

The Study of E-Government Role in Promoting Organization's Agility

Sadaf Estanesti

Abstract

The main objective of this paper is to study E-government role in promoting organization's agility in Financial Institutes. The statistical population of the present study includes managers of the central branches of Iranian targeted banks. After interviewing a number of bankers and experts, a questionnaire was prepared and distributed among 40 managers of the five targeted financial institutes in person. Data were analyzed by statistical software; The results indicate that the establishment of E-government lead to promotion of all Organization's Agility indicators.

Key words: E-government, Organization's Agility, Information Technology

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Introduction

Today E-government is known as an essential strategy to achieve the knowledge-based society of the twenty-first century and it is one of the most important factors to strengthen national competitiveness. E-government initiating a new phase of managing public sector by providing government services using information technology like internet (Hashemi, 2008). In fact E-government is one of the most important phenomena of information and communication technology usage which its implementation has profound evolution on lifestyle, management and leadership. E-government is combination of Information Technology and Information Network Which aims to provide direct services to citizens, government employees, business sectors and other parts of the government. By running E-government, Citizens can enter a web site and use services and information for their business easily. So there will be saving of time and costs and it will lead to generate economic cycle efficiently (Keyhanpour et al, 2006). However, organizations face issues which had previously been of less attention like quick technological developments, increasing access to technology and growing competition over development, Technology, The increasing risk, changes in the level of wages and job skills, the globalization of markets and fierce competition, social and environmental responsibility, limited resources and increased expectations of customers. (Crocitto & Youssef, 2003., Huang & Nof, 1999). In this context, organizations tend to take different forms, one of the best and most modern form is an agile organization. Foundation of agile organization defines as integration of information technology, people (employees), business processes and equipment in a coordinated and flexible organization to respond quickly to events and changes in the environment. Almost old ways of doing things that fit static condition of traditional operations has been rejected by Agility. Agility is a response to challenges created in a working environment, through change and uncertainty. Agility includes aggressive and growing changes and it seeks succeed in profits, market shares and gaining more customers in competitive markets that many organizations are afraid of entering because of the turmoil and turbulence of the markets. Agility continually focuses on personnel and organization performance, products value and services and permanent changes in order to achieve the opportunities that attract customers. Agility improves the competitiveness of organization and lead to Lower production costs, increasing market share, satisfying the needs of customers, Facilitate the rapid introduction of new products and elimination of non-value added activities (Huang & Nof, 1999., Lin & etal, 2006., Zain& etal, 2005., Yusuf, 1999). In Iran country, there are both public and private organizations that considered E-government and agility approaches. Therefore, according to the key role of this subject for financial institutes in order to provide better services, we decide to deal with it in this study. So, the main question of this study is whether setting and running E-government has any role in promoting Organization's Agility indicators in Governmental organizations in Financial Institutes?

Literature

E-Government

Different terms have been defined in line with the application of ICT in government like online Government, the digital and network administration. The term E-government has gained more acceptances by the general public (Chan & et al, 2008). It seems that the term E-government was used for the first time in the United States in 1995 (Heeks& Bailur, 2007). E-government is government and other government agencies information technology usage in order to make changes with the relationship between citizens, businesses and other factors that are interacting with government and it gives people necessary facilities to have appropriate access to governmental information and services and right to modify their quality and also E-government offers wide opportunities to participate in democratic processes and institutions (Nobakht & Bakhtiyari, 2008: Salajeh & Honaramuz, 2012). E-government is a kind of e-commerce which is used in the governmental sector. By using information technology and e-commerce in E-government, citizens will be able to have faster and easier access to government information and public services and transactions between government agencies and the private sector is very cheap and easy (Torben, 2007:289). E-government is related to government itself and its advantages rather than electronics topics. (To achieve better government) In fact, E-government is functioning as a tool that offers potential solutions to the leaders of government including IT managers, program managers, and heads of organizations, E-government planners and politicians across the whole government. All the managers are playing a key role and the role of each of them will change with the development of E-government (Shahbaz Moradi, 2007:11). Another

definition of E-government is to provide public information through the Internet or other electronic media. In this case internet-based delivery systems are taken on-hierarchical and non-linear way unlike other traditional structures which are hierarchical and linear and one-sided, and provide on-line deals for twenty-four hours a day and seven days a week (Yaghubi, 2007:16). It can be concluded from the provided definition that E-government is the use of information and communication technologies in public services so that citizens can have access to essential information and services in electronic format interactively. Accordingly, it can be said that E-citizen is a person who has the ability to work with a computer and use internet to carry out daily living chore such as communicating with others, sales, banking transactions, employment, travel, leisure, entertainment and medical faster and more effective (Motevazee, 2007:1). Gartner Research group predicts that E-government changes the government structure completely and this change is larger than all the changes that occurred in the twentieth century (Alrich, 2002:7). The most important factors of creating E-government are: 1- The growth of the World Wide Web 2- collective growth of network connection 3- costs reduction 4- Growing public expectations (Jahangiri & Alavi, 2006:43). Torben (2007) regards the following as benefits of E-government for organizations: 1- Improve the efficiency and effectiveness of government managers and public service institutions 2- More transparent relationship between government and citizens as well as government and private institutions and companies 3- Due to easy and continuous interaction between government and citizens, people's contribution and participation to the community and government increases 4- Because of the easy access of citizens to government information and public service institutions and the feedback from this process, the quality of government services improved and processes are modified constantly (Torben, 2007:289).

The following are the most important results of running E-government:

- 1- The boundaries of time disappears
- 2- Geographic boundaries disappears
- 3- Increase efficiency and costs reduction
- 4- Accountable and transparent Government
- 5- Re- architecture government (Nobakht & Bakhtiyari, 2008:17).

Organization's Agility

Many definitions have been proposed for agility. In the dictionary, it means "fast moving, agile, and proactive" and agility means "to be able to move fast and easy" and "being able to think quickly and with a clever method" (Hornby, 2000). The etymology of agility comes from agile manufacturing, and agile manufacturing is a concept which becomes popular in recent years and it has been accepted as a successful strategy by producers who prepare themselves for a significant increase in performance. The term "agile" describes the quickness and responsiveness in the face of organization's internal and external events. Agile organizations must not only be able to respond to existing changes, but with a suitable arrangement must also be able to gain competitive advantages. Since the agility is new concept, there is no approved definition. For the first time in 1991, the concept of agility was published and presented to the public officially by Yakuka research institute at the University of Li Hy in a report entitled "The strategy of manufacturing firms in the twenty-first century: the perspective of industry experts". Later, Peter Drucker introduced the concept of enterprise agile to the business world for the first time in order to explain the need to increase the flexibility and responsiveness of contemporary organizations (Nagel & Dove, 1991). Since then, many researchers worked in this field and each of them looks through specific aspects of agility and it came to the emergence of the many definitions of agility.

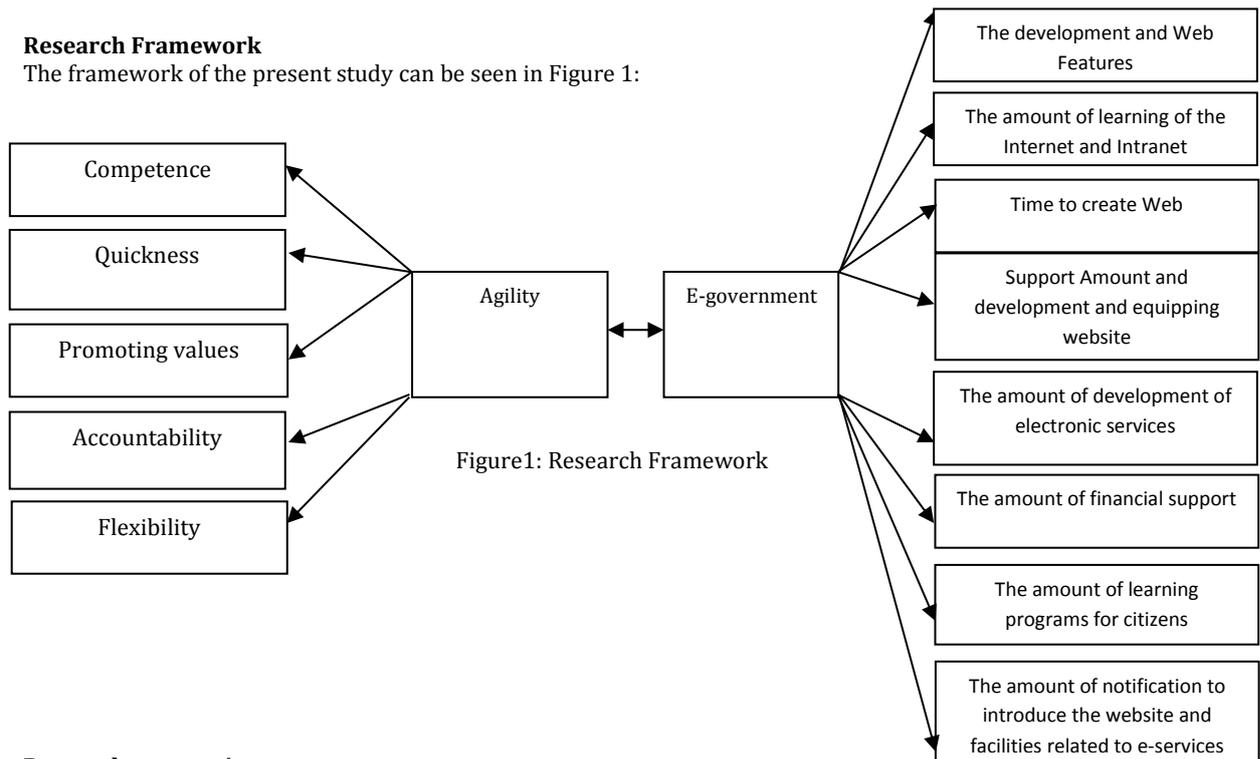
Some of them are:

1. The ability to react quickly and appropriately to sudden and unpredictable changes (Christopher, 2000 – Kidd, 2000 – Bottani, 2009 – Katayama & Bennett, 1999 – Goldman & et al, 1995).
2. The ability to profit from the environment (Goldman & et al, 1995 – Naylor, 1999 – Riis & Johanson, 2001).
3. The organization's ability to feel, understand and predict changes in the workplace (Sharifi & Zhang, 1999).
4. The ability of a business unit in order to survive and thrive in a competitive environment that changes constantly and is unpredictable. Agile organizations are flexible and quick when there is necessity to respond to changing market conditions (Maskell, 2001 - Meade & Sarkis, 1999).
5. Agility is called the ability to establish a balance between flexibility and stability (Hormozi, 2001).
6. Flexibility is a response to the planned changes while being agile perceives the limitation of changes so minimized and consider each changes (Unpredictable and planned) probable (Highsmith, 2004).

Several key features are considered for organizational agility. Agility's Features are the abilities that provide strength point for organization to make the appropriate responses to occurred change. These capabilities are the basis for maintaining and developing agility (Bottani, 2009_ Lin & et al, 2006). These capabilities include Accountability which refers to the ability to identify changes, Quick response to them and benefit from them And Competence which refers to the ability to achieve the organization's goals and objectives effectively and efficiently and also Flexibility which is the ability of the various processes and business goals using the same facilities and Quickness which is the ability to carry out activities in the shortest possible time (Lin & et al, 2006). So if an organization is looking for agility, it requires that considers these abilities and capabilities and strengthen and develop them as much as possible.

Research Framework

The framework of the present study can be seen in Figure 1:



Research assumptions

Given the purpose of this study, the following assumptions have been considered:

The Main Hypothesis

The establishment of E-government leads to improve Organization's Agility in Financial Institutes in Zahedan.

The Sub Assumptions

- H1: The establishment of E-government upgrades competence dimension of organization's agility in financial institutes in Zahedan.
- H2: The establishment of E-government upgrades quickness dimension of organization's agility in financial institutes in Zahedan.
- H3: The establishment of E-government upgrades accountability dimension of organization's agility in financial institutes in Zahedan.
- H4: The establishment of E-government upgrades flexibility dimension of organization's agility in financial institutes in Zahedan.

Research Methodology

The main objective of this paper is to study E-government role in promoting organization's agility in Financial Institutes. The present research is functional as far as aim classification is concern and the method is survey-correlation. The present research is a cross-sectional study because of a certain period of time horizon of the study. The statistical population of the study includes 40 managers of the central branches of targeted banks located in Sistan and Baluchistan State. In order to have an acceptable sample, thus the targeted banks were limited to Saderat, Mellat, Melli, Tejarat, Parsiyan banks. According to the nature of this study, the questionnaire was used for data collection. The validity of research was assessed through Face and content validity and validity was confirmed after needed reforms have done. Cronbach's alpha was used to check the reliability of data collection after the distribution and collection of some questionnaire as prototype of the population. Cronbach's alpha coefficient was obtained in 0/87 which indicates high reliability. Pearson correlation test is used to analyze the data as statistical method and all statistical analyzes were performed using statistical software SPSS17.

Results

The results of research assumption expressed as follows:

Checking hypothesis 1

H0: The establishment of E-government *does not* upgrades competence dimension of organization's agility in financial institutes in Zahedan.

H1: The establishment of E-government upgrades competence dimension of organization's agility in financial institutes in Zahedan.

Table 1- Pearson correlation test statistics for the hypothesis 1

competence dimension of agility					variable
R2	Type of relationship	existence of relationship	population	Pearson	E-government
0.462	Direct	exist	40	significant 0.000	Correlation coefficient 0.680

According to Table 1, it was found that The correlation coefficient between two variables of E-government and competence in agility is 0/680 and significant measure is equal to 0/000 which significant is smaller than the significance level of 0/05. *So at this level the assumption of H0 which means lack of relationship is rejected and as result* the establishment of E-government upgrades competence dimension of organization's agility in financial institutes in Zahedan.

Checking hypothesis 2:

H0: The establishment of E-government does *not* upgrades quickness dimension of organization's agility in financial institutes in Zahedan.

H1: The establishment of E-government upgrades quickness dimension of organization's agility in financial institutes in Zahedan.

Table 2- Pearson correlation test statistics for the hypothesis 2

Quickness dimension of agility					variable
R2	Type of relationship	existence of relationship	population	Pearson	E-government
0.568	Direct	exist	40	significant 0.000	Correlation coefficient 0.751

According to Table 2, it was found that The correlation coefficient between two variables of E-government and Quickness in agility is 0/751 and significant measure is equal to 0/000 which significant is smaller than the significance level of 0/05. *So at this level the assumption of H0 which means lack of relationship is rejected and as result* The establishment of E-government upgrades quickness dimension of organization's agility in financial institutes in Zahedan.

Checking hypothesis 3:

H0: The establishment of E-government does *not* upgrades accountability dimension of organization's agility in financial institutes in Zahedan.

H1: The establishment of E-government upgrades accountability dimension of organization's agility in financial institutes in Zahedan.

Table 3- Pearson correlation test statistics for the hypothesis 3

Accountability dimension of agility					variable
R2	Type of relationship	existence of relationship	population	Pearson	E-government
0.666	Direct	exist	40	significant 0.000	Correlation coefficient 0.802

According to Table 3, it was found that The correlation coefficient between two variables of E-government and Accountability in agility is 0/802 and significant measure is equal to 0/000 which significant is smaller than the significance level of 0/05. *So at this level the assumption of H0 which means lack of relationship is rejected and as result* The establishment of E-government upgrades accountability dimension of organization's agility in financial institutes in Zahedan.

Checking hypothesis 4:

H0: The establishment of E-government does *not* upgrades flexibility dimension of organization's agility in financial institutes in Zahedan.

H1: The establishment of E-government upgrades flexibility dimension of organization's agility in financial institutes in Zahedan.

Table 4- Pearson correlation test statistics for the hypothesis 4

Flexibility dimension of agility						variable
R2	Type of relationship	existence of relationship	population	Pearson significant	Correlation coefficient	E-government
0.439	Direct	exist	40	0.000	0.657	

According to Table 4, it was found that The correlation coefficient between two variables of E-government and flexibility in agility is 0/657 and significant measure is equal to 0/000 which significant is smaller than the significance level of 0/05. *So at this level the assumption of H0 which means lack of relationship is rejected and as result* The establishment of E-government upgrades flexibility dimension of organization's agility in financial institutes in Zahedan.

Checking main hypothesis: result

H0: The establishment of E-government *does not* leads to improve Organization's Agility in Financial Institutes in Zahedan.

H1: The establishment of E-government leads to improve Organization's Agility in Financial Institutes in Zahedan.

Table5- Pearson correlation test statistics for the hypothesis 5

Organization's agility.						variable
R2	Type of relationship	existence of relationship	population	Pearson significant	Correlation coefficient	E-government
0.664	Direct	exist	40	0.000	0.812	

According to Table 5, it was found that The correlation coefficient between two variables of E-government and Organization's agility is 0/812 and significant measure is equal to 0/000 which significant is smaller than the significance level of 0/05. *So at this level the assumption of H0 which means lack of relationship is rejected and as result* The establishment of E-government leads to improve Organization's Agility in Financial Institutes in Zahedan.

Discussion and conclusion

The main objective of this paper is to study E-government role in promoting organization's agility in Financial Institutes. The results compared with other studies in this area show a high overlap and In fact it suggests that E-government at all four dimensions of competence, quickness, accountability and flexibility promoting organization's agility in Financial Institutes. In addition, researchers at other studies have been considered improving and developing the E-government role as a key element in achieving the organization's agility. In relationship E-government role in promoting organization's agility in Financial Institutes, scholars such as farzane sedaghatpor (2011) and yaghobi & etal (2012) believes that E-government have a key role in achieving the organization's agility. So if E-government programs are exploited in a favorable manner in an organization, it can play important role in capturing aspects of the flow advantage and achieving competence, quickness, responsiveness and flexibility in the organization and in short term it is agility. In conclusion, today's situation is such that the organization can be found at least in a period of three to six months or a maximum one-year of changing in their internal and external environment. While in the past most of the organizations were aware of the importance of quick response to the unstable market, but they never have been able to react quickly and appropriately to changes. On the other hand, using traditional methods to deal with environmental changes is not efficient and effective anymore. Hence the organizations are looking for innovative and appropriate solution in this area. The best and most modern way to survival and success in this area is to focus on the E-government and increasing organizational agility.

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Sadaf Estanesti, The faculty member of velayat university, Iranshahr City, Iran Country