



## E-Governmental Services for Entrepreneurs in Mashhad, Iran: An Empirical Study

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Available online at: [www.isca.in](http://www.isca.in), [www.isca.me](http://www.isca.me)

Received 25<sup>th</sup> April 2014, revised 17<sup>th</sup> May 2014, accepted 28<sup>th</sup> May 2014

### Abstract

*Today, our world is a world of “E”; it’s enough to put an ‘e’ before any word to project the latest changes in that field, be it E-mail, E-banking, E-city, E-survey...the list can be endless. The objective of this research is to determine methods to improve the effectiveness of internet-based services for solving needs of the society of consumers and providers of entrepreneurship governmental services, with respect to time, administration and transportation costs. The importance of this research lies in the necessity of comfortable, fast and accurate access of the internet, which could have an effective impact in preventing wastage of time, costs and insecurity. The research, therefore, deliberates on two vital questions: i. How much are the current E-Governmental services useful and necessary? 2. Can we improve the services currently provided by increasing internet services? ii. Through this paper, we also aim to present a modified version of the current e-governmental service website, which could help in achieving better results. For our paper, we have conducted our research in a society comprising governmental entrepreneurship and educational centers in the city of Mashhad. This society has been chosen for our research as it is the most educated and accessible society in this field. Our sample consists of 20 entrepreneurship centers. Our method of data collection comprises of questionnaires and interviews, in addition to asking for innovative ideas from the persons interviewed. Analysis of around 50 web sites related to the field of entrepreneurship was also done.*

**Keywords:** Electronic government, governmental services, entrepreneurship, internet websites services.

### Introduction

The Studies of the Global Entrepreneurship Monitor (GEM) embodies the very significant sources for statistical analysis of the relative aspects between governmental enterprise, entrepreneurship and economy. As a research program launched in 1999, GEM offers annual valuations of the level of entrepreneurship nationally. The GEM measures national entrepreneurial activity as a ratio of the people who comprise the labor force and are either dynamically involved in start-ups and/or have managed a business which are less than 42 months old. Every year, as part of the Adult Population Survey (APS), GEM conducts high volume interviews with people around the world. The results are checked concisely before a series of pointers are refined. They offer valuable perceptions regarding global and national entrepreneurship. For 2012, the GEM puts the total initial start-up entrepreneurial activities in Iran at (TEA) 10.8<sup>1</sup>. The E-Gov. (Electronic Government or Electronic Governance) field emerged in late 1990's as a frame work for sharing know-hows among experts. Over the years, E-Gov. has provided ever increasing scientific content and several dedicated journals have now emerged. As the field has grown to a significant extent, both its contents and position in context of other research arenas and disciplines requires explanations and discussions<sup>2</sup>.

Recently global governments have gained awareness of the role of Information Technologies (IT) sector in enhancing efficient

services. The development of web portals and government online services offer governmental services directly and their employees are now easily accessible to their citizens. This in turn improves the consumption and dissemination of information. Globalization, democracy and IT revolution have brought incessant changes in the human society through diligent intermingling with one another. The magnitude of such major transformation demands changes in the theory of governance where autocratic public power has to be replaced by a kind of cooperative governance where the government, market and civil society work as collaborative partners. It is E-governance which will offer resolution for public problems. The IT based partnership will make the globe seamless in time, space and all else. In the 19th century the industrial revolution wrought irrevocable changes, so too, in the 21st century no one can turn a blind eye to the momentous transformation in progress<sup>3</sup>.

E-government is a big opportunity to provide services to all citizens, and then there is challenging issues<sup>4</sup>. Future challenges for E-government are: Privacy issues, Security issues, Economical issues, Acceptance issues, required technologies issue, Presenting useful information and services, Language and communication issues and Geographical historical issues. Public institutions must increase services quality by forming an infrastructure with use of information technologies. And governments use this information technology. People must be able to use feature technology that provided services become beneficial. In short form we can say it's wasting to have

something and do not using that. It is just like a bee without honey. Enhancing effectiveness and optimizing public services will provide benefits for e-government evaluation. In many countries, more than 60% of public goods are provided by the local or regional governments.

A broader definition of entrepreneurship that encompasses entrepreneurs as continual learners<sup>5</sup> is required. Recently the World Economic Forum Report on entrepreneurship education defines an entrepreneur as a creative, innovative, risk taker with the ability to translate 'ideas into action'<sup>6</sup>, as there is no universally-accepted definition of entrepreneurs or of entrepreneurship<sup>7</sup>. This lack of a comprehensive and widely accepted definition does not detract from the reality that entrepreneurs need requisite and distinctive features including 'a capacity for innovation'<sup>8</sup>. This apparent deficiency of a definition does not alter the significance and importance of the role that entrepreneurship plays in promoting economic development. Thus bridging the gap between entrepreneurship and education has for quite some time been recognized as crucial in the control and reduction of long term unemployment rates<sup>9</sup>.

### Related works

The Internet and Web sites are relied upon for promotion of tourism<sup>10</sup>. There is a need to evaluate the efficacy of a Web Site because very significant costs are incurred for its setup, advertising, and maintenance. Research suggests there is a great need for an in- depth evaluations which transcend the statistics of the hits and page viewings. The focus of this study was the development and application of a low-cost, automated, Internet-based survey methodology that could investigate the efficacy of a tourism promotional Web site. Both online and email surveys were used to gather data from visitors to the Web site of the State. Although responses were received from 833 persons, response rates were low. A check for non-responsive bias indicated that respondents were different from non- respondents. It was through two prime sources that the respondents primarily learned about the Web site and reported that the Web site played a significant role in influencing their travel plans. However, study concludes that the methods of conducting Web-based surveys are challenging and substantial.

The rising public expectations and influence demand the stoppage and delivery of administration-centric services<sup>11</sup>. The design and delivery of services must be customer-centric and extrinsic with fundamentally more integration across government entities and across frontiers too. This would represent an intrinsic alteration in the construction of the services. The advantages are however manifold ranging from better quality services and more reliable and swift delivery with minimum effort. The results are yet to emerge and there is need for more proof. The public service delivery transformation is the vital role of Information technology (IT) One can learn rapidly and share that knowledge openly.

Interviews showed that there is a lot of information, but not always the two-way communication and possibilities to finish the whole procedure at once via the internet<sup>12</sup>. The transition to e-government is not happening with the same speed in different countries and within the cities of each country. People wished to find information from one place and get all necessary information to finish the process at home. A lot more effort should be put to design the process and use technological solutions that make e-services easily accessible via different operation systems and hardware. Education and training are essential to ensure that citizens have the necessary digital literacy to be able to take full advantage of the offered services. The group of older entrepreneurs (more than 50 years old) are using internet less than the younger, and special training programs can help to increase penetration of usage of the e-government services in the future.

E-Gov. has a high potential as a field of research that can extend to all contributing disciplines in some way or other<sup>2</sup>. It need not supply just the least common denominator of established factors for research fields. For IS, this extends to include the concept of governance with new analytical dimensions and new variables for research. It also calls for novel methods of integration of ideas from public administration, political science and sociology in a manner not done before.

The SWOT analysis of 100 interviews of major stakeholders in Iran's innovation scheme shows their Strengths, Weaknesses, Opportunities and Threats<sup>13</sup>. Very good universities exist in the country at varied levels with good academic outputs (Human resources graduates, and published articles). They provide education; the levels for women in all academic levels are more than men and support both innovation and inventiveness. There is a strong national inclination to develop areas of research and innovation. However, a central organized agency for major decisions and policy-related innovations is missing. Though scientific spirit has grown well yet there is no comprehensive plan or policy to change from theoretical knowledge neither to technology nor from technology to entrepreneurship and wealth creation. There is also complete lack of institutional coordination between the main interface structures of innovation (government, university and industry). Further, there is also an absence of specialized consulting firms and the speed and security of IT networks are also below par. The innovative users and researchers are subjected to relatively poor access. The comprehensive information technology network is troubled by weak coordination between university and industry too. Although the need for e-government services is yet entirely voluntary, the government agencies are obliged to provide either online or offline services to the citizens to file taxes, renew driver licenses and apply for social benefits and health services which cater to the basic needs and serve as prerequisites for the citizens. These suggestions could be carried onto to other e-government services utilized in Turkey. They could include of both online and offline services. The result could transform the offline processes without the use of an

electronic environment. E-government can potentially bring huge advantages for citizens and the public administration. Therefore, it is incumbent upon the government to transcend the reservations of all sectors of society and impress on them the need to take advantage of all the evidently potential benefits of empowerment that e-government is capable of bringing to their citizens. The earlier plan called Information/ Knowledge Society Strategy of Turkey (2006-2011) underlined just the importance of paying attention to the provision of the user-oriented services in general<sup>14</sup>.

The regular methods commonly in use to control cyber-loafing in organizations need to be listed. They are as follows: a) the need for informative education of employees, b) adaptation of right policies for use of computers, c) establishment of an International Journal of E-Business and E-Governance Studies d) monitor of systems inclusive of enforcement and penal codes. True success in containing crimes will arise from all these methods working simultaneously.

**Education and Information:** An effective method requires not only adequate management but also translation of the improved values of awareness or perception. A general awareness of the negative consequences can act as a deterrent to bad behavior and habit. A certain degree of self-control must be exercised by all individuals who make this activity a habit and they can be cautioned of potential negative outcomes, such as missed deadlines and negative employee evaluations. **Policies for use of computers:** For reduction of the negative effects of cyber-loafing while also retaining the positive factors, managers need to develop and implement crystal clear policies regarding the use of the Internet at work. An articulate Internet policy that notifies the employees of the possible consequences could reduce the intent for abuse of the Internet. **Monitoring:** The utilization of Electronic monitoring systems could combat cyber-loafing behaviors of employees in the workplace, these monitoring mechanisms that either track or deny access to e-mails and web sites too, help reduce cyber-loafing with high

positive effect on individuals with a greater propensity to cyber-loaf. **Individual ethical Perceptions and Influence:** The employee and employer can comprehend the two sides of the issue through open dialogues and increased employee orientation programs that create awareness and also define the legal and ethical lines between the use and the abuse of the Internet. Well established written policies that offer employees the true perceptions and ethics behind those policies will help to raise the awareness of employee and employer with regard to acceptable norms for Internet use.

**Punishment:** Control systems that provide proof of great cyber loafing can be deterrence if accompanied by severe punitive consequences. Just a penalty alone will also be ineffective either<sup>15</sup>.

### Basis of Findings

Findings of this research are based on three sets. The first is a set of questionnaires, the second is a presentation, and the third is analyzing web sites, which is in three parts - part A containing a list of entrepreneurship service web sites, part B showing the level of those sites in context of the visitors, and part C determining which sections are needed for a specific and ideal entrepreneurship web site.

### Survey Questionnaires

**The first hypothesis is that increasing of internet services will provide improved entrepreneurship service:** The survey shows that most people believe that current actions of multimedia and web sites of entrepreneurship have low effect toward cognition and promotional entrepreneurship among people. 57% said the effectiveness of multimedia in cognition and promotion of entrepreneurship is low, 22% medium, 14% none and 7% high. 53% said the effectiveness of web sites in cognition and promotion of entrepreneurship is low, 27% medium, 13% high and 7% none.

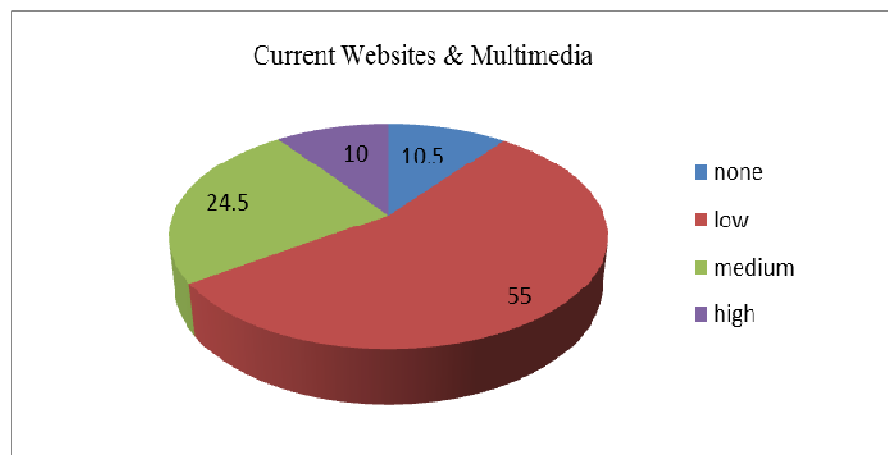


Figure-1  
Effectiveness of multimedia and internet websites

The survey also shows that the effectiveness of internet to reduce costs and cyber society's effectiveness in cognition and promotion of entrepreneurship is extremely high. 60% believe internet services reduce costs of government services significantly, 33% medium and 7% low. 60% said the cyber societies like Facebook and Yahoo Messenger services are effective in cognition and promotion of entrepreneurship, 33% medium and 7% low.

As per the survey, the effectiveness of creating and developing a master portal web site of entrepreneurship will have medium effect (53%), high (40%) and low (7%), which shows that such a web site will increase effectiveness of the internet.

**The second hypothesis is that current E-Governmental services are useful and necessary:** The survey shows that 87% of people were well educated to use the internet and 13% have medium knowledge. 67% highly use internet services in entrepreneurship. It even shows that around 20% of the society are well educated in IT and know how to use the internet, but are not using the current e-governmental services in entrepreneurship, which must be due to some kind of dissatisfaction towards the current services.

In compare of figure 1, 2, we will understand potential of entrepreneurial websites which could improve entrepreneurship. The survey also shows that most people are familiar in entrepreneurship web sites but said that the rate of productivity of these web sites is low. Familiarity of these web sites was high (33%), medium (40%) and low for others. None of them believed that productivity of entrepreneurship web sites is high,

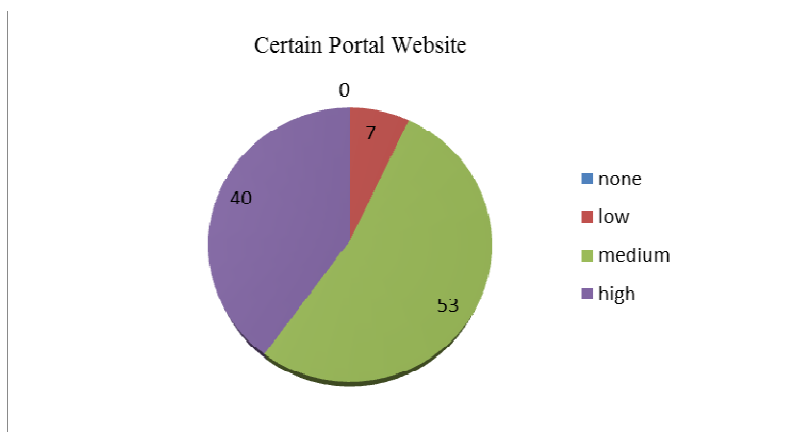
but only 7% said there are no benefits in these web sites. 40% believed productivity is medium and 53% said it has a low productivity.

The survey also clearly shows that most of the people believe internet is effective in providing knowledge about entrepreneurship to them.

Most people also believed that use of internet will reduce costs of services and showed keen interest in organizing and establishing cyber social societies and entrepreneurship websites. They also felt that the future entrepreneurship e-learning programs must be specific and with lesser mistakes (for instance, be real-time online and give enough information). Generally, increasing the effectiveness of internet web sites and other internet services, especially chat, conference and social web sites, is effective in improving entrepreneurship services and developing new jobs.

Table-1 below shows the entrepreneurial attitudes and perceptions in the GEM Economies in 2012 by Phase Economic Developments of Iran.

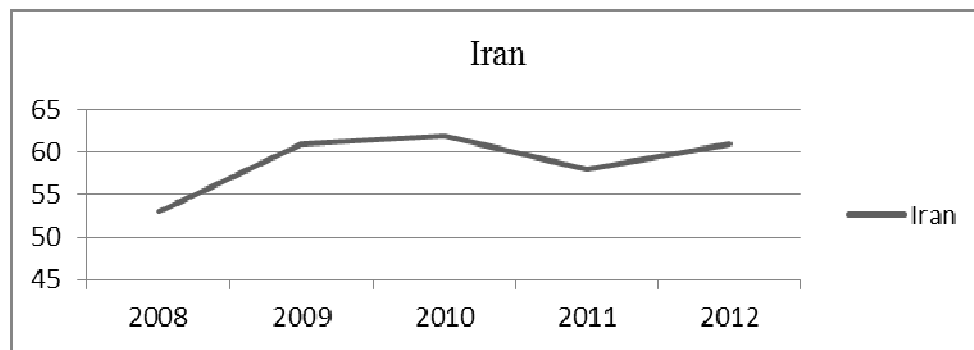
For achieving better results, we also studied Iran entrepreneurship websites, and categorized them in 10 different groups: i. Ministry of cooperatives labor and social welfare, which is the most active portal, ii. Banks, iii. Funds, iv. Organizations, v. Ministries and president, vi. Festivals and competitions, vii. Knowledge foundation entrepreneurship, viii. Innovative, ix. Entrepreneurship, x. Universities.



**Figure-2**  
 Effectiveness of creating and developing a master portal web site of entrepreneurship

**Table-1**  
 Entrepreneurial Attitudes and Perceptions in the GEM Economies in 2012 by Phase of Economic

Economy	Perceived opportunities	Perceived capabilities	Fear of failure	Entrepreneurial intentions	Entrepreneurship as a good career choice	High status to successful entrepreneurs	Media attention for entrepreneurship
Iran	39	54	41	23	60	73	61



**Figure-3**  
**Media attention for entrepreneurship in Iran during last 5 years**

Figure 3, shows the modest growth of media attention for entrepreneurship in Iran during last 5 years. The most visited websites are governmental. While they are working on entrepreneurship, statistical data shows that visitors of these websites are not increasing because of their current entrepreneurship services.

While the average rate of entrepreneurship websites among all world websites is 300000, it is only 4500 among Iranian websites, as per Alex a statistical reports of 2012<sup>16</sup>. As the concept of entrepreneurship is quite new in Iran, this is not such a disappointing figure. However, instead of allocating huge budgets for vacant space, these websites could utilize this space for internet advertising, which would help increase the visits to their websites in a short span of time, besides earning revenue. The youth of Iran are spending a lot of time on the internet and are also investing money in it, as it is cheaper than other multimedia options, besides providing an avenue for mutual communication. However, the research shows that in the entrepreneurship field, there is a lack of cyber conference rooms, or attractive entrepreneurship programs, which are common in resident entrepreneurship schools.

There is a wide variety of objectives available on entrepreneurship websites throughout the world. According to our survey of around 50 such websites, the most useful ones pertain to ideas and designs of teachers, experts and managers of entrepreneurship organizations. These objectives can be grouped as follows: i. Definitions and nature of entrepreneurship, ii. Objectives and aims of entrepreneurship, iii. Regulations and Orders of administrators, iv. News, v. Entrepreneurship e-learning, vi. Related links to entrepreneurship, vii. Introducing other entrepreneurship websites, viii. List of entrepreneurship books, journals, thesis and.... ix. Entrepreneurship learning programs, x. Introducing workshops, seminars, festivals and ... xi. Opinion poll, xii. Business plan, xiii. Presenting entrepreneurs, xiv. Some of successful entrepreneur's stories, xv. Showing short movie and interviews of entrepreneurs, xvi. Forums, xvii. Conference and advisor, xviii. Clear procedures of registering a company, xix. Clear procedures of registering an idea, xx. Ability to connect to expert and professional entrepreneurship groups, xxi.

Showing all personal and governmental organizations, banks invest and clear to visitors how they can use them.

### Conclusion

Our study concludes that the sample society is not satisfied with the current services of multimedia and entrepreneur websites. Rather, it is interested in receiving better entrepreneurship services through the internet with adequate literacy. Most people believe that the internet is effective in educating them about entrepreneurship and its meaning. They also believe that the use of internet will reduce costs of governmental services and were, therefore, interested in organizing and establishing cyber social societies and entrepreneurship websites. From their viewpoint, the future entrepreneurship e-learning programs must be specific and with lesser mistakes (like being real-time online with enough information). Generally, increasing effectiveness of internet web sites and other internet services, especially chat, conference and social web sites, is effective in improving entrepreneurship services and providing new jobs.

After a detailed study on entrepreneurship websites, we found the same results about the shortcomings that our sample society has shown, conveying that our survey was successful. The two most important shortfalls were that websites are not up-to-date and are not exactly integrated.

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