Chapter 9
E–Government Readiness

INTRODUCTION

The United Nations (2008) believes that in a world characterised by rapid changes driven by globalization and the emerging knowledge-based economy, e-government provides the means to achieve maximum cost savings and improved service delivery to both citizens and businesses. In short, the digital economy and e-government can be said to be inextricably intertwined. Global e-commerce growth and expansion in the private sector are linked to an online population that is projected to reach some 1.8 billion by 2010 (United Nations, 2008). Most of this population will be using e-government infrastructure to go online. Moreover, the widening scope of digital technologies through e-government means that few (if any) industries are exempt from some degree of transformation and electronic commerce. The UN 2008 E-government Readiness Report showed that in the United States alone, online retail sales were expected to reach nearly $120 billion by 2008 (United Nations,
2008). In less developed countries, similar trends are apparent, with Argentina, for example, having recorded a more than 100% increase in e-commerce levels from 2005 to 2006 - more than $3.3 billion online transactions were recorded in the latter year. Much of e-government reflects private sector activity, which has both encouraged and pressured public sector organizations to act in a similar manner. Fiscal constraints imposed by a quasi-competitive system of global investors, as well as a strategic desire to generate cost savings and reallocate spending to new priorities, make the nexus between technology management and efficiency a central concern in government (United Nations, 2008).

E-government is being applied in various ways in society. Some of the applications include e-administration, e-business, e-services, and e-society. These applications define the level of interactions that define relationships between the government and their respective stakeholders. E-administration applications arise from interactions within and between government agencies, as well as between different spheres of government at local and provincial levels. These interactions are sometimes referred to as government-to-government transactions, or simply G2G. Such applications seek to improve the operational efficiency and effectiveness of government. E-administration applications provide facilities that enable electronic communication and the sharing of information and knowledge. They also permit simultaneous access to information, thus shortening the bureaucratic red tape associated with the transmission of information.

E-business applications aim to improve interactions and relationships between the government and its customers (e.g. suppliers) who are usually members of the business community. This interaction is generally referred to as government to business or simply G2B. However, the interactions and relationships could be with business entities, citizens or any other legal entity in which the government has a business interest. E-business applications digitize most government procurement and disposal of assets, thus cutting the red tape, middlemen and time required to process applications or obtain information, and hence reducing operational costs, unnecessary delays, paperwork and redundant data capture. Consequently, these applications can improve the business and economic competitiveness of a country. By permitting direct interaction between the respective parties, e-business cuts out the middleman and transfers the resulting cost benefits to the buyers. This leads to the increased affordability of goods and services. In addition to speeding up processing time, e-business creates a more transparent business environment, thus leading to better and timelier decisions and actions. It also leverages new technologies for better communication between the respective parties (Oyomno, 2003).

Electronic services (e-services) enable interactions between the government and citizens, through which the latter gain access to a wide range of public services.
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