

# Why Digital Governance Often Fails in Developing Countries: an Institutional Perspective

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## Abstract

In developing countries, the process of digital governance is progressing at a rapid pace, and the government is trying to make various government services accessible to the people through the use of digital media. Despite the good intentions of the government, the plans are not being implemented. Governance has always been using technology to make digital governance a part of it. Expansion of technology alone can never ensure good governance. Apart from technology, factors like administrative capacity, institutional co-ordination, citizen readiness are also important to implement outcomes. This research paper shows that for establishment of effective digital governance requires integration of technology, institutions, and people.

**Key words:** Digital governance; E-governance; Technology; Citizen; Institution

## Introduction

The term 'digital-era governance' originated during the post-NPM period. It was first used in the writing of Patrick Dunleavy and Helen Margetts. According to them, digital governance is a tool that the government uses digital technology to integrate various departments, it consolidates different departments, integrates information, helps in making governance citizen-centric, and puts technology at the heart of policy making and service delivery (Dunleavy et al., 2006). Although digital governance originated in e-governance, there is a small difference between this two. In fact, at first, the scope of e-governance was very limited, but later it expanded its scope as an evolving form of governance, power and decision-making processes (Hanisch et al., 2023).

This clearly shows that digital governance is not only limited to enhancing administrative efficiency, but it also creates redistribution and new inequalities. Redistribution of power is in the sense that it has reshaped the governance relationships in society, such as digital technology, power relations between the state and private technology companies, and citizens. Another disparity is in the sense that those who have digital knowledge, the financial conditions to buy digital devices, and the conducive environment to use digital services they control data platforms, algorithms and gain decision-making power. On the other hand, rural population, senior citizens, and less educated people are excluded from the digital system. As a result, the social and economic inequalities that have been going on for a long time deepen. In the analysis of digital governance, the question of who is benefiting, who is left out and who is concentrating power in the hands of those are of great importance (Hanisch et al., 2023).

In recent times, the emerging digital governance process has truly established itself as an integral part of all the organs of social, economic, and political spheres. In fact, due to technology, the government has been able to provide services to the people quickly and at a minimum cost. It also reduces manpower, so that the government does not need to recruit a large number of staff for any work. The Government chose this path because Digital Governance has been instrumental in creating an equitable, transparent, fair and accountable administration. Ruling authority trusts technology so much because, as every work done manually will face huge challenges in reaching the rural grassroots level. Due to the widespread corruption during the implementation of each policy, the real benefits of the policy will never reach the general public, but with the use of this technology, it will be possible to reduce the amount of corruption to some extent, especially the human bias. But even as the rate of corruption decreases, there remains a question about whether digital governance works completely neutral?

It is not easy to provide services to a large number of people, but in today's time, the government is trying to provide services on a large scale using digital tools. Important sectors such as the public welfare department, the health system and the education sector, the government has laid special emphasis. At present, public administration is not only run by bureaucrats, private tech companies and algorithms play an important role in public administration. Although the use of technology has given various benefits to the government, it is not completely flawless, because various government agencies, universities, hospitals, private-technology are being used to manage the administrative system. In this case, the misuse of information is a problem, and if the system fails, then the people will not blame the technology, they will blame the government.

Besides, if the process of digitalization is started quickly and unplanned, then there is a strong possibility of weakening governance. For example, during the COVID-19 pandemic, online education and digital services were suddenly introduced, but people were not physically and mentally prepared. It leading to increased digital exclusion, exclusion of marginalized populations due to lack of internet and smartphones, weakening accountability, putting privacy and data security at risk, over-reliance on technology, and eroding public trust in the state. So, COVID-19 shows that even with the sudden introduction of digitalization technology, it is never possible to establish credibility and inclusive governance. This requires good planning and policy protection (Bodó & Janssen, 2022).

There is no denying that technology is a very useful component of governance but the idea that the governance process will be flawless only by connecting technology is completely wrong because technology will work properly only when institutional reform, accountability and human capacity development are involved. The presence of technology is enjoyed by the number of people who have it, those who do not are left behind. When technology is being used in maximum cases, policy makers turn to technology as a solution to all the problems and think that it will solve the problems on its own, but technology cannot be the solution to all the problems, due to which there is a gap between policy intention and outcome (Devarajan, 2019).

### Objective

- To Analysing why digital governance in developing countries yields uneven result.
- To examine technology alone is not enough to make Digital-governance effective.
- To understood that the output of the Digital-governance depends on Institutional Capacity, Accountability, Citizen readiness.

### Conceptual Framework

A conceptual framework has been used in this study where earlier Digital governance often seen as tech-driven, but this study looks at it as institutional-driven. It focusses on capacity of government institution, accountability of government, and citizen readiness for the implementation of effective Digital governance.

### Methodology

This paper is analytical in nature. The study is conducted based on secondary data. Therefore, the researcher focuses facts and information that has been collected from various journal, articles, books, policy papers, previous research. It also compares different authors, builds arguments through analytical approach and comparative reading of literature. This article examines institutional factor and citizen readiness.

The central theme of public administration is the people and society, so no matter how much technology and modernity come, governance is essentially a human-centered process, where if there is no sense of justice, morality and human values, it will lose its original purpose. The function of governance is not only efficiency or cost cutting, but it can also be a part of the real purpose of human values, protection of human rights and social justice. These are important elements. So, if they are compromised in any way, it is never desirable. Technology must be human centricity, where technology will serve the people, never replace them. Take care of aspects so that people can complete their work more accurately and flawlessly, and it should always be in the control of the people, there should never be a place in decision-making, so technology can simplify governance on the one hand, and on the other hand, it can change the basic structure of the organization (Brownsword, 2024).

Public administration still operates in fragmented structures, with little bit co-ordination between different departments, and it done in a very complex process. Therefore, the exchange of information, systems or services of one department with another department is not easy, this silo-based structure weakens inter-agency co-ordination. No matter how much digital technology is included in the system, if there is no process alignment and data sharing, then digital transformation remains ineffective. Co-ordination is very important to create public value (Ciancarini et al., 2023).

If the government puts a strong emphasis on digital governance, the people will not be ready for this adoption, because various studies have shown that the adoption of digital governance is going on very slowly. This is not only because of digital infrastructure, but also because of the attitude of people adopting new technologies. This problem poses special challenges to both developed and developing countries. The believe that people will accept technology if use, this idea is fundamentally wrong. Public administration is always a system based on the psychological theory of the people, not an engineering laboratory. Where the order is given, it will be reflected as soon as it is given. E-governance depends entirely on the attitude of the citizen. Here attitude is not just a matter of likes or bad feelings. The extent to which citizen trust technology, whether it will benefit them or how much harm can be caused by a mistake is very important. For example, if the citizen thinks that the online system is a very complicated, the money will be stuck or if no one will help, then they will not use even the most modern technology, for which trust and mindset are the two most important parts.

If people do not get the environment to use the system than even the good attitude will never bring adoption. Here the facility is not just an internet services or a digital device. Whether the citizens have the right technical training, whether they understand the language, design, rules and most importantly, how to deal with any obstacles in the use of technology. There is a need to have these facilitating condition, otherwise e-governance become elite centric (Rana et al., 2017).

Another major limitation of e-governance is the use of language. The problem with citizen readiness lies here. While all general digital services are conducted in English, in countries like India where multiple languages are prevalent, people are not able to use various government AAPs in English. Citizen readiness is not technical readiness, it is cognitive and cultural readiness, so if digital governance is not made compatible with the language and culture of the common citizens, then e-governance will remain only on paper and cannot become a part of people's life. Often it happens that citizens do not even know the existence of government services. If citizens are not aware of the existence of a service, how will they use it? The government plans to provide e-services through digital portals, but does not make any effort to educate citizens on how to use them. As a result, the services are technically available but practically invisible. Therefore, digital governance without awareness is like turning on the lights and not inviting anyone into the house (Xin et al., 2022).

Most of the e-governance platforms are Government centric. Citizens are seen as a place to give information or respond, not as co-creators. As a result, long-term engagement of citizens can never be created. Almost all

digital services of the government have a feedback box, but there is no follow-up on the system as to what the decision was taken after that feedback or the impact of its feedback, so that if people do not get feedback, they will not be able to participate in the future. So, if there is no follow-up after feedback, then it is the biggest reason for engagement failure.

The government uses ‘tokenism in digital participation’ to mobilize people’s participation. This idea originated from the ‘tokenism’ concept of Rosabeth Moss Kanter (Kanter, 1977). Since 2010, this term has been widely used in the e-governance and citizen participation literature. It said e-participation is only used to show nominal participation, just as the government only shows in numbers, they are involving citizens in the process and in decision-making, in reality, decision is made in advance, but as a result, citizen engagement loses confidence. The use of technology is expected to strengthen transparency, efficiency, and democratic processes, but in reality, the power imbalance can be seen digital governance also. It is the government that sets the agenda, control the platform, the citizen only responds to that so the power disparity between the state and citizens has never diminished and there has never been a real democratic engagement.

## **Digital governance has 3 main Pillar**

### **1.Capable institution**

For digital governance to have an effective impact, effective co-ordination among all government departments and agencies is needed. If each department develops its own digital system, information sharing is disrupted and there is a possibility of service breakdown. Because most governments make digital systems as department-centric not as citizen-centric. Therefore, it does not matter whether one department merges with another, citizen have to carry data by themselves from one department to another. If different departments have different systems according to their needs, it must have overall advantages, such as increasing the pace of work, each department will be able to develop and adapt the systems according to its needs, thus decision-making and service making more effective. But this concept applies only when there is strong institutional co-ordination, in most cases it is lacking in governance structure, resulting in data-silo. For these citizens have to carry information on their own. Without a centralized co-ordination and interoperability framework, digital systems increase complexity rather than increase administrative efficiency.

It is very important for the top leadership to have an active role in sustaining digital governance. Because the decision-making roles such as budget allocation, which departments will have authority over which departments, how to fix the old working methods, all these are in the hands of the higher authorities with out their active participation the digital system behaves like the traditional paper-pen system. It is not enough for the citizens to start the digital process, if the government has created an excellent digital platform, but the office staffs does not know how to use that platform, the system will not be able to give up the habit of the previous file-based process and are afraid to take on new responsibilities. Therefore, it is necessary to see whether the worker in the office is mentally ready to change, or the rules and regulations are being properly trained and whether there is an opportunity to learn without fear of punishment if they make mistakes. So, only present of technology can’t modernize the organization, the technology works only when the organization is ready. One of the major limitations of the digital system is the taking of responsibility. If the system ever makes a mistake for some reason, who is taking responsibility for that? Digital governance without accountability is dangerous, because if people make the wrong decision, the question can be asked, if the algorithm taking part of decision-making and do mistake, who will answer? Accountability is in question (Pande et al., 2025).

Government digital projects often become dependent on one officer or one government, that is, when a bureaucrat or a political party goes out of power, the projects also get stuck. This means that digital initiatives have not been able to settle down permanently within the organization. If digital governance person-centric it will not be long-lasting, the institution is not be able to maintain its consistency in development and

governance. Therefore, it is the responsibility of the organization, not the individual or any particular government to retain knowledge and experience.

The major limitation of digital administration is that the government itself does not build technical capabilities. It depends on private companies, due to which the government loses control over the institutions, the system becomes obsolete if the vendor is not present for any reason, and the government becomes dependent on the technology instead of owning it. An enabling institution means a state structure that can use technology as well as maintain its own control over technology, but in reality, most of the time the government becomes dependent on the vendor. When the design, maintenance and decision-making of the digital system is completely in the hands of the vendor, the institutional capacity of the state is weakened (Pande et al., 2025).

## **2. Clear accountability**

One of the major problems with digital governance accountabilities is that ‘Diffused accountability’. When responsibility spread, the immersion in administrative work increases. Where did the general public go to get accurate information? If the answer to this question is not clear, it is due to the ‘Diffused Accountability’. Government system connects everyone together but does not separate responsibilities. The accountability gap between public and private companies is another major problem. Both the government and private companies are responsible for managing the digital system. But private companies are not obliged to be held accountable if citizens demand answers. Here, the decision is made by the algorithm in the government service, the system is created by the private firm, and the government officer is in charge. As a result of this process, the common man has to face the most pain. When state services are delivered through private technology, the democratic process becomes blurred (Al-Shbail & Aman, 2018).

## **3. Digitally prepared citizen**

E-government services are not effective if citizens do not have digital skills and the ability to understand technology. Digital governance fails in reality if the citizens are unprepared despite the technology. If a citizen does not believe that the digital system is safe, transparent and fair, he will not voluntarily accept government digital services. Despite the existence of digital platforms, the use will be limited, only the launch of online portals or apps will not make the citizen digitally ready, it requires long-term awareness, training and the development of state-to-citizen relation. (Alabdulkareem & Oladimeji, 2024)

Even if the citizen is technologically prepared, if the government's digital system is complex, fragmented and insensitive, then acceptance does not increase. In spite of digital prepaid citizen, if the governance design is weak, then the adoption will collapse. Capable people who use the digital system as a part of their life are not only happy with the e-services, they check the quality of the service. However, this has enabled the digital system to become a more robust and better service provider. Because the more digitally ready citizens there are, the more pressure the government will put on them, which will lead to better governance and the failures will be exposed and addressed. The more citizens get used to digital systems and processes, the less their tolerance becomes. They want faster and faster services, where the people can't tolerate system errors, digital traffic, etc., so if the government doesn't keep pace with the preparations, the adoption will be further reduced. Citizen Readiness compels governance to improve.

The more digitally prepared citizens are, the more inequality becomes visible if the state fails to support digital access properly. While there are some citizens who are digitally ready, they can use online services quickly, there are many citizens who are not ready and they are left out. But the problem is that when digital governance assumes that everyone is equally prepared, then some citizens benefit and some citizens get left behind. This condition is called ‘digital polarization’. Hence if the state does not put in place alternative offline systems, then digital governance creates exclusion, not inclusion, and deepens social inequality (Khosrow-Pour & Hamid, 2017).

Citizens cannot participate in the digital process if they have access only to the internet and digital devices. For this, citizens need to have the ability to understand policy, the ability to question, and the confidence to express their opinions. Digital Prepared Citizens refers to Politically and Cognitively Prepared Citizens. With digital platforms, power does not go into the hands of citizens; The balance of power changes only when the citizen can judge and analyse the information given to him and highlight his pros and cons. The government says we have uploaded all the information reports on the dashboard, so we are very transparent. But the reality is, can citizens understand what is important to that information? If not, then the citizen is only a spectator, government remains the real decision maker. Participation is there but there is no transfer of power. Therefore, without a digital prepaid citizen, citizen participation cannot change the relationship of power. Therefore, without digital preparedness, citizen participation cannot change the relationship of power (Shaxnoza, 2024).

## Conclusion

In developing countries, digital governance is not effective simply by increasing the use of technology. Technology itself is not governance; it is only a tool used by organizations, citizens, and institutions. Technology alone does not produce results. Outcomes depend on who is driving it and how it is implemented. Digital governance often fails due to weak administrative capacity where office staff do not have the skills to implement decisions. If there is a weak governance system with good technology, then the results will be fall down. Another reason for the failure is Poor institutional coordination. If there is no connection between the system of one department and the system of another department, then there is no exchange of information and the responsibility becomes blurred. The most important aspect of governance is the citizen, so digital governance is incomplete if the citizen does not know the services and cannot participate or raise questions. Technology delivers results when institutions are competent, departments are integrated and citizens are ready. Therefore, digital governance should not be limited to creating new technologies. Rather, it has to move towards the distant future keeping in mind the capabilities of the organization, the capacity building of the workforce and the preparation of the citizens.

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