E-Government Utilization: Understanding the Impact of Reputation and Risk

Lemuria Carter, North Carolina Agricultural and Technical State University, USA
Ludwig Christian Schaupp, West Virginia University, USA
Jeffrey Hobbs, Appalachian State University, USA
Ronald Campbell, North Carolina Agricultural and Technical State University, USA

ABSTRACT

The implementation of Information and Communication Technologies (ICT) in the public sector has numerous benefits. Government administrators are aggressively seeking ways to enhance the development and implementation of more effective and efficient government services. One electronic government initiative that is growing in importance and popularity is electronic tax filing. This study explores the factors that contribute to e-file utilization. To test the proposed model a survey is administered to 152 taxpayers in the United States. Results of structural equation modeling indicate that performance expectancy, social influence, facilitating conditions, optimism bias, perceived reputation and risk all have a significant impact on e-government usage. Implications for research and practice are discussed.

Keywords: E-File, E-Government, Optimism Bias, Reputation, Risk, Technology Adoption, Trust

INTRODUCTION

Government administrators are aggressively seeking ways to enhance the development and implementation of more effective and efficient government services. The implementation of Information and Communication Technologies (ICT) in the delivery of public sector services has numerous benefits, from better interactions between citizens and the government to more accurate information sharing and dissemination. Moreover, as this research highlights, e-government plays a significant role in strengthening citizens’ trust and participation in government as well as in generating cost savings. The adoption of e-government is desired by all countries ranging on a continuum from the least developed to the most developed.


“The use of the term and the more dynamic and commonly understood concept of e-government as a transformational process in government, governance, politics, and democracy and public
management is directly associated with the rise of the Internet, especially as the Internet entered the mainstream of society in the mid to late 1990s.

The growth and evolution of e-government in the U.S. has been rapid. Mossberger et al. (2003) note that all of the 50 states in the U.S. have multiple years of e-government experience. In addition, the U.S. is cited as being ranked among the top countries in e-government development according to the UN Global E-Government Survey. Based on the UN Global E-Government Survey, the U.S. ranked second and fourth in e-government development for 2010 and 2008, respectively. This ranking is based on the E-Government Index, “a composite index comprising the Web measure index, the Telecommunication Infrastructure index and the Human Capital index. “ The U.S. index (score) was .8510 for 2010, resulting in a change in rank from fourth in 2008 to second in the World in 2010.

Despite the U.S.’s e-government ranking, growth and innovation, there are ICT goals yet to be achieved. The Internal Revenue Service (IRS), in particular, continues to focus on the percent of total taxpayers who e-file their tax returns. The IRS Restructuring and Reform Act of 1998 (RRA) established an electronic e-filing goal which mandates that eighty percent (80%) of individuals e-file their returns. In a press release, the IRS Oversight Board (2007) expressed doubt that the IRS would reach the eighty percent (80%) goal. Consequently, the Oversight Board recommended that the eighty percent (80%) target be extended to 2012. However, the IRS continues to pursue the mandated target. IRS Acting Commissioner Linda Stiff stated that e-filing continues to be the agency’s preferred method for taxpayers to file their tax returns (McCoy, 2008).

E-filing enables citizens (and businesses) to submit a tax return electronically. These services are faster and cheaper than traditional alternatives. However, these systems also require the user to trust the service provider and the medium through which the data are transmitted. E-government utilization is contingent upon technology adoption factors (Carter & Belanger, 2005) and risk perceptions (Schaupp & Carter, 2008). Hence, we posit that in addition to technology acceptance, optimism bias, perceived reputation, perceived risk and trust of the government will have a significant impact on e-government usage.

The following section presents the theoretical foundations of the proposed research model. In the next section we present the research model and hypotheses. In the third section we describe the methodology used to empirically test the model. Next, results are presented, followed by a discussion of the findings, implications, and limitations. Finally, we present concluding comments.

Theoretical Development

Information technology acceptance is a vital component of IS literature. The Unified Theory of Acceptance and Use of Technology (UTAUT) is one of the most comprehensive IS acceptance theories existing in the literature to date. The UTAUT model is comprised of eight theoretical models: the theory of reasoned action (TRA), the technology acceptance model (TAM), the motivational model, the theory of planned behavior (TPB), a model combining the technology acceptance model and the theory of planned behavior, the model of PC utilization, the innovation diffusion theory, and the social cognitive theory. The goal of UTAUT is to understand IS usage (Venkatesh, Morris, & Davis, 2003). UTAUT has been utilized in several IS domains, including e-government service adoption (Al Awadhi & Morris, 2008).

In addition to technology adoption factors, the literature also identifies perceived risk as an important predictor of intention (Fu, Farn, & Chao, 2006). The proposed model integrates adoption factors, optimism bias, perceived risk, trust of the government agency, and reputation of the service provider to explain citizens’ intention to use e-filing software in the United States.
13 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the product's webpage:

www.igi-global.com/article/government-utilization-understanding-impact-reputation/64210?camid=4v1


www.igi-global.com/e-resources/library-recommendation/?id=2

Related Content

Palming the Future: E-Government Strategy Development for a Tertiary Education Organisation
www.igi-global.com/article/palming-future-government-strategy-development/2031?camid=4v1a

Governing E-Government (E-Governance): An Operational Framework
www.igi-global.com/chapter/governing-government-governance/54126?camid=4v1a
Governance Structure for Alignment

[www.igi-global.com/chapter/governance-structure-alignment/9014?camid=4v1a](www.igi-global.com/chapter/governance-structure-alignment/9014?camid=4v1a)

Gender and E-Government Adoption in Spain