4. REVIEW OF RELATED LITERATURE

4.1 Review of literature

Literature Review or Review of Literature is a comprehensive survey of the works which aims to review the critical points of current knowledge published in a field of study, or related to a particular topic of research, usually in the form of a bibliographic essay or annotated list of references in which attention is drawn to the most significant works completed. Literature review is a conceptually organized combination of a literature search results that provides a context for the research. It is neither a summary of the literature, nor merely description of the works, but it is a critical piece of information. It involves thorough study and analysis of available literature on the problem under study. For this proposal, an attempt has made to list some of the work done on the topic of the study under subsequent sections.

Good governance is an indeterminate term used in international development literature to describe how public institutions conduct public affairs and manage public resources. Governance is "the process of decision-making and the process by which decisions are implemented (or not implemented)". The term governance can apply to corporate, international, national, local governance or to the interactions between other sectors of society.

4.2 The role of Good-Governance in the developed and developing Countries

E-governance can be defined as “a government structure which is efficient and effective and is duly controlled by citizens” (Bedi et al, 2001). Perri (2004) states e-governance tools can “be used to sustain… the important elements of accountability and tension that a liberal democratic order requires”. Within the same context, e-governance aims to promote policy making, however e-government requires the use of e-democracy.

On the other hand, e-government means “exploiting the power of information and communications technology to help transform the accessibility, quality and cost-effectiveness of public services” (Office of the Deputy Prime Minister, 2003). E-government also relates to the relationship between citizens and power bearers. To increase accountability and empowerment, the use of e-government is vital, in order to achieve citizen participation.

The topic of e-government and e-governance has become increasingly acknowledged over the last few years, and many governments gradually shifting toward the online services. However developing countries lag behind due to lack of capital and knowledge of the internet and Information Technology. Developing countries are more likely to have corrupt governments, thus restricting the level of ICTs within the country. However with organizations from developed countries, implementation of programmes produce effective results; the degree of corruption is reduced and democracy heightens. It is also important to mention that even developed countries are confronted by issues such as how to structure their e-government. Abbasi S, (2005) elucidates the Institutional Framework of the NeGP (National e Governance Plan) at the Apex, Programme and Project Level. These projects consist of State, Central and Integrated Projects, which aims to be cost effective so that local communities can participate. The author also observes the notion that governments are at different stages and possess various initiatives regarding e-Governance in India. Abbasi also explains that political will is essential for effective e-Governance and policy making.
“Conceptualization to project formulation and implementation” (Abbasi S, 2005) is based on knowledge although many governments are not at the same level nor do they have the expertise. There is emphasis to “create an institutional mechanism” (Abbasi S, 2005) to strengthen ICT knowledge in e-Governance. Allen et al (2001) envisages the challenges for Canada and emphasizes a “new culture in government”, to overcome existing barriers for development. Two sections are investigated; partnerships and leadership of people. By empowering citizens, an effective e-Government system can be implemented. It is not just technology that affects e-Governments but leadership, partnerships and existing structures. One of the main barriers is “an administration culture” (Allen et al, 2001). The Canadian goal was to provide all public services online by 2004. To create an environment of knowledge and learning has been on forefront for Canada. The government needs readjusting to the new form of e-Governance. This report (Backus M, updated April 2001) is influential in collating examples from developing countries, such as Ghana, Tanzania and Kenya, where the use of e-Governance strives to overcome corruption. For each case study, problems and development objectives are assessed. The main problems are transparency and limited resources. Links to other e-Governance initiatives such as e-Democracy Initiatives in South Africa, Uganda and Burkina Faso are also outlined. The social, economic and technological aspects are examined. Success factors include political stability and trust. The use of workshops can help to educate people in the developing world about ICTs and e-Governance. Bedi K, Singh P. J., Srivastava S (2001) in their book focuses on the internet as a tool for self-governing, depicting existing programmes which have been implemented, such as the ‘Friends Project’ in Kerala. The internet is seen as a democratic tool to give citizens freedom, accessibility and power. The publication explains the opportunities of ICTs and the need for effective governance to create an e-Democracy. The use of the internet, however, reduces the role of local authorities and empowers citizens. Consequently, the use of the internet in the programmes mentioned allows participation on a non-elitist level. The link between the internet, governance and society is essentially illustrated in this book.

Bhatnagar (1999) presents delivery models in less economically developed countries and provides opportunities and challenges for the future. According to Bhatnagar, E-Government strives to achieve efficiency and delivery of services online and the benefits include “less corruption [and] empowerment” (Bhatnagar, 1999). Programmes such as income tax online (Mexico and Brazil), customs online (India and Jamaica) and rural internet kiosks are cited. Access to rural areas is problematic and needs to be addressed. Public services in Bangalore, in the form of bar graphs, show that all services have increased since 1994 and corruption has also declined (Bhatnagar, 1999). Time frameworks are extremely important for programme implementation. This paper states the potential for e-Governments in developing and developed countries. Case studies in Europe, Asia and North America are also discussed. Dimensions and sectors of e-government are examined. The paper also outlines the stages of e-Government; “presence, interaction, transaction and transformation” (Bonham et al, 2003). Issues are investigated, with case studies from Birmingham (England), Rochester (New York) and Seoul (Korea) are discussed. The Birmingham government allows citizens to pay council taxes and report various domestic problems online. The initiatives of these three cities are reviewed. Expectations of e-Governance are an existing issue, as expectations are still very high. Carlitz, Gunn (2002) discussed online rule-making promotes citizen participation and encourages comments to be made, through opinion polls. However the government must decide how to make this information available. There are many challenges for federal agencies who implement electronic rule-making. Online rule-making can be adapted to any level of the government, used to discuss problems in order for resolutions to be made. Paperwork will be a thing of the past as more governments are seeking to adapt to an electronic administration
system. Topics such as transparency and common access are examined. Online rule-making is more accessible, unlike paperwork and involves people, be it at work or home. The magazine article conducts an interview with R. Chandrashekhar (Department of Information Technology, Government of India) discussing the National e-Governance Plan (NeGP) for India. Chandrashekhar (2005) describes the NeGP Plan which implements projects and is engaged on participation from public-private partnership. The NeGP Plan has been referred to “economic liberalisation” (Chandrashekhar, 2005), which aims to be established in both the government and outside the government. The NeGP Plan aims for governments to use ICTs to “deliver efficient government services and enhance transparency in governments” (Chandrashekhar, 2005). There is a strong emphasis on citizen participation in order for the NeGP Plan to perform. The online article supports e-Government, which emphasises the importance of policies and access to information. The main problem that affects developing countries is capital. The project, Romanian Information Technology Initiative: Policy (RITI) is mentioned, which has increased the use of Internet and telecommunications. This project has led to a higher level of awareness of e-Government. The article also refers to conferences such as the e-Government Eastern Europe Conference in September 2005. This has also increased awareness and knowledge. The editorial emphasises the importance of modernization in bringing about a global e-Government. Examples include Kenya and Madagascar, who have been improving their strategies in e-Government (Digital Opportunity, 2005). The online editorial discusses present projects, as the deadline 2005 approaches in December. The council services and projects are expected to grow, according to the article. The importance of demand is central in promoting projects, because they must be efficient and effective for citizens and governments alike. Projects such as the Wireless City Project and Project Nomad, set up by the Westminster City Council includes monitoring and CCTV systems. The Council aims to reduce costs and improve effectiveness. The use of wireless technology is a solution to previous problems. The security element of data will also be enhanced (Digital Opportunity, 2005).

Gill (2004) draws own experience and records ICT advancements. The chapters observe ICT in connection with people, governments and businesses. Greed and power are the main elements which inhibit potential ICT growth. Globalization and the influence of democracy are associated with ICTs; there is a struggle for freedom to use ICTs. As the author concludes: technology and society have a co-dependent correlation, thus each is dynamic in bringing about the Information Revolution. There is a collection of papers for the International Conference on e-Governance (ICEG 2003) in Delhi. The case studies are collected internationally. The chapters include issues and challenges concerning e-Governance with relevant case studies which have been successful. The book emphasizes the relationship of governance, business and citizens. By enhancing these correlations, the role of e-Governance can continue to be successful. The application of ‘Citizen Service Centers’ promotes empowerment and accessibility of ICTs for local people. Analysis of successful programmes regarding e-Governance in India is integrated within the volume. Elements of capacity building and organization cooperation are also included Gupta, (2004). Heeks, (1999) focuses on the information age and reinventing the government. It also includes relevant case studies, showing governments are unprepared for the information age reform. International practice has provided new models for reform. Electronic government projects have included those from Portugal and India. Heeks incorporates several initiatives from all over the world. Also implications for the government are addressed. Electronic democracy is also discussed in detail; models of democracy and how to strengthen relationships between the government and citizens, for example online voting. Several countries have ‘government online’ which broadens the gap between authority and the general public. Heeks R, United Nations, (2001) in an online document, brings
together the main contributions of e-Governance and mentions case studies. By promoting good governance, the developing world has more to offer; improving links between governments and citizens. The key elements of e-Governance are addressed; e-administration, e-citizens, e-services and e-society. To promote an efficient and effective government, costs need to be cut and relationships must be restored. The component of empowerment is crucial in promoting good governance. Examples of case studies include those from Egypt, Tanzania, China and South Africa. The paper also emphasizes the difference between government approaches and models in the North and South regions of the world. Jha, (2004) discuss the basic leading problems in the government, such as lack of experience and limiting infrastructure. The slide titled ‘Corporations vs. Governance’ gives an outline of potential problems, such as programmers which are experimental and “methodology driven”. These programmes disregard reality and instead implement programmes that are not suitable for the needs and demands of citizens. However corporations and governments do have much experience, which needs to be implemented correctly. By establishing relationships and delivering services, the effectiveness of the government will improve over time. Okot-Uma (2005) explains the role of governments; problems associated with e-Governance and examine the good practices needed. The good practices mentioned include the implementation of ICT initiatives, good human resources and accessibility. Okot-Uma (2005) states the features of e-Governance needed for implementation; “Change Management, Process Enablement, People Enablement, Infrastructure Enablement and Systems Enablement”. The three main good practices also include “Building an IT culture, creating public awareness programmes and formulating and implementing a communication strategy” (Okot-Uma, 2005). Okot-Uma accentuates that good practice in e-Governance will bring about improved ICT development; however both governmental support and organizational commitment are essential.

Perri, (2004) attempts to explore threats of ICT for governance and policy making. However opportunities are also discussed. Perri aims to define e-Government in four sub categories; e-democracy, e-service provision, e-management and e-Governance. A brief history of e-Governance is incorporated, with examples and initiatives. E-governance tools are investigated; e-Governance tools rely on different situations and frameworks dependent on what stage the government is in. This publication draws on principal analysts’ knowledge, contains useful definitions and discusses the importance of political judgment needed for implementation of e-Governance. Perri, (2004) criticizes previous publications on e-Governance; simply stating its content has been “astonishingly neglected in all this vast recent literature”. Picci (2005) comments on the model on e-Government, relationships, policies and time. The article outlines mathematical equations. Investment of e-Government can only take place if they “are accompanied by appropriate complementary interventions” (Picci, 2005) such as training and management. Tuscany is briefly referred to in the article. Structural models are assessed in relation to e-Government, which also relates to criticism of policies. These models are dynamic and affected by time. Graphs are also integrated, to show private labour and e-Government’s savings. The importance of time will substantially affect the performance of e-Government strategies. Prabhu, (2004) focuses on e-Governance in India and also includes case studies ranging from Brazil, China and Sri Lanka. The case studies are useful for future projects, although it is not very constructive; the publication needs more positive and negative points from the experience of past projects. The literature focuses on models and theories; giving stages which are not very useful for many governments. The surveys are slightly dated as much has changed since the data was collected. The book includes other literature; however this publication is merely an outline of case studies and needs to include improved guidance for future programmes. Ratan, (2005) in an article indicates the implications for e-Governance; infrastructure, coverage, integrated deliverance and cost. Ratan’s overview accentuates the key elements of NeGP;
national connectivity, web portals and citizen service centres. This initiative uses ICTs to improve the “quality, accessibility and effectiveness” of government assistance to communities” (Ratan, 2005). The overview also states the progress of NeGP; some are at a theoretical stage and others have started practical schemes. The NeGP aims to increase the role of e-Governance to make it accessible to citizens. The article states several objectives to overcome problems affecting the NeGP plan. It also mentions that the World Bank has helped to fund the Government of India’s programme, called ‘e-Bharat’. However the main concern for NeGP is at the implementation stage. Samarajiva and Zainudeen (2005) explain e-Sri Lanka Initiative (eSL), scheduled in 2002, aimed to bring ICTs to everyone in Sri Lanka and to improve the role of governance. The main objectives were to alleviate poverty and to improve human welfare. The role of ICTs also intended to develop the economic situation. Being available in major languages ensured information accessibility. Integration of ICTs within the governmental framework led to increased “transparency, accountability and efficiency” (Samarajiva et al, 2005). The government services have been made accessible to everyone, no matter their location. The need for reliable infrastructure has improved the situation of Sri Lanka’s global communication. Sealy, (2003) in a topic of e-governance states that e-Governance is more about citizens rather than technology. The projects must have an effect on rural communities and the poor must be targeted. E-Governance is an effective instrument in determining development and can bring about change. Sealy proposes that a “national unit within government” is needed for successful e-Governance. The focus on these islands and the existence of globalization is also mentioned. Stanca, (2005) in her article states that the use of ICT has enabled Italy to conform to perform efficiency within the government and to improve connections with citizens and corporations. Stanca states Italy has assisted with e-Government programmes in the developing world, providing ICT programmes in deprived regions. The e-Government policy has been successful. Importantly, Stanca implies the “digital revolution must be cultural before it can be technological”. The use of technologies has enabled e-learning, which provides training and knowledge to the population. Council for Excellence in Government, (2001) displays Washington’s e-Government Fellows Programme which was implemented in 2000 and is funded by not just the state but also by non-profit organizations. The programme aims to train and educate government officials and to eventually implement online systems. The project intends to incorporate the government and citizens, thus to encourage participation. This page also provides links to partnership organizations and partnership polls and publications. The aim is to encourage the citizen-state relationship for the future. The programme also allows online services.

A report of the Office of the Deputy Prime Minister (2003) draws on surveys of Electronic Local Government and case study interviews. Firstly the report aims to define local e-Government and lists the objectives such as issues on democracy and service delivery. The importance of economy is also illustrated, such as the workforce and infrastructure. The results have shown that time and cost of providing information has decreased, whereas ‘e-enabled’ has increased. An example of a case study includes internet voting for youths, with successful results. The e-Government strategy and effective diagrammatic models are included. There are fifteen member states included in the documentation. This survey aimed to document the degree of internet use for e-Governance in the Pacific states. The survey contains issues that the Pacific states have to deal with; the issue of access is still a problematic feature. The majority of the states acquired their own websites. Obstacles such as capital and bandwidth are other problems which are addressed. However there is lack of e-government attention. The investigation intended to create a “connected Pacific”. There is however much to be done to improve e-Governance within the Pacific states. UNESCO, (2002). Weerasinghe (2004) states the divergence of Information Technology within the world, where South and North divides one another. The journal article presents information about a new concept
within the Sri Lankan government, namely ‘e-Sri Lanka’. This strategy aims to build ICTs in the
country, as there is an unequal distribution of IT in Sri Lanka. Therefore the concept launched by
the government aims to involve each individual, especially those from the rural sector who are
desperately isolated. With the implementation of e-Governance, it is expected services (both public
and private) will prosper. Therefore the economy of Sri Lanka has a positive outlook.

4.3 Networking as a specific mode of public governance
The idea of traditional public governance strategy, as it relates to public, private and voluntary
sectors, refers particularly to hierarchies, markets, and communities (Kickert, Klijn and Koppenjan
1997). Whereas to some academics (Rhodes 1997), public governance refers to self-organizing and
inter-organizational networks. Pierre and Peters (2000) point out that, although networks have
become an increasingly important aspect of public governance they are only one specific mode of
“governance signifies a change in the meaning of government, referring to a new process of
governing, or a changed condition of ordered rule, or the new method by which society is
governed.” For Rhodes (1996), governance has to do with self-organizing inter-organizational
networks that substitute and complement the functions of hierarchies and markets or co-exist with
them. Rhodes (1996) asserts that these networks are characterized by interdependence between
organizations, continuing interaction between network members, and game-like interactions rooted
in trust and subject to rules negotiated by network participants.

In view of the current literature on public governance, it can be said that governance is the result of
interactions between several stakeholders with different goals and perceptions. Governance
involves not only cooperative, but also competition and conflict management. In order to have such
governance and effective management of these games, networking strategies will be necessarily
required. With respect to the studies conducted by Klijn and Teisman (1997), three factors play
outstanding roles in governance networking strategies: public perceptions, public actors
(stakeholders), and institutional arrangement. For this purpose, two management strategies in
networks, considering three mentioned factors, are presented as game management and network
constitution.

4.4 Virtual Governance Networking Policies
The preceding section looked at networking as a specific mode of public governance from the point
of view of politics and policy. Based on the above reasoning, in the following section we will show
how ICT mechanisms and especially virtual systems will potentially make this idea to be realized.

Most analysts studying the impact of ICT point out that mobilization of interests is potentially
easier through the internet than through more conventional formats. As Schwartz points out, “In the
past, putting such campaigns together—especially around national issues—has required enormous
time and expense. The Internet almost makes it easy, especially among people and groups that are
already networking online”. As a result, not only ICT-based governance networking policies
provide access to information and organizational tools, it also permits a much wider range of
contacts and networks unlimited by space, and it permits interactivity so that citizens and other
public stakeholders are not mere passive recipients of information but co-producers of it.
4.5 Governance through E-Communication

An Honest and effective communication with the public is a legitimate and necessary function. A variety of electronic tools such as telephones, cellular telephones, computers, facsimile machines, pagers, electronic mail (e-mail) systems and Internet access are the virtual means which facilitate the process of communication with public. Engaging public stakeholders in governance networking processes requires public access to information, and governments to share and communicate information, messages and interactions with citizens. Therefore, a new concept of mass communication has emerged. In accordance to theoretical notions (Laswell 1948; Wright 1960), mass communication theory is briefly introduced as following:

Mass communication occurs when a small number of people create and send homogeneous messages to a large anonymous and usually heterogeneous audience through the use of specialized communication media. The units of analysis for mass communication are the messages, the mediums, and the audience.

The notion that ICTs could provide tools and frameworks for increased access and improving the quality of access to government is progressively more accepted among citizens. Those ICTs could provide better tools that integrate the public stakeholders into the governance networks through aiding improved communication and participation. If we consider the wide range of information communication technologies that engage public stakeholders to governance and their capability to collapse time and space, their potential to facilitate virtual governance networking is well worth exploring.

Along with application of ICT in public-government communication, e-communication policy will enable virtual governance networking by following capabilities, for instance, the potential to quickly and easily reach wide and diverse group of public stakeholders; the opportunity for citizens who have limited time; to respond interactively to government and send their comments on-line, rather than by post; the opportunity for more informed communication and negotiation with public, by providing access to further information through links to online resources; the opportunity to filter and analyse responses automatically as they are received electronically; and opportunity to generate feedback to respondents automatically and to provide them with email or any ICT tools alerts.

The uses of information communication technologies (ICT) as a policy of virtual governance networking facilitates a number of tasks: information transfer; dialogue support to public stakeholders, problem exploration and solving, measurement of needs and public preferences, and mutual participation. Furthermore, e-communication is value added in terms of the time, costs, participation rates, engagement levels and dissemination processes associated with completing a successful communication.

4.6 Governance and E-Consultation

Consultation differs from communication in that it involves a two-way flow of information and views between governments and the public. A London based research institute, the Consultation Institute, defines public consultation as: the dynamic process of dialogue between individuals or groups, based on a genuine exchange of views, and normally with the objective of influencing decisions, policies or programs of action. Also, it argues that consultation is a two-way exchange of information between the government and the public before decisions are made. It is an open and accountable process allowing individuals and groups to participate in the decision-making process.
of the government. In practice, the variety of forms that public consultation exercises take, vary widely. Increasingly, however, processes of public consultation are involving more open forms of dialogue such as focus groups and citizens juries. These consultation techniques require some sort of information gathering and communication process and this is where ICTs come in.

The concept of public e-consultation is a relatively new and concerns the use of information and communication technologies (ICTs) to enable participation in public consultation. Public e-consultation is the use of electronic computing and communication technologies in consultation processes and is complementary to existing practices. Therefore, public e-consultation can be an effective tool in encouraging participation and gathering response information to consultation documents and social policy issues as part of a broader range of methodologies. Electronic consultation includes a wide variety of methods of consultation, all of which provide technological alternatives to the more traditional techniques. Although a lot of these methods utilize the Internet, e-consultation also includes methodologies that use mobile phone technology and other multimedia equipment. Some examples of e-consultation mechanisms and tools are: online surveys, online polls, Question and Answer Pages (FAQs pages), ICT based facilities to comment on public documents and reports, Live chat events (Chat-rooms), instant messaging and Net meetings, SMS technology, WAP technology (Wireless Application Protocol), multimedia events (Web Casts) over the internet, infra-red voting handsets, and mailing lists.

Public e-consultation mechanisms and tools have the potential to achieve the same results as traditional consultation techniques, but with the use of less resources and time spent by both the facilitators and the users. Printing costs, like paper and ink, and the cost of mailing questionnaires out to thousands of people are all saved. Also, after the original setup of the various systems, administrating the consultation is cut down to a minimum, as software is available to collate the results into usable information for us. Time is saved as we can receive results and feedback instantly, and consultation is made easier and more accessible for public as you can attend forums and meetings from the comfort of your own home.

It can be concluded that almost for any traditional forms of public consultation there is a method of e-consultation that could be used as an alternative, but we are a long way off becoming a completely virtual society. To ensure that a majority of public stakeholders are included in consultations, combination of traditional and virtual forms of consultation will be the preferred method for the time being.

4.7 Governance in Public Services
The efficiency of many public goods or services delivery depends not only on the performance of the providers but also on the public co-operation. However, some public goods and services activate the involvement of users in design and production and the others may only help to increase the chances that producers meet public users’ needs. With the intention of explaining the idea of e-co-production as a policy of virtual governance networking, we have to consider two main concepts which play important roles for public co-production process: the stakeholder concept and system theory concept.

Correia (2005) argues that “the stakeholder concept emerged in the 1960s among academics at the Stanford Research Institute, who proposed that, instead of focusing exclusively on shareholders, a firm also should be responsible to a variety of stakeholders without whose support the organization would collapse. The term was made known by Freeman (1984), who also expanded it to include in
the stakeholder definition ‘any group or individual who can affect or is affected by the achievement of the organization’s objectives.”

The particular interest to the argument developed here is that stockholding always implies some notions of co-operation. Even though the system theory concept will always be an essential requirement for co-production, the latter contains much more value added elements than co-operation. Also, since governance networking strategies will be fundamental to public governance and governance is composed of various public stakeholders, therefore systematic governance networking with public stakeholders conducts co-production as a policy. In fact, there will be always virtual arrangement of co-production which implies application of information policies such as e-communication and e-consultation during the processes of governance systems. By this means, we have shown below how systems theory will support e-co production as a policy of virtual governance networking.

Governance as systems are composed of inputs (public stakeholders such as citizens, community organizations, non-profit organizations, businesses, media, public agencies, and elected politicians) and sub-systems such as: structures, processes, roles, needs or psychological state of individuals (Narayanan and Nath 1993). Consistent with system theory and governance notions, governance outputs will be co-produced and also virtual co-products such as public goods or services, public policies, constitutions, laws, regulations, and informal rules. We have shown the conceptual framework of e-co-production as a virtual governance networking policy.

In nineties the governments took a shift towards the increased deployment of information technology. With the increased use of internet and mobile phones, the citizens around the globe started expecting from the corporate organizations as well as from the governments about more and more access for the information and online services to enhance their professional, civil and personal lives. This development leads us towards the new ‘e-citizenship’. In India the concept of e-governance is originated during the seventies with a focus on development of in- house government applications in the area of economic planning, monitoring and defence. The main idea behind the concept was to manage the data, intensive functions related to census, elections and tax administration etc. A significant development was shown by National Informatics Centre (NIC), by connecting the district headquarters during the eighties. By the early nineties ICT was proved a supplement of the information technology. On one hand top policy makers in India justify the need to adopt and expand the e-governance because it is cost effective, reduces waste, increases transparency, eliminates corruption and promises a better future for citizens (Dev, 1999; Schware, 2000; Wadia, 2000; Siliconindia, 2001) but on the other hand no sincere effort was put to examine the impact of information technology on the governance process (Monga, 2008). ICT for good governance is opposed by many for the reasons that it will create a new class of untouchables living in information poverty; compromised privacy, unequal access to government services, and grind down accountability (Ghere and Young, 1998; Hariharan, 1999; Upadhayaya, 2000)

On the basis of existing literature it can be concluded that there are eight parameters for good e-governance: connectivity to access the government websites, accessibility to e-governance services, easy to operate government websites designed in a way that even untrained computer users can easily use these websites, assistance for operating the computers to those who lack education and computer literacy, single window system in e-government portal, internet kiosk for citizens who do not have computer facility, security and interlink that account for sustainable e-governance, and the Government website should be updated from time to time and these should be linked to other government websites at all levels of hierarchy in the government, so that all the websites should work without any obstacle.
Popper (2003) concluded that widespread use of ICT in e-governance enhances transparency in the processes and procedures concerning the relationship between the state and the citizen. Kalsi, Kiran and Vaidhya (2008) argued that Indian citizens today are interested in the deliverable outputs from the government services. They want to see a single face of the government and availability of all government services from a single kiosk. Chen and Thurmaier (2008) examined how the governments should finance the development of e-transactions, as e-government evolves in to the transactions stage. They suggested a flexible pricing framework which embodies both the firm’s and the government’s perspectives.

Bhattacharya and Goswami (2011) concluded that government agencies have done a recommendable job in the field of e-governance but a lot is required to be done for providing better services to masses. Upadhyay and Kumbharana (2012) studied the behavioural implication of usage of ICT for e-governance in rural India and concluded that people still prefer to work in traditional manner and waste time and effort in getting routine e-governance jobs done. Mishra and Fatmi (2015) concluded that creating a favourable environment and developing digital skills among common people are big challenges in e-governance.

Researchers have identified some barriers that act as a hindrance in the implementation of the e-governance facilities in India. Sharma et al. (2011) stated that e-governance is a biggest challenge in front of e-governance in India to provide service to more than a billion people. Delopoulos (2011) argues that it is very important for India to materialize its strategic plans. He further identified barriers on demand and supply of e-governance. Gartner (2005) suggested that the biggest barrier in the acceptance of e-governance is that government employees perceive adaptation of new technology has negative impact on their jobs and career. Another barrier is lack of e-governance facilities in local and regional languages. Planning Commission of India (2002) highlighted large gap between education level and computer literacy rate in urban and rural areas. People are not aware and are uninterested in using ICT system. World South Asia Report (2004) stated that presently less than 10,000 villages out of 6 lacs have internet facility. Interrupted supply of electricity is also a barrier in the implementation of e-governance in India.

After the identification of the barriers, it becomes important to find out the solutions of these barriers that can help in improving the e-governance facilities. In 2006, India started implementing the ICT to improve government service delivery by introducing national e-governance plan and m-governance in 2012 as an extension to this program. Several Indian states have set up Information technology and communication departments to guide and coordinate the implementation of e-governance program and projects. These IT and communication departments have shown remarkable progress in the growth of e-governance applications. Despite these efforts, the government is not able to connect with the widespread population of different societies like women, disabled and illiterate sections of the society; therefore, it is very important to make changes in the process of government so that these facilities can reach to the deprived sections. Now, e-governance is not an experiment in administrative reforms but it is a part of the governing process. Conventionally, the interaction between citizens, business and government agencies took place in government offices only. But, with the emergence of ICT, it has become easy to locate service centres closer to the clients. So, e-governance helps in simplifying the process and its access easily available for the public sector agencies and the masses.
4.8 E-banking

Various applications of e-commerce are continually affecting trends and prospects for business over the Internet, including e-banking, e-marketing, online retailing, e-distribution, and online customer relations management.

E-banking is one of the e-commerce vital infrastructures and includes familiar and relatively mature electronically based products in developing markets, such as telephone banking, credit cards, Automated Teller Machines (ATMs), and direct deposit. It also includes electronic bill payments and products mostly in the developing stage, such as stored-value cards like smart cards/smart money and Internet-based stored value products.

The most common e-banking services include inquiry functions, bill payments, credit card payments, fund transfers, share investing, insurance, travel, electronic shopping, and other basic banking services.

Application of e-banking tools and methods differ considerably in developing countries compared to the developed nations. For instance, human tellers and automated teller machines continue to be the limited e-banking channels of choice in developing countries. Also, only a small number of banks employ Internet banking. According to Boss, et al. (2000), among the middle and high-income people in developing Asian countries, questioned in a McKinsey survey, only 2.6% reported banking over the internet in 2000. In India, Indonesia, and Thailand, the figure was as low as 1%; in Singapore and South Korea, it ranged from 5% to 6%. In general, Internet banking in such Asian developing countries accounted for less than 0.1% of these customers’ banking transactions, as it did in 1999. At the same time, the Internet is more commonly used for opening new accounts but the numbers are negligible as less than 0.3% of respondents used it for that purpose, except in China and the Philippines where the figures climbed to 0.7% and 1.0%, respectively. This slow uptake cannot be attributed to limited access to the Internet since 42% of respondents said they had access to computers and 7% said they had access to the Internet. It can be said that the major obstacle regarding less use of e-banking in Asia is lack of security and confidence. Therefore, it is the main reason for not opening online banking or investment accounts. Apparently, there is also a preference for personal contact with banks. In order to represent the status of e-banking as a virtual governance networking policy in the domain of e-co-production, we have summarized the historical reputation of e-banking conducted from the McKinsey survey among the middle and high-income people in Asia as follows:

E-banking in Asian developing countries is in the early stages of development. Most banking in these countries is still done by conventional ways. However, according to McKinsey survey results; there is an increasing growth of online banking indicating a promising future for online banking in these countries. Below is a brief illustration of e-banking in three members of The Association of Southeast Asian Nations (ASEAN) countries:

In the Philippines, Citibank, Bank of the Philippine Islands (BPI), Philippine National Bank, and other large banks pioneered e-banking in the early 1980s. The most common online financial services include deposits, fund transfers, applications for new accounts, Stop Payment on issued checks, housing and auto loans, credit cards, and remittances.

In Singapore, research by Net Value (an Internet measurement company) shows that more than 28% of Internet users visited e-banking sites in May 2001. According to the survey by Net Value, two out of three visitors made a transaction. In addition, all major banks in Singapore have an
Internet presence. They offer a wide range of products directly to consumers through proprietary internet sites. These banks have shifted from an initial focus on retail-banking to Small and Medium Enterprises (SMEs), corporate banking products, and services. There are several products offered: fund transfer and payment systems, integrated B2B e-commerce products, purchase order, invoice generation and payment, securities placement and underwriting, capital market activities, securities trading, and retail banking.

In Malaysia, E-banking emerged in 1981 with the introduction of Automated Teller Machines (ATMs). This was followed by tele-banking in the early 1990s where telecommunications devices were connected to an automated system through the use of Automated Voice Response (AVR) technology. Then came PC banking or desktop banking using proprietary software, which was more popular among corporate customers than retail customers. On June 1, 2000, the Malaysian Bank formally allowed local commercial banks to offer Internet banking services. On June 15, 2000, Maybank, one of the largest banks in Malaysia, launched the country’s first Internet banking services. The bank employed 128-bit encryption technology to secure its transactions.

Despite the mentioned obstacles and limitation on the subject of e-banking among Asian developed and developing countries, there are more developed and mature e-banking environment emerging which play an important role in e-commerce by encouraging a shift from traditional modes of payment like cash, cheques or any form of paper-based legal tender to electronic alternatives such as e-payment systems, thereby closing the e-commerce loop (Boss et al. 2000). On the other hand, access to high-quality services is also a concern as most Asian banks are in the early stages of Internet banking services and many of the services are very basic. It is from there that we show below the respondents of the McKinsey survey adopting e-banking as a Virtual governance networking policy. Source: (Boss et al. 2000)

With respect to the above trends and prospects, e-banking adoption among the middle- and high-income people in developing Asian countries is increasingly growing. That means more than 58% of users undertake one-third more transactions a month than other users, and they tend to employ all banking channels more often. It is important to note that Rejecter respondents also preferred consolidation and simplicity, i.e., owning fewer banking products and dealing with fewer financial institutions.

### 4.9 Municipal Capacity Building Initiatives in India

A number of National and State level institutes were established by the Indian government at different points of time to train State government officers working in different departments. Gradually, the institutes began to offer courses on local government topics for municipal functionaries. Some institutes were set up exclusively to meet the capacity building requirements of local government functionaries. One institution that focuses only on matters relating to municipal administration is the All India Institute of Local Self Government. This institute, established in 1926, operates in various parts of the country through a network of regional centres and sub centres. The centres undertake research, organise and conduct specialised diploma courses, seminars, conferences, and provide an open forum for officials and non-officials of municipalities.

Similarly, a network of City Managers' Associations was created in 1997 with financial support of USAID/USAEP, and with technical support of the International City/County Management Association based in Washington DC, USA. City Managers' Associations are membership based associations of city managers, urban sector professionals, academic institutes, and non-government
organisations, established in various Indian cities with the objective of strengthening and enhancing the capacities of municipalities and other city level agencies.

In addition to setting up of training and research institutions in different parts of the country and the creation of municipal networks, some other measures have been taken. For instance, a project on ‘capacity building for decentralised urban governance’ was launched in November 2006 by the Ministry of Urban Development in collaboration with UNDP. Under this project, 16 city governments, four each in the States of Kerala, Orissa, Rajasthan and Uttar Pradesh, have been extended support in the areas of property tax, accounting procedures, and preparation of city development plans (UNDP, 2007). Secondly, the Ministry has initiated a programme for training women councillors. For this purpose, State governments are required to nominate one State level institute for conducting training programmes of three days duration. Financial aid at the rate of INR 1000 per day per participant is provided to the institutions. In addition, the institutes are also given grants of up to INR 500,000 for preparation of training modules. The total expenditure involved in the conduct of training programmes is shared between the central and State government on 50:50 basis (Ministry of Urban Development, 2006). Another significant initiative under a major urban renewal programme is the allocation of funds for conducting rapid training workshops in cities which are lagging behind in urban development. Recent statistics show that about 1850 elected representatives and 1800 municipal officials have participated in the workshops (Ministry of Urban Development, 2009).

4.10 Formal corporate governance structures in India
India’s formal corporate governance institutions were very poor but have somewhat improved since the 1991 liberalization: capital markets have been liberalized, a takeover code adopted in 1994 paving the way for a rudimentary market in corporate control, and steps have been taken to improve corporate governance norms and disclosure practices. Foreign capital has increased (Goldman Sachs, 2003). We can classify India according to its formal codes of legal/regulatory institutions and different levels of investor protection; these are formal measures of investor protection. We can conclude that India’s formal shareholder and creditor rights are relatively well formulated within a well-established legal framework.

However, as noted above, a distinctive feature is the prevalence of conglomerate business groups entailing common ownership and management by family members; firms are separate legal entities, listed separately with their own set of shareholders, but the family controls the strategic direction and regulates firm transfers (Peng, M. W., and Jiang, Y. 2006.). It has been widely argued that business groups have filled institutional voids such as imperfections in markets for capital, products, and managerial talent (Peng and Jiang, Y. 2006). Peng and Jiang (2006) provide evidence that concentrated ownership is beneficial for firm performance in cases where there are weaker or less developed legal and regulatory institutions to protect shareholders.

Moreover, India has marked differences between regions. Although national legal structures and policies apply in all states, there are marked variations in the implementation of the legal system at the state level. Thus high-performing states such as Gujarat or Maharashtra have 8% per annum growth rates in state GDP compared with 4% per annum and lower rates in Bihar or Orissa. In these poorly-performing states the security of property, ownership rights, and enforcement of the rule of law is poor and formal legal codes are ineffective.
4.11 Governance in Indian Prospective

In India, despite shareholder and creditor rights formally having been well set up, there are issues in terms of how effectively these rights are enforced. We noted that, in part, this is a regional issue with some states having effective legal rights and in others the rule of law not being well established. Overall, as it shows, in terms of effectiveness, India fares poorly on the rule of law and corruption indices compared with the average in the sample, although the efficiency of the judiciary is good and the risk of expropriation is low. Lee and Oh (2007) distinguish between the pervasiveness and arbitrariness of corruption, arguing that pervasive corruption without arbitrariness does not detract from growth and investment, in that it is predictable and can be built into firms’ calculations of cost. Arbitrary corruption on the other hand, even with fairly low levels of pervasiveness, puts off the investors, especially foreign investors, in that its uncertainty and unpredictability make dealings more hazardous. They identify China and India as both having pervasive corruption; but in addition, India also having arbitrary corruption which would tend to undermine formal institutions and place greater onus on the role of the informal institutions in the governance of firms.

To interact with these formal governance institutions in India, we argue that the most important informal institutions are those associated with business groups. We discussed above the extensive ownership and control of firms by families and business groups in many Asian countries, including India. The issue for this paper concerns what role these groups play: do they fill an institutional void by giving access to resources through informal private networks or do family-controlled firms discriminate against outside shareholders, have more difficult agency conflicts within the family and lead to worse performance of firms from the point of view of shareholders. Douma and colleagues (2006) find positive effects on performance of concentrated corporate ownership by foreign and domestic corporations (as distinct from foreign or domestic financial institutions), in particular when affiliated to a business group. Peng and Jiang (2006) find that the net balance of benefits and costs of family ownership and control in large firms depends on the legal and regulatory institutions for investor protection: that high family ownership concentration is beneficial when formal legal institutions are weak. Heugens et al. (2009) support this finding—that when there is less than perfect legal protection of minority shareholders, ownership concentration is an efficient corporate governance strategy. But they also find that a certain threshold level of institutional development is necessary to make concentrated ownership effective. Where owners can extract private benefits from the corporations they control then such concentration is not beneficial to firm performance.

Li, Ramaswamy, and Petitt (2006) argue that the business group structure is a horizontal strategy of diversification that is particularly suited for dealing with the market failures associated with failures in capital markets and in the managerial labor market. Capital markets in India fail because they are weak and shallow and limit any company’s potential to obtain money to fuel expansion and growth (Khanna and Palepu, 2005; Khanna and Yafeh, 2005). In most emerging economies, equity is a small part of capital raised and access to debt capital is controlled by a handful of banks which act according to government priorities in the industrial sector. Usually access to foreign capital is relatively limited due to weak governance norms (Li et al., 2006). Large business groups overcome financing obstacles, creating an internal capital market and enabling the different firms within it to compete for funds.

This summary of the literature as well as our cases (Estrin and Prevezer, 2010) lead us to conclude that the informal institutions of corporate governance in India are substitutive—that they replace...
the largely ineffective formal legal framework and capital markets but have non-conflicting aims or goals with those of formal institutions. This applies mainly in those states where the rule of law, crime, and corruption are not so arbitrary as to create conflicting goals between the business groups and the formal legal framework.

4.12 Good Governance

More research is definitely needed to take a closer look at the relationship between transparency and governance or information and economic growth. Information flows as proxied by the two indices, the transparency index and the access to information index. These two indices are positively correlated with the quality of governance. Better governance has been empirically demonstrated to be correlated with higher growth. The indicators used to assess better information flows are of two kinds. One index is based on the existence of freedom of information laws and second index is called the “transparency” index which measures the frequency with which economic data are published in countries around the world.

Islam (2003) explored the link between information flows and governance through his study “Do More Transparent Governments Govern Better?” with the objective to examine how the availability of information may affect governance. Specifically, it looks at (a) how the availability of basic economic data affects governance and (b) how the legal framework governing access to information might affect the quality of governance. Empirical analysis showed that countries which have better information flows as measured by both indicators have better quality governance. Regions where the media have a greater reach were also the areas where voters were more informed about political choices and able to cast votes accordingly. They need timely information on decisions related to various aspects of government activity, on how these decisions will be implemented, information on the consequences of these decisions and the process through which they are reached. He examined how the presence of Freedom of Information (FOI) laws may affect how countries govern. The purpose of all such laws is to define a framework for the sharing of information. Economic theory tells us that information is needed to make sound economic and political choices, to monitor agents and reward or punish accordingly. Better availability of economic data and the ability of people to demand and receive the information they need, is highly correlated with governance. Governments that do not produce organize and share information will be hampered in policymaking. Good policymaking requires up-to-date information on the economic situation and the sharing of information for better coordination, analysis and monitoring.

It is a well established fact that improvements and legitimacy will only be delivered if two things are in place. First, the strategic e-readiness infrastructure helped by the leadership and integrated vision on which e-governance depends. Second, the tactical best practices that are needed to close design-reality gaps and to steer e-governance projects from failure to success.

Surveys of e-governance initiatives are incredibly rare; a shortcoming that needs to be addressed. Even donors, who should be committed to monitoring and evaluation, rarely seem to produce reports. From the material that is available, two main types of e-governance failure can be identified. In some cases, there is the total failure of an initiative as it is never implemented or in which a new system is implemented but immediately abandoned. Alternatively, there is the partial failure of an initiative in which major goals are unattained or in which there are significant undesirable outcomes. One type of partial failure that particularly seems to affect e-governance
initiatives is the sustainability failure of an initiative that succeeds initially but then fails after a year or so.
Heeks (2001) studied the effect of new information and communication technologies and how it can make a significant contribution to the achievement of good governance goals through his study “Understanding e-Governance for Development”. The paper outlines the three main contributions of e-governance: improving government processes (e-administration); connecting citizens (e-citizens and e-services); and building external interactions (e-society). Case studies are used to show that e-governance is a current, not just future, reality for developing countries. However, most e-governance initiatives fail. Countries therefore face two challenges. First, the strategic challenge of e-readiness: preparing six identified pre-conditions for e-governance i.e. Data Systems Infrastructure, Legal Infrastructure, Institutional Infrastructure Ready, Human Infrastructure, Technological Infrastructure, and Leadership and Strategic Thinking. Second, the tactical challenge of closing design-reality gaps: adopting best practice in e-governance projects in order to avoid failure and to achieve success.

The study further elaborates new systemic approaches to information systems (IS) to the heart of reform. As governance becomes more information-intensive, ICTs become an essential part of governance initiatives and play a central role. ICTs are also recognised as a key lever to change. They are no longer isolated on the side-lines. An integrated role for ICTs, e-governance means using ICTs as servants to the master of good governance. ICTs are no longer seen as an end in themselves and they are seen to work only as part of a wider systemic 'package'. Overall, then, e-governance is the ICT-enabled route to achieving good governance.

4.13 ICT for Improved Governance
The enthusiasm for realizing the potential of ICTs is often dampened by the barriers to successful implementation. The first task in using ICTs as a tool to improve governance is to ignore ICTs altogether and focus on selecting and prioritizing improvement goals that are urgent or important. Once the most important goals are established, senior level policymakers must establish milestones that will indicate that the project is on track. The next step is to review alternative solutions to the problem given constraints on financing, infrastructure, literacy and skills. Each solution must be associated with cost-benefit analysis of infrastructure, training, etc. Once a solution is accepted based on the planners’ estimation of its merits and costs, a detailed work plan must be developed, with provisions for adequate training and capacity building. The final step in the process is to lay the groundwork for monitoring and evaluation. Lal (1999) reviewed the issues faced by the African countries in adopting information and communication technologies (ICTs) to enhance governance in four areas: reducing poverty, providing basic human needs, improving public administration, and enhancing democratization through his paper “Information and Communication Technologies for Improved Governance”. It summarized the use of ICTs in these areas – both successes and failures – around the world and in Africa. The paper focused on many of the caveats that should accompany ICT deployment and ends with an action framework for practitioners anxious to get started. The paper discussed how Information and communication technologies (ICTs) can help to sustain e-governance process in three ways: (i) they can support tasks that involve complex decision making, communication and decision implementation, (ii) they can automate tedious tasks done by humans, and (iii) they can support new tasks and processes that did not exist before. When ICTs are properly aligned with governance goals, they can help to create gains in both efficiency and effectiveness. A cross-national multilingual online survey focused on issues related to the European Knowledge Society and its impacts on living conditions, industrial
relations and working conditions by the year 2015. A Delphi report “European Knowledge Society Foresight” was submitted to by Rafael Popper (2003) to European Foundation for the Improvement of Living and Working Conditions. The report concluded that one of the major contributors in reinforcing KS (Knowledge Society) trend would be widespread use of ICT in e-governance. This enhances transparency in the procedures concerning the relationship between the citizen and the state in my country. This was further seen as a KS trend that will increase two industrial relations factors (economic growth/wealth creation, and entrepreneurship and innovativeness). Furthermore, the widespread use of ICT in e-governance will increase social cohesion and sustainability/environmental quality. A considerable number of participants believed that the use of ICT in e-governance will increase the employee autonomy and responsibility at work but there was still a substantial amount of opinions that the statement will have no effect over the factor. Uncertainties about the impacts of ICT in e-governance were reported in the way it will affect social exclusion or divides, work-life balance and job creation. The study by Dada (2006) provides a review of academic literature on the failure of e-governance in developing countries. Drawing from extensive research on the topic conducted by Richard Heeks, the paper suggests that there exist wide gaps between the current reality in developing countries and the future of e-governance systems. These gaps could be classified into three types: a hard-soft gap, implying a gap between the technology and the social context in which it is applied; a private-public gap, suggesting that what works in the private sector may not work in the public sector; and a country context gap, that arises from the application of the same e-governance systems for both the developing and developed countries. The paper recommends that administrators in developing countries must assess the situation at hand before implementing e-governance.

The study by Cooper et al (2008) tests theories about political trust and citizen competence using the case of zoning. Many scholars argue that citizens with higher levels of political trust are more likely to grant bureaucratic discretion to public administrators than citizens with lower levels of trust. Trust, therefore, can relieve the tension between managerial flexibility and political accountability in the modern administrative state. Unfortunately, there is little empirical evidence showing that trust is actually associated with citizens’ willingness to cede policymaking power to government. The results depict that trust in local government is found to be an important predictor of support for zoning, but trust in state government and trust in national government have no effect. These findings suggest that trust affects policy choice and helps determine how much power citizens grant to local administrators.

The study by Coursey and Norris (2008) presents empirical evidence from three surveys of local e-government in the United States to test whether the normative models are accurate or useful for understanding the actual development of e-government. Research into e-government is relatively new. Nevertheless much contemporary thinking and writing about e-government is driven by normative model that appeared less than a decade ago. The authors find that local e-government is mainly informational, with a few transactions but virtually no indication of the high-level functions predicted in the models. Thus, the models do not accurately describe or predict the development of e-government, at least among American local governments. These models, though intellectually interesting, are purely speculative, having been developed without linkage to the literature about information technology and government.

According to Chen and Thurmaier (2008) governments must grapple with how to finance the development of e-transactions, as e-government evolves into the transactions stage. The authors argue that the externalities effects of electronic transactions suggest they are appropriately financed
by some combination of public investment and user charges. The authors propose a self-financing model adhering to two basic requirements. A flexible pricing framework is the core of the self-financing model, as it embodies both the firm’s and the government’s perspectives. The authors assess basic assumptions of the pricing framework using contingent valuation methodology and a state-wide survey of more than 400 firms. The empirical estimates developed by authors of the willingness to pay for e-transactions with state government and the theoretical discussion about the self-financing model form the basis for prescribing policy recommendations.

### 4.14 Knowledge and IT for Decision Making Strategies

The development approach to IT initiatives, however, offers no direction as to how IT can directly improve the use of implicit knowledge on individual and inter-subjective levels, and how that kind interaction can improve the decision-making process in the organization. IT initiatives are designed to stimulate usage of only one aspect of knowledge — inter-subjective explicit knowledge during decision making activities. Similarly, the fact that IT obstacles are viewed mainly as explicit knowledge constraints implies that IT initiatives reinforce IT usage practices centred around IT applications that collect and process factual and descriptive information, such as data and transactional processing applications. In other words, the belief that maximizing computing power and communication capabilities while minimizing organizational constraints leads to IT usage for decision making in developing countries. Kulchitsky (2001) considered the possibility that IT and public managers in developing countries may be designing IT-for-decision-making initiatives based on unrealistic assumptions through his paper “Cargo Cults, Knowledge, and IT-for-Decision-Making Strategies in Developing Countries”. It argues that the problem with development thinking is that it views IT initiatives as allocation constraints. This creates the expectation that IT strategies can optimize new technologies, human resources processes, and structures within organizations. Consequently, knowledge is treated as an afterthought in IT strategies without consideration for its special characteristics. This article suggests that the challenges facing IT and public managers in developing countries are not allocation constraints but knowledge problems. Although IT and public managers in developing countries argue that there is no ideal model for IT and decision-making activities, their vision of what needs to be done is based on positivist assumptions that they, along with stakeholders, possess all the relevant information needed to design and implement the most appropriate strategy to improve organizational decision making in public institutions.

The author suggested that IT initiatives in non-industrial organizations are essentially allocation solutions that revolve around what development thinking views to be the most appropriate means to improve efficiency and effectiveness in organizational activities. These requirements could be, a technical infrastructure that provides access to information content, Information content that consists of electronic resources relevant to organizational decision making; and a skill base that includes specialized skills to design, manage and utilize ICTs for decision-making practices. Although such assumptions are necessary conditions for accessing factual and descriptive information, this article argues that they do not directly address how IT, human resources, and socio-organizational factors trigger the use of implicit knowledge on individual and inter-subjective levels. More specifically, IT initiatives do not make allowances for what is known about the decision-making process — once the stream of explicit knowledge that flows through IT and information networks is made available to the organization, it is received by an individual who engages in a kind of discourse with the information. Furthermore, this reflective process is fundamentally a dialogical structure that guides decision-making activities.
It may be observed from above mentioned review of literature that some pioneer work has been done by various researchers in the field of good governance in developing countries including India. However, there is a need to present a comprehensive, integrated and holistic approach for good governance with Indian perspective and the proposed study intends to fill this gap. Saxena (2005) is of the opinion that E-governance initiatives in most countries promise a more citizen-centric government and reduce operational cost. Unfortunately most of these initiatives have not been able to achieve the benefits claimed. Often the reason for this failure is a techno-centric focus rather than a governance-centric focus. The paper explores the necessary attributes of a governance-centric initiative under the banner “excellent e-governance” (e2-governance), and describe a methodology for ensuring such excellence in e-governance implementations. Excellence or governance-centralism in e-governance requires the initiative to be effectiveness-driven and not merely efficiency-driven. This will require the initiative to be led by “good governance” driven goal/purpose: additionally, the initiative must be outcome-focused. Akther et al (2007) in their study on an e-government project in Bangladesh highlight that most e-government projects within developing countries employ high-technology intervention whereas citizens are not ready for this. There are successful projects which took low end route. This paper examines one such project to find out the reasons behind its success. The research concludes that stakeholders’ participation is the driving factor for success. The major issue is not IT, but an understanding between the citizen population and their complementary governmental entity, which acts as the critical factor for triumph in e-government. Due to the active participation of stakeholders, both the birth registration and immunisation rate have increased where concurrently other unforeseen benefits were realised; such as image enhancing of public and elected officials, use of data for school enrolment and decision making for vaccine management for society as a whole.

It may be observed from above mentioned review of literature that some pioneer work has been done by various researchers on ICT and good governance in developing countries including India. However, there is a need for comprehensive, integrated and holistic approach for good governance with Indian perspective and the proposed study intends to fill this gap.

4.15 e-Governance and Good Governance

A lot of Studies have been conducted in developed as well as developing countries to assess the parameters leading to good governance. A brief review of some of these studies along with research gaps have been is given below:

Heeks (2001) studied the effect of new information and communication technologies and how it can make a significant contribution to the achievement of good governance goals. The paper outlines the three main contributions of e-governance: improving government processes (e-administration); connecting citizens (e-citizens and e-services); and building external interactions (e-society). Case studies are used to show that e-governance is a current, not just future, reality for developing countries. However, most e-governance initiatives fail. Countries therefore face two challenges. First, the strategic challenge of e-readiness: preparing six identified pre-conditions for e-governance i.e. Data Systems Infrastructure, Legal Infrastructure, Institutional Infrastructure Ready, Human Infrastructure, Technological Infrastructure, and Leadership and Strategic Thinking. Second, the tactical challenge of closing design-reality gaps: adopting best practice in e-governance projects in order to avoid failure and to achieve success.
The study further elaborates new systemic approaches to information systems (IS) to the heart of reform. A central role for ICTs, as governance becomes and recognised as more information intensive; ICTs become an essential part of more governance initiatives. ICTs are also recognised as a key lever to change. They are no longer isolated on the side-lines. An integrated role for ICTs, e-governance means using ICTs as servants to the master of good governance. ICTs are no longer seen as an end in themselves and they are seen to work only as part of a wider systemic ‘package’. Overall, then, e-governance is the ICT-enabled route to achieving good governance. Leading governments are emphasizing the need for their government programs to deliver an earlier return on their investment, through greater service effectiveness for their customers or increased internal efficiency. E-government has shown improvements over the previous year. Every region of the world has improved its e-government performance on nearly every indicator. However, there are continuing problems in the areas of privacy and security that need to be addressed. Government’s ability to improve service delivery to other governments, employees, citizens and businesses is directly attached to government’s ability to effectively collaborate across organization, processes and IT systems. Islam (2003) explored the link between information flows and governance with the objective to examine how the availability of information may affect governance. Specifically, it looks at (a) how the availability of basic economic data affects governance and (b) how the legal framework governing access to information might affect the quality of governance. Empirical analysis showed that countries which have better information flows as measured by both indicators have better quality governance. Regions where the media have a greater reach were also the areas where voters were more informed about political choices and able to cast votes accordingly. They need timely information on decisions related to various aspects of government activity, on how these decisions will be implemented, information on the consequences of these decisions and the process through which they are reached. This paper examined how the presence of Freedom of Information (FOI) laws may affect how countries govern. The purpose of all such laws is to define a framework for the sharing of information. Economic theory tells us that information is needed to make sound economic and political choices, to monitor agents and reward or punish accordingly. Better availability of economic data and the ability of people to demand and receive the information they need are highly correlated with governance. Governments that do not produce organize and share information will be hampered in policymaking. Good policy making requires up-to-date information on the economic situation and also the sharing of information for better coordination, analysis and monitoring. It is well established fact that improvements and legitimacy will only be delivered if two things are in place. First, the strategic e-readiness infrastructure, especially the leadership and integrated vision on which e-governance depends. Second, the tactical best practices that are needed to close design-reality gaps and to steer e-governance projects from failure to success. Through various case studies, it is found that most e-governance initiatives that are begun currently fail. Surveys of e-governance initiatives are incredibly rare; a shortcoming that needs to be addressed. Even donors, who should be committed to monitoring and evaluation, rarely seem to produce reports. From the material that is available, two main types of governance failure can be identified. In some cases, there is the total failure of an initiative never implemented or in which a new system is implemented but immediately abandoned. Alternatively, there is the partial failure of an initiative in which major goals are unattained or in which there are significant undesirable outcomes. One type of partial failure that particularly seems to affect e-governance initiatives is the sustainability failure of an initiative that succeeds initially but then fails after a year or so. Rosell (1995) in their study on an e-government project in Bangladesh highlight that most e-government projects within developing countries employ high-technology intervention whereas citizens are not ready for this. There are successful projects which took low end route. This paper examines one such project to find out the reasons behind its success. The research concludes that
stakeholders’ participation is the driving factor for success. The major issue is not IT, but an understanding between the citizen population and their complimentary governmental entity, which acts as the critical factor for triumph in e-government. Due to the active participation of stakeholders, both the birth registration and immunisation rate have increased where concurrently other unforeseen benefits were realised; such as image enhancing of public and elected officials, use of data for school enrolment and decision making for vaccine management for society as a whole.

Saxena (2005) is of the opinion that E-governance initiatives in most countries promise a more citizen-centric government and reduce operational cost. Unfortunately most of these initiatives have not been able to achieve the claimed benefits. Often the reason for this failure is a techno-centric focus rather than a governance-centric focus. The paper explores the necessary attributes of a governance-centric initiative under the banner “excellent governance” (e2-governance), and describe a methodology for ensuring such excellence in governance implementations. Excellence (or governance-centralism) in e-governance requires the initiative to be effectiveness-driven and not merely efficiency-driven. This will require the initiative to be led by “good governance” driven goal/purpose: additionally, the initiative must be outcome-focused. The study by Corradini, et al (2007) highlights that Digital identities, profiles and their management enable online interactions and transactions among people, enterprises, service providers and government institutions. In this paper, after having examined the European identity management policies, they explain the differences between digital identity and digital citizenship and introduce digital credentials and also discuss how an identity management framework, composed by shared and standardised services supporting authentication procedures, can change within the e-Government domain. The paper concludes by outlining future trends and the potentiality of the extended digital identity in both public and private sectors. Within an e-Government’s domain it is possible to enforce the density Management framework in a more specific way. The paper also discussed current and foreseeable trends for identity management along with an analysis of important issues and requirements. The study introduced a model of an identity management framework and discussed some of our past and current research activities in this area.