

An Adoption of E-Government to Aid the Effectiveness of Yogyakarta's Business Investment Climate

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ABSTRACT

E-government can provide citizens and businessmen the information and services electronically. It can promote the government and transform into more effective and efficient government which is accountable to its citizens. Since Indonesia is not familiar with e-government, the author would like to analyse and experiment in the smaller area to implement e-government. The main focus for this study is the interaction between government and businesses.

A survey is undertaken to collect samples in the city of Yogyakarta, Indonesia. Questionnaires are distributed to obtain data in measuring the 7 variables in the proposed model the author used which is adopted from Thompson et al (2005). These 7 variables are *IT capability, e-government transaction and search oriented use, intelligence generation, new business development, time saving, and profitability.*

This study aims to find the business value of e-government to the firms and businesses around the city if e-government is adopted. Two categories of e-government services are applied: Informational and Transactional. This study also aim to prove whether the adoption of e-government increase the firms' financial performances. A multivariate analysis is conducted for this study.