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FACULTY OF COMMERCE

DEPARTMENT OF ACCOUNTING

A SURVEY OF THE FINANCIAL AND OPERATIONAL IMPACT OF FISCALISED DEVICES AMONG VAT-REGISTERED SMEs IN HARARE.

BY

(B220630B)

A DISSERTATION SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS OF THE BACHELOR OF COMMERCE (HONOURS) DEGREE IN ACCOUNTANCY

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APPROVAL FORM

Title of the project: A survey approach on the financial and operational impact of fiscalised devices among VAT- registered SMEs in Harare**.**

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DEDICATION

To my parents, for their constant support throughout this study and their encouragement.

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My sincere gratitude goes to Dr. T. Famba my supervisor, for his guidance and direction during this research project. I am also thankful to my family and friends for their constant support throughout the study. Most importantly, I express my gratitude to God for the strength and fortitude to accomplish this work.

ABSTRACT

In the era of growing governments adoption of digital technologies support tax administration, fiscalised devices have become an important instrument to enhance transaparency, accountability and tax compliance. These systems however offer great promise in terms of the revenue raised but there are questions about what impact theses systems have on the businesses that need to use them. The implementation of EFD requirements can either help to grow a business for SMEs in Harare or they can impose a business burden depending on their resources. This research aimed to evaluate the fiscalised devices financial and operational effects among VAT-registered small and medium in Harare and to determine if the advantages of fiscalisation exceeds the challenges faced by businesses. The quantitative explanatory research design was used with deductive approach. The data was collected through a structured questionnaire from Harare based VAT registered SMEs. The research was based on the concepts of Technology Acceptance Model (TAM), the Unified Theory of Acceptance and Use of Technology (UTAUT) and Institutional Theory which were used to analyse the adoption of technology, compliance behaviour and institutional influences. It was well known that fiscalised devices would aid in business transactions, provide a better record of transactions and help to increase compliance. The benefits highlighted the possibilities of digital tax systems to modernise business operations and enhance accountability. Meanwhile, SMEs experienced significant problems due to the high acquisition and maintenance costs, technical failures, disconnected networks and weak technical support. This hinders the normal operations and full utilisation of fiscalisation. The study also found that the impact of fiscalised devices is closely related with infrastructure reliability, internet use, digital literacy and institutional support. Businesses faced more challenges to operate and higher compliance costs when such conditions were not present. The results thus imply that fiscalisation is not only technical problem but also economical problem that could impact sustainability and competitiveness of SMEs. The benefits of fiscalisation can be enhanced by reducing compliance costs, building up technical support systems including infrastructure and expanding training to ensure that the key players such as policy makers, ZIMRA and technology providers maximise the benefits of fiscalisation. The use of new technologies like Virtual Fiscal Devices and mobile fiscal platforms could further improve efficiency and easy access. This study provides key insights policy makers, ZIMRA authorities, businesses

owners and researchers interested in developing a more efficient and equitable digital tax system in Zimbabwe.

LIST OF ACRONYMS

AIS	Accounting Information systems
EBM	Electronic Billing Machine
EFD	Electronic Fiscal Device
EFDs	Electronic Fiscal Devices
GDP	Gross Domestic Product
POS	Point of Sale
SMEs	Small and Medium Enterprises
SPSS	Statistical Package for the Social Sciences
TAM	Technology Acceptance Method
UTAUT	Unified Theory of Acceptance and Use of Technology
VAT	Value added Tax
VFD	Virtual Fiscal Device
ZIMRA	Zimbabwe Revenue Authorities

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CHAPTER 1

INTRODUCTION

1.1. INTRODUCTION

This chapter presents a study on the financial and operational effect of fiscalised devices in Harare for VAT registered SMEs. It introduces the background of the study, statement of the problem, research objectives, research questions, significance of the study, limitations ans assumptions and chapter summary. The research therefore reflects the impacts of the fiscalised devices on the financial and operation efficiency of VAT-registered businesses, focusing on the problems encountered in their implementation and operation. It also takes into account the effects of these systems on compliance processes and business productivity in the VAT sector.

1.2. Background of the Study

Worldwide, the governments are increasingly implementing digital fiscal systems to improve tax compliance and improve business efficiency. In Croatia fiscalisation has evolved from basic digital control of cash transactions to mandatory electronic reporting of all business transactions. Businesses face challenges with software, staff training, and reporting requirements (Gojković & Trgovać, 2025).

Globally, countries like Italy, Russia, Poland, Bulgaria, Serbia, and Albania were among first to implement fiscalisation technology to reduce tax evasion. Studies in Albania show that while digital systems enhance compliance, they create financial and operational pressures for

smaller to medium companies such as high implementation costs and technical difficulties, whereas larger firms handle these demands more easily (Barbullushi & Kastrati, 2025).

Several countries implemented EFDs in early 2000s to strengthen VAT collection.. Countries such as Kenya, Rwanda, Uganda, Zimbabwe, Malawi, Ethiopia, Tanzania, Mauritius, and Zambia were few of the countries to adopt EFDs (Kerever, 2018). Many countries in Sub-Saharan African still collect less tax than their potential. To increase revenue, governments have introduced EFDs as tools to improve VAT compliance (Eilu, 2018). Research in Lusaka, Zambia shows that EFDs improve tax evasion when systems are easy to use and reliable. However, support responsiveness did not significantly affect compliance, and SMEs face operational challenges in implementing and maintenance of these systems (Kaoma & Nyirenda, 2023).

In Tanzania, EFDs performance in revenue collection is affected by organizational and infrastructure challenges, including unreliable electricity, network issues, and insufficient user training. Addressing these challenges through regular inspections, continuous training, and stakeholder collaboration can improve the efficiency and reliability of EFD systems (Kalongola, 2023).

In Nigeria, the Revenue Service uses electronic tax systems, including devices for VAT, to help people pay taxes correctly. These systems can make tax collection better, but problems like poor infrastructure, lack of technical skills and low digital knowledge make it harder for them to work well which increase the burden on businesses (Anushiem, Anushiem, Ezeudu, &Vendaga, 2025).

In Zimbabwe, tax collection remains a key tool for financing government operations, providing public services, and supporting economic growth. Revenue collection remains constrained in Zimbabwe, especially because much of the informal economy operates outside effective tax administration, reducing its contribution to public revenues. Studies indicate that the informal economy, despite representing over 60% of economic activity, adds less than 0.5% to the government's revenue under the existing presumptive tax framework (Mupambi, Mudefi, & Urayayi, 2025; Tarwa, 2025). Low tax knowledge, complex regulations, and limited access to support services reduce compliance among informal operators, while

mistrust in government institutions and perceived corruption further discourage voluntary compliance (Tarwa, 2025; Mpofu, 2025).

To address these challenges, Zimbabwe has begun experimenting with digital and technology-driven solutions including Electronic Fiscal Devices (EFDs) and VAT withholding mechanisms aimed at reducing tax evasion. Digital taxation frameworks that integrate mobile money systems, real-time transaction monitoring, and artificial intelligence mechanisms have shown promise in improving compliance, formalizing informal businesses, and optimizing revenue collection (Mupambi, Mudefi, & Urayayi, 2025; Duve & Schutte, 2025). Similarly, the introduction of VAT withholding and Electronic Fiscal Devices (EFDs) aims to ensure that tax is collected efficiently at the source and reduce opportunities for tax evasion (Mashingaidze, Wadesango, & Sitsha, 2024).

Despite these advancements, challenges remain many taxpayers facing challenges in adopting EFDs due to high implementation costs, inadequate training, network problems, and a lack of localized support systems (Munjeeyi, Zivanai, Mhizha, Maponga, et al., 2025). Digital tools is also constrained by low digital literacy, limited infrastructure, and insufficient taxpayer education (Mupambi, Mudefi, & Urayayi, 2025; Duve & Schutte, 2025).

Furthermore, governance issues surrounding tax policy continue to affect compliance and the effectiveness of digital system. Tax expenditures, such as those implemented in Special Economic Zones (SEZs), are intended to attract investment and promote economic growth, but decisions regarding their management and evaluation often lack transparency (von Haldenwang, Chigumira, Chipumho, & Mchowa, 2025).

Overall, these studies highlight that while Zimbabwe has made significant progress toward modernizing tax collection through technology and digital frameworks, achieving higher compliance requires new technological adoption. It also needs strong stakeholder engagement, clear policy communication, education, and institutional trust. Understanding these factors is critical for designing effective measures that raise revenue collection and support economic growth.

1.3. Statement of the Problem

Government revenue is important for funding public services and economic dvelopment (Nguyen & Darsono, 2022; Lesage, Lips, & Vermeiren, 2020). In Zimbabwe, fiscalised devices (Electronic Fiscal Devices) have been introduced to reduce tax compliance and increase transparency (Munjeyi & Fourie, 2024). However, many SME traders face high costs related to purchasing and maintenance costs, as well as operational challenges such as unreliable network connectivity, electricity disruptions, and system errors when processing (Mupambi, Mudefi, & Urayayi, 2025). These challenges increases the burden on businesses and may affect operational efficiency.

Therefore, the research assesses financial and operational challenges affecting EFDs among VAT- registered SMEs in Harare, to providing insights that can help policy makers and tax authorities improve implementation and reduce challenges faced by businesses.

1.4. Objectives of the Study

The study focuses on understanding expenses and business disruptions encountered by VAT-registered SMEs in Harare following the adoption of fiscalised devices.

The specific objectives are:

1. To investigate the perceived financial effect of fiscalised devices by VAT-registered SMEs in Harare.
2. To examine the operational challenges faced by VAT-registered SMEs when using fiscalised devices.
3. To evaluate how the financial and operational impacts of fiscalised devices affects the efficiency and daily operations of VAT-registered SMEs.

1.5. Research questions

1. How do VAT-registered small-medium scale business owners in Harare perceive the fiscalised devices financial impact?
2. What operational challenges do VAT registered SMEs face when using fiscalised devices?
3. How do the financial and operational challenges of fiscalised devices affect the efficiency of VAT- registered SMEs in Harare?

1.6. Significance of the Study

The study aims to gather insights into cost-related and operational problems linked to using fiscalised devices among registered SMEs in Harare. It will highlight the practical difficulties businesses experience in their daily operations.

The findings will be useful to policymakers and ZIMRA authorities in identifying areas that need improvement, especially in reducing the problems faced by SMEs on improving the effectiveness of fiscalised devices. This research will also help taxpayers better understand the importance and proper use of these devices in tax compliance.

Furthermore, this study will benefit to knowledge and provide useful reference for future studies on digital taxation and tax systems. It may also help reduce misunderstanding and conflicts between businesses and tax authorities by offering practical recommendations. It might also turn out to be a useful lead for academics investigating the financial and operational problems faced by SMEs with compliance issues of tax payments.

To Business – VAT Registered Companies

Operational Insights: The study provides companies with a clear insight of how Electronic Fiscal Devices (EFDs) affect day to day operations, compliance costs and reporting efficiency. This understanding can help businesses optimize efficiency, optimize operations and improve transparency and accuracy.

Financial Management: Findings will help companies to be economical of EFD adoption, including training and maintenance as well as compliance related cost, allowing for better resource allocation and cash flow management.

To The Government – ZIMBABWE REVENUE AUTHOURITY (ZIMRA)

Policy Development: The study informs policymakers and tax authorities on the challenges VAT registered companies are facing with the EFD implementation. This can guide. This may provide the implementation that the tax authorities can use for regulations and policies for better efficiency and effective compliance with also reduces operational burden on businesses.

Compliance Enhancement: This research can also help in increasing voluntary tax compliance for businesses while minimizing high chances of tax evasion and errors.

To Academic: Bindura University of Science Education

Knowledge Contribution: Outcomes can be shared within university to enhance the understanding of the financial and operational challenges of fiscalised devices business compliances to the tax authorities.

Academic Contribution: This research can be used for teaching taxation and also inspiring businesses on compliance on digital tax.

To The Private Sector

Industry Insights: Other VAT- registered companies can use the information to identify cost saving strategies to implement their EFDs.

Innovation Adoption: This research can motivate other informal traders to invest more in digital taxation and strategies to tax compliance.

To The Researcher

Future Opportunities: This dissertation may serve as a reference for further research opportunities, scholarly pursuits and paving a way for career advancement in academia.

1.7. Assumptions of the Study

The study assumes VAT- registered SMEs in Harare respondents has accurate, up to date, knowledge of fiscal devices. It assumed that certain employees, especially from the accounting, finance and operations department would cooperate with the study in sharing information that would be reliable and most relevant. Furthermore, the researcher proceeds with the assumption that the responses are accurate and valid. Moreover, the research explains the use of EFDs has a notable effects on business costs and operations that affects the profitability of most businesses in Harare either positively or negatively. These assumptions form the basis for the feasibility and expected outcome of the study.

1.8. Delimitations of the Study

The scope of the research are limited to VAT- registered SMEs operating in Harare, Zimbabwe, owing to the significant presence of firms using fiscalised devices in the area. This study will specifically focus on selected small and medium businesses to examine the financial and operational challenges they face in implementing and using EFDs.

The study is limited to the operational and financial areas of EFD use, including costs, training, maintenance, and compliance issues. The research provides the period from 2020 to 2024. Capturing recent developments in fiscalisation, digital taxation, and business responses to VAT regulations in the pandemic era. The year 2025 is excluded to ensure the analysis is based on reliable and fully available data. These boundaries were necessary to maintain the required depth, focus and feasibility, given limited time and resources available.

1.9. Limitations of the Study

- Study geographical coverage: Only selected VAT registered SMEs in Harare were covered in the study. This could make it difficult to generalise the results to other areas of Zimbabwe the researcher took care of this limitation by choosing SMEs from various industries to make the sample more representative.
- Restricted information: A few companies did not want to disclose financial and operational data because of confidentiality issues. To overcome this, respondents were assured confidentiality and anonymity and the information was only used for academic purposes.
- Limited academic time: The study took place over a limited data collection period. In order to overcome this, efficient data collection was done using structured questionnaires and a clear schedule of data collection.
- Financial restrictions: The availability of other financial resources was limited which prevented people from travelling and using other advanced data analysis software. The researcher solved this problem by applying the techniques namely Google Forms and SPSS software in the analysis of the data.
- Response bias: There was a possibility that some participants were reluctant to give accurate information or gave biased responses. To mitigate this, the participants were assured confidentiality of their responses and that it would solely for the purpose of academic research.

1.10. Definition of Terms

Electronic Fiscalised Devices (EFDS): EFDs are tax devices that businesses that are registered for VAT have to use. By the law, they must possess secure non-resettable memory and unique receipt numbers and have the capability of transferring daily sales data straight into the server of ZIMRA.

VAT- registered company: Company is registered formally with ZIMRA to pay Value Added Tax, yet has not exceeded turnover limit as requirement to register.

Fiscalisation: The use of digital systems and electronic devices and devices to monitor and report businesses for tax purposes.

ZIMRA: ZIMRA is a statutory body that is tasked to assess, collect, and administer tax revenue in Zimbabwe, while also ensuring compliance with tax laws and regulations (Mashingaidze, Wadesango, &Sitsha, 2024).

1.11. Chapter Summary

The research problem was identified, showing that despite the introduction of fiscalised devices, businesses continue to experience financial and operational challenges. There is limited empirical evidence on these impacts in Zimbabwe. These components provide a direction for the study and guide the analysis discussed in the chapters that follow. Chapter 2 will examine existing literature on fiscalisation and electronic systems, focusing on their impact on business operations tax compliance and challenges associated with their implementation as well as identifying gap this study addresses.

CHAPTER 2

LITERATURE REVIEW

2.1. Introduction

This chapter evaluates prior research into Electronic Fiscal Devices (EFDs), with particular emphasis on their role in enhancing tax administration efficiency and improving compliance levels. It will examine present understanding of the benefits and problems of EFDs, key factors influencing their adoption, and their impact on business operations, including efficiency, compliance and cost management. Examining the existing literature, this chapter provide gaps of literature and lay basis empirical investigation presented in subsequent chapters.

2.2. Theoretical literature

2.2.1. Fiscal devices (Electronic Fiscal Devices)

According to ZIMRA, this refers to electronic devices that are used for transferring, recording and reporting tax data information before the transfer to the ZIMRA servers. There are two types of these devices: virtual devices which are software based and hardware devices which are physical devices. The fiscal device records tax data at a point of sale and sent the invoice directly to the server. The devices can only be purchased by approved suppliers that can be found on the ZIMRA website such as Microwarehouse Private Limited and Axis Solutions Private Limited. They cannot be tampered with and they improve

government revenue collection, and they also contribute to the rate of tax compliance of VAT payers.

Mutengezanwa (2020) reported that it has been established that electronic tax systems lead to greater efficiency in tax administration, although this comes at an extra operational cost to business. With effective infrastructure and training, digital systems have the potential to enhance organisational record management and operational efficiency (Braun and Clarke, 2021). Awasthi and Engelschalk (2018) argue that electronic systems increase transparency of transactions and decrease human intervention in tax collection management which improves tax fraud and increase tax revenues.

2.2.2. Value Added Tax

Value Added Tax (VAT) is an indirect tax imposed on supply of taxable goods and services as well as on imports within Zimbabwe. Tax is collected by the Zimbabwe Revenue Authority (ZIMRA) in accordance with the Value Added Tax Act (Chapter 23:12) (ZIMRA, 2024; Government of Zimbabwe, n. d.). It was introduced in 2004 to phase out the sales tax system and to collect revenues and manage taxes in Zimbabwe (ZIMRA, 2024). Taxpayers are obliged to input VAT on taxable supplies, provide fiscal tax invoices, keep proper records of transactions, and return VAT to ZIMRA in the time period prescribed. In addition, all VAT-registered operators must be subject to fiscalisation under the provisions to of Statutory Instrument 104 of 2010, SI 148 of 2016 and SI 153 of 2016, using VAT approved Electronic Fiscal Devices (EFDs). These are the statutory provisions that were put in place to help the businesses to better comply with the tax rules, to increase transparency, to fight tax evasion and to increase efficiency in tax administration.

2.2.3. Types of fiscalised devices

Fiscalisation can be done by various Electronic Fiscal Devices (EFDs) including ;

Electronic Tax Registers (ETRs)- Stand-alone elcetronic devices which captures sales transactions and produce fiscal tax invoices .

Fiscal Printers (FPs)- Devices linked to a Point of Sale (POS) system which are used to print fiscal receipts while they are connected to a tax authority and sending transaction information to it.

Virtual Fiscal Devices (VFDs)- Software based fiscalisation solutions that are a component of accounting or invoicing system and are interfaced with ZIMRA to electronically transmit data relating to transactions.

Fiscal Memory Devices (FMDs)- Devices with secure fiscal memory capable of allowing the tax transaction data to be stored for monitoring and audit purposes.

The purpose of these are to enhance the transparency, increase tax compliance and enable real time reporting of VAT transactions to ZIMRA

2.3. Theories Underpinning the Study

van der Waldt (2024), states that theoretical framework offers the intellectual foundation for the research. A framework upon which interpretation and analysis of the research study is based.

2.3.1. Technology Acceptance Model

Davis (1989, p. 320), launched and showed that the TAM works which describes how individuals accept, adopt, and use of advanced technological systems. TAM is an intention based model that aims to describe and predict user adoption of computer technology. Under TAM, individual's attitudes toward technological adoption are driven largely by "perceived usefulness and the perceived ease" with which the technology can be used (Pigou &

Aslanbeigui, 2017). These factors are important in understanding how VAT- registered companies perceive and respond to use the use of EFDs in tax administration.

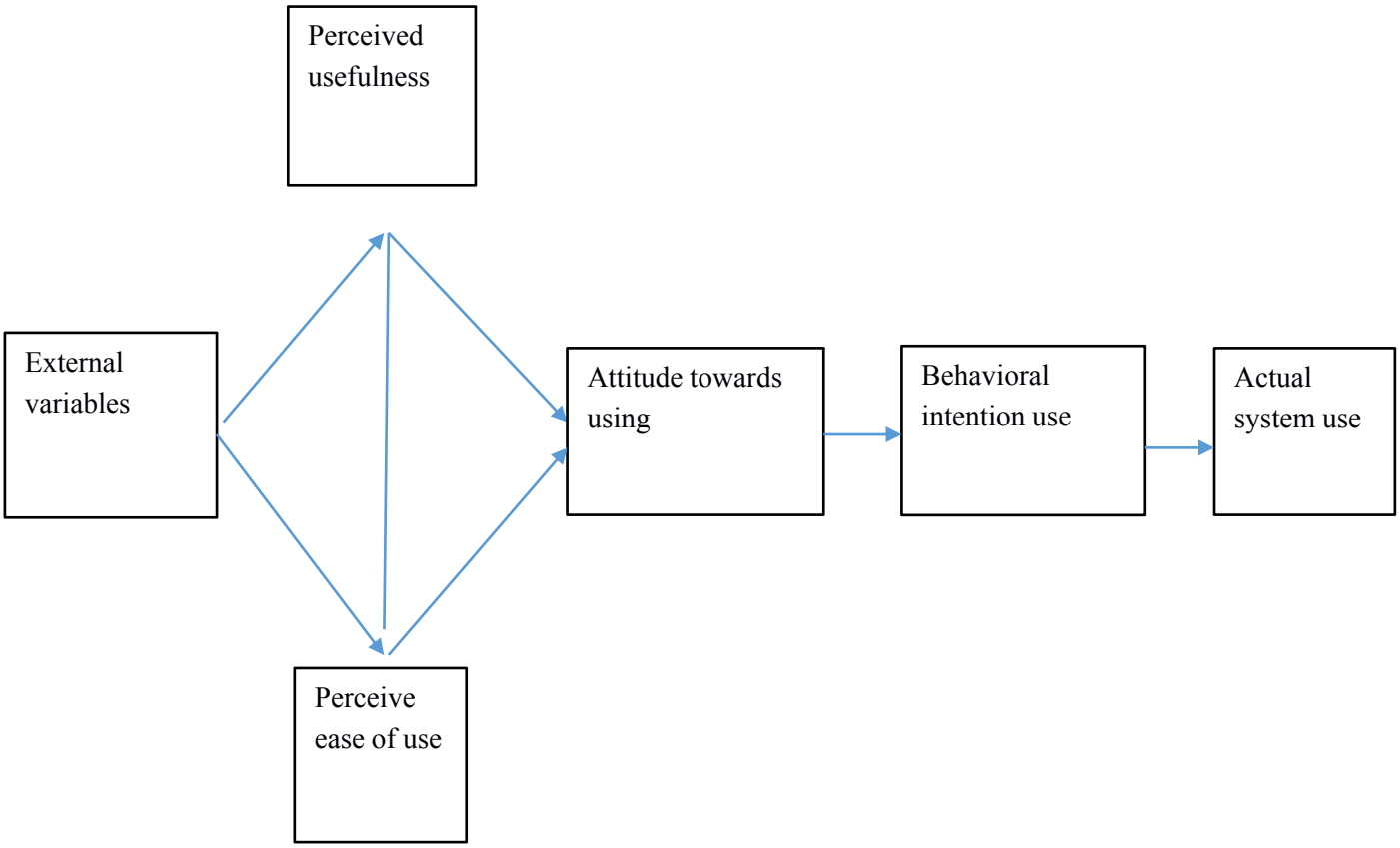


Figure 1: Technology Acceptance Model

As shown in Figure 1, TAM also explains that the external factors will affect both perceived usefulness and perceived ease of use as indicated. Attitude towards using is determined by these two and has an impact on behavioral intentions and actual system use (Davis,1989).

Source:Adapted from Davis (1989)

Recent studies confirm the continued relevance of TAM in digital taxation. For instance, according to Duve and Schutte (2025) firms in enhances efficiency and reduces tax compliance risks when they adopt to changes in digital systems. However, Mupambi et al (2025) argued that operational burden increases due to lack of training and frequently experience technical problems. Venkatesh et al. (2022) and Ainin et al. (2023) show that if

there is poor system design strongly hinder adoption in developing economies. Therefore, TAM explains why VAT- registered companies struggle with EFDs adoption despite the benefits of using it.

2.3.2. Unified Theory of Acceptance and Use of Technology (UTAUT)

The proposition contains other factors like social influence, performance expectancy and facilitating conditions which makes it more detailed than TAM framework. These variables shows an explained plan of the adoption of technology. According to Anuishiem et al. (2025), infrastructure availability and technical support enhances the implementation of the digital tax systems. Munjeeyi et al. (2025), stated that poor network connectivity, power failures, and limited resources hinders the effectiveness of EFD system in Zimbabwe. The results above are supported by Boateng et all. (2022) and Mensah and Adams (2023) demonstrates that there are significant challenges to overcome in relation to infrastructure for digital tax systems. Therefore, the UTAUT can be useful in understanding the reasons for operational inefficiencies, regulatory enforcement is not enough to stop such issues as system downtime and technical failures.

2.3.3. Economic Deterrence Theory

Taxpayers consent when penalty for non-compliance outweighs the cost of compliance, increasing transparency and to reduce opportunities in tax evasion is strengthened by use of digital systems such as EFDs is described by the Economic Deterrence Theory. Nguyen and Darnoso (2022) argued that such systems improve compliance through enhancing monitoring but the theory highlights a critical limitation that when the compliance costs are too high it discourages voluntary compliance. Supported by Alm and Mae`zieux (2023), who found that high compliance costs often leads to resistance, Mashingaidze et al (2024) emphasized that the costs associated with purchasing, installation, maintaining and operating the EFDs costly, especially for small medium enterprises.

2.3.4. Institutional Theory

According to Roy Suddaby, Rimi Zakaria (2026), institutional theory seeks analyse why individuals and organisations makes decisions that do not reduce costs and improve efficiency. For example, Access Solutions a third party company that sells EFDs machine installs devices for a firm and this helps reduce tax penalties, thereby improving record keeping and sales reporting hence company gains economic benefits. According to von Haldenwang et al. (2025), tax compliance in Zimbabwe is driven by enforcement mechanisms, policy frameworks, and institutional trust. However, Mpofu (2025) argues that low trust in government institutions and perceived lack of transparency negatively affect compliance attitudes. Therefore, Institutional Theory examines why businesses comply with EFD systems implantation requirements but may experience resistance and operational challenges.

2.4. Empirical Literature Review

2.4.1. SMEs implementation EFDs: Durres City (Elfrida Taraku and Shkelqim Fortuzii, 2024).

Taraku and Fortuzii (2024) explains on the role of SMEs, the implementation of fiscal devices and the whole process of fiscalisation. The paper focuses on assessing the effect of fiscal devices on SMEs. SMEs also plays a pivotal role in the countries growth domestic product (GDP) in the countries that are still developing and contributes to the economic development of the economy but at high risks of facing regulatory changes. Although Albania is a developing country with structural and legal problems, fiscalisation can have a positive benefit. In developing countries the implementation of fiscalisation is considered as a measure to encourage government rules and procedures to avoid tax evasion.

2.4.2. Impact of EBM on VAT compliance in Rwanda. (Jean Bosco Harelimana, Patrick Gayawira, 2020)

The research carried out in Rwanda, was evaluating the effect of EBM on tax compliance of SMEs. The introduction of EBM reduced tax evasion more especially by small business owners as they had late filings of VAT returns thereby falsifying receipts to the tax authorities. Small business owners were randomly selected to find out if there is a change in tax compliance and Electronic billing machines. The study reviewed that high revenue collection increase and voluntary registration increased reducing tax evasion. The study recommended the Electronic billing machines creates a user friendly interface platform for tax payers to comply.

2.4.3. Effects of EFDs on tax compliance: SMEs in Lusaka. (Bwalya Kaoma, Mayumbo Nyirenda, 2024).

The research study was carried out in Lusaka, investigating small business traders evaluating the significance of EFDs on tax evasion. Quantitative approach was used between SMEs and EFDs tax behavior. A population size of 3000 SMEs and 322 respondents was used. The findings showed a positive influences on tax evasion: ease of use and reliability. It showed a model variance of 29.6% of the variance in the change of tax evasion and fraud for SMEs. The findings shows that EFDs is more user friendly to SMEs businesses. The study gives the nature and relationship of tax compliance between EFDs and SMEs. The ease of use and reliability also highlights the need to ensure that EFD systems designed is reliable and will increase tax compliance and behavior. The results can serve to assist policy makers and tax authorities in the design and implementation of effective EFD programs.

2.4.4. Impact of EFD in revenue collection in Tanzania. Erasto Nzota, Mzumbe University, 2014.`

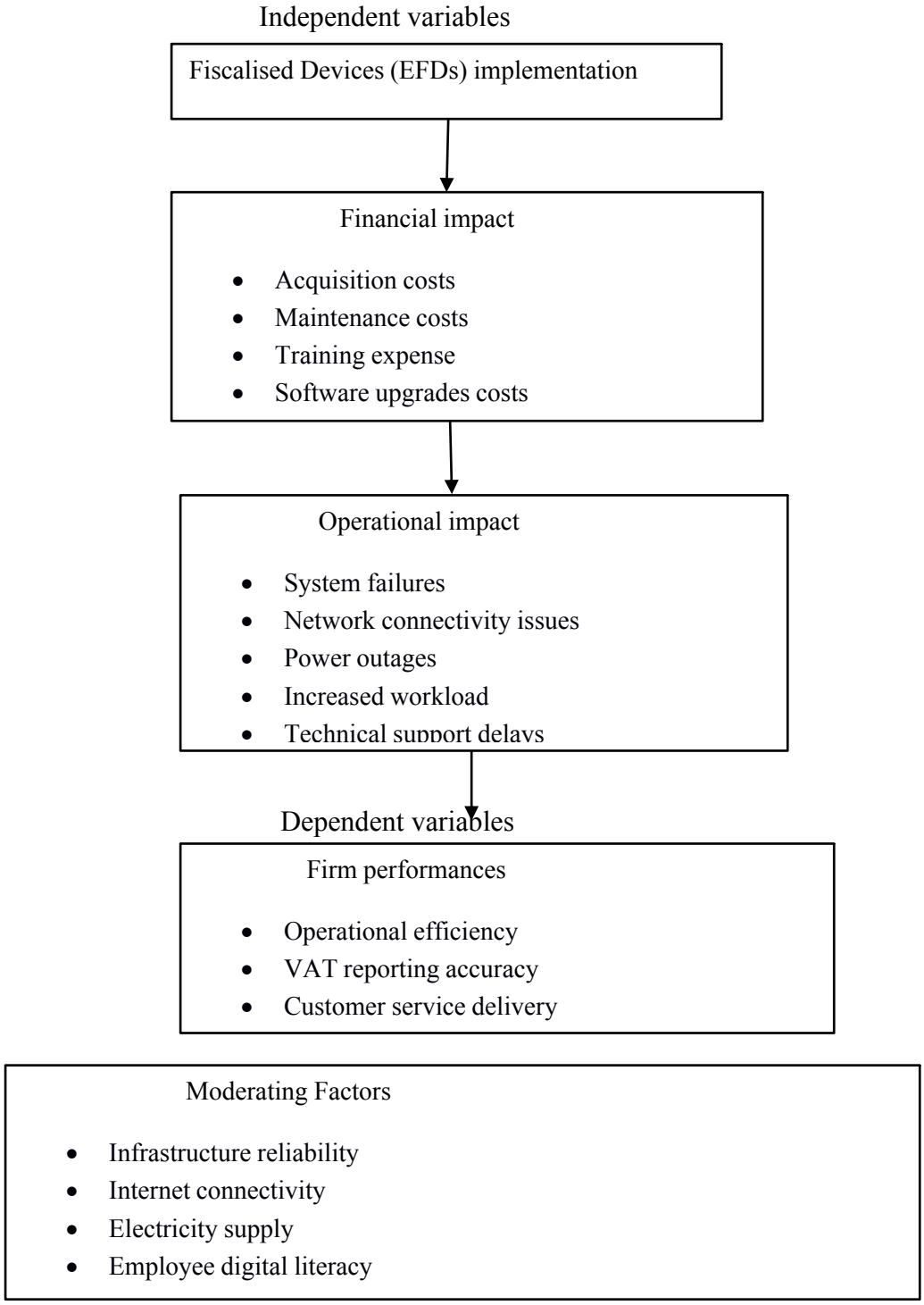
Nzota (2014) evaluated problems faced by implementing EFD systems in gathering of revenue. Interviews and questionnaires wwas conducted using 26 participants. It explained if EFD improved the collection of revenue at Temeke regional tax income accumulation. Collection increased significantly in Temeke regional tax collection. After EFD acquisition, revenue collection increased in Temeke, this shows that revenue gathered increased due to the purchasing of EFD machines. Net profits of businesses increased which also helped ease of use for company management work of processing VAT returns. This study shows that EFDs acquisition costs may be expensive but businesses boost revenue collection due to proper record keeping and transactions.

2.4.5. Problems faced implementing EFDs : In Tanzania (Stephen Mnyawi, Tafuteni Chusi, Rogers Andrew Lumenyela, 2022).

The research assesses the problems experienced by the introduction of fiscalised devices of EFD in the accumulation of revenue in Dodoma City. Certain measures and objectives were to assess the problems in adopting and use of the EFDs such as lack of training among employees in the use of EFD machine. 68 respondents of registered taxpayers' data was collected through the interview method used. The study findings also noted that the authority system in Tanzania are still facing challenges with the formal and informal traders. Challenges such as often power outages and assessment of the tax estimated from tax payers showed the EFD system implementation has probems that hinder revenue accumulation in Tanzania. Nzota (2014) recommends that the EFD system should be user friendly in the use of machines and they also suggested for improvements of the system for better economic benefits.

2.5. Conceptual Framework

This framework conveys the impact of financial and operational consequences of fiscalised devices on the performance of VAT registered SMEs. Infrastructure reliability, digital literacy, internet connection, electricity availability of digital literacy of employees are some factors that can influence this relationship.



2.6. Synthesis of literature

The reviewed literature shows that while EFDs improve tax compliance and transparency, they also create significant financial and operational burdens. High costs, infrastructure challenges, system inefficiencies, and limited technical skills are the main barriers to effective implementation. These challenges are particularly severe for SMEs. Furthermore, success of fiscalisation outcomes rely on external enablers such as government support, infrastructure and tax payers' education.

2.7. Research Gap

Most existing studies focus on tax evasion and collection of revenue , with limited attention given to the financial and operational burden on businesses. Most of the past studies are over 5 years when fiscalisation was mainly adopted in continental countries which hindered relevant collection of data. In Zimbabwe, empirical data evidence examining the combined effects of these burdens on VAT- registered SMEs is limited. This study is therefore fills this gap by providing detailed analysis of both financial and operational challenges faced by firms in Harare.

2.8. Chapter Summary

This chapter examined the theoretical framework and empirical studies on fiscalised devices and tax compliance. Empirical evidence shows that while EFDs improve compliance and transparency, they also impose significant financial and operational challenges for businesses. Empirical review also shows findings of other researchers on the areas related to the study.

This chapter further identified a research gap in the existing prior studies, thereby justifying the present study.

CHAPTER 3

RESEARCH METHODOLOGY

3.1. Introduction

The chapter explains the research methods and also describes several stages and procedures followed in conducting the research. The chapter begins by discussing the research design and the tools used to collect information on the challenges of fiscalised devices on tax evasion among VAT registered SMEs in Zimbabwe.

3.2. Research design

Dannels (2018), research design is an idea which combines different factors of a quantitative study to bring out unbiased results, believable and the findings should be believable. Quantitative explanatory research design was used. In quantitative research, the numerical data is collected and analysed for the purposes of examining the relationships, patterns and trends of the research problem while explanatory approach is designed to explain why something happens and establish cause and effect relationships. The method was suitable to the study because necessary information to explore and evaluate the relationships between important variables that affect fiscalised device compliance was gathered. Structured questionnaires was used to collect data from respondents. Quantitative data was used to analyse the data using descriptive statistics in the form of frequencies, percentages, tables and

graphs. Hence the quantitative research design was appropriate for establishing objective and reliable results of how EFD affects VAT-registered SMEs in Harare.

3.3. Research approach

Deductive method was used in this research. It is based on a theory and quantitative data is collected and analysed based on that theory. The deductive method is suitable for quantitative studies, as it deals with measurable data and objective analysis, according to Saunders, Lewis and Thornhill (2023). Structured questionnaires and VAT compliance statatistics were used to gather quantitative data on compliance costs, system reliability and operational efficiency for VAT-registered SMEs utilising Electronic Fiscal Devices. A deductive approach was proper since it allowed the study to test relationships between variables to make objective conclusions based on the empirical data.

3.4. Target population

Sekaran and Bougie (2020) defined a target population as the total set of people or groups of individuals that are the focus of a specific study from which data is to be gathered. The selected group of respondents were VAT-registered SMEs based in Harare, who are using Electronic Fiscal Devices for their daily business. The employees and managers of the selected companies were the ones involved in finance, accounting, tax compliance and operational activities who have relevant knowledge on implementation and usage of fiscalised devices. The individuals were chosen because they have first-hand experience working with Electronic Fiscal Devices and the financial and operational implications of their use within their organisation. The study focused on VAT registered SMEs, since they are obliged by law to adhere to fiscalisation regulations implemented by ZIMRA.

3.5. Sampling Technique and Sample size

Participants were chosen using purposive sampling method which is a non-probability technique from the VAT-registered SMEs in Harare area. This approach is based on selection of participants by knowledge, experience and first-hand experience with Electronic Fiscal Devices. Purposive sampling is suitable to find respondents who can give relevant and detailed information, according to Campbell et at (2020). It was appropriate for this study as it would guarantee that only those who were acquainted with the operating and fiscal experience with fiscalised devices would be included.

3.6. Questionnaires and surveys

Data were gathered from employees and managers of VAT-registered SMEs by using a structured questionnaires to understand the financial and operational impact of EFDs on these companies. Questionnaires as primary data to collect information from respondents was used and Google forms was also used to format the questionnaire. The instrument had closed-ended and open-ended questions. The respondents answered the questions on a five-point Likert scale regarding the perception of compliance costs, reliability of the fiscalisation systems, operational efficiency, tax compliance and financial burden related to fiscalisation systems. The questionnaire was modified to fit the fiscalisation context and to be relevant and understandable to Zimbabwe. Responses were quantified and analysed by Google.

3.7. Data collection procedures

Questionnaires were issued using Google forms but first a pilot test was used. It is a test used to selected sample study which gives warnings and errors on the responses made from data collected so that it gives accurate results before the main research is conducted.

Questionnaires are then sent to participants via current emails and their names, hence maximum confidentiality is carried out.

3.8. Data analysis method

Data was analyzed using quantitative method. Coded data was analyzed using SPSS software The data. The software was used with descriptive statistics such as frequencies, percentages, tables and graphs to detect trends of compliance costs, systems reliability, operational disruptions and efficiency of tax compliance. The quantitative analysis enabled objective interpretation of the data and supported the achievement of the research objectives.

3.9. Presentation methods

Tables, charts and graphs were used to illustrate the trends in financial and operational effects of EFDs. The presentation methods were selected because they simplify numerical data from responses and allow easier identification of trends and relationships relating to financial and operational effects of Electronic Fiscal Devices among VAT-registered SMEs. There has been a growing emphasis in recent methodological literature on the importance of structured presentation to make the research findings easy to understand and transparent (Creswell and Poth, 2023; Saunders et al., 2023).

3.10. Reliability

Reliability refers to a measure of consistency and stability in study measurements over time. In Mokkink et al. (2023) reliability is defined as the proportion of observed variation that is

due to real differences and not to measurement error. To ensure reliability, a standardised questionnaire was used and pilot tested to enhance clarity and uniformity of responses. The pilot study provided feedback to make questions clearer (Ranganathan, 2024). To reduce subjectivity and comparability of answers, closed-ended questions were used. To ensure reliability, questionnaires were triangulated against another, thus minimizing the possibility of bias (Ozkan, 2023; Dalglish, 2020). All of these measures insured consistency and reliability of the findings.

3.11. Validity

Validity is a measure to which the instrument of the research measures what it was supposed to measure. Content validation for this study was achieved by aligning questionnaireto the research objectives and related literature. The structured questionnaire was pilot-tested and adjusted as necessary to clarify and make questionnaire relevant. The use of credible and official organisational organizational documents enhanced the validity of document analysis. This process resulted in accurate and meaningful results of the study.

3.12. Ethical issues

The study has been carried out in a sensitive manner with respect to ethics. All respondents were provided informed consent, it was voluntary and confidentiality and anonymity were guaranteed. They were also told that they could refuse to take part at any time. Data were used in an ethically acceptable manner, abiding by the accepted research ethics in accordance with Bryman (2016).

3.13. Limitations of the study

It was conducted in selected VAT registered SMEs in Harare and thus could have limited generalizability. The responses of some respondents might have been socially desirable, especially those in the management roles. Some external economic and regulatory factors might have affected findings, but were not completely controlled.

3.14. Chapter summary

The research used a quantitative explanatory based approach based on an deductive design, allowing the results to be derived from the data collected. Data was obtained from selected respondents through questionnaires. The chapter also explains the sampling techniques, data analysis methods and measures undertaken to ensure reliability, validity and ethical compliance. In general, the methodology provided a structured framework for producing quantitative evidence to effectively address the research objectives.

CHAPTER 4

DATA PRESENTATION, ANALYSIS AND DISCUSSION

4.1 Introduction

The findings presents survey responses from 39 VAT-registered SMEs in Harare. Descriptive statistical analysis was performed to evaluate the data (frequencies, percentiles, mean, and standard deviation). Thematic coding was used to code the qualitative information. Findings were categorized based on the research objectives: financial impacts, operational problems, and impacts of the tax on efficiency.

4.2 Demographic Characteristics of Respondents

Business Sector	Frequency (n=39)	Percentage	Percentage
Retail	14	35.9%	35.9%
Manufacturing	8	20.5%	20.5%
Wholesale	6	15.4%	15.4%
Hospitality	4	10.3%	10.3%

Transport	3	7.7%	7.7%
Other	4	10.3%	10.3%

Table 4.1: Distribution of Respondents by Sector and Position

Position	**Frequency**	
Owner	18	46.2%
Manager	12	30.8%
Accountant	6	15.4%
Cashier	3	7.6%

Most respondents were owners (46.2%), with retail SMEs dominating the sample (35.9%).

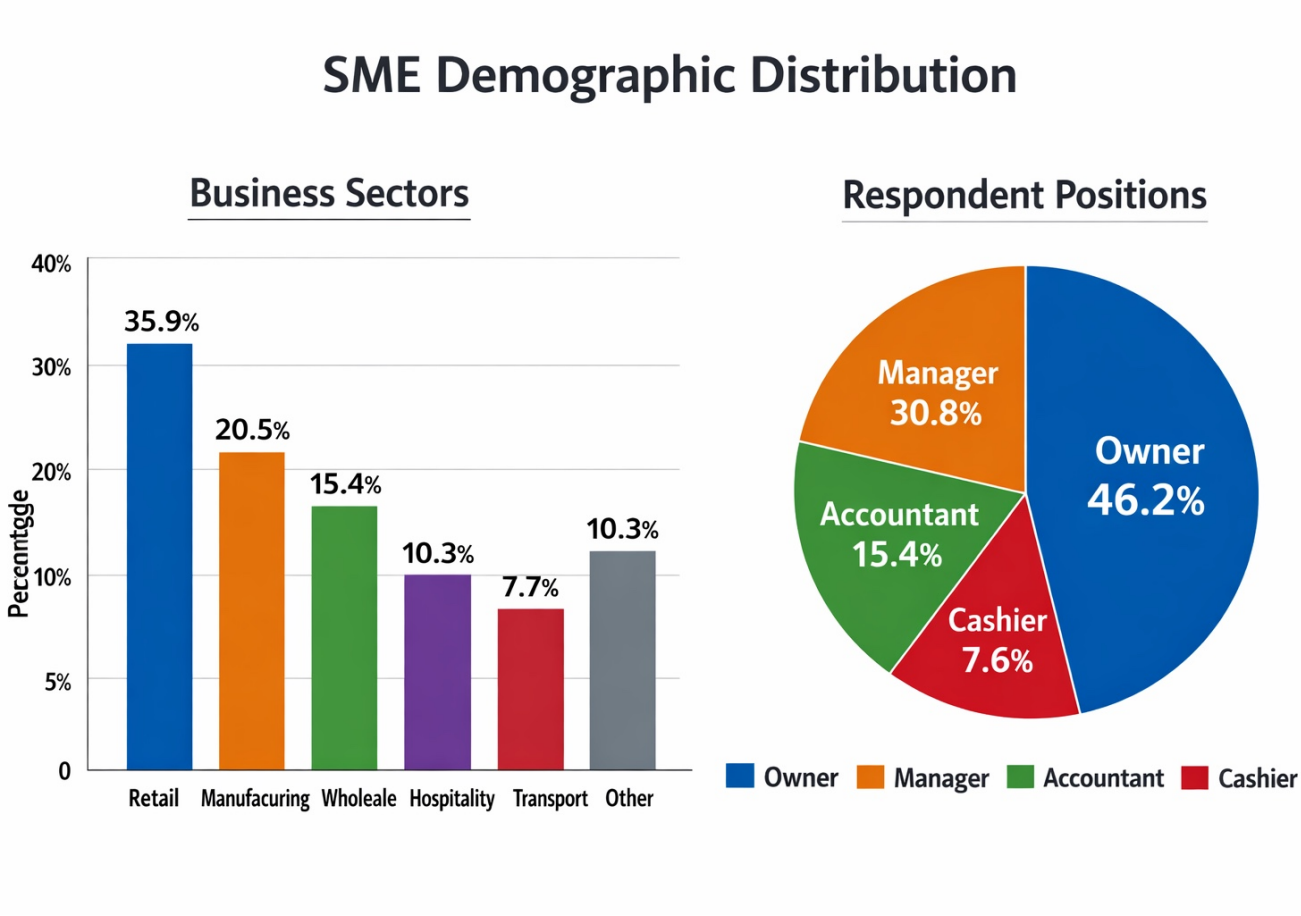


Figure 2: SMEs demographic distribution (primary source

4.3 Perceived Financial Impact

Table 4.2: Perceptions of Financial Impact (Likert Scale, 1=Strongly Disagree, 5=Strongly Agree)

Statement	Mean	Std. Dev.	% Agree/Strongly Agree
Costly to buy/install	4.2	0.9	71.8%
Operational costs have risen	4.0	1.0	66.7%
Improved record- keeping	4.3	0.8	82.0%

Improved tax compliance	4.1	0.9	76.9%
Costs outweighed by gains	3.0	1.2	41.0%

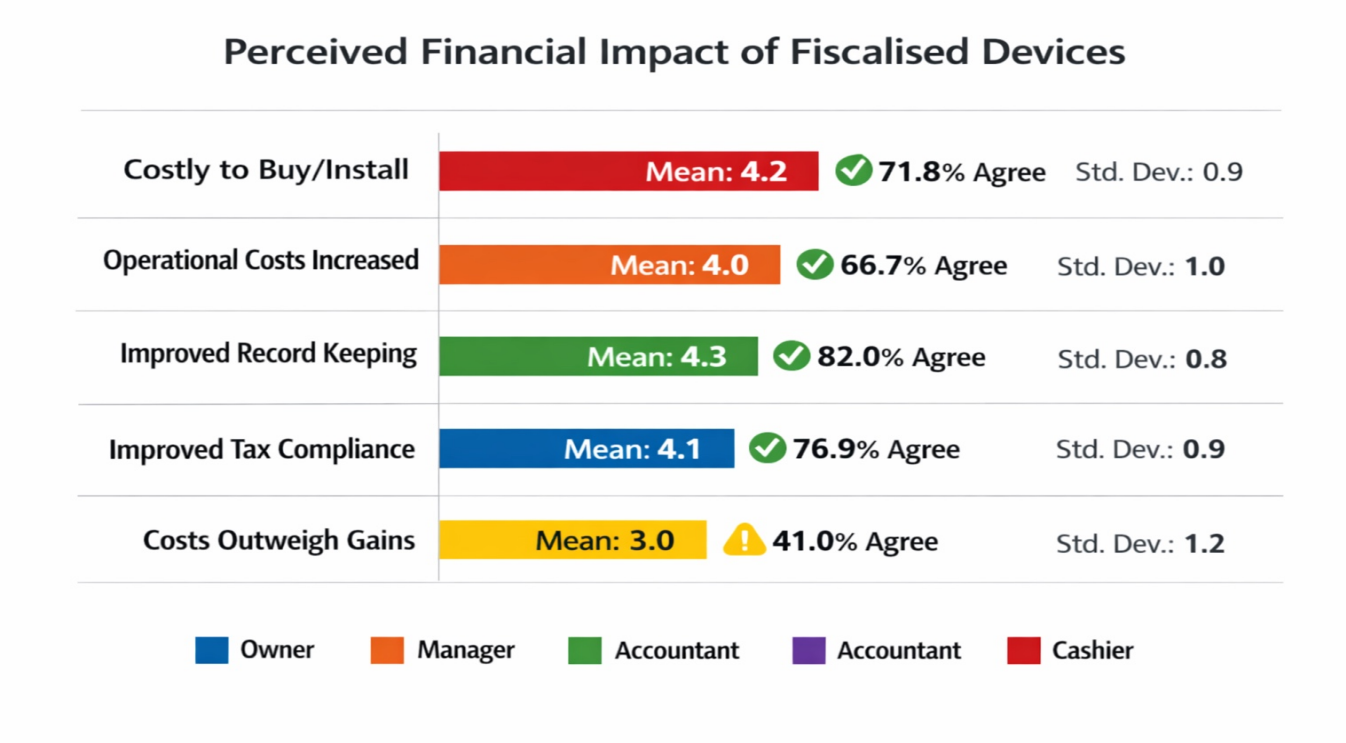


Figure 3: shows perceived financial impact of fiscalised devices (primary source)

Respondents strongly agreed that fiscalised devices were costly and increased operational expenses, but also acknowledged improvements in record- keeping and compliance. The perception of financial gains was mixed (mean=3.0).

4.4 Effect on SME Efficiency

Table 4.1: Impact on Efficiency (Qualitative Themes)

Theme	Frequency (n = 39)	Percentage (%)	Interpretation
Improved transaction speed	24	61.5	Fiscalised devices accelerated sales processing and reduced waiting time for customers.
Reduced fraud/errors	22	56.4	Automation minimized manual mistakes and improved accuracy of financial records.
Increased transparency	20	51.3	Real- time data transmission enhanced accountability and trust in reporting.
System failures causing delays	18	46.2	Frequent technical faults and connectivity issues slowed down operations.
Dependence on technology	16	41.0	SMEs became reliant on digital systems, making them vulnerable to power and network disruptions.

Efficiency gains were noted, but nearly half of SMEs reported frequent system failures and dependence on unstable infrastructure.

4.5 Operational Challenges

Table 4.3: Operational Challenges Faced by SMEs

Challenge	Mean (Likert)	Std. Dev.	% Agree/Strongly Agree

Network failures	4.4	0.7	71.8%
Power outages	4.2	0.8	66.7%
Technical issues	3.9	1.0	56.4%
Employee difficulties	3.6	1.1	43.6%
Lack of technical support	3.5	1.2	35.9%

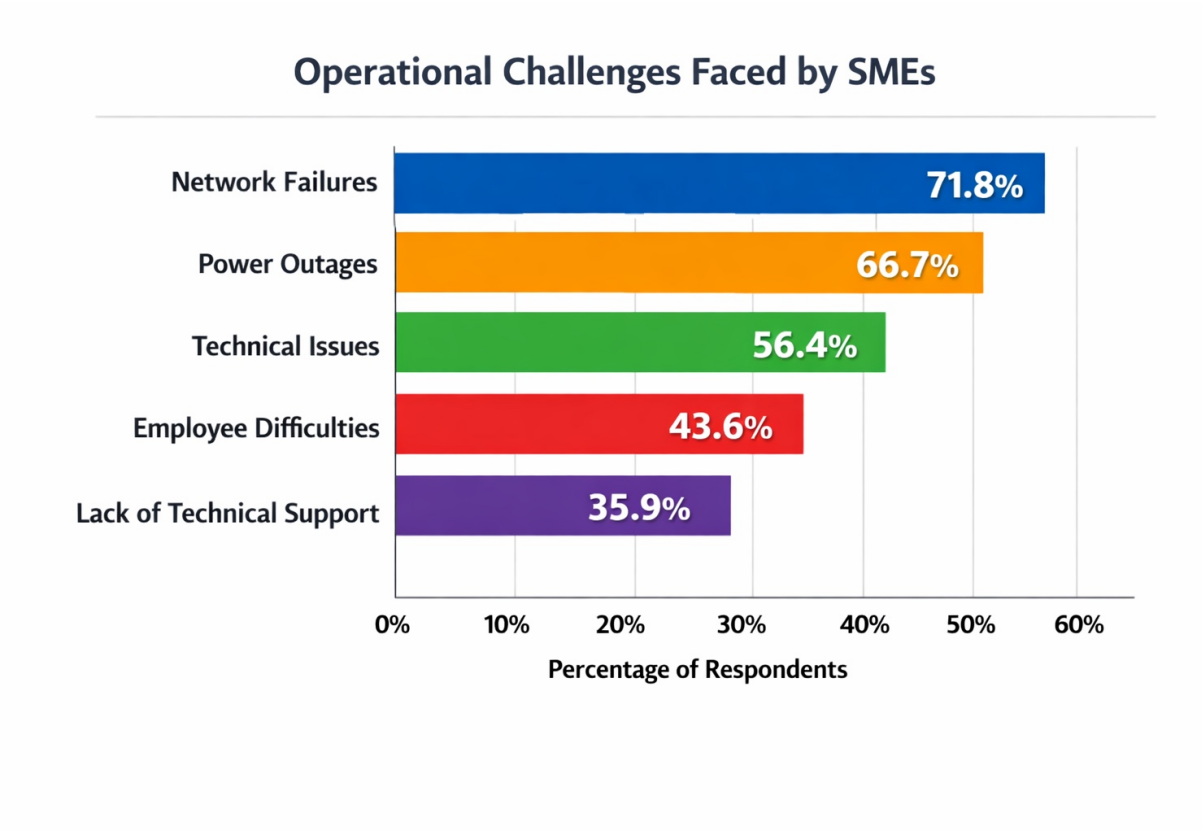


Figure 4: Shows operational challenges faced by SMEs

Network failures and power outages were the most cited challenges, consistent with Zimbabwe's infrastructure limitations.

4.6 Suggestions for Improvement

The survey respondents provided several recommendations to enhance the effectiveness of fiscalised devices for SMEs in Harare. These suggestions can be grouped into five thematic areas.

4.1.1 Cost Reduction

Subsidy and rebate programs: The respondents were unanimous in their call for governmental subsidy or rebate programs to reduce the high acquisition/implementation costs associated with fiscalized equipment.

Cost effective products and services: Small business owners believed the vendors should provide product/service bundles at a price point that is conducive to small business use.

Installment financing; leasing: Many also felt that installment financing; leasing type agreements would be beneficial to allow the small business owner an alternative to outright purchase of fiscalized equipment.

Interpretation: The economic deterrence theory explains how the higher costs associated with complying with tax laws can inhibit voluntary compliance. By reducing these costs (i.e., acquiring and implementing fiscalized equipment) will increase the likelihood of adopting such technology and thus decrease the amount of resistance.

4.1.2 Training

Staff Education on a regular basis: The respondents asked for ongoing training sessions so that employees can know how to properly use the fiscalized machines.

Campaign Awareness: SMEs suggested that ZIMRA and suppliers should provide work shops and campaign awareness about digital literacy.

Interpretation: This is in line with TAM which shows that “Perceived Ease of Use” has a positive influence on acceptance. Training will reduce user's fear and increase confidence.

4.1.3 Infrastructure Support

Stable Electricity: SMEs highlighted the need for reliable access to stable electricity, which was cited as a major obstacle. Respondents suggested that solutions could include installing solar panels as a backup system.

Reliable Internet Connectivity: SMEs felt they needed better connectivity from their networks in order to avoid time delay transactions.

Interpretation: This relates well to UTAUT because it highlights the facilitators (availability of infrastructure) that will assist SMEs in adopting new technologies.

4.1.4 Technical Support

Respondent's suggested local service centres; Respondents wanted to be able to access local centres with easy and fast support from those centres.

Respondent's suggested faster replacements and updates; SME respondents felt that they would have better compliance attitudes if their suppliers were more responsive to their needs through timely and regular software updates and quicker replacement of faulty equipment or other hardware failures.

Interpretation : When businesses believe that they are being supported by their suppliers (and by ZIMRA) in general, institutional trust can lead to improved compliance.

4.1.5 Innovation

Virtual Fiscal Devices (VFDs) - respondents suggested using Mobile Point of Sale Apps and Cloud Based Solutions as lower cost and higher scale alternatives than traditional VFDs.

Integrating Mobile Money into VFD's - respondents also mentioned that by integrating fiscalized devices into mobile money platforms it would be easier to follow Zimbabwe's Digital Payment Ecosystem.

Interpretation: This trend is consistent globally in both Albania and Rwanda where virtual systems are reducing the costs for businesses and improving compliance. The ability to innovate could help fill the gap between formal and informal economies.

Overall, participants indicated that fiscalized equipment is helpful for tax collection, however they will need a reduction in costs, education/training on how to use the technology, increased funding for infrastructure development, more technical assistance and an innovative approach before being utilized effectively by all SME's. These recommendations are consistent with the results from other countries such as Tanzania and Zambia which were impeded due to lack of infrastructure and training, and also similar to Rwanda which demonstrated increased compliance when using user-friendly systems.

4.7 Discussion of Findings

The study's results have been understood using various theory models. The TAM offers an applicable framework for explaining how Small Medium Enterprises (SMEs) in Harare view fiscalized equipment. Survey respondents agreed with the positive uses of fiscalized equipment including improved documentation and better customer service due to greater transparency and adherence to Value Added Tax (VAT) regulations. However, respondents indicated that the primary obstacle to the successful operation of fiscalized equipment has been poor infrastructure such as power outages and a functional communication system. Therefore, even though SMEs acknowledge the possible advantages of fiscalized equipment; the operationalization and practical application of these technologies are hindered by uncontrollable external factors. Therefore, according to the TAM there exists no reason for full and complete adoption of these technologies.

Furthermore, the UTAUT expands upon the role of facilitative factors in determining adoption. Results from the survey indicate that SME's ability to successfully operate

fiscalized equipment is primarily affected by the existence of a reliable electric supply, dependable internet access, and sufficient technical support. When the above conditions do not exist, SMEs experience recurring problems related to equipment failure, delayed transactions with customers, etc. These results reflect similar studies in Tanzania and Zambia which emphasize the critical nature of the physical infrastructure on the success of electronic fiscal systems. As such, UTAUT emphasizes that although adoption is often viewed as a function of an individual's willingness to participate it is very much dependent on the overall supporting environment.

The results are also reflective of the economic deterrence theory which states that people will adhere to a law when the cost of violation far outweighs the cost of compliance. However, based on data collected during this study, SMEs' reluctance to voluntarily adhere to laws regulating fiscalized equipment stems from the exorbitant costs associated with purchasing, maintaining and utilizing fiscalized equipment. Similar conclusions were reached in other studies conducted in Tanzania and Zambia. Although fiscalized equipment greatly diminishes taxpayer's opportunity to evade taxes, its substantial costs could create disincentives toward SME's compliance by reducing their willingness/ability to utilize fiscalized equipment.

Lastly, the findings can be explained using Institutional Theory. The majority of respondents stated they had doubts regarding their available technical assistance and their confidence in governmental agencies. Both of these factors detracted from their desire to become involved in fiscalization. These findings are in line with those found by Mpofu (2025) in his argument that low institutional confidence negatively influences compliance attitudes in Zimbabwe. Even when there exists strong enforcement mechanisms; organizations may still decline to implement new policies if they believe government's intentions are overly burdensome and/or lacks transparency. As such, Institutional Theory supports the notion that compliance is not solely a technological problem but rather one of confidence in government institutions, legitimacy and involvement of stakeholders.

4.8 Summary

The results shows both advantages and disadvantages of impacts from fiscalising the VAT-registered SME's in Harare. The positive effects include improved accounting records and compliance levels; SME's indicated that fiscalization has caused them to make less errors in their accounts; SME's stated that they experience much less theft and fraud; and SME's expressed a higher level of confidence that they will be able to comply with the requirements of VAT. The aforementioned is indicative of how well fiscalizing can improve business efficiency and modernize tax administration.

On the other hand, several major issues were identified in the study. There are significant financial costs associated with acquiring, implementing, and maintaining fiscalized devices. A number of the SME's experienced difficulty using fiscalized devices because of problems with network connections (i.e., loss of Internet), electrical power supply failure or equipment malfunctions. While the above examples have resulted in increased tax compliance through fiscalization, many SME's have had to sacrifice profit margins and efficiency in order to implement the required technology.

Recommendations to address the challenges that were identified by SME's included providing either subsidies or rebates to help offset some of the costs of fiscalized devices; provide regular training programs to employees so that they may develop the skills necessary to effectively utilize fiscalized devices; upgrade infrastructure so that reliable access to electric power and Internet availability can be provided to all users; and create strong technical support services that would provide assistance to SME's when fiscalized devices fail. Additionally, several SME's recommended exploring alternative technologies such as virtual fiscalized devices and mobile point-of-sale applications which could potentially offer lower-cost solutions compared to traditional fiscalized devices. The recommendations from SME's clearly illustrate that the success of fiscalizing will depend upon whether policymakers and stakeholders will engage in developing comprehensive policies to support SME's.

In general terms, the study indicates that fiscalized devices can only realize their full potential when implemented within a policy framework that includes adequate support mechanisms to minimize financial burdens and operational inefficiencies faced by SME's. Therefore, policymakers and ZIMRA should work together to establish an equilibrium among compliance-based goals, and the financial and operational constraints facing SME's. Through creating avenues for reducing cost barriers, upgrading infrastructure, and establishing

institutional trust through government policies, fiscalization can be transformed into an powerful mechanism for increasing tax adherence hence promoting economic growth in Zimbabwe.

CHAPTER 5

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter's objective is to integrate and synthesize major outcomes from research into the financial and operational impacts of fiscalized devices for the SMEs in Harare which are registered as Value Added Tax (VAT) registrants. In summary to providing a synthesis of the data contained in the previous chapter, this Chapter will draw conclusions based upon the research objectives, identify areas for further research and offer suggestions for practice and policy.

5.2 Summary of Findings

The study revealed that fiscal devices have a financial and operational impact on VAT registered SMEs in Harare. In terms of the financial effect, the results found that there are huge cost involved in the installation, acquisition, maintenance and operation of fiscalised devices for SMEs. The devices did, however, aid in better record keeping and thus improved tax compliance. However, these results are similar to those of Mupambi, Mudefi and Urayayi (2025) who observed that fiscalised devices lead to better tax compliance but also high costs for businesses.

With respect to the operational implication, the study determined that fiscalised devices enhanced the handling of transaction and minimized errors. Their effective use was however,

hampered by network failures , power outages, software issues and lack of technical support. The results from this study corroborate the results obtained by Kalongola (2023); Kaoma and Nyirenda (2023) who found that infrastructure problems and lack of technical support limit the effectiveness of fiscalised devices.

The study also concluded that the participants suggested government support in the form of subsidy, regular training, enhancement of ICT infrastructure and cost friendly solutions including Virtual Fiscal Devices (VFDs). These recommendations are consistent with studies conducted by Kalongola (2023) and Duve and Schutte (2025), which emphasized the importance of infrastructure development, technical support and user training in improving the successful implementation of fiscalisation.

5.3 Conclusions

Several conclusions may be derived from these results. The use of fiscalized equipment has obviously increased compliance and accountability in SMEs through better records, and less opportunity for fraudulent activities. Yet, its success is restricted by relatively expensive procurement and maintenance costs that reduce voluntary compliance, and impose a significant burden on the smaller enterprise. Although operational efficiencies have been achieved, infrastructure challenges like unreliable power supply and weak data transmission networks continue to negatively affect performance. Also, training and technical assistance to the SME's continues to be inadequate, and therefore limits their ability to take full advantage of fiscalized equipment. Additionally, institutional trust also seems to be important because the adoption of fiscalization will be greater if SMEs see government policy as supportive and not as punitive.

These findings confirm the theoretical bases used in Chapter Four. As stated in chapter 2, the Technology Acceptance Model helps explain how SME's perceive the usability of fiscalized equipment. However, it also helps explain why SME's have difficulty using this equipment because there are gaps in their infrastructures. In addition to this, the UTAUT further supports the need for "enabling factors" including electric power, an Internet connection and

technical assistance. Finally, the Economic Deterrence Theory shows that the cost of complying with fiscalization discourages voluntary participation; whereas, Institutional Theory indicates that the level of trust and legitimacy regarding institutions impacts compliance attitudes.

5.4 Recommendations

Policymakers can better enhance the performance of fiscalized devices, as well as increase SME compliance using fiscalization by reviewing their fiscalization policies and ensuring that these policies are both inclusive and account for the financial capabilities of SMEs. In addition to this, subsidies, tax rebates, or flexible payment options may need to be implemented to lower the initial costs associated with obtaining a fiscalized device.

Monitoring and evaluation systems will need to regularly measure and assess the effectiveness of fiscalization policies. The compliance process needs to be streamlined using simple operating guidelines. Capacity Building is very important due to the fact that most of the time, the root cause of compliance issues is a lack of technical knowledge. Therefore, it would be beneficial for regular workshops to be conducted for SME owner and operators and employees to learn how to use the devices properly, troubleshoot common problems, record-keeping and VAT-reporting requirements. In addition, digital literacy programs can be created through collaborations between business associations and vocational schools (i.e. technical colleges) for employee training. Peer-to-peer education can be facilitated through the creation of peer mentoring opportunities where experienced users can assist newer adopters.

Investment in infrastructure is required in order to minimize operational interruptions. Stable electricity supply and consistent access to reliable Internet connectivity will enable smooth transfer of fiscal data. Solar-powered back-up systems should be encouraged in order to prevent loss due to power outages. Collaborations with telecommunication companies can help to improve network coverage and bandwidth. Technical Support and Innovation must be enhanced. On-site service centers should provide rapid response times; Suppliers should provide rapid software upgrades at an affordable price and have good customer service. Promoting virtual fiscal devices and mobile point-of-sale technology can serve as low-cost

alternatives. Additionally, integrating fiscal devices with mobile money platforms will further connect fiscalization with Zimbabwe's digital payments ecosystem.

Lastly, Stakeholders Collaboration is required. Developing stronger relationships between ZIMRA, Device Providers and Suppliers, and SME Associations will create environments where there is continued communication between stakeholders and ongoing improvements in the implementation of Fiscalization and SME Tax Compliance. Public-Private Dialogue should promote trust and transparency between stakeholders, while Academic-Industry Collaboration should produce evidence-based recommendations for enhancing Fiscalization and SME Tax Compliance.

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APPENDIX A

BINDURA UNIVERSITY OF SCIENCE EDUCATION

Research questionnaire to the manager/owner

My name is Tanaka Patronella Kunaka from Bindura University of Science Education. My current study is in the field of education, I am pursuing my Bachelors of Accountancy. I have done an Honours Degree and I am doing a research. My research area is: A survey approach on the financial and operational impact of fiscalised devices among VAT- registered SMEs in Harare. You have been recognized as one of the participants relevant to this and you will be involved in the input of any feedback in response to this questionnaire will be greatfully received. Your input will help in the completion of this study. You will only be required to provide information that will be used for: academic purposes. This research is conducted voluntarily and your confidentiality is guaranteed. Do not include any personal in formation such as names and thank you in advance.

My contact details;

Phone number; +263776246618

Email; kunakat195@gmail.com

Instructions

Please fill in the questionnaire, tick in the box provided and complete the spaces provided.

Secton A: Demogrphic information

Business sector

a) Retail ☐
b) Manufacturing ☐
c) Wholesale ☐
d) Hospitality ☐
e) Transport ☐
f) Other ☐

Position of respondent

a) Owner ☐
b) Manager ☐
c) Accountant ☐
d) Cashier ☐
e) Other ☐

Years in business

a) Less than 1 year ☐
b) 1-3 years ☐
c) 4-6 years ☐
d) More than 6 years ☐

Use the scale below to indicate the extent to which the following statements apply to you

1 Strongly agree, 2 Agree, 3 Neutral, 4 Disagree, 5 Strongly disagree(tick where appropriate)

Statements	**1**	**2**	**3**	**4**	**5**
SECTION B: PERCEIVED FINANCIAL IMPACT OF FISCALISED DEVICES					
It was costly to buy and install fiscalised devices					
Operational costs have risen in our business because of fiscalised devices					
Operational costs have risen in our business because of fiscalised					

devices					
There has been an improvement in tax compliance with fiscalised devices					
The cost of of fiscalised devices is less than the financial gains					
SECTION C:EFFECT OF FINANCIAL AND OPERATIONAL CHALLENGES ON SME EFFICIENCY					
Fiscalised device challenges affect daily business activities.					
Fiscalised devices improve transaction processing efficiency.					
Fiscalised devices improved overall operational efficiency.					
SECTION D: OPERATIONAL CHALLENGES FACED WHEN USING FISCALISED DEVICES					
Technical issues interrupt business operations.					
Internet or network failures affect transaction processing.					
Power outages affect the use of fiscalised devices.					
Employees experience difficulties using fiscalised devices.					

What can be done to improve the effectiveness of fiscalised devices for SMEs?

Any other comments or suggestions regarding fiscalised devices and SME operations?

What impact have fiscalised devices had on business efficiency and daily operations?