

## Public Sector Organizations' Performance Evaluation Via Customer Satisfaction Approach: Twin-Client Scenario with Competing Interests – The Case of Pakistan's FTO

Muhammad Ashfaq Ahmed<sup>1</sup> and Shazia Khanum<sup>2</sup>

### Abstract

*The paper, inter alia, attempts to dissect the causes of friction between two very important institutions within the extractive machinery of Pakistan i.e. FTO, and FBR. In this connection, the precise hypothesis that the paper looks to test is: "The Federal Tax Ombudsman transgresses its lawful jurisdiction to redress the taxpayers' complaints." In order to test the hypothesis two elaborate survey questionnaires were devised to separately target both of the FTO's clients. Like all rigorous research projects, the paper also tries to add to the process of knowledge development and provide empirical basis to the general perceptions, and help illuminate meaningful discussion in the policy formulation circles of Pakistan in the years to come. In this respect, the paper seminally looks to apply Customer Satisfaction Approach (CSA) in the twin-client scenario with competing interests which FTO's business model offers. The "twin-client scenario with competing interests" actually refers to the heart and soul of the research project by suggesting that, in fact, FTO's clients are two: (i) the taxpayer and (ii) the tax-collector. The paper takes the first client (taxpayer) as the utility-maximizing individual, and the second client as the revenue-maximizing leviathan. The underlying assumption, when articulated in technical terms, is that it is a zero-sum scenario – wherein the aggregate size of the pie remains the same and one loses or wins only at the cost of the other. This is where, the literature on organizational theory surveyed, reveals that the paper has an ample space to contribute to the existing knowledge pool on organizational theory and development. On the basis of the data collected, the paper attempts to see as to how the twin-client scenario in competing interests resolves itself – or even does it? In fact, the conclusion as arrived at by the paper on the basis of the data is that CSA cannot per se be applied to organizations operating in a twin-client scenario with competing interests – including courts at all levels and of all types.*

**JEL Classification:** H11, H39, K41

**Key word:** Customer Satisfaction Approach, Twin-Client Scenario, Federal Tax Ombudsman, Federal Board of Revenue, Government Organizations' Performance Evaluation

### Introduction

There is an intense, raging and wide-spread perception in the rank and file of Pakistan's extractive machinery i.e. Federal Board of Revenue (FBR) that the Federal Tax Ombudsman (FTO) is a bane and not a boon of the governmental system. This view is not necessarily shared by FTO's other, and in a way, the primary client i.e. taxpayers. However, mere existence of such a feeling is indicative of a friction and an important pull-back factor operative on the state's extractive machinery. Given the need for harmony within and

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<sup>1</sup>Muhammad Ashfaq Ahmed, IRS, is currently posted as Commissioner, Regional Tax Office, Rawalpindi. He holds PhD in Political Economy.

<sup>2</sup>Shazia Khanum is a PhD Fellow at the International Institute of Islamic Economics, International Islamic University, Islamabad.

*Acknowledgment:* The authors are grateful to National Management College, Lahore, for all the support, cooperation and facilitation without which the project would never have been completed.

amongst the organizations dealing with resource generation for the country, causes of such friction and glitches need to be brought out, and if possible, addressed; hence this paper. The dissection of the paper's title, at the outset, would be helpful in demarcating the bourns of the study. The title itself might appear little lengthy and loaded but it is aimed at capturing the maximum – maximum of what the paper has set its eyes at; maximum of what it aims to do. In a way, the title sets the paper's parameters and delimits its boundaries.

While contriving an operationally workable drawing board, "Government Organization's" perspective had to be brought into the scheme of things in order for the Customer Satisfaction Approach (CSA) to fit FTO's world well, which is generally associated with appraising private organizations. Thus, "Customer Satisfaction Approach" has, therefore, been mentioned right in the middle of the title so as to make things clear with regard to a host of other approaches that could be put to use to evaluate the performance of a given organization. The "Twin-Client Scenario with Competing Interests" actually refers to the heart and soul of the research project by suggesting that, in fact, FTO's clients are two: one, the taxpayer who complains – of maladministration; and two, the tax-collector who is complained against – of maladministration; and that they are always engaged in a tug-of-war to maximize (by implication) the group gains. The paper takes the first client (taxpayers) as the utility-maximizing consumer, and the second client as the revenue-maximizing leviathan. The underlying assumption, when articulated in technical terms, is that it is a zero-sum scenario – wherein the aggregate size of the pie remains the same and that one loses or wins only at the cost of the other. This zero-sum scenario poses far bigger challenges than expected and opens up new vistas of research as the literature available on the subject does not appear to have explored into this zone through CSA – even within distantly related disciplines. This is where, the literature on organizational theory surveyed, reveals that the paper has an ample territory to charter and contribute to the existing knowledge pool in the broad realm of organizational theory, organization appraisal, and organization development.

### **Hypothesis**

This epistemological conundrum apart, the aforementioned rigmarole, when viewed at the ontological level, has resulted in a simmering and festering dissonance against FTO in the entire revenue-collection machinery of Pakistan. There may be multiple sources of this dissonance in the length and breadth of the tax collection machinery but the most important is that FTO, at most times, tends to transgress its lawfully prescribed jurisdiction as laid down in FTO Ordinance, 2000. Understandably, FTO's other client i.e. the taxpayer does not subscribe to such a proposition. This stark divisiveness in approach on the part of FTO's two clients i.e. the taxpayer and the tax-collector, renders FTO's performance appraisal a minefield.

The scenario described above generates a couple of keen and intriguing research questions: (i) Does FTO transgress its lawful jurisdiction to address the taxpayers' grievances? (ii) Is CSA a suitable approach to study a twin-client scenario with competing interests? In turn, these research questions dove-tail into a precise hypothesis which is proposed to be tested, namely: FTO transgresses its lawful jurisdiction to redress the taxpayers' complaints. In order to test the hypothesis, CSA has largely been tailored and used, which serves as an axis and helps hold the entire research project together. The scope of the study, *prima facie*, is quite limited, but analysis moves from the narrow to the broad angle. The project has significance in the sense that this is the only complex study which explores into critical functioning of FTO and its impact on the society and the state. Moreover, it is not a typical run-of-the-mill evaluation of the organization; it is rather a rigorous analysis of one of the major malaise inflicting the state's revenue function; in fact, the state of Pakistan itself.

## Research Methodology

The hypothesis has been tested by collecting primary data through survey questionnaires under the broader framework of CSA. In order to ensure objectivity, two survey questionnaires were designed and distributed to collect responses from FTO's both clients: (i) the taxpayers who lodge complaints with FTO for various acts of perceived maladministration (Client-A); and (ii) the tax collectors who are the butt of those claims/charges of maladministration (Client-B). However, since most taxpayers become empirically intractable as they prefer to have their complaints pursued and defended before FTO under power-of-attorney through their counsels/tax lawyers, the latter have been used as a proxy for the former. The questionnaires carry 20 questions each. Although, most of the questions in both the questionnaires are identical yet some of the type-specific questions were altered to gather precise responses. The responses received were tabulated into meaningful data sets (Tele sheets) to draw conclusions.<sup>3</sup> In addition, Dr. Muhammad Shoaib Suddle, Pakistan's FTO (2009-13) was interviewed at length and his views have been incorporated wherever relevant.<sup>4</sup>

The paper is divided into five sections. While introduces the subject and sets its limits, section II deals with theoretical framework and tailoring CSA to fit the research design. Section III covers FTO's establishment, working, governing rules and regulations. Section IV contains data analysis, which is followed by section V that concludes the discussion.

## Theoretical Framework

Theodore Roosevelt's declaratory proclamation that "*This is an era of organization,*" made well over a century ago notwithstanding, all facets and dimensions of the ORGANIZATION are yet to be fully explored – a la other disciplines. In one sense, this may be because the organization is a dynamic and not a static phenomenon, and has to respond to changing realities of life, which makes it difficult for the academia and researchers to fully comprehend this perpetual work-in-progress, in all forms and manifestations. In another sense, the organization, in its modern sense, is an essentially a 20<sup>th</sup> century phenomenon although the enterprise both in the public and private spheres of life always carried some kind of structure akin and analogous to the modern concept of organization. "The concept of organization in and of itself implies a gathering together of entities or elements for a common purpose," and that the term is used "as an analogy to underscore or explain or describe a coming together of some sort."<sup>5</sup>

## Organizational Performance Evaluation

One of the key concepts in the study of organizations is their evaluation. Evaluation of an organization's business or work is like its medical check-up, which on the one hand, identifies areas of malfunctioning in its various tiers and departments, and on the other, prescribes remedies so as to enable it to achieve its objects – the *raison d'être* of any entity or of "coming together." The effectiveness of an organization – interchangeably dubbed as evaluation, appraisal or assessment – is measured in terms of its functioning, problems, and achievements from both the behavioral and social systems points of view.<sup>6</sup> It has, therefore,

<sup>3</sup>The tele-sheets prepared are a back-up work and are not part of the paper as such, but could be supplied on request for scrutiny, analysis and further research.

<sup>4</sup>The transcript of Mr. Suddle's interview duly vetted and validated by him is available with the authors and can be accessed at convenience.

<sup>5</sup>Gary V. Sluyter, *Improving Organizational Performance*, 1st Edition ed. (London: Sage Publishers, 1998).

<sup>6</sup>D.A. Nadler, Machman, J.R., & Lawler, E.E., III., *Managing Organizational Behaviour*. (Boston, MA: Little, Brown, 1979), 174.

been argued that performance appraisal of an organization involves “measurement of variables related to patterns of organizational behavior and effectiveness.”<sup>7</sup> Organizational evaluation “measures, compares and analyses the coherence between results and specific objectives and between specific objectives and general objectives of institutional projects, programmes or plans.”<sup>8</sup>

The appraisal of an organization’s performance can be helpful in identifying if the objectives and goals originally set were being achieved along with their outcomes. It could also be pinpointed through appraisal of an organization as to whether it was adapting to new ever-unfolding realities of life, rapid technological advancements, and ever-changing rules of the game. Similarly, the areas which need to be improved, modified or strengthened could also be identified through a structured assessment of an organization’s working. However, it is never easy to assess the performance of an organization – particularly when it is performing a complicated function.

### **Organizational Appraisal Approaches**

Similarly, the selection of an approach from within the multiplicity of approaches which can be applied for the appraisal of a given organization or its various facets, departments, organs, can be testing. Profitability, market-share, productivity, cost-benefit analysis, compliance to regulatory framework, footprint and customer satisfaction are few of the generic approaches which are employed to evaluate and assess an organization’s work or output both in the private as well as the public sector. In this context, the efficient organization would have to be distinguished from an inefficient one. An efficient organization could operationally be defined as an entity that optimizes on the resources allocated to it in order to achieve its avowed outputs, achieves its objectives, meets its targets in a timely fashion and completes its envisaged program; reduces cost per unit of production or delivery; and ensures timeliness of the service delivery.<sup>9</sup> Further, a critically important aspect of an organization is to stay relevant in an ever-changing competitive environment. A relevant organization would be an organization that satisfies stakeholders’ expected quality standards of goods and services; stays focused, concerned, and sensitive to the wishes, perceptions and needs of its stakeholders, users, nonusers, clients, non-clients, customers, funders, investors, and employees; can respond to emerging competition, trends, technologies, and other external forces; can exploit new markets; and is eventually able to revive, renew and sustain itself.

### **Appraisal of Public Sector Organizations**

Public sector organizations (PSOs) pose even a bigger challenge as to their performance assessment and appraisal because of their work ethics that are nurtured in an environment of rigidities emanating from not only their own special laws, rules, regulations, and procedures governing them but also from the over arching legal infrastructure that cloaks the entire state apparatus intersecting each segment in the system.<sup>10</sup> Most PSOs are geared to deliver some kind of public good in some form and at some level of governance. Thus, the issues associated with delivery of public goods like free rider dilemma, over-pricing and under-pricing of purchases and sales, respectively, on behalf of the government, beneficiary targeting, quality of delivery and time involved therein, and the systemic rigidities, render PSOs’ performance appraisal ever more strenuous. Moreover, it has been argued “How well

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<sup>7</sup>Ibid.

<sup>8</sup>C. G. Hernan, *Evaluation of Agricultural Research in Columbia, Conference Proceedings* (Singapore: 1986).

<sup>9</sup>The Federal Tax Ombudsman, Pakistan, was asked to define “performance” of his organization, which could be measured for the purposes of this paper.

<sup>10</sup>For instance, the Public Procurement Rules, 2002, which created substantial additional drag on the system.

organizations perform has a significant effect on our lives,”<sup>11</sup> which in turn, also adds to our image and perception of these organizations. All these factors put together worsen our woes when it comes to performance evaluation of PSOs.

### PSOs' Evaluation through CSA

We are living in the “customer-is-the-king” era. The CSA is arguably the most authentic approach to measure the performance of organizations engaged in the delivery of some kind of service. How important really is the satisfaction of the customer? It has been argued that customer satisfaction is important because (a) it is “a leading indicator of consumer repurchase intentions and loyalty;” (b) it is “a point of differentiation;” (c) it “reduces customer churn;” (d) it “increases customer lifetime value;” (e) it “reduces negative word of mouth;” and (f) it is “cheaper to retain customers than acquire new ones.”<sup>12</sup> Seithaml et al take an outright and unequivocal position by making the point that “Only customers judge quality; all other judgments are essentially irrelevant.”<sup>13</sup> Although, Saunders makes the counter-point by stating that this view was extreme, and that service providers (organizations) were also qualified to make a judgment about the quality of their service,<sup>14</sup> yet predominant view remains in favor of the customer carrying *carte blanche* to give a judgment on the quality of an organization.

Accordingly, there are a couple of competing theories on how to apply CSA. The first theory is called, Expectation Confirmation-Disconfirmation Theory,<sup>15</sup> which implies that theory stipulates that customers have an expectation about a service before using it, and that this expectation can be measured. If this expectation equals their satisfaction then their expectation is confirmed and there is no difference in these two measures. If their expectation does not equal their satisfaction, then their expectation is disconfirmed and there is a gap between the two measures.<sup>16</sup> The *gap* – difference between the measure of expectation and the measure of satisfaction – is a psychometric measure of the adequacy of a particular service as viewed by the customer. Now *gap*, at times, is referred to as “satisfaction” and at other times as “quality”. There is literature which argues that satisfaction and quality do not refer to an identical phenomena and that neither term may be appropriate for the measure.<sup>17</sup> The other theory propounded by Colleen Cook et al. does not have a particular name, but it is based on the assumption of a hierarchical structure of perceptions.<sup>18</sup> What this theory suggests is that patrons can simultaneously evaluate overall satisfaction with the service delivery and satisfaction with particular delivery of sub-types of service delivery, which support this overall satisfaction. To evaluate this factor analysis is used to find correlated first order factors in the data from the survey. These first order factors measure the level of satisfaction with the particular service delivery types which support overall satisfaction. These measures of satisfaction, i.e. the factor scores from the first order factors, can then be submitted to a

<sup>11</sup>Marie-Helene Adrien and Charles Lusthaus, *Organizational Assessment: A Review of Experience, Universalial Occasional Paper No. 31* (Montreal: www.universalia.com, 1998).

<sup>12</sup>Ross Beard, *Why Customer Satisfaction Is Important?*, vol. 2015, *Client Heartbeat* (2014).

<sup>13</sup>A. Parasuraman, Valarie A. Zeithaml, and Leonard L. Berry, *Delivering Quality Service: Balancing Customer Perceptions and Expectations* (New York: Free Press, 1990), 16.

<sup>14</sup>E. Stewart Saunders, "The Libqual+Tm Phenomenon: Who Judges Quality?," *Reference & User Services Quarterly* 47, no. Fall (2007): 21-24.

<sup>15</sup>Valarie A. Zeithaml A. Parasuraman, and Leonard L. Berry, "A Conceptual Model of Service Quality and Its Implications for Future Research," *Journal of Marketing* 49, no. Fall (1985).

<sup>16</sup>E. Stewart Saunders, "Meeting Academic Needs for Information: Customer Service Approach," *Purdue e-Pubs* (2008): 3, accessed May 17, 2012, [http://works.bepress.com/e\\_saunders/8/](http://works.bepress.com/e_saunders/8/).

<sup>17</sup>*Ibid.*, 14.

<sup>18</sup>Fred Heath Colleen Cook, and Bruce Thompson, "User's Hierarchical Perspectives on Library Service Quality: A 'Libqual+Tm' Study," *College and Research Libraries* 62, no. March (2001).

second factor analysis which results in a single factor.<sup>19</sup> However, of late a consensus has emerged between the scholars of organizational theory that the “Leaders must pay simultaneous attention to customer-perspectives, internal perspectives, learning and growth, and the external environment through a balanced-scorecard approach.”<sup>20</sup>

The paper argues that one of the above approaches can be applied to appraise as complex an organization as FTO simply because FTO presents a twin-client scenario and that too with competing interests. It has been posited that “quality in judging is incapable of empirical measurement,” and that “efforts to quantitatively measure the activities of judges and courts,” as well as any “attempts to use quantitative techniques to study the judiciary,” or “quantitative studies of judicial decisions ‘must be viewed with great caution.’”<sup>21</sup> Likewise, due to the complexity of the organizational outputs in that in a suit before a judge one loses and the other wins, “the extension of ranking or quantification of any sort to individual judges and judicial institutions,” was rejected.<sup>22</sup>

Thus, the approach used in this paper although learns from the two aforementioned approaches, yet keeps itself simple in order to be applicable to as complex a public sector organization as FTO, and drive home the point to the reader in an easy manner. In next section, FTO as an organization would be laid bare from various dimensions so as to measure its performance through CSA by way of actually testing the hypothesis.

### **Federal Tax Ombudsman**

Modern use of the term *Ombudsman* began in Sweden when the Swedish Parliamentary Ombudsman was instituted in 1809 as a supervisory agency independent of the executive branch to safeguard the rights of citizens. However, the practice of appointing special officers to look into the actions of public agencies and to investigate public complaints against state officials is extremely old. In the modern era, rulers of nation states appointed special representatives or agents or officials to see that public officials obeyed the law, carried out their instructions, and generally behaved themselves.<sup>23</sup> The sovereigns’ practice to spy on their functionaries, during various periods of history, with a view to keeping their conduct within the prescribed disciplinary limits, could also be taken in the Ombudsmanish tradition.

In Pakistan, the Federal Ombudsman was established in 1983 as an all-encompassing anti-maladministration agency, which, of course, included jurisdiction over taxpayers’ complaints against FBR. However, on the demands of the International Financial Institutions (IFIs), and the local Chambers of Commerce and Industry, a specialized and exclusively designated Ombudsman was instituted under the Federal Tax Ombudsman Ordinance, 2000, to take cognizance of complaints against the tax departments.<sup>24</sup> Initially, FTO operated only from the head office located in Islamabad, but recently provincial offices of FTO have also been established to leverage outreach so that taxpayers located in far-off areas do not feel handicapped to approach the complaint redressal system.

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<sup>19</sup>Ibid., 3.

<sup>20</sup>Ashraf Ghani and Clare Lockhart, *Fixing Failed States : A Framework for Rebuilding a Fractured World* (Oxford; New York: Oxford University Press, 2008).

<sup>21</sup>Steven G. Gey and Jim Rossi, "Empirical Measures of Judicial Performance: An Introduction," *Florida State University Law Review* 32, no. 4 (2005).

<sup>22</sup>Ibid.

<sup>23</sup>Gerald E. Calden, *International Hand Book of the Ombudsman* (Connecticut, USA: Greenwood Press, 1983), 9.

<sup>24</sup>Interview with Dr. Muhammad Shoaib Suddle, Federal Tax Ombudsman, dated June 1, 2012.

### FTO's Performance Appraisal – Previous Attempts

*Transparency International - Pakistan* conducted the *Citizen Report Card Study on Federal Tax Ombudsman Pakistan* in 2011, through the *Islamic Countries Society of Statistical Sciences* – an independent research organization, by way of appraising performance of FTO, Pakistan. “The main objective of this study” was stated “to determine as to what extent FTO Office fulfills the obligations defined by the 2000 FTO Ordinance; what are weak points and gaps based on the perceptions, personal experience and knowledge of persons who lodge complaints with FTO Office against tax officials.”<sup>25</sup> The study made use of the Citizen Report Card (CRC), which, it was authoritatively posited, “is a proven technique for public opinion analysis in relation to public sector services and policies.”<sup>26</sup>

The CRC study attempted to define “maladministration” as “delay in tax refunds and response to their correspondents, inefficient, arbitrariness, harassment for corrupt motives,” which “aspects of maladministration lead to corrupt practices.”<sup>27</sup> The definition appears to have been deduced from and backed up by facts and figures: “More precisely 56.7% complaints are related to the delay, 24.3% complaints are again related to inefficiency and the remaining 19 % complaints pertain to other types of maladministration.”<sup>28</sup> It was further observed that “over 90% of the respondents rate FTO organization as most helpful.”<sup>29</sup> This way, if the study could be assigned even an insignificant degree of construct validity, FTO could well be rated as the most efficient public sector organization in Pakistan.<sup>30</sup> FTO was also rated as the cleanest public sector organization in Pakistan, surpassing Motorway Police, despite the fact that some respondents were also from FBR<sup>31</sup> against whom FTO had decided 89% of the times.<sup>32</sup> The focus of the CRC survey was to measure FTO's performance for the year 2009 and 2010 through CSA.<sup>33</sup> The CRC study found “that most taxpayers who lodge complaints against a specific tax department are significantly satisfied with FTO's response and working,” whereby FTO's establishment was evaluated to be “successfully addressing taxpayers' grievances and is more effective in solving tax related problems of small taxpayers,” as “87% of respondents felt satisfied with FTO performance.”<sup>34</sup> Interestingly, the CRC study also arrived at the conclusions that there has rarely been a case “where serious action has been taken by FBR against the erring tax officials by awarding major penalties,”<sup>35</sup> and also that tax department ends up filing appeals in most of the cases decided against it.

### Points of Friction

It is evident that friction between FTO and FBR is majorly on assumption of jurisdiction of cases by FTO in which an appeal has been filed in a court of law; and FTO's proclivity to rule in favor of the complainants involving refunds. It is pertinent to mention that bulk of the complaints lodged before FTO pertain to denial or delay in payment of

<sup>25</sup>TI-Pakistan, *Citizen Report Card Study on Federal Tax Ombudsman Pakistan* (Islamabad: 2011), 11.

<sup>26</sup>Ibid.

<sup>27</sup>Ibid.

<sup>28</sup>Ibid., 12.

<sup>29</sup>Ibid.

<sup>30</sup>Earlier, Motorway police had been rated as the most helpful public-sector organization in Pakistan with 81.75 and 84.91 per cent ratings in National Corruption Perception Survey 2009, and 2010, respectively.

<sup>31</sup>The study does not, however, give a segregated analysis of the responses received from FBR and non-FBR persons.

<sup>32</sup>TI-Pakistan.

<sup>33</sup>The total number of complaints lodged with FTO during 2009 and 2010 was 810 and 1217, respectively. The proposed sample size was 300. A total number of 367 taxpayers were contacted. However, only 248 filed their responses.

<sup>34</sup>TI-Pakistan, 8.

<sup>35</sup>Ibid., 12.

refunds on various counts. FTO's jurisdiction – the butt of all criticism by FBR – has been prescribed in section 9 of the FTO Ordinance, 2000.<sup>36</sup> While all statutes could be subject to multiple interpretations, Section 9 *ibid* is a legal provision which attracts two different interpretations that are poles apart, that is, there is absolutely no common ground between FTO and FBR. The bulk of the friction between the two organizations emanate from conflicting interpretations of Clause (a) and (b) of sub-section (2) of section 9 *supra*. According to clause (a) *ibid* FTO “shall not have jurisdiction to investigate or inquire into matters which are sub-judice before a court of competent jurisdiction or tribunal or board or authority on the date of the receipt of a complaint,<sup>37</sup> reference or motion by him.” What the smart taxpayers do is that they first file complaint with FTO, and then file an appeal against the departmental order. When the taxpayers' complaint is forwarded to FBR for comments, they challenge FTO's jurisdiction on the ground that the matter was sub-judice before a court of competent jurisdiction. FTO, however, insists on assumption of jurisdiction on the basis of literal interpretation of law stating that the date on which the complaint was lodged the matter was not sub-judice. FBR is of the view that the taxpayers' complaints should be dismissed as soon as the fact of his having filed an appeal elsewhere comes on record. On the contrary, FTO opts to stick to the strict interpretation and chooses to accept the complaint as valid as the same was lodged when there was no appeal pending in a court of law.

Similarly, Clause (b) *supra* stipulates that FTO “shall not have jurisdiction to investigate or inquire into matters which relate to assessment of income or wealth, determination of liability of tax or duty, classification or valuation of goods, interpretation of law, rules and regulations relating to such assessment, determination, classification or valuation in respect of which legal remedies of appeal, review or revision are available under the relevant legislation.” While FBR tends to interpret “assessment” in a strict and narrow sense, FTO expands the scope of the definition of “assessment.” FTO argues as to what would happen when a matter of assessment borders on the maladministration. If it is purely a matter of assessment, FTO would not like to interfere with the process, but if it also involves maladministration then FTO could not back-off as maladministration *per se* is not a subject of appeal at any level.<sup>38</sup>

FTO's jurisdiction with reference to the aforementioned provisions of law has already come under-consideration with higher judiciary in a couple of cases. Firstly, Appellate

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<sup>36</sup>The FTO's powers emanate from section 9 of the FTO Ordinance, 2000, which is reproduced. "Jurisdiction, functions and powers of the Federal Tax Ombudsman: (1) Subject to sub-section (2), the Federal Tax Ombudsman may on a complaint by any aggrieved person, or on a reference by the President, the Senate or the National Assembly, as the case may be, or on a motion of the Supreme Court or a High Court made during the course of any proceedings before it or of his own motion, investigate any allegation of maladministration on the part of the Revenue Division or any Tax Employee. (2) The Federal Tax Ombudsman shall not have jurisdiction to investigate or inquire into matters which: (a) are sub-judice before a court of competent jurisdiction or tribunal or board or authority on the date of the receipt of a complaint, reference or motion by him; or (b) relate to assessment of income or wealth, determination of liability of tax or duty, classification or valuation of goods, interpretation of law, rules and regulations relating to such assessment, determination, classification or valuation in respect of which legal remedies of appeal, review or revision are available under the Relevant Legislation. (3) Notwithstanding anything contained in sub-section (1), the Federal Tax Ombudsman shall not accept for investigation any complaint by or on behalf of a Tax Employee concerning matters relating to the Revenue Division in respect of any personal grievance relating to his service. (4) For carrying out the objectives of this Ordinance and, in particular for ascertaining the causes of corrupt practices and injustice, the Federal Tax Ombudsman may arrange for studies to be made or research to be conducted and may recommend appropriate steps for their eradication. (5) The Federal Tax Ombudsman may set up regional offices as, when and where required."

<sup>37</sup>Emphasis supplied by the authors.

<sup>38</sup>Interview with Dr. Muhammad Shoaib Suddle, Federal Tax Ombudsman, dated June 1, 2012.



Tribunal Inland Revenue (ATIR) has categorically ordained that: “Power to investigate the allegations of maladministration was subject to subsection (2) of section 9 of Establishment of Office of Federal Tax Ombudsman Ordinance, 2000, which was couched in negative language to restrict such investigation from encroaching upon the quasi-judicial powers invested in the authorities under the relevant laws.”<sup>39</sup> Secondly, Supreme Court of Pakistan while discussing whether the Federal Ombudsman was a court or not, categorically held that it “is significant to note that in the Order of 1983, nowhere is stated that Ombudsman/Mohtasib is to serve as a Court or Judicial Tribunal,” and that “had, so been the intention of Legislature, the same would have been specifically mentioned therein.”<sup>40</sup> Consequently, the court went on to hold that this “fact alone is enough to show that the office of Mohtasib is not a Court,” and that his “findings basically are of recommendatory nature and not a legal judgment or decision.”<sup>41</sup>

### Data Analysis & Collection

In order to test the main hypothesis of the paper, namely: “The Federal Tax Ombudsman transgresses its lawful jurisdiction to redress the taxpayers’ complaints,” and answer the underlying research questions,<sup>42</sup> two elaborate survey questionnaires were devised to separately target both of FTO’s clients. The first questionnaire targeted FTO’s primary client i.e. taxpayer (Client-A), which contained 20 simply but carefully contrived questions. Every question was assigned just three response fields in order to elicit and garner the first and spontaneous response without burdening the respondent with the onus to chisel up his response in search of exactitude. Not that the exactitude is not important, but an attempt was made to ensure an adequate level of exactitude within the questionnaire itself by inserting cross-cutting, cross-examining and cross-validating questions. The technique helped and the responses received are knee-jerk, natural and spontaneous and comment on each other. The second questionnaire targeted FTO’s second client i.e. the tax collectors (Client-B). Most of the questions in both the questionnaires are the same barring a few respondent type-specific adjustments.

A total of 111 responses have been received in terms of Client-A, which is a reasonably good number keeping in view the operating constraints. Moreover, the sample size was randomized on all major tax bars of the country. Ideally, the gender identification of the respondents would have added flavor to the paper, but given the fact that hardly any female tax counsels are registered as tax bar members that was not attempted. In connection with the second client, the total number of responses received is 107 out of the total IRS officers’ working strength of 857, which represents a healthy percentage of 12.48%. The fact that Client-B respondents are geographically dispersed all over the country, add an element of reliability to the data.

### Data Analysis

The question-wise responses received in respect of both client types have been tabulated along averages that have been worked out and are placed at Annexure. However, an analysis of each question-response is being done by way of testing the hypothesis. The first question enquired if the respondents felt happy to attend proceedings before FTO? A total of

<sup>39</sup>Commissioner Income Tax vs. Abdul Hameed & Co. Taxation 111, 2012.

<sup>40</sup>*Shafaatullah Qureshi Vs. Federation of Pakistan, P.L.D. 2001 Supreme Court 142.*

<sup>41</sup>*Ibid.*

<sup>42</sup>Just to reiterate, the two research question that are under-inquiry are: (i) Does the FTO overstep its lawful jurisdiction to address the taxpayers’ grievances? (ii) Is the Customer Satisfaction Approach a suitable approach to study a twin-client scenario with competing interests?

45.95% Client-A respondents, feel happy to present their cases before FTO, 53.15% chose to remain neutral which means that if need be they would have no problem in going over and presenting their cases. Only 0.90% of the respondents feel unhappy presenting themselves before FTO. Predictably, these responses are in sharp contrast to Client-B respondents as only 14% of them do not feel any hesitation in presenting themselves before FTO, 53.27% preferred to be neutral, and a significantly high number of 35.5% find themselves reluctant to appear before FTO. The response to this particular question confirms the suspicion that the departmental officers have serious reservations in going over and presenting themselves before FTO.

The second question was geared to enquire as to how the targeted respondents felt while attending proceedings before parallel the lower-tier fiscal judicial system, that is, Commissioner (Appeals)? While 43.24% and 35.14% of Client-A respondents feel happy and neutral, respectively, to present themselves before regular tax appeal courts, a significant number at 21.62% do not want to take their cases to Commissioner (Appeals). This indicates lack of trust in the institutional arrangements set out by the state for resolution of fiscal disputes. Again, the departmental officers feel good going to their own colleagues in tax appellate courts, and defending their cases. Their responses at 57% and 40.18% for 'happy' and 'neutral' categories respectively, only reinforce general perception that the first appellate forum in fiscal appellate hierarchy of the state has lost all relevance as far as fiscal justice for the citizens is concerned, hence, the room and legitimacy for FTO. The third question, in the same vein, enquired if the respondents felt happy in attending proceedings before ATIR? A sizeable share of Client-A respondents at 19.81% whose very bread and butter is linked to the functioning of the appellate system, just do not feel good appearing before ATIR. Similarly, a good chunk of departmental officers at 13.08% do not feel good about defending their own orders/decisions before ATIR. Much of the deductions made on account of the preceding question, are, therefore, extendable to this particular question as well.

In the fourth question, the survey looked to gather information regarding actual appearances made by the respondent before FTO. This was a control-question planted to gauge the level of intensity of the respondents' engagement with FTO. The substantial portion of Client-A respondents at 44.14% have never attended FTO, but still their responses are taken as valid and relevant for the simple reason that only 1 respondent in response to question No. 1 had expressed that he did not want to present himself before FTO. Therefore, it can easily be deduced that it is only a matter of chance that none of their cases involved maladministration; otherwise they are well aware of existence of FTO and its role towards redressal of complaints against the tax administration. On the other hand, Client-B respondents have a higher level of engagement with FTO as only 16.82% respondents never attended FTO, whereas 43% attended less than five times and a hefty 41.19% have attended FTO one way or the other for more than 5 times. The fifth question was inserted to gauge feelings of the respondents towards FTO's decisions from a legal perspective. The responses from both client types are predictably interesting. While 60.36% respondents from taxpayers/lawyers community never disagreed with FTO's judgments, only 16.82% of the tax collectors were able to share that view. This only confirms the initial perception that both the taxpayers and the tax collectors were at the divergent axis as far as FTO's decisions were concerned.

The sixth question was formulated differently for both respondent types. Client-A respondents were questioned in how many cases they felt that FTO, although could have assumed the jurisdiction of a particular complaint, yet he did not? Contrarily, Client-B respondents were enquired in how many cases they felt that FTO, although could not assume the jurisdiction of a particular complaint, yet he did? This is the main question having direct linkage with the hypothesis of the paper. Expectedly, 73.87% of the Client-A respondents

have never had the disappointment of rejection of their complaints, 18.92% felt it less than 5 times and only 1.80% had experienced it for more than 5 times. On the contrary, and quite expectedly, only 19.63% of Client-B respondents felt satisfied with FTO's jurisdiction assumption pattern, 47.66% felt it less than 5 times and a hefty 31.78% felt it more than 5 times. The divisiveness in perceptions of both sets of clients is stark and serious and strengthens the assumption that CSA cannot be applied in a twin-client scenario with competing interests. The seventh question looked to gather information regarding the number of FTO's decisions challenged before the President of Pakistan as per law. The responses from both client segments are not unpredictable. Client-A respondents up to a large extent of 68.46% have never decided to challenge FTO's decision, and only 26.13% of them have done it under five times. On the other hand, only 23.36% tax collectors have never disagreed with FTO's decision, while 44.56% of them challenged FTO's orders less than 5 times, and the remaining 28.97% challenged it for more than 5 times.

The eighth question was regarding the number of cases in which President of Pakistan confirmed FTO's decision? This question was expected to elicit divergent responses from both types of respondents, and pertains to simple facts. A total of 61.26% of Client-A respondents have expressed that President of Pakistan never actually confirmed FTO's decision, simply because none were challenged. On the other hand, 26.17%, 56.07%, and 10% of Client-B respondents under 'never,' 'under 5%,' and 'over 5%' categorically respectively, tend to betray the impression that FBR ends up getting a raw deal even at the President of Pakistan's level. It goes without saying that both FTO and President are not legal entities entrusted with the task of imparting justice after threadbare analysis of facts of each case and the laws applicable.

The ninth question was reverse of the preceding question and was aimed at enquiring as to in how many cases President of Pakistan quashed FTO's decision. A total of 60.36% of Client-A respondents have never seen President quashing FTO's decisions, primarily because hardly any of FTO's decisions were challenged; 27.02% of them have experienced it less than 5 times, and only 1.80% over 5 times. On the contrary, 31.78% of Client-B respondents never experienced President of Pakistan quashing FTO's orders, 46.73% of them experienced it less than 5 times, and 10.28% over 5 times, which is a reasonably high number given the nature of the question. The tenth question was a straight question asking both respondent types if they felt FBR was a corrupt and an inefficient organization? From amongst Client-A respondents 27.03% agreed, 56.76% chose to stay neutral, and 9.91% disagreed with the proposition. A clear-cut bias in Client-B respondents in favor of their own organization appears to be at work as 51.40% disagreed, 42.06% stayed neutral, and only 6.54% agreed with the statement.

The eleventh one was a normative question that looked to extract responses from both Client-A and Client-B segments to the on-going judicial activism in Pakistan, its efficacy, and its potential to contribute towards improving state's service delivery system? Although, many would tend to associate the current surge in FTO's activities/operations to an FTO's pushy personality, yet a predominant school of thought tends to see such a rise within the overall ongoing phenomenon of judicial activism. During the interview held with Mr. Muhammad Shoaib Suddle, Pakistan's FTO (2009-13), he emphatically mentioned that he had already started taking suo motu notices and providing relief to the citizens unilaterally. The survey results are expected but more pronounced than the expectations. While 51.35% of Client-A respondents considered that the judicial activism was good and could help improve the service delivery, 23.42% tended to stay neutral, while 25.23% preferred to disagree with the proposition. On the other hand, only 7.48% of Client-B respondents considered judicial activism to be good, 33.64% stayed neutral and a preponderant 59% disagreed that judicial activism could help improve service delivery system.

The twelfth question looked to gather respondents' views on FTO's ingress into issues like tax policy and improvement in the tax system? The responses are divergent as expected. This is expected as taxpayers take FTO as their savior as 68.47% of them agreed with the statement, while FBR officers to an overwhelming extent of 47.66% disagreed considering it an undue drag on their working and the system. The thirteenth question enquiring as to who "could best perform the functions of FTO" was planted to gauge the personal proclivity of the respondents in favor of FTO's professional background. While 45.05% of Client-A respondents favored a retired judge, 62.62% of Client-B respondents took a position which appears geared at protecting the group interests, and guarding their turf and not letting anybody interfere in their domain.

The fourteenth question was with regard to giving FTO more powers in order to be able to have his decisions implemented. This is yet another important question that elicited completely divergent responses from both Client- A and Client-B respondents. Whereas 60.36% of Client-A respondents agreed that FTO be given more powers, 57.01% Client-B respondents disagreed – signifying the wedge of difference between FTO's both clients. The purpose of fifteenth question was to gauge the level of trust or the lack of it in the existing fiscal justice system of the state i.e. Commissioner (Appeals), and ATIR, which could then be argued in favor or against the existence of FTO. While 49.55% of Client-A respondents chose to agree and 43.24% stay neutral with the proposition that the existing fiscal judicial system lacks trust of the citizenry, 52.34% of Client-B respondents disagreed, and 33.64% of them preferred to stay neutral leading to an irresistible conclusion that there is now a near-complete divergence between state's revenue machinery and the bar as far as fiscal judicial system is concerned.

The sixteenth was the main hypothesis-related question enquiring as to whether FTO was transgressing his lawful jurisdiction to deliver justice to taxpayers, and not astonishingly whereas only 20.72% of Client-A respondents agreed with the proposition, and 72.97% found fit to be neutral, 70% of Client-B respondents agreed with it suggesting that FTO did transgress its legally assigned jurisdiction to redress the taxpayers' grievances. Interestingly, the respondents in both categories who disagreed with the suggestion are in very close proximity at 6.31% and 8.41%, respectively. The seventeenth was the counter-part of the tenth question that looked to gauge respondents' perceptions regarding FTO's transparency as an organization. Quite expectedly while 45.05% of Client-A respondents tended to suggest that FTO was a transparent organization trying to protect the taxpayers' rights, a good majority at 52.25% preferred neutrality on the issue. Similarly, 20.56% of Client-B respondents considered that FTO was a transparent organization, 43% chose not to take a position on the issue, and a significantly high percentage at 36.45% disagreed with the statement driving home the point that FTO was not an absolutely transparent body.

The eighteenth question was with regard to FTO's merger with Pakistan's Federal Ombudsman which is a constitutional entity. The very creation and existence of FTO has been challenged in the court of law under Article 199 of the Constitution of Pakistan. Keeping in view the possibility of FTO being struck down as an unconstitutional structure, the question was contrived to approximate possibility of FTO being merged with Federal Ombudsman. Expectedly again, while 23.42% of Client-A respondents disagreed and 49.54% chose to stay neutral, 53.27% of Client-B respondents agreed, 33.64% preferred neutrality, and a meager 13.8% disagreed with the suggestion. The penultimate question was "if FTO's organization be disbanded and the funds be diverted to strengthen the regular tax courts system?" This is a verification-question to the preceding question. While 34.23% of Client-A respondents disagreed to the idea, a hefty majority at 60.75% of Client-B respondents favored elimination of FTO in favor of strengthening the regular tax courts system. The percentage of respondents choosing to stay neutral is at 47.75% and 26.17%, respectively.

The last question to Client-A segment was if the respondent was a “member of any other bar (e.g. District, High Court, and Supreme Court Bar)?” The question posed only to Client-A respondents was aimed at measuring their exposure, diversity of experience, and professional excellence. The results show that only 25.23% of them are members of the respective district bars, and 26.13% of the High Court bars, and none of them is a member of the Supreme Court bar, which means that about 51.46% of the respondents do only tax litigation and should then be expected to have only a limited view of life. The last question to Client-B respondents was if they disliked to be appointed as Departmental Representatives, and did not want to defend revenue cases at judicial forums? This question again was inserted to measure the departmental officers’ willingness to plead their cases at different appellate forums and for appointment as Departmental Representatives at ATIR. The responses received reveal that 42.06% chose to stay neutral, and 43.93% disagree to emphatically negate the general perception that the departmental officers do not want to be posted as Departmental Representative – particularly at ATIR level.

## Conclusion

The data collected proves that generally both the clients took their respective expected positions, and more often than not, quite clear-cut and hard line positions. When the positions of both Client-A and Client-B respondents in the zero-sum scenario are so widely at the divergent axis, any attempt to generate a theory becomes almost an impossible task. It can thus be concluded that CSA cannot be applied any meaningfully to appraise a public sector organization which operates in a twin-client scenario with competing interests. Both the sub-theories discussed under the overarching CSA i.e. *Expectation Confirmation-Disconfirmation Theory*, and Colleen Cook’s theory of hierarchical structure of perception do not actually come to our help as both of them operate in a single client scenario.

Although, it is neither possible nor desirable to come out with any conclusive verdict with regard to the attestation of the hypothesis i.e. FTO transgresses its lawful jurisdiction to redress the taxpayers’ complaints, as the very evaluators (Client-A and Client-B respondents) came out with starkly divisive judgments on almost all issues. However, the matter can also further be explored within the overall deontological context that judges the morality of an action on the basis of its adherence to a principle, rule or duty. Deontological ethics is commonly contrasted to consequentialism, which implies that the morality of an action should be judged with reference to its consequences, which appears to be at the bottom of FTO activism. In this regard, Frances Kamm’s *Principle of Permissible Harm* is applicable so as to understand and evaluate the legitimacy of the so-called FTO activism, which stipulates that one may harm in order to save more if and only if the harm is an effect or an aspect of the greater good itself. Similarly, in order to illuminate the philosophical discussion on the subject, Kamm’s *Doctrine of Productive Purity* can also be applied to the current pattern of FTO Activism, which provides a deontological prescription for delimiting the boundaries in which people could be allowed to act in a way that could harm others<sup>43</sup> – in the instant case, the system. There is a school of thought that takes the position that FTO is doing a good thing by being active and pushy to give relief to the citizens. On the other hand, another school of thought counter-argues that such ad hoc system of providing relief to the taxpayers, is counter-productive in that it would eventually undermine the state by diluting citizen’s confidence in the regular fiscal appellate court system.

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<sup>43</sup>F.M. Kamm, *Intricate Ethics: Rights, Responsibilities, and Permissible Harm* (Boston: Oxford University Press, 2007).

In overall terms, the paper has yielded interesting insights towards appraising the performance of an organization with as complex a business model as that of FTO. The results gleaned indicate towards a gap in the existing body of research i.e. application of CSA in a unique twin-client with competing interests scenario and has the definite potential to be generalized to certain other loosely similar situations like lower courts. There are three major conclusions that can be drawn from the research project. Firstly, there is raging tension between the two clients of FTO, which is adversely impacting the revenue effort of the tax machinery. Secondly, the research sufficiently proves that the fiscal judicial system of the country has come to a stage of near-collapse. Many parallel/alternative mechanisms like the Settlement Commission, Alternate Dispute Resolution, Advance Ruling, FTO, unilateral withdrawal of state appeal involving massive funds, have been tried, but no serious efforts have been made to reform and strengthen the appellate system so as to re-establish the trust of the citizens in its revenue function. Thirdly, extraction essentially determines the nature and density of the state-society relations. A weak extractive function coupled with an even weaker fiscal judicial system may have significantly added to weakening of the state-society relations as overwhelmingly evidenced by the taxpayers' responses. A state as weak as it already is cannot expect to go anywhere from here if the fiscal bond between the state and the society is not restored and resurrected on solid basis.

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## Annexure

### Data Tabulation

Question # 1	Do you feel happy to attend proceedings before FTO?					
Response/Client	Happy	%-age	Neutral	%-age	Unhappy	%-age
Client-A	51	45.02	59	53.15	01	0.90
Client-B	15	14.02	57	53.27	38	35.51
Question # 2	Do you feel happy to take your case to Commissioner (Appeals)?					
Response/Client	Happy	%-age	Neutral	%-age	Unhappy	%-age
Client-A	48	43.24	39	35.14	24	21.62
Client-B	61	57.01	43	40.18	03	2.80
Question # 3	Do you feel happy to attend Appellate Tribunal Inland Revenue (ATIR)?					
Response/Client	Happy	%-age	Neutral	%-age	Unhappy	%-age
Client-A	44	39.64	45	40.54	22	19.81
Client-B	32	29.91	61	57.01	14	13.08
Question # 4	In how many cases you appeared before FTO and defended your cases?					
Response/Client	Never	%-age	Under 5	%-age	Over 5	%-age
Client-A <sup>44</sup>	49	44.14	53	47.75	7	6.31
Client-B	18	16.82	46	43.00	43	40.19
Question # 5	In how many cases you felt that FTO's decision was not in accordance with the law?					
Response/Client	Never	%-age	Under 5	%-age	Over 5	%-age
Client-A <sup>45</sup>	67	60.36	40	36.04	0	0.00
Client-B	18	16.82	67	62.62	24	22.43
Question # 6	In how many cases you felt that FTO, although could have assumed the jurisdiction of a particular complaint, yet he did not?					
Response/Client	Never	%-age	Under 5	%-age	Over 5	%-age
Client-A <sup>46</sup>	82	73.87	21	18.92	2	1.80
Question # 6	In how many case you felt that FTO, although could not assume the jurisdiction of a particular complaint, yet he did?					
Response/Client	Never	%-age	Under 5	%-age	Over 5	%-age
Client-B <sup>47</sup>	21	19.63	51	47.66	34	31.78
Question # 7	In how many cases you opposed and decided to challenge FTO's decision before the President of Pakistan?					
Response/Client	Never	%-age	Under 5	%-age	Over 5	%-age
Client-A <sup>48</sup>	76	68.46	29	26.13	0	0.00
Client-B <sup>49</sup>	25	23.36	48	44.56	31	28.97
Question # 8	In how many cases President of Pakistan confirmed FTO's decision?					

<sup>44</sup>2 respondents did not answer the question.

<sup>45</sup>4 respondents did not answer the question.

<sup>46</sup>6 respondents did not answer the question.

<sup>47</sup>1 respondent did not answer the question.

<sup>48</sup>6 respondents did not answer the question.

<sup>49</sup>3 respondents did not answer the question.

Response/Client	Never	%-age	Under 5	%-age	Over 5	%-age
Client-A <sup>50</sup>	68	61.26	31	27.93	2	1.80
Client-B <sup>51</sup>	28	26.17	60	56.07	10	9.35
Question # 9	In how many cases President quashed FTO's decision?					
Response/Client	Never	%-age	Under 5	%-age	Over 5	%-age
Client-A <sup>52</sup>	67	60.36	30	27.02	2	1.80
Client-B <sup>53</sup>	34	31.78	50	46.73	11	10.28
Question # 10	Do you think FBR is a corrupt and an inefficient organization?					
Response/Client	Agree	%-age	Neutral	%-age	Disagree	%-age
Client-A <sup>54</sup>	30	27.03	63	56.76	11	9.91
Client-B <sup>55</sup>	7	6.54	45	42.06	55	51.40
Question # 11	Do you think judicial activism can contribute towards improving the service delivery system?					
Response/Client	Agree	%-age	Neutral	%-age	Disagree	%-age
Client-A	57	51.35	26	23.42	28	25.23
Client-B <sup>56</sup>	8	7.48	36	33.64	63	58.88
Question # 12	Do you think FTO should also advise FBR on issues like tax policy and improvement in the tax system?					
Response/Client	Agree	%-age	Neutral	%-age	Disagree	%-age
Client-A	76	68.47	22	19.82	13	11.71
Client-B <sup>57</sup>	26	24.30	30	28.04	51	47.66
Question # 13	Who in your view could best perform the functions of FTO?					
Response/Client	Retired Judge	%-age	Retired FBR Officer	%-age	Any other person	%-age
Client-A	50	45.05	34	30.63	27	24.32
Client-B	37	34.58	67	62.62	3	2.80
Question # 14	In many a situations FTO's orders are not implemented. So, in order to enforce FTO's orders, should he be given more powers?					
Response/Client	Agree	%-age	Neutral	%-age	Disagree	%-age
Client-A	67	60.36	37	33.33	7	6.31
Client-B	5	4.67	41	38.32	61	57.01
Question # 15	Do you think the departmental appellate system i.e. Commissioner (A), and ATIR have failed in delivering justice?					
Response/Client	Agree	%-age	Neutral	%-age	Disagree	%-age
Client-A	55	49.55	48	43.24	8	7.21
Client-B	15	14.02	36	33.64	56	52.34
Question # 16	Do you share the general perception that FTO exceeds the legally assigned jurisdiction to redress the taxpayers' grievances?					
Response/Client	Agree	%-age	Neutral	%-age	Disagree	%-age

<sup>50</sup>7 respondents did not answer the question.

<sup>51</sup>9 respondents did not answer the question.

<sup>52</sup>12 respondents did not answer the question.

<sup>53</sup>12 respondents did not answer the question.

<sup>54</sup>7 respondents did not answer the question.

<sup>55</sup>4 respondents did not answer the question.

<sup>56</sup>4 respondents did not answer the question.

<sup>57</sup>4 respondents did not answer the question.



Client-A	23	20.72	81	72.97	7	6.31
Client-B	75	70.09	23	21.49	9	8.41
Question #17	Do you think FTO is a transparent organization trying to protect taxpayers' rights?					
Response/Client	Agree	%-age	Neutral	%-age	Disagree:	%-age
Client-A	50	45.05	58	52.25	3	2.70
Client-B	22	20.56	46	43.00	39	36.45
Question # 18	Do you think FTO's organization be merged with the Federal Ombudsman which is a constitutional entity?					
Response/Client	Agree	%-age	Neutral	%-age	Disagree	%-age
Client-A <sup>58</sup>	27	24.32	55	49.54	26	23.42
Client-B	57	53.27	36	33.64	14	13.08
Question # 19	Do you think FTO's organization be disbanded and the funds be diverted to strengthen the regular tax courts system?					
Response/Client	Agree	%-age	Neutral	%-age	Disagree	%-age
Client-A <sup>59</sup>	17	15.32	53	47.75	38	34.23
Client-B	65	60.75	28	26.17	14	13.08
Question # 20	Are you member of any other bar (e.g. District, High Court, and Supreme Court Bar)?					
Response/Client	District Bar	%-age	HC Bar	%-age	SC Bar	%-age
Client-A <sup>60</sup>	28	25.23	29	26.13	0	0.00
Question # 20	Do you dislike to be appointed as Departmental Representative, and do want to defend your cases at judicial forums?					
Response/Client	Agree	%-age	Neutral	%-age	Disagree	%-age
Client-B	15	14.02	45	42.06	47	43.93

<sup>58</sup>3 respondents did not answer the question.

<sup>59</sup>3 respondents did not answer the question.

<sup>60</sup>54 respondents did not answer the question which means that they are not member of any other bar except the tax bar.