies the group discussion method (qualitative research) with tax managers and tax officials working at the Tax Department of Binh Thuan Province. The results of group discussions have set out research hypotheses and scales suitable for the research model. The proposed hypotheses are as follows: H1: The work

nature has a positive impact on tax officials' occupational stress. H2: Organizational characteristics positively influence tax officials' occupational stress. H3: Career development negatively affects tax officials' occupational stress. H4: Workplace relationship adversely influences tax officials'

occupational stress. H5: The organization's role harms tax officials' occupational stress. H6: Commitment negatively impacts tax officials' occupational stress. The research model is suggested below.

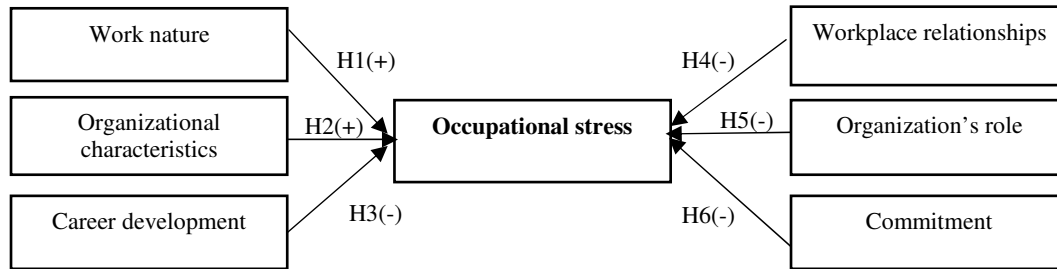


Figure 1: Proposed research model

Table 1: Interpretation of observed variables in the research model

Factor	Observed variable	Sign	Scale
Work nature	No work autonomy	WN1	Likert 1-5
	Time pressure in completing tasks	WN2	Likert 1-5
	More and more diverse workloads	WN3	Likert 1-5
	Complex and high-risk work	WN4	Likert 1-5
	The work focuses on results.	WN5	Likert 1-5
	The job characteristics rapidly lead to taxpayers' complaints, lawsuits, and claims.	WN6	Likert 1-5
Organizational characteristics	The operating mechanism relies heavily on administrative orders.	OC1	Likert 1-5
	The tax industry is limited in investigating and prosecuting tax violations.	OC2	Likert 1-5
	The tax legal environment is unclear and impractical when it comes to application.	OC3	Likert 1-5
	The information exchange between departments/agencies and the tax industry, or among tax organizations is limited.	OC4	Likert 1-5
	The office locates far away, so it is not safe for me to go to work.	OC5	Likert 1-5
Career development	Regularly trained and coached on professional work.	CD1	Likert 1-5
	The training and coaching are relevant and useful for my job.	CD2	Likert 1-5
	Supported by the organization to participate in other courses (besides professional work).	CD3	Likert 1-5
	Encouraged by leaders to propose ideas and initiatives for helpful public activities.	CD4	Likert 1-5
Workplace relationships	Colleagues support and help each other at work.	WR1	Likert 1-5
	Colleagues create a comfortable working atmosphere.	WR2	Likert 1-5
	It is easy to propose employees' opinions to superiors.	WR3	Likert 1-5
Organization's role	Have faith in superiors' administration.	OR1	Likert 1-5
	Get support and encouragement from superiors.	OR2	Likert 1-5
	The task assignment is clear and consistent with the professional work.	OR3	Likert 1-5
	Commendation and punishment of the Tax Department/ District Tax Department ensure transparency and clarity.	OR4	Likert 1-5
Commitment	I am proud to be a tax official and looking forward to continuing the rest of my career with the Tax Department/ District Tax Department.	COM1	Likert 1-5
	The Tax Departments/ District Tax Department is meaningful to me.	COM2	Likert 1-5
	I am willing to overcome all difficulties with the Tax Department/ District Tax Department.	COM3	Likert 1-5
	I always try my best to complete the work assigned.	COM4	Likert 1-5
Occupational stress	The job characteristics and requirements make tax officials feel stressed at work.	OS1	Likert 1-5
	The current working environment increases job stress levels.	OS2	Likert 1-5
	The work pressure makes tax officials want to leave the tax industry.	OS3	Likert 1-5
	In general, tax officials feel stressed at work.	OS4	Likert 1-5

Source: Authors' proposal, 2020

3. RESEARCH METHODOLOGY

3.1. Data collection method

The study uses convenient sampling to investigate 300 tax officials working at the Tax Department of Binh Thuan Province. According to Hair et al. (2006), in exploratory factor analysis (EFA), the ratio between observations and the measurement variable is 5:1, meaning that a measurement variable needs at least 5 observations. According to Tabachnick and Fidell (2007),

the ideal sample size for regression analysis is $N \geq 50 + 5*m$ (m is the number of independent variables). Thus, the sample size achieved is 300 observations meeting the reliability requirement for the research hypotheses test.

3.2. Analytical method

The analytical methods used to test the research hypotheses include reliability test of scales by Cronbach's alpha, exploratory factor analysis, and multivariate linear regression. The analysis was carried out in the following 3-step order. Step 1: Using Cronbach's alpha to test the reliability between observed variables. Step 2: Using exploratory factor analysis (EFA) to test the convergent and discriminant validity of observed variables. Step 3: Using multivariate linear regression to test research hypotheses.

4. RESEARCH RESULTS AND DISCUSSIONS

4.1. Test the reliability of scales

Cronbach's Alpha is used to test the reliability of a scale. Observed variables with item-total correlation coefficients less than 0.3 are eliminated (Peterson, 1994; Slater, 1995). The scale is satisfactory if its Cronbach's alpha value is greater than 0.6 (Nunnally and Bernstein, 1994). Table 2 shows that the scales have high reliability (the lowest is 0.796) and the item-total correlation of each observed variable is satisfactory (the lowest is 0.427). Therefore, all variables are used in the next exploratory factor analysis (EFA).

Table 2: Reliability test result

Factor	Number of observed variables	Min item-total correlation	Cronbach's alpha
Work nature	6	0.427	0.796
Organizational characteristics	5	0.500	0.811
Career development	4	0.609	0.814
Workplace relationships	3	0.640	0.816
Organization's role	4	0.692	0.890
Commitment	4	0.635	0.861
Occupational stress	4	0.592	0.822

Source: Survey data, 2020

4.2. Exploratory factor analysis(EFA)

To evaluate the suitability of the data by EFA, the study uses Principal Axis Factoring with Promax rotation. The analytical results are guaranteed as follows: Significance level of the model (Sig.) is less than 0.05; KMO = 0.725 (in the range of 0 and 1); factor loading coefficients of observed variables are greater than 0.5; total variance explained reaches 64,280% > 50%. This shows that the research data is satisfactory (Anderson and Gerbing, 1988). As a result, the analysis result sets out six factors, namely F1, F2, F3, F4, F5, F6. There is no change in the names of observed variables in the scales. All six factors include the organization's role, work nature, organizational characteristics, commitment, career development, and workplace relationships. Similarly, the EFA result for the dependent variable is guaranteed. The significance value (Sig.) is less than 0.05; KMO = 0.806 (in the range of 0 and 1); the factor loading is greater than 0.5; total variance explained is 69.062% > 50%. This proves that the research data is statically significant (Anderson and Gerbing, 1988). Thus, the "occupational stress" is formed. All factors are presented in table 3.

Table 3: Factors formed from the exploratory factor analysis (EFA)

Sign	Observed variable	Factor
F1	4 variables: OR1, OR2, OR3, OR4	Organization's role
F2	6 variables: WN1, WN2, WN3, WN4, WN5, WN6	Work nature
F3	5 variables: OC1, OC2, OC3, OC4, OC5	Organizational characteristics
F4	4 variables: COM1, COM2, COM3, COM4	Commitment
F5	4 variables: CD1, C2, CD3, C4	Career development
F6	3 variables: WR1, WR2, WR3	Workplace relationships
F7	4 variables: OS1, OS2, OS3, OS4	Occupational stress

Source: Survey data, 2020

4.3. Multivariate linear regression

After the EFA step, multivariate linear regression is applied to determine factors affecting occupational stress of tax officials in Binh Thuan Province. The result is shown in table 4.

Table 4: Multivariate linear regression result

Factor	Standardized coefficient	Sig.	Variance inflation factor (VIF)	Hypothesis
Work nature	0.420	0.000	1.083	H1: accepted
Organizational characteristics	0.224	0.000	1.177	H2: accepted
Career development	-0.134	0.003	1.176	H3: accepted
Workplace relationships	-0.012	0.770	1.034	H4: not accepted
Organization's role	-0.227	0.000	1.046	H5: accepted
Commitment	-0.452	0.000	1.015	H6: accepted
Adjusted R ²				0.583
Durbin-Watson stat				1.797
Sig.F				0.000

Source: Survey data, 2020

Based on the table above, the Sig.F value of the model is much smaller than the significance level $\alpha = 5\%$, so the proposed regression model is statistically significant. The adjusted $R^2 = 58.3\%$, which proves that the occupational stress is explained by the factors in the model. Durbin-Watson value reaches 1.797 and $VIF < 4$, meaning that there is no autocorrelation and multicollinearity. The “workplace relationships” factor receives $\text{Sig.} = 0.770 > 0.005$, so it is not statistically significant with the 95% significance level. The remaining independent variables are statistically significant, including work nature, organizational characteristics, career development, organization’s role, and commitment. In which, the “work nature” and “organizational characteristics” factors positively impact occupational stress. Meanwhile, “career development”, “organization’s role”, and “commitment” factors negatively influence tax officials’ job stress in Binh Thuan Province. In other words, if the local authority pays attention to minimizing risks in public duties, improving the connection between tax officials and their organizations, promoting the role of tax administrators, and enhancing career orientation for tax officials, it will reduce workplace stress. Particularly, tax officials’ commitments and work nature have a strong impact on their job stress.

5. CONCLUSION AND IMPLICATIONS

Overall, the study pointed out factors that increase job stress of tax officials in Binh Thuan Province are work nature and organizational characteristics. In contrast, factors that reduce their job stress are commitment, career development, and the organization’s role. In particular, commitment has the strongest impact on the occupational stress of tax officials in Binh Thuan Province. From these results, some governance implications are suggested. Firstly, clearly define the functions, tasks, responsibilities, and competencies of each tax officer as well as each tax organization. It prevents tax officials from avoiding work or duties. Secondly, building information technology systems with high automation to improve tax administrative procedures; applying e-file and risk management in tax administration. Thirdly, strengthening the cooperation among departments in exchanging information. Fourthly, setting up and forming the system of tax legal documents, ensuring consistency among tax laws. Fifthly, focusing on human resource training and commendation.

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