

## E-Governance and E-Business Integration: Driving Economic Development in Mizoram, India

Chanambam Nalini Devi<sup>1\*</sup>, Rajkumar Brajananda Singh<sup>2</sup>

<sup>1</sup>Associate Professor, Department of Commerce,  
Pachhunga University College, Mizoram University, Aizawl (India)

<sup>2</sup>Assistant Professor, Department of Political Science,  
Liberal College, Luwangsangbam (Imphal East - India)

\*Corresponding Author, Email: nalinidevi72@gmail.com

### Abstract:

*Information technology plays a vital role in shifting economies towards knowledge-based models, impacting various sectors including communication, trade, manufacturing, services, culture, entertainment, education, research, national security, and governance. E-governance leverages IT to reduce administrative costs, maximize revenue, and drive societal transformation, fostering employment opportunities and economic growth. The increasing interrelation between e-governance and e-business underscores their indispensable integration for economic prosperity. Governance, rooted in steering entities through structured decision-making and accountability, emphasizes a continuous process of directing and controlling entities. This study delves into governance within government and business sectors, examining how e-governance enhances government efficiency by automating administrative functions and improving public services. Additionally, it explores how e-business innovates traditional practices to meet global challenges and gain competitive advantage. Recognizing the interdependence of e-governance and e-business, this research focuses on Mizoram, India, to understand how e-governance drives business success and how robust business practices enhance governance. Employing a quantitative approach, the study utilizes systematic random sampling among college students involved in e-business, gathering data through structured questionnaires. Analysis aims to uncover current trends and interdependencies between e-governance and e-business, contributing insights for economic development and improved public administration in the region.*

**Keywords:** Information technology, e-governance, e-business, economic growth, resource mobilization, Mizoram

### Introduction:

Governance involves the administration of processes and systems designed to meet stakeholder expectations. The term "governance" originates from the Latin word "gubernate," meaning to steer, highlighting its focus on an ongoing system of processes rather than a final destination. Effective governance is characterized by structured decision-making, accountability, and behaviour management at the highest levels, applicable across various sectors such as government administration, institutional management, and both public and private organizations. Recent studies have highlighted the evolving nature of governance in response to new challenges and technological advancements.

The present paper focuses on governance within the government and business sectors to explore their interrelationship. E-governance significantly enhances government efficiency

by automating routine administrative functions, increasing revenue, reducing costs, and improving public services. It enables citizens to interact with government departments with minimal effort, fostering governance that is Simple, Moral, Accountable, Responsive, and Transparent (SMART). Research has underscored the role of e-governance in enhancing transparency and accountability, particularly in developing countries. Similarly, e-business transforms traditional business practices to address global challenges, requiring robust systems to meet customer demands, build trust, and outperform competitors. Business transformation often involves redefining business processes, IT systems, organizational structures, performance management systems, and capabilities to align with business strategies. Contemporary studies emphasize the importance of digital transformation and agile practices in maintaining a competitive advantage in a rapidly changing global market.

E-governance and e-business are interdependent and necessitate effective governance for societal growth. This empirical study aims to explore the associations between e-governance and e-business, specifically focusing on Mizoram, one of India's north eastern states. By examining this interrelationship, the study seeks to understand how e-governance can drive business success and how robust business practices can, in turn, enhance governance. This understanding is crucial for fostering economic development and improving public administration in the region.

### **Literature Review:**

Various scholars have extensively explored the concepts of governance, e-governance, and e-business, providing a rich foundation for understanding their interconnections and significance. Governance, broadly defined as the administration of processes and systems to meet stakeholder expectations, is a multifaceted concept with applications across various sectors. According to Rhodes (1997), governance involves structures and processes for decision-making, accountability, control, and behaviour management at the highest organizational levels. Rhodes emphasizes that governance is an ongoing process, highlighting its nature as a continuous journey rather than a fixed endpoint. This perspective underscores the importance of consistent improvement and adaptability in governance practices. Effective governance requires a structured approach to directing and controlling entities. This involves implementing robust systems and processes to ensure accountability and informed decision-making, which are essential for both public and private organizations. Consequently, governance structures must be adaptable to various contexts, including government administration and institutional management.

E-governance, as a subset of governance, has gained prominence for its potential to significantly enhance government efficiency and public service delivery. Heeks (2006) highlights the benefits of e-governance, noting that it automates routine administrative functions, leading to increased revenue, reduced costs, and improved services. By facilitating seamless interaction between citizens and government departments, e-governance promotes Simple Moral Accountable Responsive and Transparent (SMART) governance. This alignment with public needs is crucial for fostering trust and engagement between the

government and its citizens. Heeks (2006) further emphasizes that e-governance can transform governmental functions by introducing greater efficiency and responsiveness. This transformation is particularly important in modernizing public administration and making it more adaptable to contemporary challenges. Recent research has underscored the role of e-governance in enhancing transparency and accountability, particularly in developing countries (Gil-Garcia et al., 2020; Bwalya et al., 2018).

E-business has revolutionized traditional business practices, particularly in the context of globalization. Chaffey (2009) explores how e-business necessitates comprehensive transformation to address global challenges, meet customer demands, build trust, and outperform competitors. This transformation often involves redefining business processes, information technology systems, organizational structures, performance management systems, and capabilities to align with overarching business strategies. Chaffey (2009) notes that e-business requires robust systems to effectively compete in a globalized economy. The ability to meet diverse customer demands and build trust is central to the success of e-business, necessitating continuous innovation and adaptability in business practices. Contemporary studies emphasize the importance of digital transformation and agile practices in maintaining competitive advantage in a rapidly changing global market (Vial, 2019; Sebastian et al., 2017).

The interdependence between e-governance and e-business is evident in their mutual requirement for effective governance structures. Fang (2002) illustrates how integrating e-governance can drive business success by creating a more conducive environment for business operations. E-governance can streamline regulatory processes, reduce bureaucratic obstacles, and enhance transparency, all of which are beneficial for businesses. Conversely, robust business practices can enhance governance by introducing efficiency and innovation into public administration. Kapoor and Vijay (2013) highlight that effective business strategies can support governance structures, leading to improved public service delivery and economic development. Recent studies have expanded on these concepts, highlighting the evolving nature of governance in response to new challenges and technological advancements (Bovaird and Loffler, 2015; Peters & Pierre, 2016).

Given the interrelated nature of e-governance and e-business, this empirical study aims to explore their association specifically within Mizoram, a north eastern state of India. By examining this relationship, the study seeks to understand the dual impact: how e-governance can facilitate business success and how effective business practices can bolster governance structures. This dual focus is critical for promoting economic development and improving public administration in the region.

### **Objectives:**

The primary objectives of this empirical research are to i) analyse the importance of e-governance in enhancing government efficiency and public service delivery; ii) examine the relationship between e-governance and e-business; iii) assess how e-governance can drive

business success; evaluate how robust business practices can enhance governance; and iv) investigate the current state of e-business in Mizoram, one of India's North Eastern States. By focusing on these areas, the study aims to understand the dual impact of e-governance and e-business on fostering economic development and improving public administration in the region.

### **Research Methodology:**

This exploratory study utilizes a quantitative research approach. A sample of 150 college-going students from Aizawl city, the state capital of Mizoram, engaged in e-business, was selected using systematic random sampling. Primary data was collected through structured interviews using a questionnaire and analyzed using percentages. The survey took place in March 2023 and aimed to offer insights into current trends and the relationship between e-governance and e-business.

### **Significance of E-Governance:**

The significance of e-governance lies in its ability to ensure good governance, which is essential for the effective functioning of public institutions and the proper management of public resources while upholding human rights and minimizing abuse and corruption. This concept extends across various sectors, including government, private enterprises, and society as a whole. It's crucial for every citizen to comprehend the distinction between e-governance and e-government. While e-government refers to the application of ICT to transform internal and external government relationships, e-governance encompasses the broader concept of administering processes and systems to meet stakeholder expectations. Through the integration of ICT into its operations, e-government aims to deliver efficient and cost-effective services, fostering transparency and enhancing communication between the government and its citizens. The evolution of information technology has enabled many governments worldwide to offer services through the internet, categorized into several forms: G to G (Government to Government), G to C (Government to Citizens), C to G (Citizens interacting with the Government), G to B (Government services to Business sectors), and B to G (Business sectors interacting with the Government)

To facilitate these services, governments must establish various stages of IT functioning, beginning with the e-foundation stage, where infrastructure and LAN applications are initiated, followed by e-facilitation, which involves stakeholder participation for different purposes. Technological advancements have paved the way for significant benefits across all sectors of society, both public and private. E-governance contributes to the establishment of a better society by providing integrated government services, streamlining processes, enhancing transparency, and reducing bureaucratic hurdles. Moreover, it empowers citizens by increasing their participation in the policy decision-making process and improving communication between the government and the public.

The recent "Future of Digital Government" report highlights countries like Denmark, Finland, and the Republic of Korea leading in digital government rankings, emphasizing the importance of telecommunications infrastructure and human capacity development. In India, the National E-Governance Action Plan aims to lay the foundation for long-term e-governance growth by implementing core infrastructure, policies, and Mission Mode projects to create a citizen-centric environment.

Despite its potential benefits, e-governance faces several challenges, including technological, political, social, management, and funding issues. Overcoming these hurdles is essential for the effective implementation of e-governance initiatives. Moreover, the relationship between e-governance and e-business is intertwined, as both rely on technological innovation and effective governance structures. E-governance can enhance business environments by reducing administrative roadblocks, enhancing transparency, and lowering transaction costs. Conversely, good governance practices in business lead to ethical operations, financial viability, and risk reduction. To sum up, good governance, facilitated by e-governance, plays a vital role in fostering economic development, promoting transparency, and ensuring the well-being of society. The synergy between e-governance and e-business is essential for navigating the complexities of the global business landscape and achieving sustainable growth.

### **E-Business in Mizoram**

Technological advancements are rapidly transforming our lives, including the business sector. The new generation prefers online shopping and selling, known as electronic business (e-business), where all operations are conducted using internet technology. E-business offers many benefits, such as reduced costs, ease of startup, no geographical barriers, cost-effectiveness, flexible trading hours, and minimal physical investment. Michael Aldrich pioneered online business in 1979 in the UK by connecting a television to a computer via a telephone line, enabling real-time multi-user transactions. This innovation paved the way for platforms like Amazon, which launched in 1994, and other e-commerce websites. In India, e-commerce sites like Flipkart and Snapdeal emerged around 2011, with the Indian e-commerce market projected to reach a gross merchandise value of \$350 billion by 2030. As of March 2023, India had 881.25 million internet subscribers, up from 865.90 million in December 2022, reflecting a 1.77% quarterly growth, according to TRAI. Of these, 96.02% use mobile wireless internet, indicating its dominance.

In Mizoram, e-business is popular among the youth, who frequently use their mobile phones to buy and sell items online. A survey of 150 college students (50 each from Arts, Science, and Commerce) revealed significant engagement with e-business. Most students are familiar with e-business, with commerce students finding it easy to start an online business, while 8% of science and 4% of arts students find it challenging (Table - 1). Regarding customer benefits, 20% of science students, 12% of arts students, and 4% of commerce students believe e-business is not beneficial. For convenience, 8% of science students and 4% each from arts and commerce students find it inconvenient.

The survey showed that 90% of respondents find the quality of online products reasonable, and 96% find the pricing reasonable (Table - 2). Clothing is the most purchased item online (96%), followed by shoes (84%), other accessories (78%), and food items (56%), with books being the least purchased (54%) shown in Table - 3. Regarding sales, 90% of respondents sell shoes, 58.5% sell clothes, 28.5% sell food items, and 19.5% sell pwan (Reaper). Despite its popularity, e-business in Mizoram faces challenges like security concerns, complexity, difficulties in returning products, lack of technical knowledge, and poor internet connectivity. Improving infrastructure and education is essential for addressing these issues, as e-business is closely linked with e-governance and good governance.

### **Discussion:**

The rapid evolution of technology has reshaped our lives, with the business sector undergoing profound transformations. Today's youth predominantly favour e-business, leveraging the convenience and accessibility it offers through online platforms. This shift towards electronic business (e-business) brings with it a myriad of advantages, including cost reduction, ease of initiation, and flexibility in trading hours. However, despite its popularity, e-business encounters hurdles such as security concerns and technological complexities, particularly in regions like Mizoram where infrastructure and education may pose challenges. Exploring the intricate relationship between e-governance, e-business, and governance itself reveals a dynamic landscape shaped by evolving concepts and practices. Governance, as defined by Rhodes (1997), encompasses decision-making processes, accountability structures, and behavioral norms across organizations. He highlights governance as a continuous journey, emphasizing the need for adaptive and accountable systems. E-governance emerges as a subset of governance, promising to revolutionize administrative functions through technological integration. Heeks (2006) underscores its potential to enhance efficiency, revenue generation, and service delivery, fostering SMART governance characterized by simplicity, morality, accountability, responsiveness, and transparency. This transformative potential of e-governance is particularly crucial in modernizing public administration and bolstering citizen engagement.

Meanwhile, e-business reshapes traditional business paradigms, demanding comprehensive transformations to meet global challenges and customer expectations (Chaffey, 2009). This necessitates agile practices and digital innovations to remain competitive in a rapidly evolving marketplace. Yet, the symbiotic relationship between e-governance and e-business underscores their mutual dependence on effective governance structures. Integrating e-governance can streamline regulatory processes, reduce bureaucratic hurdles, and enhance transparency, thereby creating an enabling environment for business operations (Fang, 2002). Conversely, robust business practices can support governance structures, leading to improved public service delivery and economic development (Kapoor & Vijay, 2013). As we navigate this dynamic landscape, it's imperative to recognize the evolving nature of governance in response to technological advancements and global challenges. Contemporary studies highlight the need for adaptive governance structures capable of harnessing the transformative potential of e-governance and e-business (Bovaird

& Loffler, 2015; Peters & Pierre, 2016). By fostering dialogue and collaboration among stakeholders, we can leverage these synergies to drive societal progress and economic growth in Mizoram and beyond.

### Conclusion:

E-governance represents a significant shift in how governments operate, necessitating new responsibilities for the executive, legislature, businesses, and society at large. Despite being infrastructural projects requiring substantial investments outside the government's core competence, e-governance initiatives carry multiple risks, including technological, financial, operational, and user acceptability risks. To overcome these challenges, governments must leverage their limited resources by tapping into private financing and operating expertise, thereby enhancing public trust and confidence in these sectors. Furthermore, the integration of e-governance and e-business is essential for fostering transparent, efficient, and participatory governance models, crucial for societal progress. While e-governance ensures effective public service delivery and governance, e-business drives economic growth through technological innovation and efficient market transactions. Despite challenges such as security concerns and technical limitations, Mizoram's youth enthusiastically embrace e-business, harnessing its benefits. This symbiotic relationship between e-governance and e-business signals a future characterized by streamlined governance and robust economic development, underpinned by technological advancement and citizen empowerment. To realize the full potential of this partnership, it is imperative to prioritize security measures and ensure the seamless integration of digital technologies into governance and business practices.

**Table - 1: Knowledge about E-business**

Questions	Arts		Science		Commerce	
	Yes	No	Yes	No	Yes	No
Knowledge about e-business	50	-	50	-	50	-
It is easy or not	48	2	48	2	50	-
It is benefitted to the customer	44	6	40	10	48	2
It is convenient to both seller and buyers	48	2	46	4	48	2

**Table - 2: Students opinion**

Opinion	Arts	Science	Comme rce	Reasonable		No.	
				No. of students (N)	N (in %)	No. of students (N)	N (in %)
Quality of online product	43	42	50	135	90	15	10
Price of online product	43	43	43	129	86	21	14
Time factor is convenient	46	44	44	144	96	6	4

**Table - 3: Purchasing items through online**

Items	Arts	Science	Commerce	Yes		No	
				No. of students (N)	N (in %)	No. of students (N)	N (in %)
Books	20	32	29	81	54	69	46
Stationary	27	37	32	96	64	54	36
Bags	40	35	36	111	74	39	26
Shoes	44	42	40	126	84	24	16
Clothes	50	46	48	144	96	6	4
Cosmetics	36	36	36	108	72	42	28
Electronic	26	30	28	84	56	66	44
Accessories	39	38	40	117	78	33	22
Food items	26	24	24	84	56	66	44

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