THE MEDIATING EFFECT OF GOOD GOVERNANCE ON THE RELATIONSHIP BETWEEN E-GOVERNMENT AND PUBLIC TRUST IN LEBANON

By

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Abstract

The main objective of this research is to study the mediating effect of good governance on the relationship between e-government and public trust in Lebanon. As an effective tool for economic reform, there is a need to adopt e-government practices to enhance the public trust towards the government. Based on extensive literature review and conceptual background including the theories of institutional-based trust and the diffusion of innovation, the theoretical research framework was developed. Primary data was collected using survey involving 400 Lebanese employees in Beirut. The data have been analyzed using Structural Equation Modeling (SEM). The research findings revealed that eight hypotheses were accepted while five hypothesis were rejected indicating that e-government practices including e-services have a significant and positive effect on both good governance and public trust in Lebanon. However, e-administration has a positive effect on good governance but not on public trust. E-procurement has insignificant effect on both good governance and public trust. Good governance has a positive and significant effect on public trust, but it has no mediating effect on the relationship between e-government including e-administration and public trust. The findings also show that good governance mediates the effect of both e-service and e-procurement on public trust. This research contributes practically by offering practitioners and policy makers in governments the guidelines on how they can empower and build citizens’ trust by providing efficient, transparent and accountable government services. Future studies are suggested to extend the research empirically in terms of respondents, geographical location and methodology of analysis.

Keywords: e-government, good governance, public trust, Lebanon
Abstrak


Kata kunci: e-kerajaan, tadbir usur yang baik, kepercayaan awam, Lubnan.
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Finally, I would like to dedicate this PhD thesis to my country Lebanon, to my second home country Malaysia, to my parents and to my wife.
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List of Abbreviations

ACC  Accountability
ANAO  Australian National Audit Office
AVE  Average Variance Extracted
CAS  Central Administration of Statistics
CDR  Council for Development and Reconstruction
CFA  Confirmatory Factor Analysis
CPI  Corruption Perception Index
CR  Composite Reliability
CVE  Cumulative variance explained
DOI  Diffusion of Innovation
EA  E-administration
EF  Efficiency
EFA  Exploratory Factor Analysis
EGUS  E-government User Satisfaction
EP  E-Procurement
ES  E-service
FDI  Foreign direct investment
GDP  Gross Domestic Production
ICT  Information and Communication Technology
KMO  Kaiser-Meyer-Olkin
MET  Ministry of Economy and Trade
MI  Modification Indices
MICTC  Ministerial ICT Committee
MINA  Middle East and North Africa
MSA  Measures of Sampling Adequacy
OECD  Organization for Economic Cooperation and Development
OMSAR  Office of the Minister of State for Administrative Reform
PCA  Professional Computer Association
PLS  Partial Least Squares
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<td>Telecommunication Regulatory Authority</td>
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<td>Transparency</td>
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<td>UNDP</td>
<td>United Nations Development Programme</td>
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CHAPTER ONE

INTRODUCTION

1.1 Introduction

Recently, economic reform has been the main concern of many contemporary politicians and economists all over the world. It is obvious that all countries, including the developed and the less developed as well, are seeking to achieve one major goal; which is improving and sustaining the economic growth. However, there is delay in development which is due to the weak financial planning, lack of good governance\(^1\), shortage of technology, weakness in the investments, lack of trust\(^2\) in government, and inappropriate achieving progress. Smith (2010) claimed that most recent survey studies have shown a worrying trend of declining trust in institutions of democratic governance, in which this form of trust as well as the good governance, play a key role regarding the social and economic progress (Ahrens, 2006; Hong & Yan, 1997). Hence, this research focuses on the use of information and communication technology (ICT) in government practices, mainly e-government\(^3\) or electronic government which is considered recently as one of the most leading aspects of the economic reform. Sequentially, the transformation of typical economies into e-economy enhances the overall economic growth within the nation, making it the most common unit of governance in both, the developed and the developing world (El Gawady, 2005).

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\(^1\) Good governance is the transformative view of the governance that controls corruption and improves services delivery. This view is the processes by which organization are directed, controlled, and held to account, in order to match the needs of the community through the efficient use of the resources.

\(^2\) Trust is defined as a leaning to believe positively by the other party’s action with expectation in a responsible way. It facilitates cooperative performance and leads people to engage in the transactions of government.

\(^3\) E-government is defined as a tool that combines the ICT to attain better government performance, in addition to the improvement of its quality of services regarding businesses and citizens. These services facilitate access to information and accountability that make the economy more efficient and transparent.
The contents of the thesis is for internal user only
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