

**UNIVERSITI TEKNOLOGI MARA**

**THE EFFECTIVENESS OF  
E-GOVERNMENT SERVICES: A STUDY  
ON THE E-PROCUREMENT SYSTEM  
AT THE MINISTRY OF HEALTH (MOH)**

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## ABSTRACT

e-Government or electronic government is one of the categories in Information and Communication Technology (ICT) that widely used in many developing and developed countries as it provides great benefits to the Government in improving the quality of service to the people. e-Procurement is one of the e-Government services used by the Malaysian Government as a tool for the public procurement process. However, the effectiveness of the system is perceived below the target with more issues arise. Therefore, the purpose of this study is to determine the effectiveness of the e-Procurement system in public procurement. Besides, the study also aims to examine the relationship between the effectiveness of e-Procurement with the factors of accessibility, compatibility, user's attitude, and transparency of the system. This study has applied two related theories or models, namely the Success Model for Malaysian Government e-Procurement System and the Actual Used Model of Malaysia's e-Government System. The scope of the study was focused on the users of the e-Procurement system in the Ministry of Health, which involves government servants and suppliers. The study was conducted through quantitative research methods using a survey questionnaire. The findings of this study indicate that e-Procurement system was effective and give many benefits to the government and suppliers. In addition, factors of accessibility, compatibility, user's attitude, and transparency have significant implications and impact on the effectiveness of the e-Procurement system. Significant correlations have also been obtained, which indicate that there is a positive relationship between the effectiveness of the e-Procurement system and all the factors. The study also revealed that user's attitude becomes the main factor that influences the effectiveness of e-Procurement system. Therefore, several recommendations have been outlined and proposed for enhancement of the system which requires commitment from all parties, including government, vendor, users and suppliers. Future researchers are recommended to implement mix research methods and expand the scope of the study to increase data collection and enhance the accuracy of the study results.

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# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of Study

The development of a borderless world today has made government service delivery as an important agenda for a country. Information and Communication Technology (ICT) and the internet in particular, has become an essential tool that could accelerate the economic development of the country (Kaliannan, Raman & Dorasamy, 2009). Nowadays, ICT is not only a strategic communication tool but also acts as a driving force to support the knowledge-based (K-based) economy. The progress of ICT development today has already transformed people's activities and services beyond human expectations. Aman and Kasimin (2011) stated that new technologies today have changed human life in terms of understanding, practice, access, and culture that connect people and the government. It also turns citizens demand on how government should serve them (Karamjit, 2017). Moreover, the advancement of ICT and the communication system today give many positive impacts by bringing changes in human activities and communication (Halimah, 2004). Reza and Sadegheh (2016) mentioned that ICT had become the most influential and vital tool in transforming the world in terms of management perspective, where its usefulness is compatible with people's life.

Recognising the fact that today's ICT development is unrestricted and has a huge impact, most governments have taken efforts to develop e-Government as a new initiative in the public service delivery system to achieve the country's vision (OECD, 2010). According to Reza and Sadegheh (2016), e-Government is one of the categories in the information technology that allows the government to deliver public information and services to the people efficiently, quickly, and easily at a lower cost. Today, e-Government has been widely used and is growing rapidly all over the world, including Malaysia. In Malaysia, the main focus of implementing e-Government is to enhance government governance process by providing convenient and flexible services to the citizens (Kaliannan et al., 2009).