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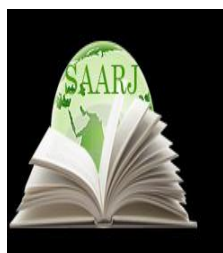
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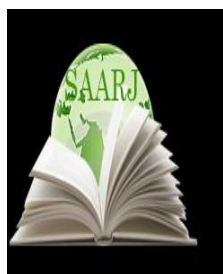


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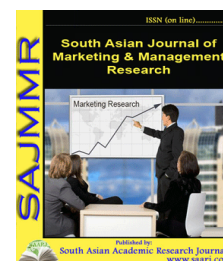


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AN EMPIRICAL PRESENTATION OF HRM AND EMPLOYEE CAREER ENHANCEMENT IN INDIAN TELECOMMUNICATION INDUSTRY- WITH SPECIAL REFERENCE TO BSNL AND AIRTEL

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ABSTRACT

Indian telecom industry, the world's fastest growing industry with constant changing technology and intensive competition has led community to signify the vitality of HR. Today, organizations are searching for most competent HR in order to recruit and retain them for the growth of their organization. In the present study, an effort has been made to analyze the HR practices in both public and private sector of Indian telecom Industry and also to study the relationship of HR practices and employee career enhancement. An interview structure has been administered to the sample of 100 employees of BSNL and Airtel in Hyderabad. The study reveals that, BSNL employees are older, low qualified with more experience undergone more technical skills while compared to Airtel, the personnel were younger, highly qualified with less experience and focused both on HR and technical skills. The employees of both the organizations are highly satisfied on career development.

KEYWORDS: *Employee Career Enhancement, HR Practices, Indian Telecom Industry, Intensive Competition and Technical Skills.*

INTRODUCTION

Telecommunication has emerged as a key driver of economic and social development in an increasingly knowledge intensive global scenario, in which India needs to play a leadership role. National Telecom Policy-2012 is designed to ensure that India plays this role effectively and transforms the socio-economic scenario through accelerated equitable and inclusive economic-growth by laying special emphasis on providing affordable and quality telecommunication service in rural and remote areas. It is felt that a rapid growth in the telecom sector requires to be supported by an enhanced pace of human capital formation and capacity building with the advent

of globalization and technological advancement, the market conditions have witnessed changes along with rising expectations of the employees, and changes in management systems, have necessitated the researcher's and practitioner's to focus their emphasis upon the concept of Human Resource Management. **(Manju Malik:2013 & www.trai.gov.in)**

The human resource is the most important and indeed an essential imperative for an organization to prosper and grow, their development is certainly an issue of concern for the management of any organization who retain them. In today's knowledge based economy, the rules of doing business has dramatically and drastically changed, paving the way for people to occupy the centre stage of the organization. Human resources are therefore, considered to be the most valuable input, and the organizations desire to develop their work force to be developed to a world class level. For instance, Reliance, which may seen in telecom in India now but it started at grass root level and became one of the top most company in India with its HR practices. It is now high time that HRM practices should get top most priority in the strategy for putting our economy on a high growth path. **(Manju Malik: 2013).**

'As the rural penetration of mobile connectivity is well below 50 percent, the Narendra Modi government is going to take a fresh look at encouraging the industry by putting more money into rural network expansion and to use up unutilized USO funds' said by PWC Indian telecom leader Mohammed Chowdary **(The Economic Times:2014,May 18)**. The new ministry of communications, Ravi Shanker Prasad stated that The BJP government will focus on a transparent and fair decision-making process in a bid to restore investor confidence in the telecom sector and the policy has set ambitious targets of 100% rural teledensity and 600 million broadband connections by 2020. **(The Economic Times:2014,May 28)**.

As stated by **Rogers (2001)** "Human Resource Management is a holistic concept, incorporating intrinsically social, cultural, and spiritual dimensions to build capacity and empower people". This concept emphasizes the need for every organization to continuously develop its employee's competencies in a planned way and to bring into sharp focus the significance of roles, which is being played by the employees in the organization. The development of human resource carries a potential for the future and growth of the organization. Such a growth largely depends upon the attitude of the management and the employees towards the policies and practices of human resource development (HRD). Such Practices paves the way to understand the other related practices followed in the organization **(Deb: 2010)**.

Human resource plays an active role in the modern economic scenario of any country and their development in the organizational context is a process by which the employees of an organization are helped in a continuous and a planned way to: (a) acquire or sharpen capabilities required to perform various functions associated with their present or expected future roles; (b) develop their general capabilities as individuals and discover and exploit their own inner potentials for their own and/or organizational development processes; and (c) develop an organizational culture in which supervisor-subordinate relationships, team work and collaboration among sub-units are strong and contribute to the professional well-being, motivation and pride of employees **(Rao and Abraham:1986)**. As a result, it is important that a firm adopts HRM practices that make the best use of its employees. The impact of HRM on organizational performance have found a positive relationship between 'high performance work practices' **(Huselid, 1995)** and different measure of organizational performance. The impact of HRM practices on organizational performance has emerged as the dominant research issue in the personal/HRM field **(Backer and Gerhart, 1996; Dyer & Reeves, 1995; Guest, 1997)**. Many

researchers have pointed out that HRM practices impact on the outcomes such as employee satisfaction, employee commitment, employee retention, employee presence, employee career development (**Edger & Geare, 2005; Paavwe & Richardson, 1997**). Many organizations are facing the problem of retaining employees. It is expensive to replace employees who leave for greener pastures or are lured away by other organizations. Employee turnover can have a demoralizing effect on an organization, and it may also severely impact the overall efficiency of the organization. However, a number of organizations have responded to this issue by implementing Career Development Programs in the workplace. These programs teach employees how to work toward their own goals while continuing to do productive work for the organization. Organizations with such programs claim they retain a greater number of employees (**Robert C. Merchant, Jr.**).

In today's competitive environment, it is imperative that all organizations create a work environment which fosters growth and development. Implementing Career Development Program in the workplace will enhance organizational loyalty among employees, which results in higher levels of job satisfaction, lower employee turnover, and fewer employee complaints (**Werther & Davis, 1992**). The success and survival of business organization depends on the qualities, abilities and talents of its employees, who run its operations. These in turn depend on the development activities and career development programs provided by organization and to prepare them for future positions in the organization.

I. Method

A. Objectives

1. To identify relative importance of HR practices in telecom Industry.
2. To compare the HR practices of BSNL and Airtel telecom sector companies.
3. To examine the impact of HR practices on employee career development of selected companies.
4. To study the satisfaction level of employees on HR practices of selected companies.

Hypotheses

Ho: There is may not be any significant difference between the HR practices of public and private companies.

B. Sample

The present empirical study aims to inspect and compare the HR Practices as perceived by middle and senior managerial level employees in Public and Private sector companies of the Telecom sector in India. Stratified random sampling method was used in selecting Sample, which comprises of 100 employees, out of which 50 employees from each BSNL and Airtel companies.

C. Tools used

Primary data was collected through a structured interview schedule comprising of three themes such as training and Development, Performance Appraisal and Career Planning and Development, in addition to this ten factors of HR practices have been selected for identifying satisfaction level of employees in the order of preference. Secondary data i.e., information about BSNL and Airtel has been collected from published organizational annual reports.

D. Procedure

For collecting data, the researcher visited BSNL and Airtel offices in Hyderabad and Secunderabad. The investigator met each member personally, took their concern and administered interview schedule to middle and senior managerial level employees. Though the sample size is 100 only 89 interview schedules were completed. The responses to the interview schedules were tabulated and treated with statistical techniques such as chi-square, multiple regression analysis and Garette ranking method.

II. Results and Discussion

The results of the primary data analyzed by using statistical techniques such as:

1. Chi-Square-to find the relationship between categorical variables (BSNL and Airtel)
2. Multiple Regression Analysis -to find the responses from multiple variables
3. Garrett Ranking Method -to rank the variables

TABLE-1 DEMOGRAPHICS

| | | BSNL(42) | | AIRTEL(47) | |
|-------------------------------------|-----------------|-----------|------------|------------|------------|
| | | Frequency | Percentage | Frequency | Percentage |
| Managerial Level | Senior level | 35 | 83 | 18 | 38 |
| | Middle level | 7 | 17 | 29 | 62 |
| Experience (present company) | 2-4 Years | 0 | 0 | 28 | 60 |
| | 4-6 Years | 0 | 0 | 9 | 19 |
| | 6-8Years | 0 | 0 | 5 | 11 |
| | 8-10 Years | 1 | 2 | 2 | 4 |
| | Above 10 yrs | 41 | 98 | 3 | 6 |
| Qualification | SSC | 19 | 45 | 0 | 0 |
| | Intermediate | 6 | 14 | 0 | 0 |
| | Diploma | 4 | 9 | 1 | 2 |
| | Graduate | 6 | 14 | 33 | 70 |
| | Post Graduation | 7 | 17 | 13 | 28 |
| Gender | Male | 41 | 98 | 45 | 96 |
| | Female | 1 | 2 | 2 | 4 |
| Age | 20-30 | 0 | 0 | 36 | 77 |
| | 31-40 | 2 | 5 | 7 | 15 |
| | 41-50 | 18 | 43 | 2 | 4 |
| | 51 and above | 22 | 52 | 2 | 4 |
| Marital status | Married | 40 | 95 | 12 | 25 |
| | Unmarried | 2 | 5 | 35 | 75 |

It is observed that, the experience of employees belonging to BSNL is more than Airtel. The investigator wishes to point out that the birth of BSNL is way back in 2000, quite more than 3 years old compared to Airtel which took birth in 2003. The employees joined in BSNL of both middle and higher level having an experience of more than ten years which is more compared to Airtel which is real. The Table 1 also shows that they joined early and they are older and gradually ascended the carrier even with less qualification educationally unlike who joined directly at middle and higher level with higher qualification in Airtel.

TABLE-2 COMPARISON OF HR PRACTICES BETWEEN PUBLIC AND PRIVATE SECTOR (USING CHI-SQUARE)

| S.No. | Dimensions | | Frequency | | Value | df | Asymp.sig.(2-sided) |
|-----------|-------------------------------------|--|-----------|--------|---------------------|----|---------------------|
| | | | BSNL | Airtel | | | |
| I | Training & Development | 1.1.frequency of training programs conducted | | | | | |
| | | • Regular Intervals | 33 | 23 | 12.193 ^a | 2 | .002 |
| | | • When ever needed | 7 | 11 | | | |
| | | • Driven by market conditions | 2 | 13 | | | |
| | | 1.2. Factors Considered to identify training needs | | | | | |
| | | • Dept./Organization Analysis | 30 | 32 | 2.119 ^a | 1 | .146 |
| | | • Identifying Specific Problems | 40 | 46 | 12.969 ^a | 1 | .000 |
| | | • Employee Proposals | 39 | 33 | 4.386 ^a | 1 | .036 |
| | | • To withstand market trends | 19 | 37 | .393 ^a | 1 | .531 |
| | | 1.3.Skills Considered for adopting in training | | | | | |
| | | • Technical Skills | 42 | 46 | .017 ^a | 1 | .895 |
| | | • Interpersonal Skills | 41 | 47 | 12.898 ^a | 1 | .000 |
| | | • Communication and Motivational Skills | 36 | 42 | 13.144 ^a | 1 | .000 |
| | | • Leadership Skills | 35 | 42 | 4.438 ^a | 1 | .035 |
| | | 1.4.Training Methods | | | | | |
| | | • Brain storming | 20 | 24 | 22.145 ^a | 1 | .000 |
| | | • Lecture Method | 42 | 47 | .057 ^a | 1 | .812 |
| | | • Simulation | 41 | 44 | 21.684 ^a | 1 | .000 |
| | | • E-Learning | 32 | 39 | 14.343 ^a | 1 | .000 |
| II | Performance Appraisal System | 2.1Attributes Considered | | | | | |
| | | • Quality of work output | 40 | 38 | 1.602 ^a | 1 | .206 |
| | | • Timeliness of accomplishing task | 41 | 45 | 11.912 ^a | 1 | .001 |
| | | • Inter-personal and team relationship | 36 | 43 | 15.125 ^a | 1 | .000 |
| | | • Loyalty towards organization | 27 | 38 | 47.669 ^a | 1 | .000 |

| | | | | | | | |
|------------|--|--------------------------------------|----|----|---------------------|---|------|
| | | • Initiative and Innovative skills | 26 | 30 | 21.417 ^a | 1 | .000 |
| | | • Potential skill | 30 | 45 | .325 ^a | 1 | .569 |
| | | 2.2. Reasons for PA | | | | | |
| | | • Promotion | 40 | 43 | 2.486 ^a | 1 | .115 |
| | | • Reward and recognition | 37 | 45 | 39.562 ^a | 1 | .000 |
| | | • Adequate Compensation | 27 | 37 | 56.812 ^a | 1 | .000 |
| | | • Organizational effectiveness | 25 | 32 | 44.426 ^a | 1 | .000 |
| | | • Assessing Training needs | 25 | 42 | 7.816 ^a | 1 | .005 |
| III | Career planning & Development | 3.Opportunity for career enhancement | 32 | 24 | 2.656 ^a | 3 | .448 |

TABLE-3 SATISFACTION LEVEL OF EMPLOYEES ON HR PRACTICES BY USING GARRETT RANKING METHOD (I-BEST AND X-LEAST)

| S.No. | Factors | Rank |
|-------|-------------------------------|------|
| 1 | Human resource planning | IV |
| 2 | Recruitment and selection | II |
| 3 | Training and Development | III |
| 4 | Performance management system | V |
| 5 | Compensation system | IX |
| 6 | Rewards and recognition | VI |
| 7 | Promotion policy | VII |
| 8 | Career development | I |
| 9 | Succession planning | VIII |
| 10 | Retention strategies | X |

Table-2 comprises of responses related to employees of BSNL and Airtel on the parameters such as training and development, performance appraisal and carrier planning and development and along with that ten factors of HR practices on the satisfaction level of employees by using ranks with order of preference which is shown in Table-3.

The response shows a mark difference between BSNL and Airtel. While the employees in BSNL are older, with more experience and less qualified seem to have undergone more number of training programs compared to Airtel where the employees are younger with higher qualification and less experience but holding middle and higher level managerial positions. The researcher feels that, the employees of BSNL require more number of trainings in order to update themselves to keep up technological developments taking place in Telecom industry. In case of Airtel the employees are recruited at young age with higher qualification who already would

have had the background of modern technology related inputs and experience. However the number of training programs held for both the organizations differ in terms of technical skills and HR skills (In BSNL technical skills -8, HR skills-5 where as in Airtel, technical skills-5 and HR skills-25). As BSNL is focusing more on technical skills on the other hand Airtel is focusing more on HR related training programs. Since Airtel is a Private Organization training and performance are closely related for the very survival of the organization, their training focus is to improve the performance and to regain the employees finally which aims at profits and contribute to overall effectiveness of the Organization. The training programs in Airtel involved with human relations oriented like interpersonal skills, communication skills, motivational skills, leadership skills and marketing strategies and for overall improvement of performance. In Airtel the middle and higher level of employees are treated as market drivers, technological advanced superiors, the top management effort is to train them as leaders so that they can carry forward the team members in order to achieve the goals set by the organization. It seems to be low in BSNL when such training programs are compared with significant difference of chi-square value 0.02. Unless and until the public sector companies emphasizes on training and sets right kind of goals for their organization private sector companies will take over market and eventually dominate telecom industry in the Country and they will not only be ineffective but turn into sick organizations. It is observed that the details related to the training programs such as duration, skills acquired, methods adopted and frequency of conducting training programs are all geared up to achieve the targets set by the organizations which clearly shows that the growth of the organization depends on the training programs given to the employees. Hence training is a particular component of any growing effective organization. The performance appraisal system in BSNL is conducted especially for promotions by analyzing the task accomplishment and quality of work output, where as in Airtel the performance appraisal is conducted for overall measuring overall performance for reward and recognition, promotions, assessing acquired training skills and contribution to organizational effectiveness which shows that performance appraisal is very rigorous in Airtel when compared to BSNL. In BSNL the career planning and development opportunities is provided in the way of promotions or acquiring new skills where as in Airtel the employees are provided with global opportunities and strategic skills for the future growth and where individual and organizational objectives are met.

The satisfaction level of employees on HR practices shows that the employees are more satisfied with career planning and development where as less dissatisfied with retention strategies which show that in overall telecom industry of both public and private the retention strategies has to be modified to retain the talented employees for the effectiveness of the organization.

III. CONCLUSIONS

1. The data shows that BSNL employees are older (above 51 years), low qualified with more experience (more than 10 years) while compared to Airtel, the personnel were younger (20-30 years), highly qualified and entered organization with less experience (2-4 years).
2. BSNL undergone more number of technical skills trainings (8) while Airtel both on technical skills (5) and HR skills (25) trainings, which shows significant difference (0.00).
3. Airtel is focusing more on E-learning method of training which is significantly different from BSNL approach to training.

4. When Performance appraisal system is compared Airtel focus more on timeliness of accomplishing of task and interpersonal relations than BSNL which focus on timeliness of accomplishing of task.
5. The performance Appraisal in BSNL is focusing on promotions while in Airtel focusing on promotions, reward and recognition and assenting training needs.
6. Regarding career path, the focus of BSNL is mainly on promotions or acquiring new skills while in Airtel the employees are provided with global opportunities and strategic skills.
7. As per the data shown in Table 3, regarding career path, career development is ranked high, which shows that high priority is given by both the organizations.
8. Even though both organizations claimed the high satisfaction of their career development opportunities, however when levels of satisfaction are compared employees from private sector showed low level of satisfaction compare to public sector. This may be because of their expectations and faster mobility.
9. Both public and private sector do not seem to be satisfied about retention strategies of the organization.

IV. Suggestions

1. The training and career development programs need to be addressed keeping in view of the needs of employees not only the market needs.
2. Retention policies of public and private organizations may be reviewed keeping in view of the Needs of the employees and environmental conditions such as inflation, economic conditions and are to be considered for the growth of individual as well as organization.

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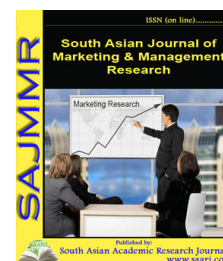
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A CONCEPTUAL MODEL TO EXPLAIN KEY FACTORS AFFECTING ISLAMIC BANKING ACCEPTANCE AMONG BANKS AND FINANCIAL SERVICES' CUSTOMERS

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ABSTRACT

Banking system as the most important and strongest financial institutions in the economy plays a key role in economic development in societies. In Islamic economics financial institutions should planned and implemented their activities accordance with Islamic law or Shariah. Islamic banking system in the Islamic economics has a unique and facilitating role in flourishing businesses, production and trade and finally reach to the ultimate goal namely development with social justice. To achieve this purpose Islamic banking should able to attract customers and gain their satisfaction in order to attract micro-savings and turn them into a massive investment to promote economic prosperity and development. Acceptance the Islamic banking plans and approaches by the customers are the key. Hence, this research aimed at identify and explain key factors affecting Islamic banking acceptance among banks and financial services' customers in Iran in the form of a conceptual model that can be theoretically and applied a high contribution. This research designed based on the mixed method approach namely both qualitative and quantitative phases have been implemented; first in qualitative phase using detailed literature review and research background and in-depth interviews with experts the research conceptual model has been provided, then in the second phase-quantitative- using survey method required data has been gathered from the customers of banking and financial institutions. Most significant finding of this research is the confirmed conceptual model to explain the Islamic banking acceptance among banking customers.

KEYWORDS: Customer, Islamic Banking, Marketing Management, Financial Services.

1. INTRODUCTION

Nowadays, banking is one of the most important economic sectors (Iravani et al, 2012). Indeed, Banks as the most important financial institution in money market and also the largest financial intermediaries in the economy (Mishkin, 2004: 8), received the deposits of depositors and instead pay loans and facilities to applicants and give interest (Frost, 2004: 14). In Islamic economics this role while maintaining the principles of Shariah has been granted to Islamic banks (Mousavian, 2002: 3). The origin of Shariah (Islamic Law) rulings on how Muslims should conduct their economic and financial affairs are as old as Islamic itself. Islamic banking as a rapidly growing area of world economics has an inevitable impact of the sustainable development on the host countries. Over the last couple decades or so, Islamic Banking and Finance has grown into a full fledged system and is still growing at an astonishing rate of 15% to 20%, which means it is doubling every 5 years. It can be witnessed by the fact that there are over 475 Islamic Financial Institutions in over 75 countries around the World (Malik et al, 2011). As a key financial sector, Islamic banking can lead to better circumstances for businesses and other economic participants.

Unique features of Islamic banking can contribute to creation added value for different sectors of the economy. Islamic banking is gaining popularity in emerging markets after successful performing in the global economics. Islamic banks have been less affected than many conventional banks in the current global recession. This is mainly because unlike conventional banks, the Islamic banks have not been exposed to losses from investment in toxic assets nor have they been dependent on wholesale funds since these practices are not in accordance with the principles set out in the Shariah Law. Also, it is noteworthy that to gain sustained and faster growing of Islamic banking in economic context it is important to be accepted by popular financial and banking customers. The Islamic banking system is known as a new banking method that provides different types of Islamic based principles services. This new banking method must compete with the conventional banking scheme. Therefore, Islamic banking system has attempted to provide new services to fulfill its customers' needs. But these services especially Islamic banking contracts and features have not been vastly accepted and used by its end users or customers (Jamshidi et al, 2014). Therefore, the main research purpose of this study is to identify the key factors affecting Islamic banking services and contracts acceptance by customers. Hence, the main research question is: what are the effective key factors affecting on the Islamic banking acceptance among banks and financial services' customers in I.R. Iran.

2. LITERATURE REVIEW

According to Davis (1989), the financial system is one of the most important designs of modern society. Its main duty is to transfer funds from saver sectors to investor sectors, to spend on the production of goods and services, to investment in new equipment, and to accelerate investment in society. It is generally recognized that the financial system plays a crucial role in the process of economic development and growth. As the economy grows the financial system becomes increasingly more compound and its structure more sophisticated (Sharofiddin and Bin-Yousoff, 2013). The term "Islamic Banking" is defined as the conduct of banking operations in consonance with Islamic teachings (Mirakhor, 2000; Haque et al, 2007). The emergence of Islamic banking system has created a new dimension to the current economic models (Fazlan & Mohammad, 2007). Islamic banking system is a financial system that while it must be based on Islamic Shariah, is able to provide benefits to individuals and society as well. Islamic banking scheme refers to a banking system which effort to achieve social and economic advancement by

taking into consideration right, wrong and ethics in daily financial and transactional operations. The provided potential benefits by Islamic banking system have extended its application around the globe (Jamshidi & Hussin, 2012). Islamic banking system has emerged as a competitive and a viable substitute for the conventional banking system during the last four decades. Islamic banking is a banking activity that is accordance with the laws of Islam (Islamic jurisprudence) and its practical application is in the development of Islamic economics. For complete implementation of Islamic banking, namely transition from interest free banking system and going forward to reach the total Islamic banking system, there are challenges and problems involved (Seyed-Javadin et al, 2014).

The most important mission of Islamic banks refers to establishing developed social and economic environment through the distribution of financial product and services that is in line with principle of Islam and Shariah (Metawa and Almossawi, 1998). These products and services should be presented to society and simultaneously be used by different clusters of customers. Since this banking system is stable in its nature, it would be able to improve economic growth of the countries that use this banking method (Jamshidi and Hussin, 2013 In Jamshidi et al, 2014). While the opportunities for Islamic banking will continue to grow, there is a need to develop products and services that are in line with the changing needs and demands of customers to remain competitive in the business (Thambiah et al, 2011). The introduction and development of Islamic banking systems is highly competitive not only in Islamic countries, but among non-Muslim countries as well (Abdul-Hamid, 2011). The Islamic banking advocators argued that Islamic method of banking as well as financing unlike conventional ones is fundamentally secure in its nature and therefore do not provide economic crash (Shayegani and Arani, 2012). Similarly, according to (Ahmad et al., 2011) Islamic banking system has the ability to enhance risk sharing in varied financial activities, promote productive activities that influence economic growth, economic stability of nations, provide positive influence on monetary system of countries, fair distribution of income. As a result, these potential profits have extended this economic phenomenon in different Muslim as well as non-Muslim nations (Jamshidi & Hussin, 2012).

Banking system and activities have a special and crucial status in Iran. Indeed, banking sector is the biggest body of Iranian service sector of economy (Safari & Safari, 2012). For successful economic and banking system in Iran it is essential and necessary to evolve from interest- free banking model into the integrated Islamic banking model. One of the areas that is needed to be particular planned is customers in this financial system. Many studies have been done in the area of banking in Iran regarding to the plenty of dimensions (Sadeghi & Heidarzadeh, 2010); but more and deeper researches is needed in the area of Islamic banking activities especially in the Islamic banking customers in order to clarify the vital and key role of customers in the area of economics to the related policy makers and top managers. One of the nodal points in the success of the Islamic banking system is fully accepted by their customers. If this system is accepted by the customers and executive mechanisms of Islamic banking contracts is implemented then sustainable development is achieved. Using detailed previous researches and studies (which will be studied in the next section) and also deep interviews the current research aimed to provide a conceptual model for the acceptance of Islamic banking by customers of banking and financial services.

3. Research background

In this section of the paper, based on a detailed study of previous research, in form of table 1, the major findings of previous researches related to the current study are presented and discussed. In this section tried to provide the most recent findings and related studies along with useful and convenient contributions.

TABLE 1. SIGNIFICANT RESEARCHES AND STUDIES RELATED TO THE RESEARCH BACKGROUND

| Scholars/ Researchers | Publishing Year | Contributions and Findings |
|--|-----------------|---|
| Seyedjavadin, Raei, Iravani & Safari | 2015 | This research tried to use empirical evidence to conceptualize and examine the critical success factors for implementing Islamic banking system in the banking sector of Iran. To achieve this purpose using mixed method approach the research framework has been designed and examined. Findings propose the fitted model of CSFs for successful Islamic banking implementation in the banking sector in Iran. |
| Rammal & Zurbruegg | 2014 | This study tried to examine the awareness of Muslim Australians of Islamic banking, particularly profit-and-loss sharing agreements. The results indicated that the majority of the respondents are interested in purchasing these products, but are not properly informed about how they function. It was common to find respondents who were keen to purchase Islamic banking products, but only if credit facilities were available. This is contrary to Islamic Shariah law, and suggests a lack of understanding of the principles of Islamic finance. |
| Jamshidi, Hussin, Hashemi, Wan & Mossafa | 2014 | This study that conducted in the Malaysia tried to identify and introduce the main factors that influence as well as enhance adoption of Islamic banking services among different clusters of users in Malaysia. |
| Sharofiddin & Bin-Yousoff | 2013 | This study investigated the challenges of conventional banking practice and prospects of introducing an Islamic bank to Tajikistan. The findings of this study show that relative advantage and awareness have a significant impact on the adoption of Islamic banking system in Tajikistan. Also, the other three independent variables such as product knowledge, trust and social norm have an insignificant relationship with the adoption of Islamic banking in Tajikistan. |
| Asif & Anjum | 2012 | The study analyzed the key determinants of the Islamic banking in the banking customers living in Peshawar KPK using a self-administered questionnaire to collect data from the customers. Using a multiple regression model the study analyzed the data collected from a sample of 45 respondents and the results of the study suggest that the positive aspects of the Islamic banking and the flaws of the interests based has a positive relationship with the acceptance of the Islamic |

| Scholars/ Researchers | Publishing Year | Contributions and Findings |
|---------------------------------|-----------------|---|
| Jamshidi & Hussin | 2012 | banking in Muslims across Peshawar KPK. This paper proposes a conceptual framework to explore factors that affect Islamic credit card adoption and usage by bank customers in Malaysia. The presented theoretical framework of this study would modify trust and attitude as two important constructs in numerous banking as well as adoption studies in the area of Islamic banking services adoption and particularly Islamic credit card. |
| Ling, Ling, Pey & Hui | 2012 | This research is conducted to enable the Islamic bankers to gain better understanding on the profile of non-Muslims in Malaysia and the non-Muslims awareness, understanding and perceptions levels towards Islamic banking in Malaysia. This study contributes to Islamic banking by enable the Islamic bankers to formulate different strategies and policies to attract more non-Muslims banking users. |
| Mahat & Ali | 2012 | This study investigated the reasons of limited practice of <i>Al-Mudharabah</i> modes of financing, especially <i>Al-Murabahah</i> and <i>Al-Bai Bithaman Ajil</i> . The survey was carried out among the Islamic banks and conventional banks which operate Islamic banking system in major cities and towns in Malaysia. This study focuses on banks selection criteria in considering <i>Al-Mudharabah</i> as well as the reasons for its limited usage. The findings showed that bankers ranked viability and profitability of a project as the most important in Selection Criteria, while inadequate managerial skill and entrepreneur irresponsibility as the main problems in extending financing through the said principle. |
| Malik, Malik & Mustafa | 2011 | This paper basically explored and highlighted all those controversies and challenges which are in minds of different school of thoughts and are needed to be addressed and overcome if Islamic banking continues flourishing the way it is at present. The authors have also tried to suggest suitable remedies to overcome these challenges where appropriate. |
| Thambiah, Santhapparaj Arumugam | Eze, & 2011 | This study aimed to analyze the difference in the awareness, perception, and preferences on IRB between the urban and rural banking customers of Malaysia. Hence, a comparative analysis was conducted based on 537 respondents representing both urban and rural regions of Malaysia. Results revealed that there is a significant difference in terms of awareness and on perceived complexity, uncertainty, and observability. There also seemed to be some variations for returns, loan repayment period, service charges, and overdraft facilities. |
| Thambiah, Ismail & Malarvizhi | 2011 | This paper proposed a conceptual design to examine factors affecting the adoption of Islamic retail banking services in |

| Scholars/ Researchers | Publishing Year | Contributions and Findings |
|-----------------------------|-----------------|--|
| | | Malaysia. Rogers' innovation diffusion theory (2003), underpins the theoretical framework of this study. The findings of this study provided compelling insights about Islamic retail banking usage in Malaysia, which will be useful to the financial institutions and policy makers to device appropriate marketing strategies. |
| Sadeghi & Heidarzadeh | 2010 | This paper mainly endeavoured to investigate the key factors underlying customer satisfaction with electronic banking services in banking system of Iran. The paper provided a model of seven factors on the following dimensions: convenience, accessibility, accuracy, security, usefulness, bank image, and web site design. Some of these factors illustrate a significant statistical difference between males and females. |
| Thambiah, Eze & Tan | 2010 | The research identified factors that influence the adoption of Islamic retail banking services among the banking consumers in Malaysia, specifically in the urban and sub urban regions of Malaysia. Also, this research tried to fill the gap in the literature by providing a framework to assess the adoption of retail Islamic banking services in Malaysia. |
| Marimuthu et al. | 2010 | This study offered a descriptive discussion of the acceptance of Islamic Banking; but a special focus was on the factors that determine acceptance of Islamic Banking. This considered vast sample respondents using a non-probability sampling. The results indicated that cost-benefits, service delivery, convenience, friends/relatives' influence do have significant relationships with the acceptance of Islamic Banking. |
| Haque, Osman & Hj- Ismai, | 2009 | This study analyzed and determined the perception, quality of services, availability of services, confidence in bank and social and religious perspective about Islamic banking system. A Logit model is employed to anticipate the effects of the explanatory variables. The analysis confirmed the significant positive relationship of quality of services, availability of services, social and religious perspective and confidence in bank with customers' perception about Islamic bank. These factors are expected to have great role for influencing customer mind. |
| Noman Khan, Hassan & Shahid | 2007 | This study investigated the banking behaviour of Islamic bank customers in Bangladesh. There was relationship between customers' awareness of Islamic bank products/services and customers' length of relationship with Islamic banks. Also, religious principles remained at the heart of people's preference for Islamic banks. This indicated that the banks should remain highly dedicated to Islamic principles. |
| Amin, Baba & | 2007 | This study adopted a technology acceptance model (TAM) to |

| Scholars/ Researchers | Publishing Year | Contributions and Findings |
|--|-----------------|--|
| Muhammad | | investigate factors that determine an individual's intention to use mobile banking among bank customers in Labuan and Kota Kinabalu. The TAM includes perceived credibility, perceived self-efficacy and normative pressure. Our results support the extended TAM in predicting bank customers' behavioural intention to use mobile banking. Determinants are perceived usefulness, perceived ease of use, perceived credibility and perceived self-efficacy. |
| Dusuki & Abdullah | 2007 | This paper examined the main factors that motivate customers to deal with Islamic banks particularly in a dual banking environment, like in the case of Malaysia. A discussion on factors relating to corporate social responsibility initiatives as part of potential customers' banking selection criteria is also included. This study revealed that the selection of Islamic banks appears to be predominantly a combination of Islamic and financial reputation and quality service offered by the bank. Other factors perceived to be important include good social responsibility practices, convenience and product price. |
| Karbhari, Y.; Naser, K. and Shahin, Z. | 2004 | This study investigated the main problems, challenges, and opportunities facing Islamic banking system especially with focus on the United Kingdom. Thus, the main contribution of this research was to provide empirical evidence on problems facing the Islamic banking in the West, with the UK as a case study. |
| Ahmad & Ahmad | 2004 | This study investigated the factors influencing credit risk of Islamic banking in Malaysia. This paper attempted to fill the gap in Islamic banking literature by examining the factors affecting credit risk of Islamic banking in Malaysia. The findings suggested several policy implications. |
| Nomani | 2003 | This research investigated the problem of interest and Islamic banking in a comparative perspective: the case of Egypt, Iran and Pakistan. It is concluded that the expansion of a modern and viable internationally orientated Islamic banking and finance depends mainly on the development of financial capital markets, more independent and transparent central banking in Muslim countries, and a more innovative and flexible approach to Shariah by different schools of law in Muslim countries. |
| Ahmad & Haron | 2002 | This study explored the perceptions of persons responsible in financial affairs of public listed companies in Malaysia. Among issues covered in this study were usage of conventional and Islamic banking facilities, respondents' understanding of Islamic banking system, and their personal opinion on various aspects of Islamic banking products. |

| Scholars/ Researchers | Publishing Year | Contributions and Findings |
|-----------------------|-----------------|--|
| Haron | 1998 | This paper examined the practices of Islamic banks from eleven Muslim countries. The selected areas include the usage of Shariah principles and the uses and sources of funds. Disparity exists especially in areas such as number of Shariah principles employed and its usage in banking activities. There are also differences in the sources and uses of funds among the sample banks. These differences are largely influenced by the economic development of the country in which the Islamic bank operates. |

4. METHODOLOGY AND DESIGN

Method

This research designed based on the mixed method approach namely both qualitative and quantitative phases have been implemented; first in qualitative phase using detailed literature review and research background and in-depth interviews with experts the research conceptual model has been provided, then in the second phase-quantitative- using survey method required data has been gathered from the customers of banking and financial institutions. Conducting mixed methods research involves collecting, analyzing, and interpreting quantitative and qualitative data in a single study or in a series of studies that investigate the same underlying phenomenon (Onwuegbuzie & Leech, 2006). Mixed research is defined as the class of research where the researcher mixes or combines quantitative and qualitative research techniques, methods, approaches, concepts or language in a single study or set of related studies. This type of research should be used when the contingencies suggest that it is likely to provide superior answers to a research question or set of research questions (Collins et al, 2006).

Population and sample

A complete set of elements that possess some common characteristic defined by the sampling criteria established by the researcher is called statistical population. The research population of current study in the qualitative phase was the experts related to the special field in both academicians and practitioners. Using theoretical sampling data has been gathered based on the qualitative interviews. Also, in the quantitative phase using survey research data has been gathered based on the researcher made questionnaire. The population in the quantitative phase of research was the customers of banks in Tehran city. Using systematic random sampling the sample size was equal to 220 customers. After sampling, distributed questionnaires were collected and were based for research analysis.

Validity and reliability

Validity encompasses the entire experimental concept and establishes whether the results obtained meet all of the requirements of the scientific research method. The idea behind reliability is that any significant results must be more than a one-off finding and be inherently repeatable. Other researchers must be able to perform exactly the same experiment, under the same conditions and generate the same results. This will reinforce the findings and ensure that the wider scientific community will accept the hypothesis. In the quantitative phase these

concepts are meaningful and applicable but in the qualitative phase of research these concepts not applicable in this form. To meet the validity and reliability in the qualitative phase it is necessary to apply appropriate the interview process including pre-preparation, requirements, implementation, recording and reporting. The modifications were applied along with performing interviews. In order to find the reliability and validity in the quantitative phase two major activities were carried; first for meet the validity after the finalization of the questionnaire the viewpoints of experts was used and exerted for the questionnaire and consequently the validation was achieved. Then to find the reliability of research tool namely questionnaire the Cronbach's alpha coefficient was used. Results of the analysis for the reliability have been presented in the table 2. The calculated Cronbach's alpha for the total of research was equals 0.84. Other calculations for the reliability have been provided in the table 2.

TABLE 2. RESULTS OF ANALYSIS FOR THE RELIABILITY OF RESEARCH

| No. | Item | N | Cronbach's alpha |
|-----|-----------------|-----|------------------|
| 1 | Trust | 220 | 0.811 |
| 2 | Awareness | 220 | 0.893 |
| 3 | Education | 220 | 0.799 |
| 4 | Attitude | 220 | 0.762 |
| 5 | Efficiency | 220 | 0.735 |
| 6 | Marketing | 220 | 0.804 |
| 7 | Responsiveness | 220 | 0.788 |
| 8 | Service quality | 220 | 0.844 |
| 9 | Economic status | 220 | 0.763 |
| 10 | Compatibility | 220 | 0.812 |
| - | Total | 220 | 0.841 |

5. Proposed conceptual model

In this section the research proposed conceptual model has been presented based on the detailed literature review and research background review and also deep experts' interviews. The model is consisting of ten basic dimensions and factors that identify as effective factors for the Islamic banking (IB) acceptance among customers of banking and financial services market.

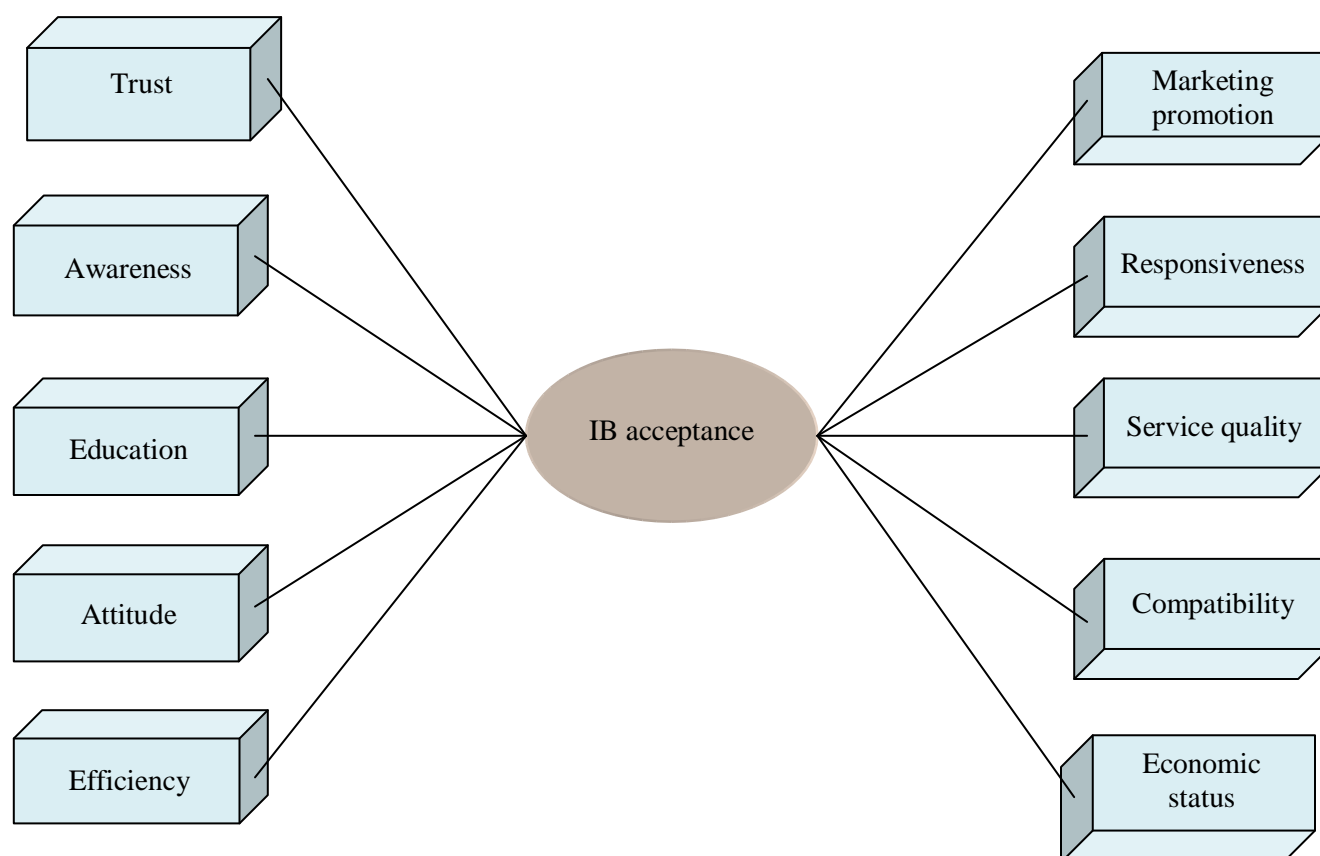


Figure 1. The research conceptual model

This conceptual model shows the important dimensions and factors that affected on the IB acceptance among customers of banking and financial services sector in the economy. This model consists of both economical (such as compatibility, economic status, efficiency) and managerial-behavioural factors (such as trust, awareness, attitude, service quality). Also, in this model the criterias, themes and key components of marketing have been embedded.

6. FINDINGS

In order to analyse the research proposed model using gathered data at first appropriate and convenient statistical tests have been implemented. Then to analyse the research model namely structural analysis SEM (Structural Equation Modeling) has been implemented. Structural equation modelling is a statistical technique for testing and estimating causal relations using a combination of statistical data and qualitative causal assumptions. Structural equation models (SEM) allow both confirmatory and exploratory modeling, meaning they are suited to both theory testing and theory development. In the following the one sample t-test has been implemented. Using this statistical test, the status of each factor of the research model is determined.

TABLE 3. RESULTS OF ANALYSIS ON STATISTICS

| Identified factors | N | Mean | Std. Deviation | Std. Error Mean |
|---------------------|-----|--------|----------------|-----------------|
| Trust | 220 | 6.3500 | 0.8823 | 0.1188 |
| Awareness | 220 | 6.7700 | 0.6312 | 0.1721 |
| Education | 220 | 6.4400 | 0.4483 | 0.2011 |
| Attitude | 220 | 6.3300 | 1.0206 | 0.1445 |
| Efficiency | 220 | 6.7100 | 1.1203 | 0.1946 |
| Marketing promotion | 220 | 6.6600 | 0.7919 | 0.2012 |
| Responsiveness | 220 | 6.4000 | 0.9127 | 0.1840 |
| Service quality | 220 | 6.7000 | 0.8814 | 0.1200 |
| Compatibility | 220 | 6.0700 | 1.0991 | 0.1911 |
| Economic status | 220 | 6.2800 | 0.8077 | 0.1358 |

TABLE 4. RESULTS OF ANALYSIS ON ONE-SAMPLE TEST

| Factors | t | df | Sig * (2-tailed) | Mean Difference | 99% Confidence Interval of the Difference | |
|---------------------|--------|-----|---------------------|--------------------|--|--------|
| | | | | | Lower | Upper |
| Trust | 25.914 | 219 | .000 | 2.27727 | 2.1041 | 2.4505 |
| Awareness | 23.006 | 219 | .000 | 1.91364 | 1.7497 | 2.0776 |
| Education | 23.524 | 219 | .000 | 1.96364 | 1.7991 | 2.1282 |
| Attitude | 21.136 | 219 | .000 | 1.76818 | 1.6033 | 1.9331 |
| Efficiency | 18.497 | 219 | .002 | 1.75000 | 1.5635 | 1.9365 |
| Marketing promotion | 29.993 | 219 | .000 | 2.21818 | 2.0724 | 2.3639 |
| Responsiveness | 25.872 | 219 | .000 | 1.89545 | 1.7511 | 2.0398 |
| Service quality | 29.416 | 219 | .000 | 2.24545 | 2.0950 | 2.3959 |
| Compatibility | 30.892 | 219 | .001 | 2.20909 | 2.0682 | 2.3500 |
| Economic status | 17.989 | 219 | .001 | 1.48182 | 1.3195 | 1.6442 |

* The amount of Sig. for this statistical test at the confidence level of 0.99 and $\alpha=0.01$

As the output of the one sample t-test shows all identified factors of this research were affected on the acceptance of Islamic banking. Results revealed that the significance amounts for all factors (Sig.) are lower than 0.05 and also the calculated amount of means for all factors are higher than the test value (equal with: test value= $(7+1)/2= 4$). Accordingly, all factors are significant and meaningful at a high level. Also, in the following the Radar graph has been used in order to show the status of all research factors simultaneously. The graph shows that some factors including awareness, service quality, market promotion activities and efficiency are more important factors for IB acceptance from the customers' viewpoints. Other factors have their importance as illustrated in the graph. This is a convenient map that helps managers and policymakers of the field.

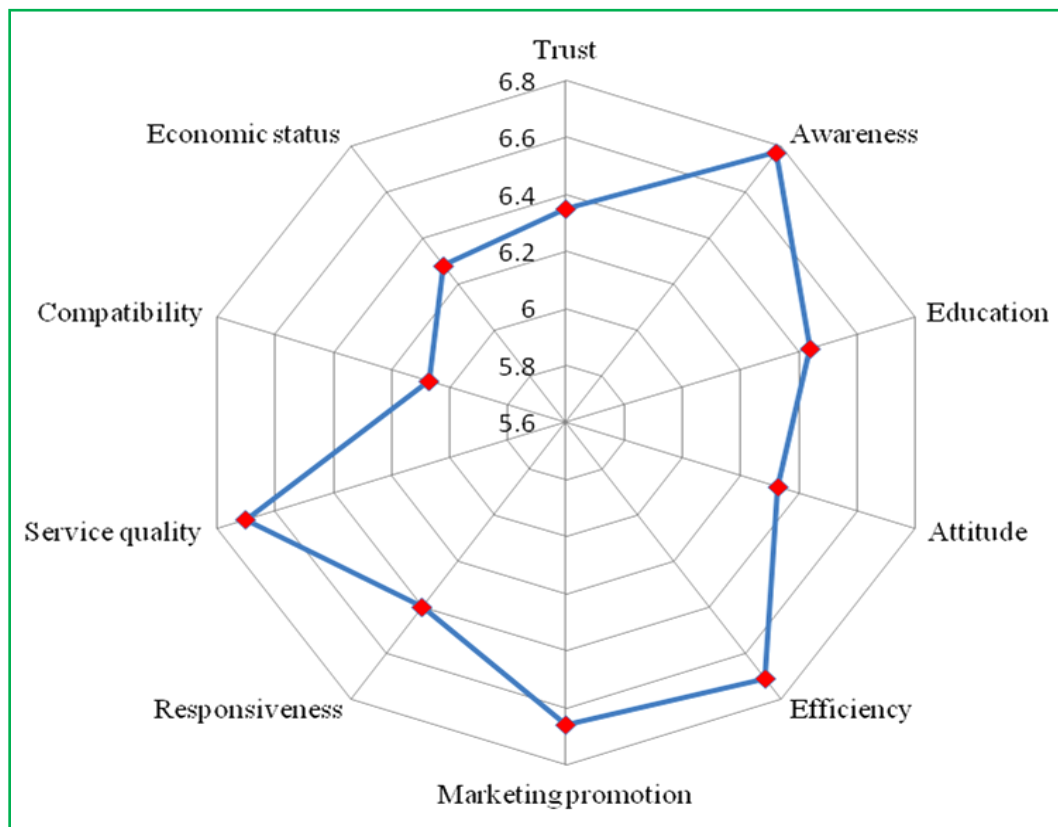


Figure 2. The Radar graph for analysis the status of research factors

In the following conceptual model using structural equation modeling has been analyzed and finalized model will be presented. For this purpose the Lisrel statistical software has been used.

To achieve the significant relationships and meaningful structural model, given that the accepted confidence level is 0.95 and $\alpha=0.05$, all calculated T-values should outside the range of ± 1.96 ; As Figure 3 shows, all values of elements are in accordance with mentioned statistical framework and therefore the proposed model is meaningful.

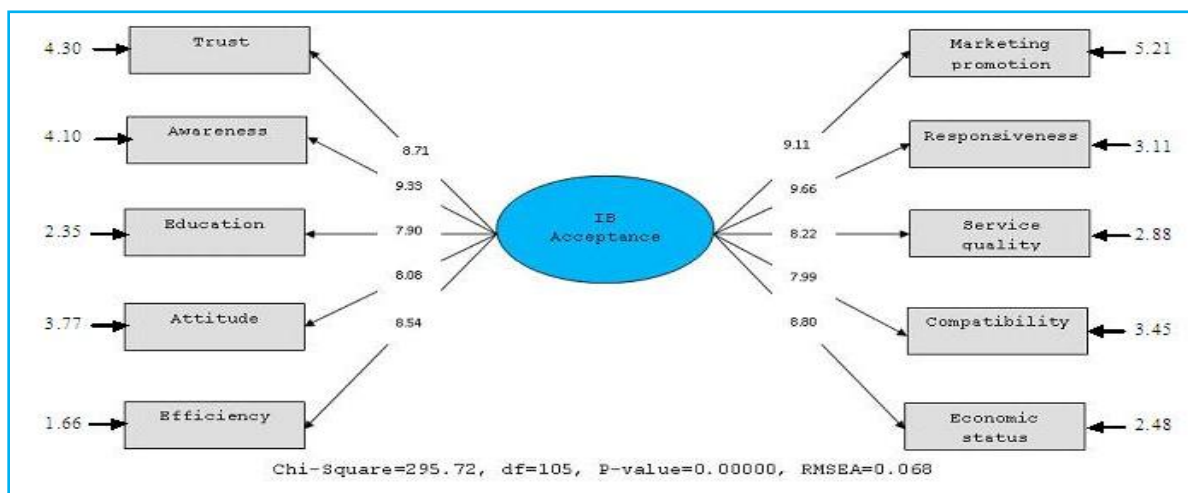


Figure 3. Results of structural model specifications according to t-values

Secondly the relationship between model dimensions accordance with standardized solutions- β coefficients- has been presented in the figure 4. All calculated coefficients including path-structural relationships between factors are above 0.5. Thus, the proposed research model is meaningful. Table 5 shows the all significant relationships for the model in order to measure the research proposed model.

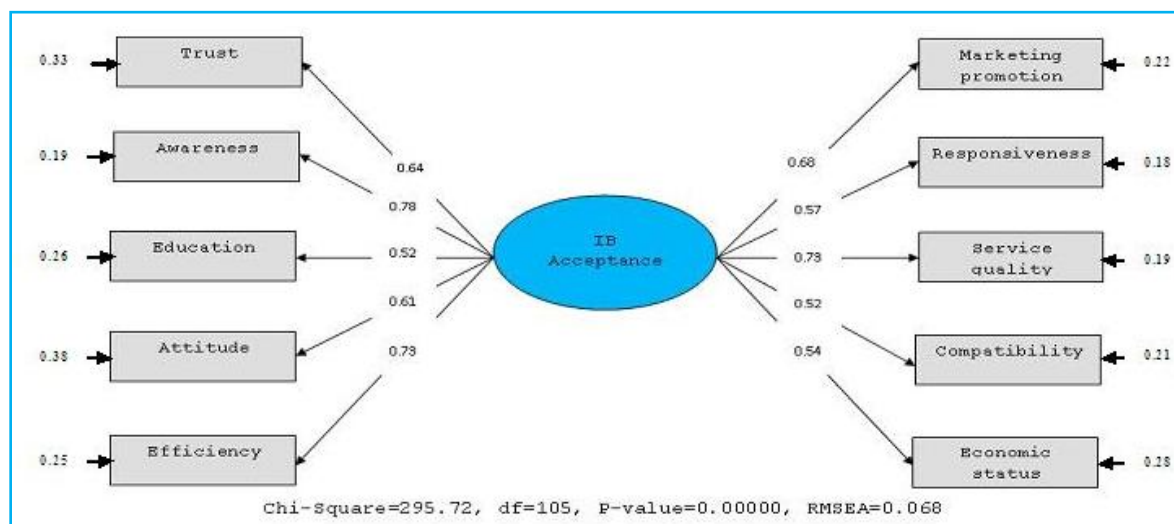


Figure 4. Results of structural model specifications according to standardized solutions

TABLE 5. SUMMARY OF FIT INDICES OF THE MODEL

| Fit indices | χ^2 | df | $\frac{\chi^2}{df}$ | P | GFI | AGFI | NFI | CFI | RMSEA |
|------------------|----------|-----|---------------------|--------|--------|--------|--------|-------------|--------------|
| Value | 295.72 | 105 | 2.81 | 0.000 | 0.89 | 0.94 | 0.92 | 0.91 | 0.068 |
| Suggested values | - | - | < 3 | < 0.05 | > 0.90 | > 0.90 | > 0.90 | \geq 0.90 | \leq 0.070 |

As table 5 shows, fitness parameters are in good condition for review and clarification of research model. This illustrate that proposed model is able to well explain the effective factors for Islamic banking acceptance among the customers and it also shows the effect of each factor.

7. CONCLUSION

In Islamic economics as a significant and considerable part of world's economy, Islamic banking can play a major role in balancing the financial system and consequently to prosperity of the Islamic economies system. For reach success of Islamic banking system in the economics customers are the key. That means the large number of customers should familiar with this system including its features, capabilities, functions and applications and accepts this system for financial and economic activities. This research aimed at identifies the effective factors to Islamic banking acceptance among customers in the form of a conceptual model. After design the research and implement the steps to achieve the conceptual model important factors - including ten basic factors- have been identified and presented. According to the previous researches, many other studies have the same or near factors or dimensions such as: (Jamshidi & Hussin, 2012; Jamshidi et al, 2014; Malik et al, 2011; Thambiah, 2011; Karbhari, 2004; Ahmad, 2004).

These factors were: customer trust to the banking system; customers' awareness to the complete information of Islamic banking features and financial and banking contract to have better interaction with this system; continuous education to the customers in order to better familiar with the system's characteristics and operations; enhancing attitudes of customers regarding to the system mainly using cultural activities; efficiency of the banking system in the operation phase of financial interactions and banking activities to enhance the customers' shared benefits; marketing promotions and activities to attract the potential customers to the banking system and financial activities of IB especially businesses, firms and economic actors; responsiveness of system to the all financial needs of customers; service quality of IB to the customers especially businesses and entrepreneurs; compatibility with the other parts of the economics' puzzle especially businesses and trade mechanisms; and economic status that refers to the economic conditions of country and customers in the markets including both families and businesses.

Based on the research findings it is revealed that to achieve a successful Islamic banking system in the economy it is important to see the customers again and do better planning to gain their acceptance regarding to this system. This research looked at this issue from the perspective of management and marketing. Especially cultural activities and programs and better marketing and advertising activities can help to customers' acceptance. In addition, transparency of financial activities in the Islamic banking system can also help in this matter.

8. LIMITATION AND FUTURE DIRECTIONS

Despite this research pay attention to the important issue namely Islamic banking and economics from a key perspective, but it is important to design new studies and researches to the other aspects that lead to the success of the Islamic banking system. Future researchers are recommended to plan and execute studies regarding to the role of strategic management and planning in the successful of Islamic banking system. Also, the basic aspects of marketing management in the IB implementation and acceptance by customers should be studies to reveal the role of these top managerial findings in the field of research. Also, it is important to study this issue from the perspective of managers and policy makers and the results be compared.

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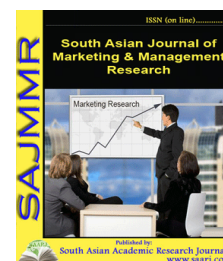
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E-GOVERNANCE: A CITIZENS' PERCEPTION

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ABSTRACT

The swift development, growth and proliferation of the internet based services have led to the option and acceptance of these information and communication technologies (ICT) and have also seeped in to the public services. In fact offering web based e- governance services has become a global trend. Web based services have also been implemented by the Indian government to its citizens as ICT has become an important part of routine life. E-governance is used to deliver and communicate information about government services such as VAT, Vehicle Registrations, and other taxes, Declarations to police, government bids, Enrollment in higher education, Application for building permission, Change of address, Registration of new company, and tenders etc. to its citizens for better governance. This paper focuses on a descriptive analysis by identifying the relationship between demographic factors such as gender, age, education and occupation and the perceived relative advantage, perceived internet advantage, perceived reliability, and perceived safety.

KEYWORDS: E- Governance, India, Demographic Variables, Relative Advantage, Perception

INTRODUCTION

“Governance refers to the capacity of governing systems to coordinate policy and to solve public problems in a complex context”[1]. The origin of the word governance comes from a Greek word, Kebernon meaning ‘to steer’. Though today, to govern not only would mean to steer but also to control and to influence from a position of authority “Governance” of a nation is defined as the manner in which power is exercised in the management of a country [2]. No matter what kind of government governs and controls a nation whether capitalist, socialist, democratic or republic; the government is the backbone of every nation. To be an effective one public welfare should be the key agenda. In the late 1990’s there was a global wave of change and ICT became the much sort after way of life. The advent of ICT revolutionized the global competition changing the way private and public organizations reinvent themselves, adapting and undergoing ‘continuous non – linear innovation’ both for survival and ongoing subsistence [3]. The dawn of e- governance has opened new vista’s of opportunities to enhance governance through improved efficiency, enhanced citizen participation, new services and strengthening of the global information infrastructure [4]. Just like any technological system, e- governance also brings along a numerous benefits the greatest advantage being to create a ‘single window’ through which citizens can access 24x7, reduces data entry errors cutting down human contact, increases transparency, safety and improves service quality of services provided.

E-governance and e-government are used alternately, but there exists distinction between the two. E- governance is a term covering a wider spectrum such as decision making processes, state’s institutional arrangements, using ICT, civil society and political institutions to promote interaction with citizens. E-governance embraces e-democracy, e-voting, e-justice, e-education, e-health care and so on. Whereas E- Government uses ICT to promote efficient, cost effective & convenient government services, allowing greater public access to information.

LITERATURE REVIEW

The role of demographic characteristics of individuals such as age, experience, gender, education and intention to use technology has been explored in the B2C e-commerce [5]. The effectiveness of these characteristics in e-government adoption is yet to be substantiated theoretically and empirically. Researchers Carter and Belanger [6] have found that the acceptance of e-government systems is not simply a technological concern. Adoption of e-government by users is largely affected by social, human, organisational and cultural factors. Titah and Barki [7] suggest that apart from organizational factors, individual beliefs of citizens significantly influence adoption of e-government services. Gilbert and Balestrini [8] combined attitude based and service quality based approaches. His research model analyzed the relationship between dependent variable (willingness to use e-government services) and independent variables (perceived barriers and perceived relative benefits). Age is shown to influence the adoption of e-government. Many other scholars [5], [9] have also examined a direct effect of age on the behavioural intention, adoption and usage behaviours. Dwivedi and Weerakkody, [10] has also considered age to differentiate between adopters and non-adopters of e-government.

A number of researchers discovered that gender play a vital role when technology adoption and usage is considered. Anderson and Young 1999 concluded that male uses more computer than females. Thereby they are accepts the technological advancements more readily than females. Morris and Venkatesh [9] also showed gender differences to exist in technology-adoption context. In an attempt to explore the possibility of gender difference in adoption of e-government

services, a study in Turkey found that gender differences were huge in terms of "perceived acceptance of Internet and e-government" [11] and concluded that gender gap existed in accessing the Internet and e-government.

Choudrie and Lee [12] stated that education qualification is one of the most important demographic factors that affect the acceptance of new innovations. Shalini [13] also mentioned that citizens vary in their preferences, backgrounds; educational level, annual income, experience in using internet and experience in using computers, their intention to use e-government services and actual use vary from one group to another. Warkentin et al. [14] argue that characteristics of online users like internet experience influences citizen's trust on e-government. If the user has prior experience, especially satisfying, the likelihood of the use of e-government services will be more. Cho [15] measured frequency of internet use, duration of experience to use internet, approximate time spent per week, and average time spent per visit and analyzed the likelihood to undertake an online transaction. Experience and skill to use Internet and computer was also studied by Pilling and Boeltzig [16].

On the other hand some researchers such as Tolbert and Mossberger [17] argue that factors like factors, gender, age, income, race, ethnicity, partisanship, and frequency of use provide no explanatory power in predicting e-government use. Research of Dimitrova and Chen [18] takes a step further in the direction of exploring 'non demographic characteristics on adoption of e-government services. Their research suggests that "there is consensus in the e-government literature that those with higher education and higher income are more likely to use e-government information and services". They argue that apart from demographic characteristics such as; race, income, and education; non-demographic characteristics of an individual such as 'civic mindedness' play an equally important role in adoption of e-government services. Their research suggests that the "three aspects (of civic mindedness, namely); social contact, prior interest in e-government, and media use of public affairs" enhances civic engagement and increases the likelihood of "use of electronic means by citizens to interact with government". Following this further, Dijk et al [19] stated that acceptance and use is a dynamic process. Their result demonstrates that socio-demographic and psychological factors did not influence e-government acceptance and usage.

The adoption of e-government was studied by a number of researchers in different countries. Some of the empirical studies were conducted in, Singapore by Fu et al. [20]; Netherlands by Horst et al [21]; Turkey by [11]; USA by Carter and Belanger [22]. Each of these studies explored factors like gender difference and non – demographic characteristics. Ndou [3] observed that some of the developing countries like India, Philippines or Chile designed e-governance with the motive of increasing transparency. E- Governance "offers the potential of reshaping the public sector activities and processes, building relationships between citizens and the government, enhancing transparency, increasing government capacity and providing a "voice" for those outside the government". Diwivedi and Bharti [23] express that in spite of poor infrastructure, low levels of literacy, poverty etc, there have been successful e-governance projects in India and there is a potential for more such e-projects. The authors also concluded that e-governance has worked towards reduction in corruption and cost and is an affordable and faster mode of service. Shah [24] also addressed security as main concern for citizens and redefining rules and procedures, information transparency, access to right information etc are main concerns of government.

RESEARCH METHODOLOGY

Objective of study

The objectives of this research are:

1. To assess the extent to which citizens perceive e-government system to be advantageous, safe and reliable.
2. To determine the relationship between demographic variables and citizens perception about e-government

Research Hypothesis

Hypothesis 1

H0: Citizens do not perceive that e-government system is safe, reliable, and has relative and internet advantages

Hypothesis 2

H0: There is no difference between citizens' perception about e-government in terms of gender, age, level of education and occupation.

Tool for Data Collection:

The study employs primary data collected by a self-administered questionnaire. Respondents were not told about the actual purpose of the study to ensure unbiased responses. The questions were framed as closed ended to ensure high response rate. The respondents were presented certain statements like 'I believe e-governance systems are convenient as compared to the traditional mode' or 'I believe e - governance systems provide easy access to government schemes ' and their responses were collected on five point Likert scale (5- strongly agree & 1- strongly disagree). High level of validity was ensured through pilot test of the questionnaire with 40 respondents. Their views were incorporated in the final questionnaire.

Participants:

Convenient sampling method was used to select the respondents. The participants were contacted directly or through internet. The survey was carried during April- May 2012. The total number of questionnaire distributed was 250. We received 154 fully responded questionnaires. Thus the response rate was 61%.

Data Analysis

Descriptive Statistics

The first section of the questionnaire intends to collect some information about the respondents' background. The research sample consists of 103 males (Two third 66.9%) and 51 females (One third 33.1%) from different regions, (See Table 1). Almost half of the respondents (41%) are in the age range from 18 to 25, which suggests a considerable amount of experience in using computers and internet. The respondents' distribution regarding the education level is as follows: 7.7% had Higher Secondary School; 51% have a Graduate degree, 46.8% obtained a higher education (Master degree) and 12.3% were professionals, which indicates that this sample represents highly educated citizens. Further, statistics related to occupation of respondents' shows that a significant number of respondents belong to the service category (37%), followed by business class (13.6%).

TABLE 1: DEMOGRAPHIC DETAIL OF PARTICIPANTS

| | | Frequency | Percent | Cumulative Percent |
|-----------------------|---------------|-----------|---------|--------------------|
| Gender | Female | 51 | 33.1 | 33.1 |
| | Male | 103 | 66.9 | 100.0 |
| | Total | 154 | 100.0 | 100.0 |
| Age (in years) | 18-25 | 63 | 40.9 | 40.9 |
| | 26-35 | 46 | 29.9 | 70.8 |
| | 36-45 | 28 | 18.2 | 89.0 |
| | Above 45 | 17 | 11.0 | 100.0 |
| | Total | 154 | 100.0 | 100.0 |
| Education | Graduate | 51 | 33.1 | 33.1 |
| | H.Sc | 12 | 7.7 | 40.8 |
| | Post Graduate | 72 | 46.8 | 87.6 |
| | Professional | 19 | 12.3 | 100.0 |
| | Total | 154 | 100.0 | 100.0 |
| Occupation | Business | 20 | 13 | 13 |
| | Housewife | 7 | 4.5 | 17.5 |
| | Professional | 18 | 11.7 | 29.2 |
| | Service | 58 | 37.7 | 66.9 |
| | Student | 45 | 29.2 | 96.1 |
| | Other | 6 | 3.9 | 100.0 |
| | Total | 154 | 100.0 | 100.0 |

This research is concerned with investigating to what extent citizens perceive that e-government system is safe, reliable and its relative advantage and internet advantage. To test the first hypothesis (H1), the descriptive statistics seem to be most appropriate method for analysis. As it is stated, citizens do not perceive e-government system to be safe, reliable and its relative advantage and internet advantage. It is important to test the real perceptions of citizens, and the only way to know that is through their levels of agreement with the items that measure the perceived relative advantage. The average response for each of the perceived relative advantage items is below the midpoint (3) of Likert scale (see Table 2). This means that the respondents show a high level of agreement and their answers range between agree and strongly agree.

TABLE 2: DESCRIPTIVE STATISTICS OF PERCEIVED RELATIVE ADVANTAGE

| Factors | N | Minimum | Maximum | Mean | Standard Deviation |
|--|-----|---------|---------|--------|--------------------|
| Reducing Corruption | 154 | 1 | 5 | 1.9700 | 1.12800 |
| Convenient as compared to the traditional mode | 154 | 1 | 5 | 1.7727 | 0.83645 |
| Easy access to government schemes | 154 | 1 | 5 | 1.8506 | 0.89867 |
| Cost effective | 154 | 1 | 5 | 1.8800 | 0.79700 |
| Deadlines and time schedules | 154 | 1 | 5 | 1.9800 | 0.96700 |
| Less human intervention | 154 | 1 | 5 | 2.0909 | 0.88091 |

| | | | | | |
|---|------------|----------|-----------|----------------|----------------|
| Service quality | 154 | 1 | 5 | 2.0300 | 0.93200 |
| Access to government services from anywhere | 154 | 1 | 5 | 1.9610 | 0.96935 |
| Accountability and transparency | 154 | 1 | 5 | 2.1429 | 0.86643 |
| Total | 154 | 9 | 44 | 17.6623 | 5.91688 |

In relation to perceived internet advantage (See table 3), averages of the items deviate slightly from 3, it is still close to the scale midpoint. Clearly, the answers of the respondents were around neutral more than disagree or strongly disagree. Largely the respondents find e-government useful for downloading forms and also perceive it to be useful as it lowers queuing and travelling time.

TABLE 3: DESCRIPTIVE STATISTICS OF PERCEIVED INTERNET ADVANTAGE

| Factors | N | Minimum | Maximum | Mean | Standard Deviation |
|---|------------|----------|-----------|----------------|--------------------|
| Search engines are easily accessible | 154 | 1 | 5 | 2.4740 | 0.89441 |
| Forums or chat rooms are helpful | 154 | 1 | 5 | 2.7987 | 0.93850 |
| Usefulness of downloadable forms facility | 154 | 1 | 5 | 1.9675 | 0.93877 |
| Lowers travelling and queuing time | 154 | 1 | 5 | 2.1104 | 0.93278 |
| Concessions and freebies | 154 | 1 | 5 | 3.0974 | 0.98862 |
| Total | 154 | 5 | 21 | 12.4481 | 2.92620 |

With regards to perceived reliability, answers mainly range between strongly agree and agree. Interestingly the general perception of citizens toward reliability is positive. (See Table 4)

TABLE 4: DESCRIPTIVE STATISTICS OF PERCEIVED RELIABILITY

| Factors | N | Minimum | Maximum | Mean | Standard Deviation |
|---|------------|----------|-----------|---------------|--------------------|
| Treats everyone equally | 154 | 1 | 5 | 1.9870 | 0.91457 |
| Increase government control and/or intervention | 154 | 1 | 5 | 2.6234 | 1.03582 |
| Trustworthy | 154 | 1 | 5 | 2.4351 | 0.91413 |
| Total | 154 | 3 | 14 | 7.0455 | 2.06540 |

The average responses of perceived safety lie around the midpoint (3), which indicates that the answers were not at the extreme points of scale i.e strongly agree and strongly disagree. Significantly strengthening risk management is changing citizens' perception about safety concern in using e-government. (See Table 5)

TABLE 5: DESCRIPTIVE STATISTICS OF PERCEIVED SAFETY

| Factors | N | Minimum | Maximum | Mean | Standard Deviation |
|--------------------------------------|------------|----------|-----------|---------------|--------------------|
| Risk of fraudulent transactions | 154 | 1 | 5 | 2.9416 | 0.99171 |
| Loss of confidentiality and security | 154 | 1 | 5 | 3.0779 | 1.05119 |
| Total | 154 | 2 | 10 | 6.0195 | 1.70532 |

The One-Way ANOVA test was used to analyze if there are any differences in citizens perception of e-governance attributed to the age, gender, education and occupation. The result shows that only perception of reliability differs in terms of gender ($F = 3.596$, $P < .10$). Thus, we reject null hypothesis that claims there are no differences between citizens perception of reliability in terms of gender. Other than reliability, gender doesn't make any difference in citizens' perception about different attributes of e-government. Thus null hypothesis will be accepted for other three variables (See Table 6).

TABLE 6: ONE-WAY ANOVA FOR PERCEPTION OF E-GOVERNMENT AND GENDER

| | Sum of Squares | df | Mean Square | F | Sig. |
|----------------------------------|----------------|-----|-------------|-------|------|
| Perception of Relative Advantage | | | | | |
| Between Groups | 45.097 | 1 | 45.097 | 1.291 | .258 |
| Within Groups | 5311.345 | 152 | 34.943 | | |
| Total | 5356.442 | 153 | | | |
| Perception of Internet Advantage | | | | | |
| Between Groups | .039 | 1 | .039 | .004 | .947 |
| Within Groups | 1310.046 | 152 | 8.619 | | |
| Total | 1310.084 | 153 | | | |
| Perception of Reliability | | | | | |
| Between Groups | 15.082 | 1 | 15.082 | 3.596 | .060 |
| Within Groups | 637.599 | 152 | 4.195 | | |
| Total | 652.682 | 153 | | | |
| Perception of Safety | | | | | |
| Between Groups | 2.928 | 1 | 2.928 | 1.007 | .317 |
| Within Groups | 442.014 | 152 | 2.908 | | |
| Total | 444.942 | 153 | | | |

Looking at the results, null hypothesis is accepted for all the cases listed below. As it can be seen that in all cases value of $P > .10$. In other words, there is no difference between perception of citizens regarding e-government system and their age (See Table 7). A similar analysis can be put up for relationship between perception of e-government and education and occupation of citizens (See Table 8& 9).

TABLE 7: ONE-WAY ANOVA FOR PERCEPTION OF E-GOVERNMENT AND AGE

| | Sum of Squares | df | Mean Square | F | Sig. |
|----------------------------------|----------------|-----|-------------|-------|------|
| Perception of Relative Advantage | | | | | |
| Between Groups | 206.775 | 3 | 68.925 | 2.008 | .115 |
| Within Groups | 5149.666 | 150 | 34.331 | | |
| Total | 5356.442 | 153 | | | |
| Perception of Internet Advantage | | | | | |
| Between Groups | 25.187 | 3 | 8.396 | .980 | .404 |
| Within Groups | 1284.897 | 150 | 8.566 | | |
| Total | 1310.084 | 153 | | | |

| | | | | | | |
|---------------------------|----------------|---------|-----|-------|------|------|
| Perception of Reliability | Between Groups | 10.254 | 3 | 3.418 | .798 | .497 |
| | Within Groups | 642.428 | 150 | 4.283 | | |
| | Total | 652.682 | 153 | | | |
| Perception of Safety | Between Groups | 3.236 | 3 | 1.079 | .366 | .777 |
| | Within Groups | 441.706 | 150 | 2.945 | | |
| | Total | 444.942 | 153 | | | |

TABLE 8: ONE-WAY ANOVA FOR PERCEPTION OF E-GOVERNMENT AND EDUCATION

| | | Sum of Squares | df | Mean Square | F | Sig. |
|----------------------------------|----------------|----------------|-----|-------------|-------|------|
| Perception of Relative Advantage | Between Groups | 12.711 | 3 | 4.237 | .119 | .949 |
| | Within Groups | 5343.731 | 150 | 35.625 | | |
| | Total | 5356.442 | 153 | | | |
| Perception of Internet Advantage | Between Groups | 4.038 | 3 | 1.346 | .155 | .927 |
| | Within Groups | 1306.047 | 150 | 8.707 | | |
| | Total | 1310.084 | 153 | | | |
| Perception of Reliability | Between Groups | 20.178 | 3 | 6.726 | 1.595 | .193 |
| | Within Groups | 632.504 | 150 | 4.217 | | |
| | Total | 652.682 | 153 | | | |
| Perception of Safety | Between Groups | 5.073 | 3 | 1.691 | .577 | .631 |
| | Within Groups | 439.869 | 150 | 2.932 | | |
| | Total | 444.942 | 153 | | | |

TABLE 9: ONE-WAY ANOVA FOR PERCEPTION OF E-GOVERNMENT AND OCCUPATION

| | | Sum of Squares | df | Mean Square | F | Sig. |
|----------------------------------|----------------|----------------|-----|-------------|-------|------|
| Perception of Relative Advantage | Between Groups | 295.437 | 5 | 59.087 | 1.728 | .132 |
| | Within Groups | 5061.005 | 148 | 34.196 | | |
| | Total | 5356.442 | 153 | | | |
| Perception of Internet Advantage | Between Groups | 33.012 | 5 | 6.602 | .765 | .576 |
| | Within Groups | 1277.072 | 148 | 8.629 | | |
| | Total | 1310.084 | 153 | | | |
| Perception of Reliability | Between Groups | 26.738 | 5 | 5.348 | 1.264 | .282 |
| | Within Groups | 625.943 | 148 | 4.229 | | |

| | | | | | | |
|----------------------|----------------|---------|-----|-------|-------|------|
| | Total | 652.682 | 153 | | | |
| Perception of Safety | Between Groups | 14.887 | 5 | 2.977 | 1.025 | .405 |
| | Within Groups | 430.054 | 148 | 2.906 | | |
| | Total | 444.942 | 153 | | | |

CONCLUSION

To strengthen existing relationships and build new partnerships within civil society ICT is transforming the governmental processes in serving citizens (G2C), businesses (G2B) and governments (G2G). Government agencies and departments are taking initiatives to use ICT tools and applications, Internet and mobile devices to support good governance [25]. Summarizing the findings, some of the crucial factors that led to the preference of e-governance system are the relative advantage, internet advantage and reliability. Security is still a concern for citizens. The outcome of the above research indicates that Indian citizens' demographic factors do not influence e-government acceptance and usage. Future research could look at other demographic variables such as, income level, profession, place of residence, marital status, etc. as this has been a limitation of the current paper.

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