IT governance as an institutional efficient tool for developing the Albanian economy

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Abstract

The adoption of IT governance is a voluntary process that occurs in the turbulent social cultural environment. However, the adoption of IT governance has a problem of low adoption in developed and developing countries. Therefore, the problem needs to be examined from political, cultural, social and technological perspective. To evaluate the significant factors correlated with IT Governance adoption, a questionnaire survey of 150 Albanian citizen was subjected in a case study interview at "Epoka University". Each of the administered structured questionnaires consisted of knowledge question demanding the respondent to answer with "yes," "no" and "don't know" options. Also, the questionnaire consisted of questions regarding perceived tax compliance and fairness where the answers ranged from strongly agree to disagree strongly. The liability functions in the SPSS 13 were used to test the correlation matrix and multiple regression of the survey measure. There is a positive relationship between knowledge, age, and income in citizen's attitude towards IT governance. The result would be of great benefit to policy makers with a practical checklist on technological dimensions, social and political factors that address citizen perspectives.

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1. Introduction

World Bank (2001) describes IT governance as an Institutional efficient tool owned by government that helps to increase: a) the belief in people to pay taxes; b) transparency; c) income per capita; and d) accountability. The description of IT governance encompasses three essential transformation areas: Internal; external; and the relation (Hirst and Norton, 1998). Internal area refers to the improvement of government's internal function in terms of efficiency and effectiveness by correlating different agencies and department. For this reason, there is easier and faster flow of information among different department thus reducing the paperwork bottleneck, time of processing as well as long and inefficient procedures. External transformational area opens up for governments to be more transparent to people thus enabling to a broad range of information collected and generated by government. IT governance blurs line with public bodies and those that touch it. Finally, relation areas enable critical changes regarding citizens and the state with implications for the democratic process and government structures. Basically, it's putting structure around how associations adjust IT method to business methodology, guaranteeing that organizations stay on track to attain to their methods and objectives, and executing great approaches to quantify the performance of IT. It verifies that all stakeholders' advantage are considered and that methodologies give measurable results. An IT administration system ought to answer some key inquiries, for example, how the IT division is working in general, what key measurements administration needs and what return IT is offering once more to the business from the speculation its making. Each organization small and large, private and public both needs an approach to guarantee that the function of IT manages the strategies and objectives of any particular organization. The level of complexity one applied to IT administration, in any case, may shift as indicated by size, industry or pertinent regulations. By and large, the bigger and more controlled the association, the more definite the IT administration structure ought to be. Today organizations are liable to numerous regulations overseeing the retention of data, confidential information, financial responsibility and recuperation from calamities. While none of these regulations requires an IT administration structure, numerous have discovered it to be a fabulous approach to guarantee administrative agreeability.

2. Problem Statement

Although the operation of IT in government dealings has the potential to provide better services to people, it is faced with acceptance problems. According to Adawi and colleagues (2005), understanding the rejection and acceptance of Information Technology is one of the challenging issues facing IT sector. The acceptance and success of IT governance correlate with people's adoption of innovation (Cater and Belanger 2005). However, many countries globally have a low level of citizen adoption of IT governance (Belanger and Catrer, 2008; Gupta et al., 2008; Wang, 2003). Consequently, the adoption of IT governance, especially in the tax system, need not only be addressed from the technological perspective but social, cultural and political perspective. This study tries to bring into insight whether citizen believes in the government institution to collect taxes while paying close attention to accountability and health; transparency; and income per Capita. This study seeks to advise the government on its strategic actions to increase the IT

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Government uptake. The study has hypothesis a correlation between IT governance with people's believe to pay taxes, transparency, income per capita, and accountability.

3. Research Questions

Although the adoption of IT governance is of potential benefits, it has lower acceptance issues. In fact, understanding the reason for rejection of information technology has proven to some of the most challenging questions in the IT sector (Al_Adawi et al., 2005). Carter and Belanger (2005) found that the success of IT governance depends on the people's willingness to accept innovation. Many nations in the world are still having issues with low adoption of IT governance (Wang, 2003; Kumar et al., 2007; Gupta et al., 2008). What factors contributes to the citizens' acceptance and adoption of IT governance in Albanian? What is the significance of these factors and the correlation between them? What is the implication of these findings for Albanian and other countries in a similar state?

4. Purpose of the Study

This paper seeks to respond these questions with the primary objective of identifying the factors that influence citizens, adoption of IT governance in Albania. Although various studies have been conducted on the adoption of IT governance, there lacks a research that focuses on the adoption of IT governance in Albanian. Identifying this gap in the literature is one of the motivations for conducting this study. The research would be of interest to the government official in the managing and planning of IT governance. The research study will highlight the significant factors correlated with IT Governance adoption.

5. Research Methods

To suit the nature of this research study, a qualitative research approach was implemented. According to Zegwaard (2011, p.105) qualitative methods can be applied either to biography, grounded theories, case study or ethnography. For this reason, it was found to be a suitable approach in dealing with learners at "Epoka University". A case study approach was used since the tradition of case study method has been used in various similar setting especially in learning institutions. In order to obtain a high number of respondents in a short period, Qualtrics online survey software was unanimously adopted in collecting the data. Scott (2012), describes Qualtrics as software with versatile functions of online data collection, testing, and analyzing feedback. The study was concerned with higher learning student at the University especially those with employment or had experience in a job setting. As Quinlan, (2011) proposes an objective, and precise data numerically gathered, enables the representation of information through graphs, tables, and charts.

Online questionnaires were administered to university students, and more than 200 students were contacted by email, 170 of them responded to the questionnaire from across the range of cohorts; 150 completed the study. The study comprised a series of closed-ended questions relating IT governance to tax compliance, fairness, and tax knowledge. Interviews, each lasting less than two hours, took place in the Campus environment with each session being audio-taped to ensure the

accuracy of records and to enable the team to focus on learners' response. The participants signed a consent form permitting taping of the session and transcribing of verbatim for data analysis before the interview (see Appendix A). This option provided a way of gathering relatively complex responses that ordinarily could not be represented numerically (Quinlan, 2011). The selection of respondents was based on stratified sampling technique as it did not cover all students in the university. A second interview only took place when clarification was needed. The researcher employed a third party to identify potential bias in the transcription process. The participant had a chance to view the recording at a later stage to confirm the accuracy and be asked any follow-up comments or questions.

Several steps were followed to ensure that the privacy of the participants was protected in the study. First, informed consent was designed to ensure that the respondent was protected. This involved acquiring permission from the University administration before beginning any process of data collection. Identified Participants in the research study were invited in written and informed of the objectives and goals of the study. In addition, they were advised of data collection and storage methods of the study. Before the interview, the correspondent signed a consent form indicating his or her desire to participate the research study (see Appendix C). The unruffled data were stored in locked filing cabinet in the office of the researcher.

A self-administered structured questionnaire was administered each consisting of knowledge question demanding the respondent to answer with "yes," "no" and "don't know" options. Also, the questionnaire consisted of questions regarding perceived tax compliance and fairness where the answers ranged from strongly agree to disagree strongly. The liability functions in the SPSS 13 were used to test the correlation matrix and multiple regression of the survey measure. Some of the items were eliminated to increase the alpha coefficients.

6. Findings

The correlation coefficient matrix was computed for the five variables to measure the perceived trust in It Governance. The correlation between knowledge, financial status, and age were less than 0.05 meaning that they were statistically significant. A comparison of multiple linear regression beta coefficient values was used to assess the significance of each variable in the research model. The strength of the correlation was demonstrated by the value of the coefficient of the dependent and independent variables. There was a negative and positive type of relation.

Trust in IT Governance	r	Beta
Gender	-.054	-.054
Age	-.040*	-.022
Rate Health	.061	.042
Financial Status	.048*	.031
Knowledge	-.037*	-.029

*$P<.05$

The independent variable including attitude, beliefs, income per capita and knowledge were used in prediction of the correlation matrix. The study hypothesized that there would be a positive relationship between knowledge, age, and income in citizen's attitude towards IT governance. The findings of this study demonstrated its support to the set hypothesis. Knowledge and financial status had a positive impact on citizen's attitude toward using IT governance. As from the figure, the standardized coefficient (Beta Value) for perceived knowledge is negative and significant (Beta=-0.029, r=-0.037). In addition, perceived financial status had a positive impact on citizen's attitude toward the use of IT governance. The figure shows that Beta value for perceived economic situation is positively significant (beta=0.031, r=0.48). These finds assert Yang (2005), and VenKatech and Davis (2000) research that investigate the consistent correlation between perceived usefulness, financial income, and knowledge. This study affirms their findings that perceived knowledge and financial income is a significant determinant of citizen's attitude towards the use of IT Governance. For this reason, Albanian government should make IT Government services more functionally. For instance, the government could achieve this by increasing awareness of its citizen on the usefulness of the IT government; availing ICT training workshops as well as refining IT system selections to fulfill various needs of its citizens.

As noted in the current study, income status had a stronger impact on attitude (beta=0.031) than the perceived knowledge of use (beta=-0.029). This suggests that the citizen preferred the IT governance system to be useful than having knowledge about it. In this context, the findings are consistent with Horst et al., (2007); Phanget el. (2005) who found usefulness to be a more powerful predictor than knowledge about it. However, this contradicts Wang's (2003) findings when he investigated citizen's adoption of an electronic tax filing system in Taiwan. According to Wang (2003), knowledge about the system was essential than the perceived usefulness. Wang (2003) stresses that the knowledge on the adoption of IT often decreases with user familiarity around IT. In the current study, the respondents were familiar with IT governance since they were of higher education with experience in the tax system. For this reason, the effect of perceived knowledge of IT Governance adoption was not as critical as perceived usefulness.

Finally, in this study, only valid aspects of attitude were measured. However, scholars in psychology have shown that there are other significant aspects of belief such as attitude strength (Henderson et al., 2008; Ajzen 2001). Henderson and colleagues describe attitude strength as the extent to which an attitude is stable over a period, resistant to change, and influences people's behavior. People's behavior towards objects depends not only on the overall examination of the object, but also on their attitude strength towards the object. Visser and Mrabile (2004) agree that the distinction between a weak and strong attitude is essential in defining when and how people's attitudes affect their behavior. Petty and colleagues (1997) add that attitude strength might moderate the result of the attitude. Strong attitude facilitates the quality and ease of people's decision-making (Petty et al., 19997). Consequently, another recommended future direction in refining attitude construct includes the dimensions of attitude strength. A research into attitude construct and improvement of its measure would be an explanatory power for the current research findings.

7. Conclusions

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The study seeks to find how Albania and other countries in a similar state would adopt strategies in planning and increase the levels of IT Governance. The study would be of great benefit to policy makers with a practical checklist on technological dimensions, social and political factors that address citizen perspectives. The checklist would be a significant foundation for any IT governance plan. The study suggests that perceived values, knowledge, trustworthiness and attitude had a significant contribution to the adoption of IT governance services in Albanian.

Government official could use this study to pay attention to the dominant variables. For instance, by availing appropriate training to alleviate anxiety could lead to better recognition of IT applications (AL-Gahtani, 2004). Besides, government could use various means to increase knowledge among its citizen. First, it could provide online materials through which websites to document how people use and transact with the service. Second, the Albanian government could improve search facilities in their websites so as to make it easy for its citizen to find relevant information. Lastly, the Albanian government could redesign its websites to avail government information and services in an easy way for its citizen to use.

Furthermore, trust had a critical effect on citizens' belief in IT Governance. Consequently, the Albanian government could increase the perception of trust by strategically laying out its information security policy on its existing websites. The study outcome demonstrates the significant impact of public value on people believe in IT governance. Although it is a challenge, Albanian government could provide the public with improved information and services full of transparency, accountability, and public governance through IT governance (Grimsley and Meehan, 2007). For this reason, Albanian government should employ training and promotion initiatives to develop people's trust in the strategic values of IT governance.

The findings from the study suggest that construction of attitude deserves more attention in citizen adoption of IT Governance due to considerable influence on the belief in the governmental institution. Policy makers should consider the significance of these factors so as to correct the existing low-level of adopting IT governance in Albania. IT Governance decides how the function of IT oversees demand, makes a deliverance of value, and secures against risk. There are numerous individuals, techniques, and advancements that assume a role in keeping IT running. The wide nature of IT administration can make it troublesome for IT pioneers to know where to center their efforts to have the best impact. Organizations ought to exceed expectations in four ranges of administration to be viable. For other administration activities that are beyond these discriminating mainstays of achievement, people trust that IT pioneers ought to evaluate their organization's development to recognize the best opportunity for development in respect to the peers. The "consumerization" of IT and the development of the achievements of cloud technologies imply that more data's are placed outside the venture firewall. Administration of several policies, strategies and structures is discriminating as associations experience a blast in the number and differences of dangers. The way organizations structure the data risk capacity and its administration systems aides shield innovation and data from both interior abuse and outer interruptions. An IT administration system ought to answer some key inquiries, for example, how the IT division is working in general, what key measurements administration needs and what return IT is offering once more to the business from the speculation its making. Each organization small and large, private and public both needs an approach to guarantee that the function of IT manages the strategies and objectives of

any particular organization. The level of complexity one applied to IT administration, in any case, may shift as indicated by size, industry or pertinent regulations. By and large, the bigger and more controlled the association, the more definite the IT administration structure ought to be. Today organizations are liable to numerous regulations overseeing the retention of data, confidential information, financial responsibility and recuperation from calamities. While none of these regulations requires an IT administration structure, numerous have discovered it to be a fabulous approach to guarantee administrative agreeability. Therefore, it is characterized as the courses of action that guarantee the viable and proficient utilization of IT in empowering an association to attain to its objectives. IT request administration (ITDG—what IT ought to take a shot at) is the procedure by which associations guarantee the viable assessment, choice, prioritization, and financing of contending IT speculations; supervise their usage; and concentrate (measurable) business advantages. ITDG is a business speculation choice making and oversight procedure, and it is a business administration obligation. IT supply-side administration (ITSG—how IT ought to do what it does) is concerned with guaranteeing that the IT association works in a compelling, proficient and consistent style and it is fundamentally a responsibility of a CIO.

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Appendix A

Consent Document

This is to request for your participation in research evaluating your perception of IT governance in the taxation system. This research study is being conducted by -----------------------The request is, therefore, presented to you to find out if you wish to take part in this study. You have the autonomy to choose whether to participate or not. Your withdrawal from the interview at any time will not hinder your relationship with the researcher or the University.

The study seeks to find whether you have trust in e-government to carry out tax collection. In case you decide to participate, you will be interviewed for less than two hours. Questions to reflect upon prior to the interview have been presented to assist your preparation. The interviewer will use audio recording materials and open-ended questionnaires to ensure the accuracy of the collected information. You can as the interview to turn off the recording devices at any time of the interview. Kindly feel free to ask questions about the research study before participating or during the interview. I will be privileged to share the result of the study with you after the completion of the study. Pseudonyms such as student will be used in reporting the results.

In case you have any questions, contact the researcher at………………..

This consent has been approved for use by the researcher

_____   _____
Participant   Date

Consent obtained by: _____
                                       Interviewer
                                       _____
                                       Date:

Appendix B

Transcriptionist Confidentiality Form

In relation to the research, I, ……………………………………………….. agree to support with full confidentiality in relations to any and all audiotapes and documentation received from ………………………………directed to his Doctorate's degree study on ……………………….. Also, I agree:

1.   To hold in strictest confidence in identifying any person that may be inadvertently revealed during the transcription of audio taped interviews, or in any associated documents;

2.   To not make replicates of any audio tapes or digital files of the transcribed interview recordings, unless specifically requested to do so before ……………………………

3.   To store all study-related audiotapes and contents in a safe, secure place as long as they are in my consent;

4.   To completely and timely return all audiotapes and study-related documents to…………………….

I acknowledge that I am lawfully responsible for any break of this confidentiality agreement, and for any infringement incurred by participant if I disclose identifiable information pertained in the audiotapes and/or materials to which I will have access.

…………………………………………….   …………………………………
Signature   Date

Appendix C

Questionnaire and coding

1. Construct	2. Code	3. Questionnaire
4. Perceived knowledge	5. Pk1	6. Is the use of the government Website an efficient way to manage your time? 7. Is the use of the government Website provide a better value your money? 8. Do you value the use of government websites to access tax services? 9. Is using government services increase transparency in the government? 10. Is using government services increase Accountability in the government?
11. Financial status	12. FS	13. In a range of 1 to 10, what is your income? 14. Do you trust IT governance in providing good value for you income?