View metadata, citation and similar papers at core.ac.uk

brought to you by CORE

provided by AIS Electronic Library (AISeL)

Association for Information Systems

AIS Electronic Library (AISeL)

CONF-IRM 2019 Proceedings

International Conference on Information Resources Management (CONF-IRM)

5-2019

Impact of e-Commerce on Corporate Governance and Ethics

Memory Rukasha
University of South Africa

Felix Bankole
University of South Africa

Follow this and additional works at: https://aisel.aisnet.org/confirm2019

Recommended Citation

Rukasha, Memory and Bankole, Felix, "Impact of e-Commerce on Corporate Governance and Ethics" (2019). *CONF-IRM 2019 Proceedings*. 40.
https://aisel.aisnet.org/confirm2019/40

This material is brought to you by the International Conference on Information Resources Management (CONF-IRM) at AIS Electronic Library (AISeL). It has been accepted for inclusion in CONF-IRM 2019 Proceedings by an authorized administrator of AIS Electronic Library (AISeL). For more information, please contact elibrary@aisnet.org.

Impact of e-Commerce on Corporate Governance and Ethics

Memory Rukasha
University of South Africa

Prof Felix Bankole
University of South Africa

Abstract

It is always prudent that the business environment adopts technological platforms such as e-commerce, but there is a need to ascertain the risks involved to optimize the benefits.

The current paper examines the impact of e-commerce on corporate governance and ethics in the retail sector. The research involved gathering the opinions of suppliers, customers, employees, government workers, traders, and as well as investors. The study employed both quantitative and qualitative approach. Quantitative data were gathered using a questionnaire administered on a corporate retail organization from different levels of workers, while in-depth interviews were used for the qualitative data. Results from the questionnaire indicated meager customer relationship management on e-commerce platforms, stringent excess control rather than regulatory requirements and inadequate monitoring of the behavior activities of clients on e-commerce platforms.

Also, the investors felt that e-commerce impact on shareholder activity was not satisfactory especially with regards to meetings, but they indicated agreement on the enhancement of resources with regards to the generation of organizational profits.

The results show that overall satisfaction as a proxy for good corporate governance is dependent on investors and the government. However, issues such as difficulty in describing physical goods, elimination of unethical practices and untrustworthiness of intermediaries require inter-organizational compliance between different organizations and their stakeholders to manage risk on e-commerce platforms.

It is therefore pertinent upon the organization and their stakeholder board to reduce the adverse impact on e-commerce through coordinated training on ethics and risk management to enhance mutual benefit for the entities involved.

Keywords: *Stakeholders, e-commerce, Zimbabwe, corporate governance, ethics, impact, World-Wide*

2019 International Conference on Information Resources Management (Conf-IRM), May 27-29 Auckland, New Zealand.

1. INTRODUCTION

The execution of commercial activities on electronic devices is generally referred to as electronic commerce (e-commerce). E-commerce is a subset of e-business, which forms an integral part of m-commerce and m-business platforms (Tiwari & Buse, 2007). These platforms could be employed in electronic customer relations management (e-CRM) for acquiring and retaining customers.

E-commerce has become the fastest way of carrying out business transactions and has emerged as one of the innovations for the actualization of the global market place. It involves online banking, online buying, online payments, online selling and as well as reservations through transacting on commercial and corporate entities (Watson et al., 2008; Chinasubarrao, 2016; Sen et al., 2015). The introduction of e-commerce has brought about changes in the manner in which corporate institution functions and has impacted on the ethics of several organizations both negatively and positively.

In Zimbabwe, the financial institutions are currently introducing online banking systems known as e-banking; for instance, Stanbic Bank launched a business online for corporate and internet banking for regular customers (Rukasha, 2018). Standard Chartered Bank introduced online payment through e-commerce applications. The mobile service operators are participating in e-commerce in the form of mobile payments (m-payment). Econet, the biggest mobile operator, launched Ecocash for mobile money in connection with different banks so that mobile users can access their bank accounts with ease. The mobile users can now perform purchase transactions and make payments to some of the retail outlets such as Edgars, Truworths, Pick and Pay and OK in Zimbabwe. These have eased the approach of doing business and has impacted the way the corporate organization operates its businesses.

In the same vein, e-commerce has brought both negative and positive impact on corporate governance and ethics (Kabango & Asa, 2006). This is attributed to cash shortages in Zimbabwe that resulted in the large use of m-payments, e-banking, and e-payments. Therefore, the current study examines the impact of e-commerce on corporate governance and ethics to understand how e-commerce has impacted corporate governance and ethics in the country.

The remainder of this article is organized as follows: Section two discusses the overview of e-commerce. Section three provides the impact of e-commerce on ethics and corporate governance. Section four presents the theoretical framework. Section five provides methodology and data analysis approach while section six gives the discussions of the findings. In section six, conclusions, recommendation and future research were elucidated

2. OVERVIEW OF E-COMMERCE

E-commerce is the process of exchanging goods or services through many electronic networks such as the Internet (Watson et al., 2008; Tiwari & Buse, 2007; Chinasubarrao, 2016; Sen et al., 2015). The platform began in the early 1970s in the form of B2B e-commerce using the telephone-based modem. It grew rapidly in the late 1990s because of the ease of using online credit worldwide (Watson et al., 2008). This evolution through phases until it got reinvented from 2006 to present using Internet technologies. The Table below highlights the different types of e-commerce platforms.

Types	Definitions	Examples
Business-to-Consumer (B2C)	Typically mentioned a form of e-commerce wherein online business attempt to reach the individual, consumers Amazon, Global AdMart Business-to-Business	Amazon, Global AdMart
Business-to-Business (B2B)	Business focus is on selling to other firms. It is the largest form of e-commerce Food trade, Supplier Centric	Food trade, Supplier Centric
Consumer-to-Consumer (C2C)	Provides a way for end-users to trade with each other, with the assistance of online marketplace maker	eBay Inc., Craig list site using social networks like Facebook and YouTube "Handmade accessories and clothes groups."
Peer-to-Peer (P2P)	This technology enables internet users to share files directly without having to go through a central web server by using their personal computers	BitTorrent Software, Napster music file-sharing
Mobile Commerce (M-Commerce)	Use of wireless digital devices to enable e-transaction. It is commonly employed in Japan and Europe. It is expected to develop rapidly in the US over the following five years because of the boom of smartphones	Wireless devices with mobility as Personal Digital Assistants (PDA) and mobile phones

Table 1: Types of E-Commerce (Trever, 2009)

E-commerce use encompasses technologies, such as Internet marketing, mobile commerce, online transaction processing, electronic funds transfer, automated data interchange, automated electronic data collection systems, and inventory management systems. It allows the flow of information between organizations (Kabango & Asa, 2006). The complete online system of developing, selling, delivering, servicing and paying for merchandise and services is also included in e-commerce. However, with the hype in e-commerce, the corporate governance and ethics are affected for the reason that corporate entities and financial institutions tend to maximize profits by ensuring that their business performs at its best by adopting the technology thereby enhancing lower cost structure, increased scope in scale of services, faster transactions and increased government performance (Kabango & Asa, 2006).

2.1 E-Commerce and Compliance

Compliance is the observance of norms which include legislation, industry standards and statutes by an organization (Gasser and Haeusermann,2007). The focus in this paper is e-commerce compliance which is targeted on specific areas of risk. These areas are mainly financial market surveillance and insider trading. However, this has evolved outside specific legal issues to include antitrust, anti-bribery and labor to incorporate the electronic communication stage known as e-compliance (Gasser & Haeusermann, 2007). E-compliance is mandated with the adaptation of the legal system to digitization (Chinasubbarao, 2016). E-compliance, as an aspect of e-commerce has been identified to include the organization's ethical behavior or its corporate citizenship (ibid). The legal order to digitization is concerned with risks as follows:

i. **IT Security:** IT security is concerned with virus, spyware, hacking or theft of data or hardware. Information and information systems protection is supposed to be attuned to the legal system and self-regulatory initiatives such as industry codes of practice.
ii. **Data Privacy:** Data privacy has to be adhered to when processing customer and employee data. To this end, this has got implications on the prohibition of private email usage.
iii. **Consumer Protection: Consumer** protection laws need to be observed in e-commerce.
iv. **Intellectual Property:** Intellectual property and risk of infringement of copyright for online intermediaries and especially violations committed by a company's customers.

2.2 Corporate Governance

Corporate governance is a system by which enterprises are directed and controlled (EIU, 2002). Dahiyat, (2011), pointed out that corporate governance is not in the nitty-gritty day to day operations of an organization, but concerned with the overall direction of the enterprise. Alternatively, corporate governance involves a set of relationships between the organization's management, the board of directors, its shareholders' its auditors and other stakeholders. Distribution rights and responsibilities among the parties concerned in the organization are specified in the corporate governance structure (board, managers, shareholders, and stakeholders) (Chinasubbarao, 2016).

Mlitwa & Birch (2011), states that the role of corporate governance is to bring forth a business agreement with owners and shareholder's aspiration, which entails profit maximization, while in compliance with the fundamental rules of the society embodied in law and local customs. Corporate governance or ethics in the organization also depend on the prevailing culture within such an organization. The procedures and rules for making decisions on corporate affairs are spelled out by corporate governance. Hence corporate governance provides the structure through which the organization objectives are formulated and explain how to attain the goals and monitor performance. The great depression of 1930 was a critical stage in the evolution of corporate governance in many countries (Chinasubbarao, 2016). In this context, the financial crisis of 2008 and bankruptcy in Zimbabwe led to more need for corporate governance.

2.3 Ethics

The word ethics was derived from the Greek word ethos. Ethos had several meanings such as custom, habit, character or disposition. Ethics is based on personal beliefs, morals and appropriate behavior (Cheng, (2011). It is a set of moral principles that govern the behavior of a group or individual. Computer ethics is a moral principle that regulates the use of computers. It was developed as far back in the mid-1940s where science development led to the formation of computer ethics or information values. Computer ethics has evolved into a broader and even more important field which might be called global information ethics. (Terrell, 2011 and Mackie, 1977) alluded that moral and ethical statements provide different views of character and actions as either bad or good. However, studies are working around empirically and evolutionary based science on morality or ethics.

In this research, the viability of e-commerce platform in organizations is explored to understand the hesitation of stakeholders to embrace technological development. Are these hesitant partly due to security, trust, and other threats and as such the efficient delivery of a company's mandate is threatened with the harmful impact on its corporate governance and ethics?

The research questions emanated from this corporate issue is to investigate the impact of e-commerce on corporate governance and ethics. This would provide answers to how the behavior and influence of key stakeholders affect the e-commerce relationship and how appropriate corporate governance practices could be adapted to the e-commerce domain. The objectives are to determine who the stakeholders in the e-commerce industry are and to understand their importance, influence, and behavior.

3. IMPACT OF E-COMMERCE ON ETHICS AND CORPORATE GOVERNANCE

E-commerce has brought about a notable impact on the governance and ethics of the corporate. For instance, the advance in technology and the rise in Internet technology provide increased adequate platforms for e-commerce transactions globally (Dahiyat, 2011). This has enabled the growth of e-commerce businesses and public policies. E-commerce has affected the way corporates are governed, controlled and directed. (Ghasemi & Zahedias, 2012) and (Bebchunk et al.,2014) stated that well-governed organizations with e-commerce perform better thus emphasizing on the need for good corporate governance. Awful corporate governance leads to problems such as mismanagement, red tapes, wastage, unreliable services, operational inefficiencies, and pilferage.

Kabango and Asa (2006), Glasser and Haeubermann (2007) and Duh et al. (2012) identified factors which affected e-commerce which in turn had a bearing on corporate governance and ethics. These include trust, security, fraud and hacking, awareness and perceived usefulness by customers as well as perceived quality. Consumers' trust that electronic information on retailers' websites is accurate about products or services and credit card numbers are protected on online purchase transactions (Kabango and Asa, 2006). Johnson (1977) raised some questions with regards to ethics. Some of the issues are "Is computer technology eroding personal privacy? Will the use of encryption make crime detection impossible? Can democracy be applied on the global scale of the Internet?" Deeper questions came because of the above issues. These questions were trying to find out how technology was useful to human and benefits that will be achieved by one after taking the risk of trading on e-commerce. Another question arose among ethicists as to whether ethical issues were different for computer technology. These questions led to some claims that moral concepts and theories can address ethical issues in computer technology because of implicitly of these issues.

Clarke, (1997) emphasized that the interest an individual has in influencing or controlling the handling of data about themselves is called information privacy. Some studies have assessed behavior on the internet by users towards their privacy. The results showed that most users are still unaware or sure that the transactions they do are secure (Scollay, 1998). The users are not sure the security of online transactions had an impact on how the e-commerce business would convince people to do business. Some techniques and technologies support e-commerce through unethical means, for instance, sharing customer information within the group of companies for the purpose retargeting. The University of Georgetown conducted a survey that reveals that 94% of the most frequently visited sites have privacy disclosure,(Clarke, 1997).

Miranjanamurthy and Chahar (2013), believed that electronic commerce security was the most important information security component due to its interaction with end users via daily transactions with the business. Interrogated risks perceived by e-commerce players including potential hazards which upon manifestation may degenerate into the cost escalations and corporate life threats (Trautmann (2016). Using PayPal as a case study, the identified potential risks included cyber-crime, infrastructure security, and intellectual property protection. Management at e-Bay (parent to PayPal) believed that threats emanated from the following issues (Trautmann, 2016):

- Ability to migrate from online commerce to mobile and multi-channel commerce and payments.
- Customer confidence and security of transactions in their use of the company's websites and technology.
- Ability to comply with existing and new laws relating to issues such as fund transmission, electronic funds transfers, terrorist financing, and consumer protection.

Having identified issues that impact e-commerce through ethics and corporate governance, it is paramount to examine the stakeholders in an organization.

3.1 Stakeholder Theory

The Stakeholder theory originates in strategic management (Freeman, 1984). The use of the term "stakeholder," as opposed to interest groups, is a deliberate contrast to "stockholders" and "shareholders" (Scholl, 2001). Stakeholders are those groups whose absence could make it difficult or impossible for the organization to survive (Mitchel, Angle & Wood, 1997).

However, Freeman (1984) defined stakeholders as any individual or group who can be impacted or can affect the firm in the achievement of its objectives. Businesses were predicted to be less focused on stockholders alone but would benefit stakeholders (Taylor, 1971). The stakeholder theory states that businesses are merely an arrangement by which one group of people; (the stakeholders) advance capital to another team (the managers) to be used to realize the profit. Stakeholder theory is viewed as challenging the prevailing neoclassical economic theory of the firm (Scholl, 2001). The neoclassical economic theory of undertakings focuses on the conventional input-output model of the company. This model sees businesses changing investor, supplier, and worker inputs into client outputs (Donaldson & Preston, 1995). Stakeholder theory takes into account the interests of interested parties in the firm also bearing in mind that the priority of these interests is not always immediately evident (see figure below)

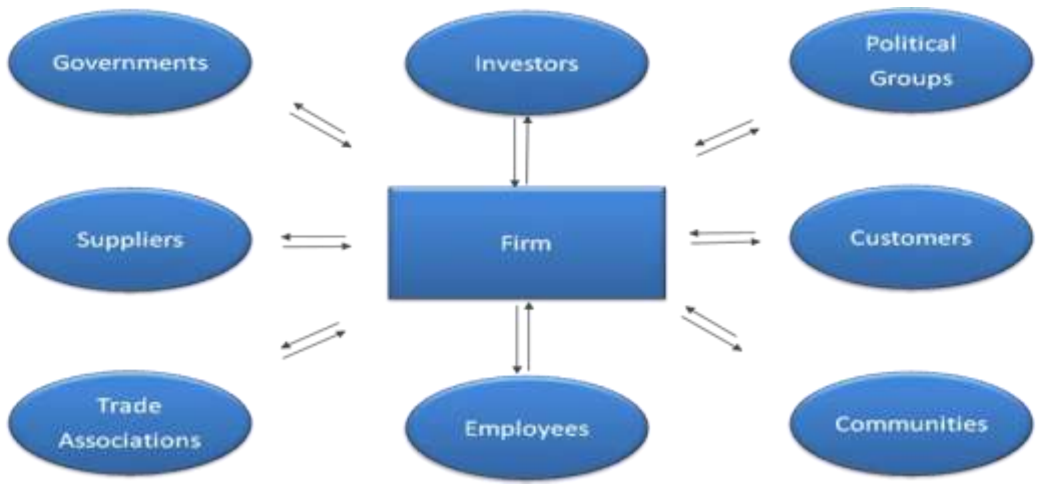

Figure 1: Schematic of Stakeholder Theory (Donaldson & Preston, 1995)

Donaldson & Preston (1995) offer a systematic classification of Stakeholder theory which is quoted in the literature (Scholl, 2001) as normative, descriptive and instrumental views. It is descriptive in the sense that, describes how organizations manage or interact with stakeholders, normative because it prescribes how organizations should treat their stakeholders, and instrumental because the framework for examining the connections is established between stakeholder management and achievement to performance goals for corporate. However, (Freeman, 1999) criticized (Donaldson & Preston (1995) systematic classification as being too positivist and denies the distinction between normative and descriptive views. Research using Stakeholder theory has subsequently evolved into two distinct strands which are the “Business Ethics” and the “Instrumental” strands (Scholl, 2001).

Stakeholder theory, in general, received critics especially among economists but particularly the business ethics. Friedman (1999) stated that there was only one social responsibility of business, the responsibility of using resources to engage in activities designed to maximize its profits. Gioia (1999) says that the stakeholder theory has also pulled criticism from within its camp that it needs more data to ground itself because it is too theoretical. Jones & Wicks (1999) argued for a unified Stakeholder theory which combines all the separate strands into a single coherent theory. Freeman (1999) and subsequent authors (Scholl, 2001) have argued that a convergent method is not in existence and that though ideas may have originated from the same source, their prescriptions and implications differ (Scholl, 2001).

The influence of a stakeholder was premised on the level of three essential relationship strengths namely power, legitimacy and urgency (Mitchel et al., 1997). The last attribute could be leveraged to obtain salience in the mental maps of corporate managers regarding the relationship. The three characteristics evolved into the relationship in the figure below which also indicates the recommendations for the various shades of stakeholder relationship.

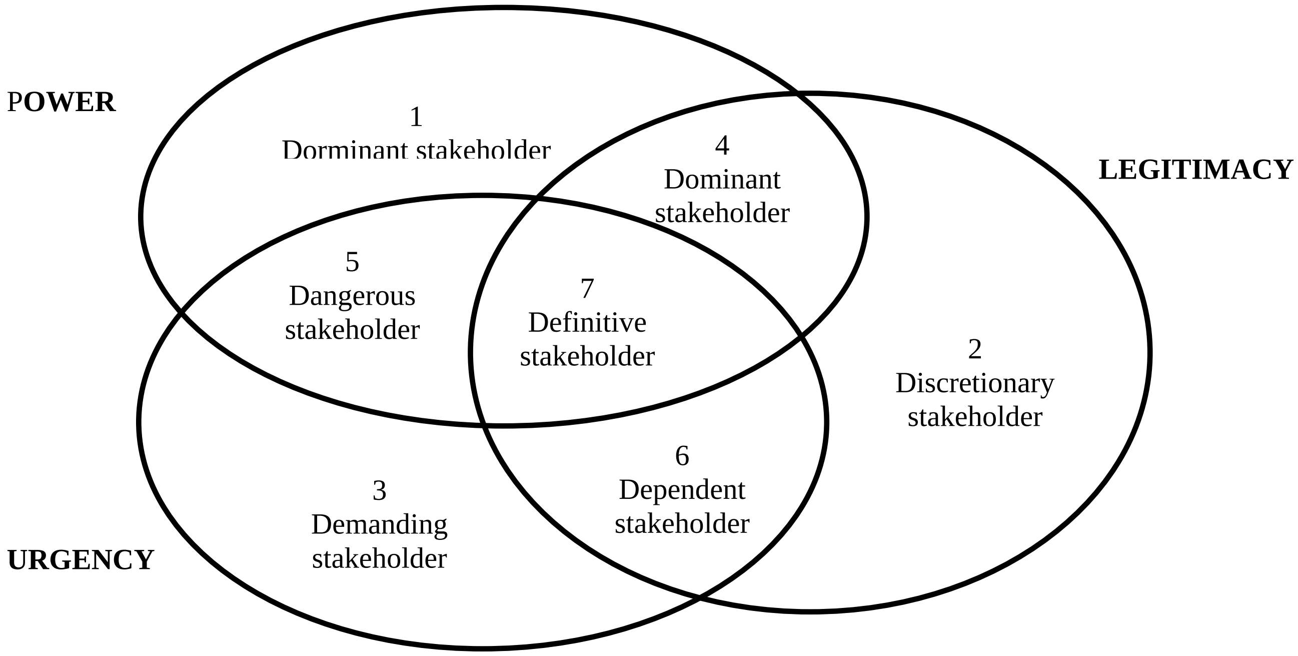

Figure 2: Stakeholder Typology (Mitchell et al. 1997)

Latent stakeholders were classified as having low salience by possessing one of the three attributes, with expectant stakeholders being those with moderate salience arising out of possession of two attributes in the relationship and those with three attributes being definitive interested parties and perceived by managers as having high salience. What needs to be interrogated in the e-commerce domain is the identification of stakeholders and their classification according to the above model. The moderating effect of the various stakeholders as identified and presented should be elicited that is, their impact and how they are affected by different e-commerce activities regarding corporate governance.

3.2 Stakeholder Influence Variables

Some variables control stakeholder influence. The government is one of such key variables in stakeholder influence (Roberts, 1992). State interest in corporate and tax issues affect corporate governance and ethics within an organization. Besides the government, customers and employees are other major variables in stakeholder influence. Corporate clients and staffs determine the direction in which the organization takes (Scholl, 2001). If customers are disgruntled this affects the corporate governance and if employees are negative towards their operations and not pleased with the day to day operations, this has also an impact on corporate governance and e-commerce in general. Suppliers also have a bearing towards corporate governance as their role and association with customers do have control over the behavior and ethics.

4. THEORETICAL FRAMEWORK

4.1 Stakeholder theory, E-commerce, Corporate Governance, and Ethics

The stakeholder theory addresses the role of a corporation in a capitalistic society, and Zimbabwe is such a capitalistic country. The stakeholder theory derived its models to look at issues that capitalistic firms experience in the evolving world with technology. The stakeholder competencies should be conceived as the technological capabilities as it continues to advance the responsibilities of the corporates (Freeman, 1984; 2014). Organizations that manage their stakeholder relationships survive longer and perform better than an organization that does not have the management of relationships as the core idea.

Milton Friedman (1999), in the stockholder model, explains association regarding business and social responsibility in the manner similar to capitalism and freedom. Friedman stated that there was only one social responsibility of business, the responsibility of using resources to engage in activities designed to boosts its profits. These activities should comply with the law. A point to note is that Friedman wrote his theory when the economy was not as globalized as it is now and also the economy was not handling different ethical and social norms. He argues that “the market itself is the best tool by which to promote the public good” and that by pursuing profit, business is already giving back to the community in the most efficient manner possible. Mitchel et al. (1997), acknowledged that the traditional stakeholder theory was conceptualized around the issue of survival along four categories which are corporate planning, corporate social responsibility, systems theory, and organization theory.

E-commerce is a contemporary social issue that relates to technology, and it has an impact on society both positive and negative on corporate governance and ethics. Privacy and security of confidential information must be addressed when organizations are adopting e-commerce. Most teams are now pursuing not only increased profits but moral and ethical benefits. Corporate governance is always changing and evolving due to internal and external environmental dynamics. Domestic issues concern stakeholders, shareholders and maximizing profits. Foreign issues involve human diversity, globalization, e-commerce, and advance in communication and information technology. The stakeholder theorists suggest that managers in organizations have a network of relationships to serve for corporate to succeed. Stakeholders should enforce social responsibility beyond making profits. The implication is that an organization needs to look at all the factors that can impact the governance of business or corporate.

4.2 Conceptualized Framework

The conceptual framework shows that e-commerce consists of several transactions that lead to stakeholder's influence (Donaldson & Preston, 1995). However, the stakeholder's power is mainly through five primary variables which are government, customers, suppliers, investors, and employees. These led to good corporate governance and ethics which are also interlinked as shown in figure 3 below.

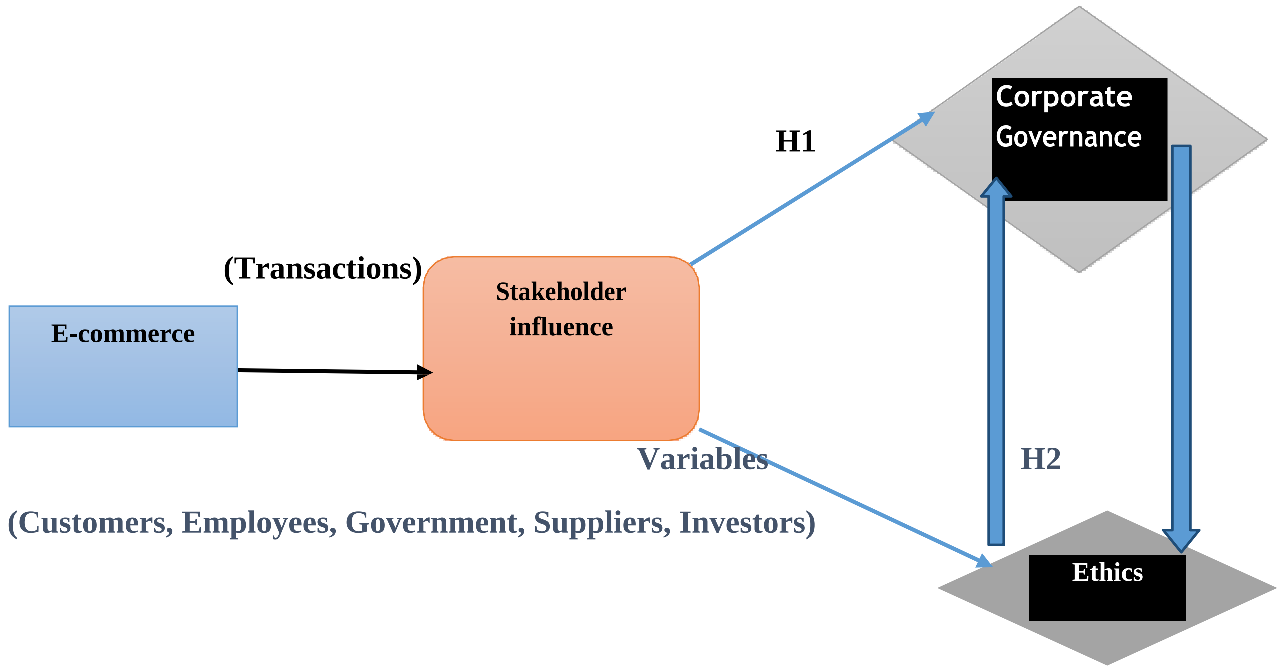

Figure 3: Corporate Governance and Ethics Model for E-commerce.

From the diagram above it can be observed that the corporate governance and ethics are influenced but the stakeholder influence through the five main variables as shown in figure 4. This is also influenced by transactions performed by e-commerce.

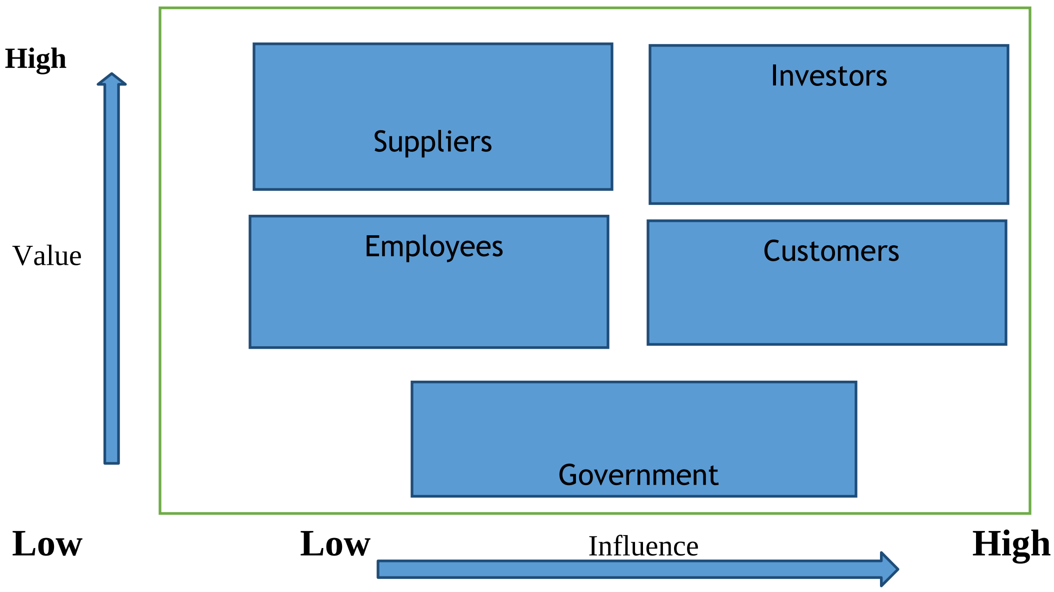

Figure 4: Stakeholder Influence Map

Stakeholder influence tends to be affected by the five primary variables as shown in figure 4 above. The stakeholder value is high mainly because of the investors and suppliers. The investors have much influence on stakeholder influence as their role and the fund they put into corporate, affect how the e-commerce business execute. If the weight becomes weak, it's a signal that they have lost interest in the corporate. However, suppliers play the same role as investors. Reduction in suppliers influence affects the operation and profit of the organization and prices tend to increase thereby affecting the customers. Suppliers, therefore, should keep constant provider. The quality of the products supplied affects the role of the supplier.

The stakeholders are mainly influenced by the customers and suppliers as shown in figure 4. Customers are considered as the driving force in any corporate, so poor customer care affects the operation and profit in general. Hence much e-business organization should complete customer care training as well as customer satisfaction survey to determine the level of customer satisfaction. The training should be carried out at two-year intervals. Customers are then regarded as the golden tool for any e-commerce business.

In many developing countries, the stakeholder influence is mainly influenced by the investors through the economic and political situation, as it tends to repel investors but has an impact on corporate governance. Suppliers and investors have much importance value to stakeholder influence as compared to government and customers. Many e-commerce organizations are being affected by the clients and investors while employees tend to be the one with minimal effect as shown in the diagram. Following the explanation from the above conceptual framework, the research further hypothesized as follows

> H_0: E-commerce, through stakeholder management dynamics, has a positive impact on corporate governance and business ethics.
>
> H_1: E-commerce, through stakeholder management dynamics, has a negative impact on corporate governance and business ethics.

5.0 METHODOLOGY AND DATA ANALYSIS

The research employed a mixed method approach, which utilizes quantitative and qualitative approaches. This research used a descriptive and inferential survey design in which data was collected from the population through self-administered questionnaires and interviews. The population for the study composed of public and private sector organizations consisting of sampled 50 workers who were drawn from different management levels of corporate organizations in Zimbabwe. Using purposive sampling, the respondents were classified according to three levels (high, medium and low) within the organization. Thirty-five respondents participated in the study to make a response rate of 70% while nine in-depth interviews were administered across the three levels of workers. The questionnaire was measured using a five-point Likert scale, ranging from strongly disagree to strongly agree. The five variables constituted for each section had a set of attributes.

Cronbach's Alpha test was used to measure the reliability of the questionnaires, and all variables proved to be reliable. The interviews took approximately forty minutes to administer. These were recorded, translated and transcribed where themes emanating from the study were used.

In the research design, data relating to the variables were collected at about the same time to describe the relationship between the variables under study from the five e-commerce organizations in Zimbabwe. This type of investigation design was selected because; it ensures to secure a wealth of information about the unit of study which may provide appropriate clues and ideas for further research. This research sought to assess the impact of e-commerce on corporate governance and ethics; descriptive survey design was employed to highlight the relationship that exists between the dependent variable (e-commerce) and the predictor variables (corporate governance and ethics).

A mixture of post-positivism (critical realism) which thought to assume a positivist or objective stance, incorporates the researcher's interpretation that is obtained through social conditioning to the issue under study (Wahyuni, 2012). However, a subjectivism or interpretivism is also incorporated. Thus, mixed research is proposed here as the structured questionnaires are needed for three quantitative sides, and subjective interviews complement these.

5.0.1 Data Analysis- Quantitative Data

The reliability of the questionnaire was measured using Cronbach's Alpha test. All the five variables had a Cronbach's alpha value greater than 0.7 to show that the questionnaire was reliable in terms of internal consistency see Appendix A.

A total of 35 responses (70%) from 50 responded of which 60% were male, and 40% were female. The majority of age distribution was between 36 to 45 years, and the majorities were technical people. The analyses of data were based on the five perspectives of customer, employees, suppliers, trade associations and government and investors which were measured on a 5-point Likert scale from strongly disagree to agree strongly. There the mean values were interpreted as 3.

5.0.2 Customer Perspective

Customer perspective	**N**	**Min**	**Max**	**Mean**	**Std. Dev**
	Statistic	**Statistic**	**Statistic**	**Statistic**	**Statistic**
1.Transactions conducted online are secure	35	1.00	5.00	3.8286	1.27154
2. There is a system to handle consumer's complaints regarding e-commerce	35	1.00	5.00	2.1143	.99325
3. Systems which handle consumer's complaints regarding e-commerce are effective	35	1.00	5.00	2.2571	1.06668
4. Credit card numbers are protected in online purchase transactions	35	1.00	5.00	4.0286	.98476
5.e-commerce traders cooperate and work towards developing agreements to solve the disputes due to misconducts	35	1.00	5.00	3.6286	1.05957
6. We enhance consumer value by working hard and adapting the latest technology	35	1.00	4.00	1.7143	.75035
7. e-commerce trader's business activities are transparent.	35	1.00	5.00	3.3143	.99325
8.Computer technology erodes personal privacy	35	3.00	4.00	3.2286	.42604
9. Security of online transactions has an impact on How e-commerce business would convince people to do business.	35	2.00	5.00	2.6857	.96319

Table 3: Questionnaire Responses –Customer Perspective (Source: Primary data)

According to the questionnaire responses, there is some work that needs to be worked upon about issues of customer complaints handling (Kabango & Asa, 2006) regarding the existence of systems to handle the same as well as their effectiveness. Using a 5-point Likert scale the mean cut of point is 3; hence values less than the cut-off point is causing dissatisfaction while those above the cut-off point are deemed satisfactory. Customer value with regards to e-commerce apparently weak on adapting the latest technology (OECD Guidelines, 1999) by the organizations and risk assessment needs to be improved upon possibly by deploying balanced scorecard system.

5.0.3 Employee Perspective

The remarkable results emerging from the questionnaire in Table 4 is that there appear to be inadequate systems to monitor the behavior and activities of customers. Adequate education and awareness about online business transacting are provided. Employee perspective indicates that the general interaction with clients is good and the view seems to imply that customers are neither controlled nor monitored.

ITEM	N	Min	Max	Mean	Std Dvt
10. Our organization employs a fair business, advertising, and marketing practices	35	1.00	5.00	3.0571	.72529
11. We make full online disclosures on information about our goods and services	35	1.00	5.00	3.5429	1.14642
12. We make full online disclosures on information about the business transactions	35	2.00	5.00	3.8000	.86772
13. We give education and awareness to our clients about our products and services	35	2.00	5.00	3.9714	.66358
14. We provide information and awareness to our clients on online transacting	35	2.00	5.00	4.2857	.98731
15. Our organization develops technology to protect and empower consumers	35	2.00	4.00	2.9714	.56806
16. We resolve disputes which may arise from e-commerce customers amicably	35	2.00	4.00	2.9714	.51368
17. There are tools in place to monitor the activities of customers	35	1.00	5.00	1.9429	1.05560
18. Duties are segregated to monitor the behavior of customers	35	1.00	3.00	1.4000	.60391

Table 2: Questionnaire Responses –Employee Perspective (Source: Primary data)

5.2 Supplier Perspective

The table below shows the section from the supplier perspective.

ITEM	N	Min	Max	Mean	Standard Deviation
19. There are mechanisms in place to monitor the activities of customers	35	2.00	4.00	2.314	.52979
20. Duties are segregated to monitor the behavior of customers	35	2.00	4.00	2.9714	.51368
21.e-commerce authorization policies at our organization guide our online operations	35	2.00	4.00	3.0286	.38239

Table 5: Questionnaire Statistics-Supplier Perspective

Suppliers are of the general opinion that there are adequate controls to monitor the activities of customers and the duties to monitor customer behavior on e-commerce platforms are appropriately segregated as their mean values are greater than the cut-off point of 3. Authorization policies guide online operations.

5.1 Government and Trade Perspective

The table below shows the section from the government and Trade Perspective.

ITEM	N	Min	Max	Mean	Standard Deviation
22.There is adequate control of the e-commerce trading environment	35	2.00	5.00	3.8286	.85700
23. Management should use a balanced scorecard to conduct an IT risk assessment.	35	2.00	5.00	4.0000	.76696
24. There are controls in place to monitor the activities of users of electronic platforms	35	2.00	5.00	4.2286	.94202
25.e-commerce platforms are controlled by regulatory frameworks	35	1.00	4.00	2.1143	.93215
26. Regulatory frameworks in e-business positively affect corporate governance issues.	35	2.00	5.00	3.2000	.75926
27. There are effective frameworks which protect consumers in an online environment	35	3.00	5.00	4.2286	.54695

Table 6: Questionnaire Statistics-Government and Trade Perspective

The government and trade, however, believes that there are adequate controls to monitor activities of users on electronic platforms though this is apparently not influenced by regulatory frameworks which may imply that such checks are stricter than required by regulatory authorities. This position appears to support the positive impact of regulatory frameworks on the corporate governance of e-business. However, IT risks management is a definite necessity.

5.2 Investors' Perspective

A salient point emerging from this perspective is that organizations do not have effective e-commerce platforms that would positively affect material information disclosure about their operations (item 29). The table shows the response from the investors' perspective.

ITEM	N	Min	Max	Mean	Standard Deviation
28.e-commerce positively affects the financial practices of e-commerce traders	35	2.00	5.00	4.1143	.75815
29.organizations have effective e-commerce platforms which positively affect disclosure of material information from operations	35	1.00	5.00	2.0000	1.11144
30. There is a lack of trust in e-commerce control mechanisms	35	3.00	5.00	4.1714	.51368
31.e-commerce negatively affects the general meeting practices of shareholders	35	3.00	5.00	4.1714	.61767
32.e-business activities enhance measurement of board performances	35	3.00	5.00	4.2000	.53137
33.e-commerce activities enhance the responsibility of using resources to engage in activities designed to increase organizational profits	35	1.00	5.00	4.0000	1.00000
34.e-commerce transactions are adequately recorded and accounted for	35	1.00	5.00	3.5714	1.31251

Table 3: Questionnaire Statistics-Investor Perspective

Although there appears to be a lack of trust about e-commerce (item 30) control mechanisms and also the negative impact of e-commerce on the general meeting practices (item 31) of shareholders by the investors the same however believe it enhances the performance measurement of the board (item 32) as e-commerce transactions are complete. Investors believed that traders' financial practices are positively impacted by e-commerce dealers (item 28)., except for the lack of trust in the control mechanisms of e-commerce and its negative impact on the general meeting. Practices of shareholders as well as the perception of a disconnect between disclosure of material information from operations and e-commerce platforms it is patently clear that investors are generally of electronic commerce and its positive impact on corporate governance.

5.3 Analysis of Variance (ANOVA)

This section presents the regression analysis to be able to determine whether there is a relationship which is significant between the independent variables and the dependent variable. The independent variables are customers, employees, suppliers, government, and trade as well as investors. The analysis of variance technique is deployed in statistics to attempt to establish the relationship between one or more independent variables and a dependent variable (Kothari, 2004). The significant value of 0.001 shows that all the variables under study are different from each other.

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.376	5	3.675	6.087	.001[b]
	Residual	17.510	29	.604		
	Total	35.886	34			

a. Dependent Variable: Overall Satisfaction

b. Predictors: (Constant), Investors, Suppliers, Trade_As_Governement, Employees, Customers

Table 4: ANOVA

The F test above is below 0.05 and indicates that based on the regression model the predictors can be used to explain overall satisfaction as a proxy for corporate governance. That is, the variables of employees, investors, government and trade, customers and suppliers can be used to explain variation in overall satisfaction as a proxy for good corporate governance. The used regression model is a good fit.

Table 5.2 shows R-square parameter at 51.2% which is an indication that the same figure as composed of the listed predictor variables can be employed to explain the overall satisfaction as a proxy for corporate governance. The remaining 48.8% is explained by other variables which not part of the study. This is significant on $p<0.05$ given that p in the model is 0.001.

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. The error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.716[a]	.512	.428	.77704	.512	6.087	5	29	.001

a. Predictors: (Constant), Investors, Suppliers, Trade_As_Governement, Employees, Customers

b. Dependent Variable: Overall Satisfaction

Table 5: Model Summary

The coefficients of analysis provide values for each predictor or independent variables as an indication of its contribution towards the dependent variable. In the study, the employees, suppliers, customers, trade, and government, as well as investors, were employed as the independent variables and overall satisfaction or corporate governance as the dependent variable and the extent to which each of the former variables contributed to the latter was examined. Statistical significance of the coefficients was determined, and if the p-value for the relationship was less than 5% or 0.05, then the relationship was accepted. The investors and government as a trade have a significance difference to ethics and corporate governance where their p values are less than 0.005. The accepted results are summarized as shown in Table 10 below.

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	2.813	4.263		.660	.515	-5.907	11.533
	Customers	-.373	.545	-.112	-.684	.499	-1.488	.742
	Employees	.123	1.058	.018	.116	.908	-2.041	2.286
	Suppliers	.045	.617	.011	.073	.943	-1.218	1.307
	Trade_As_Governement	-1.408	.579	-.372	-2.431	.021	-2.593	-.223
	Investors	1.729	.420	.695	4.120	.000	.871	2.586

a. Dependent Variable: Overall Satisfaction

The overall equation for the relationship is then as follows

Table 10: Coefficients of regression

The above coefficients table shows that overall satisfaction according to regression is brought by Investors and Trade as government. This is implied by their P-values which are greater than 0.05. Trade, as government has a P-value of 0.021 and Investors, has a P-value of 0.000. Customers, employees, and suppliers have P- values greater than 0.05. Therefore, their variance does not affect overall satisfaction. Therefore, the following equation is derived from the regression co-efficient table.

Overall satisfaction = 2.813 - 1.408(GTRD) + 1.729(INV)

Where GTRD - Government as Trade

INV- Investors

2.813 is a constant.

From the overall satisfaction equation above, if government as trade decrease their perceptions by one unit the overall satisfaction would fall by 141%, but if investors' perceptions of e-commerce platforms increase by one unit, the overall satisfaction will increase by 172%.

5.4 Data Analysis-Qualitative Data

Results from interviews

The very nature of this study creates some fundamental analysis problems. The participants of e-commerce, trading was arranged for an interview one by one. Some questions including the ethical code questions were asked and recorded. Later, the responses were analyzed. Because of the unique nature of the process, it was not possible to re-interview the interviewees. The results must be considered as a means of evaluating the acceptance of the ethical code. Furthermore, when attempting to explain the possible causes of stress, some factors might be missed. These omissions, however, should not affect the importance of the interviewee's reaction to specific ethical code items.

There was a wide array of responses. Although questions were based upon specific legal and ethical guidelines or problems related to the issue, there were only a few questions to which everyone responded uniformly. The researcher then used content and thematic analysis to analyze qualitative data. The different pattern of answers indicates free responses from interviewees. It does not appear that the respondents felt compelled to provide a socially acceptable answer. Also, the relaxed and friendly atmosphere created by the interviewer helps in getting personal answers to those sensitive questions.

The first five questions are the most vulnerable to aspects of following or breaking the rules or laws. The design of this study offers little possibility of measuring the level of concern overlaid across behavior. Interviewees were questioned on their observance of laws, moral standard and accepted industry rules of behavior. Respondents reported their actions, and the complete answers were compared to the stress indicators (see Table 11).

	Stressed response	No stress	Total
Follow rules	17%	63%	75%
Break rules	2%	23%	25%

Table 11: Answers with stress indicators

Although the interviewees indicated in 75 percent of the answers that they follow the rules; almost 25 percent of these reactions displayed stress. The respondents who stated that they did not follow the rules or guidelines, only 8 percent of those indicated signs of stress. One might surmise that those who do what they want (do not follow the rules) may be more at ease than those who follow or at least claim to follow specified guidelines.

Pragmatically, it is useful to evaluate the specific responses from a stress perspective. In this analysis, response questions that indicated no stress must be taken at face value. For example, approximately half of the interviewees would take listings at inflated values and about half would not. Even though there may be some feelings about this type of unethical behavior, those that would do it had no compunction. Technically, if an interviewee felt the behavior was wrong and proceeded anyway, stress patterns would be evident.

Further, participants were asked about their opinions or attitudes of their leaders towards unethical behaviors, and actions they and their leaders took while attracted by profit brought about with immoral activities. An evaluation of the stressed questions provides insight into the interaction of feeling and behavior by the participants dealing daily with e-commerce trading either with or without electronic commerce.

It may not be of serious consequence that the participants in this study followed or violated the law or the ethical guidelines. What is of consequence is in the code itself. The professional moral code is designed to be a “compliance law.” A code such as this includes detailed rules to govern professional conduct. If following the rules causes personal grief or if breaking the rules does not draw management’s attention, problems are present. This is the main reason why there are so many economic crimes and corruption. In this study, 40% of the interviewees who claimed to follow the ethical code provide a questionable or stressed response, which indicates, to a certain extent; rules were broken during daily dealings. This implies that these individuals either broke the code or were uncomfortable with it. Simultaneously, only 8% of those that admitted violating code exhibited stress. It is the responsibility of those who construct codes of ethics to ensure acceptance of the covenant of the law. It is not enough to set the rules, laws or regulations and expect everyone to follow blindly.

This study reveals a problem that transcends all ethical codes. It is not enough for a set of rules to be designed and then thrust upon a group of working individuals. If there are guides in an ethical code that are not being accepted, yet are important concepts to be adhered to, then, these ideas must be promoted. If values of ethical constructs are not readily visible, then their values and benefits need to be pushed to the users of the code. Ethical codes are for the good of the individuals and the company.

Ethical issues related to technological factors in e-commerce trading companies

In this section, the responses for the technological factors are analyzed as follows.

Question and response	**Results**				
Question 1: Are commodities used in e-commerce easy to describe?	Yes	No	No Idea		
	10%	**63%**	**27%**		
Question 2: What technical deficiencies can cause unethical incidents?	Electronic payment system	Cookies	Web spoofing	Cheating	Network suppliers
	20%	**22%**	**18%**	**21%**	**12%**
Question 3: Which party is not untrustworthy in the e-commerce trading chain?	Buyer	Supplier	Middle Agent		
	27%	13%	60%		
Question 4: Is it possible to establish a model, by which unethical factors could be entirely dismissed in e-commerce?	Possible	Possible, but takes a long time	Impossible		
	17%	46%	37%		

Table 12: Responses from the interview’s questions

The results generally show that the majority of respondents believe that commodities used by e-commerce are not easy to describe and also that they think middle party agent is not trustworthy. Generally, unethical issues are a concern and the respondents believe that it is possible to come up with a model though they think it needs more time.

Suggestions offered by respondents

In the final part, respondents offered many suggestions which were summarized as follows:

Respondent 1

"The leadership of an organization should set strict guidelines on ethical code and behavior, and encourage the whole group including themselves to follow and stick to the rules. To define a mission of keeping ethical code and make it clear to everybody involved; It is encouraged to discuss freely ethical issues within the organization; To build a right atmosphere within the organization that promotes moral behavior."

Respondent 2

"By training or education, the concept of ethics could be further strengthened and improved; Outside of the organization, it is suggested to establish a kind of association to make uniform rules and regulation so that each organization within the industry would follow and adhere to it. To avoid and limit unethical doings through technology innovation."

Respondent 3

"Proper and adequate laws against wrong doings in e-commerce behavior should be established as soon as possible. The government should function as the primary factor to interdict any immoral concept and practice in electronic commerce trading."

In Table 13 below, results were analyzed from the interviews about corporate governance and e-commerce.

Question and response	**Results**		
Question 1. Does e-commerce necessarily amend the roles and responsibilities of organizational directors?	Yes	No	No Idea
	62%	**28%**	**10%**
Question 2. Does e-commerce necessarily amend the roles and responsibilities of organizational stakeholders?	Yes	No	No Idea
	62%	**18%**	**20%**
Question 3. In what ways do your organization's e-commerce stakeholder influence corporate governance practices and outcomes at your organization?	E-commerce security	Other (many various reasons)	
	27%	73%	

Table 13: Response from the e-commerce and corporate governance

62% of the respondents indicated that electronic commerce demanded the need to adopt new technologies which responsibility is under the oversight of the board of trustees and they also explained that the need for risk management and assessment about e-commerce practices were additional responsibilities on the board. This, they said was practiced preserving value in the e-transactions.

A majority of respondents (76%) believed that with the interconnectivity between the organization and its stakeholders a lot of the e-commerce risk related issues encountered in the organization had a high potential of contagion effect on its stakeholders. There was, therefore, a need on the part of stakeholders to ensure compliance of their IT systems with those of the organization to avoid service disruption and reduce risk related to e-commerce such as fraud, security and so on. Indeed, Brown and Nasuti (2005) suggested the application of balanced scorecard conduct on IT risk assessment.

An issue noted by 27% of the respondents was that of investors were concerned about e-commerce security which could threaten the viability of the organization through cost increases due to cybercrime activity. To this end, the risk committee has become a mandatory requirement in the board committee systems of the organization, and its operations and achievements are disclosed periodically in the company's financial reports. Aside from the results from the table above, respondents were asked three questions in line with compliance, strategies, and impact of e-commerce and corporate governance as follows:

Question 1: In your view what are the challenges or factors that hinder full compliance by your organization with Zimbabwe's corporate governance code?

Challenges according to interviewees included the misinterpretations and misunderstanding of the code by leadership leading to failure to enforce it. Contributions by respondents included outrageous opinions such as the need to make the corporate governance code legally enforceable with, in some cases prison terms being suggested. Some however opined that while prison terms were too harsh corporate codes of conduct could be intertwined with the corporate governance code with company disciplinary measures being sufficient to deal with most of the cases.

Question 2: In your view, what strategies can be used to strengthen corporate governance practices at your organization through e-commerce?

Respondents mostly indicated the failure to deliver services through the malpractices of third parties in cyberspace. A number noted the need to include an end to end encryption and biometric system introduction. However, they also pointed out that such strategies would require cooperation from various stakeholders especially the customers regarding embracing and acquiring applicable facilities such as gadgets with the requisite software. These policies are not welcome to stakeholders such as the government which is, an endeavor to enhance state security is intent upon intercepting all information passing through cyberspace. The government believes that encryption, for example, will make crime detection impossible and this is in agreement with concerns (Johnson, 1977)

Question 3: Is there anything you wish to say about the impact of e-commerce on corporate governance practices at your organization?

E-commerce is the emerging and fast becoming dominant business transaction practice according to most respondents in the banking sector and its clients. They explained that it is envisaged to deliver cost reduction in service delivery, and this can also be passed on to customers. In the retail sector, there was concern over reliability and sustainability of e-transactions as foreign currency for imports could not be secured easily from the resulting interbank e-transactions and the RBZ as the surrogate currency, the bond note could not be employed for stock replenishment is mainly imported. This could be the elements of trust, perceived quality, and security as indicated by Kabango and Asa (2006), Glasser and Haeubermann (2007) and Duh et al. (2012).

5.5 Discussion of Findings

Multi-stakeholder participation was identified as an important factor for e-commerce success such as non-governmental organizations and Inter-governmental stakeholders, e.g. ITU, Regional Internet Registries (RIR), and other governance entities.

The interview questions with regards to ethics within the e-commerce environment indicated that rules were being broken daily although the research revealed that there was a need to properly train e-commerce participants on the various elements and constructs of ethical codes. This notion was supported by the mostly negative response to whether e-commerce products were easy to describe with regards to ethical issues. So, it could be that moral codes were violated due to lack of knowledge of various e-commerce platforms. Electronic payment, system cookies, web spoofing, cheating, network suppliers were identified equally as technical deficiencies which could spawn unethical conducts.

The argument above could be an indication of the infancy of e-commerce in the country. Trust and security were major problems in e-commerce, and the middle man was blamed mostly for unethical conduct and as well as the buyer. However, a significant portion of respondents believed that it was possible to end unethical behavior on e-commerce platforms. Regarding corporate governance, it was also pointed out that directors and stakeholders needed to adopt new responsibilities to reduce the negative impact of e-commerce on corporate governance. These included coordinated risk management practices in the cyberspace by involving the organization and its stakeholders.

The discussion below is stating the status of implementation of electronic trade technologies in various sectors of the industry.

Internal e-mail and the Internet, worldwide websites, and Internet access are widespread in all the main industry segments. Nearly everybody uses internal e-mail. Most corporates have given employees access to websites. In 2 years, respondents from Manufacturing and Distribution businesses favored implementation of Intranet, Extranet, and EDI technologies. Financial institutions expected to have installed Electronic Data Interchange (EDI), Extranet, and IVR Systems, and Computers & Communications were planning EDI implementations.

The Internet was preferred more than other electronic ways with almost half the respondents using it for information-based users and news. Much less than half of the participants were capable of providing information on the number of transactions going through the digital channels. Of these, almost half said that some sales in their businesses are zero. Hence, most corporates surveyed are not able to deduce the number of transactions going through digital channels, and quite a number are to use these channels.

The sponsors within an organization decide on the scope and success of an electronic trade project. This part reveals that information technology departments are taking the lead on e-commerce projects within their corporates. The executive board helps in the form of board approvals and intervention to ensure that the necessary enterprise re-engineering takes place to ensure that digital commerce is integrated with business processes is important to ensure that these projects deliver on promises.

Respondents had been asked which part of the organization became the fundamental sponsor of present or future electronic commerce initiatives. In almost two-thirds of the corporates, it became the Executive Committee. It was observed that the info tech department champions, develops, and maintains these projects in a majority of the organizations.

The participants were asked to put on the scale the importance of functions in maintaining and establishing the level of confidence required for employing e-commerce technologies. It is also key to point out that all the capabilities have received very high ratings (a minimum of 67 percent of respondents say that a particular feature is crucial/very essential/critical). The highest ratings have been given to Through-The-System Tests & Audits and Network Access Controls.

At least 30 percent of participants had more than 5 percent of their business associates trading using electronic means, and roughly half of these percentages of more than 50 of their trading partners selling electronically.

The Reserve Bank of Zimbabwe (RBZ) produced a report on cyber-crime in Zimbabwe and internationally. According to the Reserve Bank report, illicit proceeds from cyber-crime in Zimbabwe in 2015 were estimated to be at US$1.8 billion. The report furthermore states that proceeds from cybercrime internationally are expected at 3.5 percent of the gross domestic product, globally or the whopping US $1 trillion. The cost of cybercrime to the United Kingdom alone was valued at £27 billion. The proliferation of cyber-crime has resulted in governments across the globe investing in cybersecurity and increasing international cooperation initiatives to fight cyber-crime.

Hence there is a need for cybersecurity measures to be put in place by regional governments to mitigate the growth of cybercrime. It should be noted with much concern that the Zimbabwe Cybercrime Bill is yet to be finalized and promulgated into law. Corporates cannot win the cybercrime war without government interventions.

Cybersecurity is a critical component of a company’s IT governance framework, therefore requires that corporates put in place IT risk management measures to protect or safeguard IT systems and hardware. Cybersecurity policy is an indispensable element of IT governance framework strategy in a company.

To mitigate operational IT risks, i.e., malware protection (i.e., virus, worm, etc.) the policy must include internal checks. These controls are access to IT systems (PIN), firewalls, storage and access to hardware, restriction on the use of personally owned devices on company network by employees’, i.e., personal laptops, external drives/USB sticks, controls over the use of company computers at home, etc.

Hardware disposal procedures at the end of its life that are staff sales, donations, auctions, etc. should not be done randomly. Controls should be in place on how to deal with computer equipment once it is offline. Sanitization procedures of hardware before disposal should be put in place for data protection to mitigate hacking. Computer hardware should not be disposed of before it is cleaned to rid of data which was stored in it to prevent piracy.

Management should make sure that the IT governance framework is given to employees and that there is a company-wide awareness drive to all staff on the importance of cybersecurity.

All IT users should be aware of the operational risks inherent in IT systems and the role that individual employees can make to manage the risks. On the other hand, the board should ensure that, apart from creating in-house awareness, management is also aware of international best practices governing IT governance, local/international laws and in particular cybersecurity.

There are some protocols and international best practices that deal with cybersecurity. Companies should access these on the internet for information. Ultimately the board has full responsibility for ensuring that the firm has a robust IT governance framework which enhances efficiency and competitiveness and safeguards assets, thereby enabling the company to create value for the shareholders invested in it and meet objectives.

On introspection of the reviewed company's code of conduct and ethics, a typical code of conduct on confidentiality from one of the e-commerce trading company provided that. It is a policy of the Company to openly and honestly provide information to those who have a legitimate interest in its operations. The Company may provide extensive data on its activities by way of a variety of publications and through continuing working relations with financial analysts, news media, and others in addition to formal reports to reports to the public and shareholders and regulatory authorities required by statute. The extent, timing, and form of such public disclosure are matters for senior management. Apart from concern for the privacy of the Employees, the corporate also operates in a competitive business environment. Consequently, it would be inappropriate for the organization to disclose information, which if published, might impair its effectiveness and competitiveness.

5.6 Conclusion, Recommendations And Future Work

E-Commerce is the double-edged sword that could yield both negative and positive impact on corporate governance. It is, therefore, pertinent upon organizational and stakeholder board to reduce the adverse impact through coordinated training on ethics and risk management to enhance mutual benefit for the entities. The behavior and influence of stakeholders have a positive impact on e-commerce relationship as shown from the quantitative study. The government in general need to play a role by giving investors' confidence so that trade increases hence overall satisfaction increases. If investors' perceptions of e-commerce platforms increase the overall satisfaction would also increase. E-commerce platforms need to be secured. Strategies to curb cybercrime are needed. Such strategies would require cooperation from various stakeholders especially the customers regarding embracing and acquiring applicable facilities such as gadgets with the requisite software. These policies are not welcome to stakeholders such as the government which is, an endeavor to enhance state security is intent upon intercepting all information passing through cyberspace. Finally, the study showed that ethics and corporate governance play a major role to e-commerce in organizations.

There are limitations to this study. Not all stakeholder groups were identified, and these include political groups, communities and trade associations as defined by Donaldson and Preston (1995) in figure 2 and because of this the study cannot provide a more comprehensive picture.

A cross-sectional time-frame was employed which involves collecting data in the short time window that the research took. IT and e-commerce are rapidly evolving technological phenomena and a longitudinal period over even in the medium- and long-term periods of say two and five years respectively would have revealed trends in the perceptions and behavior of respondents to yield more comprehensive responses. Obviously, for academic research at the level of a master's degree, this is not possible.

The macroeconomic environment prevailing in the country, i.e., Zimbabwe could also be the limitation to the study. This is a limitation because in some sectors such retail transaction volumes are affected by the shortage of foreign currency following the introduction of the bond note, a surrogate currency after the anchor currency the United States dollar became scarce. The results cannot, therefore, be extrapolated to an environment where this position improves or further deteriorates as the bond note is said to be temporary. So, in addition to the

the fact stated in the previous paragraph; it should be pointed out that this is another limitation which compounds the problem.

E-Commerce holds the key to more efficient business transactions. However, this global phenomenon is still in its infancy in the country, and some ethical dilemmas need to be improved together with their corporate governance counterparts. Boards need to ensure there is enough training on the constructs of ethical conduct and how these impact product and service delivery for profit maximization by organizations. Organizations need to engage all the key stakeholders who are involved in their e-commerce business and coordinate the process of risk management and other ethical and governance issues.

E-Commerce like any phenomena in the sociocultural domain is a complex subject since it involves human beings to an enormous extent. To this end, therefore, it is important to point out that the relationships that bear on this concept regarding the relationship with corporate governance are numerous. If they could all be captured, and the various hypotheses are stated on a proposed conceptual framework followed by a testing of the same in the pursuit of further clarity on this study a more illuminated understanding could be obtained. There is a need to establish causality between e-commerce and corporate governance as part of this work.

5 REFERENCES

BBC Online (2000), "Online share dealing-Is it safe?" http://news6.thdo.bbc.co.uk/hi/english/business/newsid_541000/541880.stm [accessed 18/10/14].

Niranjaramurthy, M & Charchar, D.V. (2013), *The Study of E-Commerce Security Issues and Solutions*. International Journal of Advanced Research in Computer and Communication Engineering, 2(7)

Cheng, H. F. et al. (2011). *"Ethics in Electronic Commerce: An exploration of its Consequences,"* African Journal of Business Management Vol 5

Chinassubarao, M (2016). "*Corporate Governance Role of E-Commerce,"* International Journal of Multidisciplinary Research Trends 2(1), pp76-82

Clarke R (1997). *"Introduction to Dataveillance and Information Privacy and Definitions of Terms"* http://www.anu.edu.au/people/Roger.Clarke/DV/Intro.html [accessed 18/10/14].

Computer laws: Network and Information Security Agency (NISA), International Computer Laws Society (ICLS) and Federal Electronic Signatures Act (2000).

Dahiyat, E. A. (2011). "*Consumer Protection in Electronic Commerce: Some Remarks on the Jordanian Electronic Transaction Law,"* Springer Science Business Media, LLC. J Consumer Policy, No.34, pp.423-436.

Duh, R-R, Jamal, K & Sunder, S. (2012*)."Control and Assurance in E-Commerce: Privacy, Integrity, and Security at e-Bay,"* Yale ICF working Paper, http://ssrn.com/abstract=3506639visited on 14.12.2016)

Elbeltagi, I. (2007). *"E-commerce and Globalization: Case Study of Egypt,"* Cross Cultural Management: An International Journal, Vol. 14, No. 3, pp. 196-201

Elias, A. A. & Cavana, R.Y. (2004.)."*Stakeholder Analysis for Systems Thinking and Modelling",* School of Business and Public Management Victoria University of Wellington, New Zealand

Field, A. (2009). *Discovering Statistics Using SPSS*," Sage: London

Ghasemi, A.and Zahedias, L. (2012), "*Normality Test for Statistical Analysis: A Guide for Non-Statisticians*, International Journal of Endocrinology and Metabolism,pp486-489

Glasser, U., and Haeusermann, D.M. (2007), "*E-Compliance: Towards a Roadmap for Effective Risk Management,"* Research Publication No.2007-3, The Beckman Center for Internet and Society at Harvard Law School, http://ssrn.com/abstract=971848 (visited on 14.12.2016)

Johnson DG (1977), *"Ethics for Organizations,"* NCC Publications

Kabongo, C.M . & Asa, A.R. (2006)."*Factors Influencing E-Commerce Development: Implications for Developing Countries,"* URL: http://dx.doi.org/10.18775/ijied.1849-7551-7020.2015.11.2006(visited on 15.12.2016)

Kothari, C.R. (2004).”*Research Methodology: Methods and Techniques, ”*2nd New Age Publications, New Delhi, India

Mackie JL (1977). *“Computers and Electronic Commerce Ethics,”* New Jersey, Prentice Hall

Mitchell, R., Agle, B.,& Wood, D. (1997). Towards a Theory of Stakeholder Identification and Salience: Defining the Principle of Who and What really counts: Academy of Management Review.

Mlitwa N.B.W. & Birch D. (2011). ”*The Role of Intrusion Detection Systems in Electronic Information Security: From Activity Theory Perspective, ”*Journal of Engineering Design and Technology, 9(3), pp296-312.

Jordan, Ernest and Musson, David, Corporate Governance and it Governance: Exploring the Board's Perspective (December 2, 2004). Available at SSRN: https://ssrn.com/abstract=787346 or http://dx.doi.org/10.2139/ssrn.787346

Niranjanamurthy, M. & Chahar, D. (2013).”*The Study of E-Commerce Security Issues and Solutions,”* International Journal in Computer and Communication Engineering, 2(7), pp1-12

Nwanji, T.I & Howell, K.E. (2008).”*The Stakeholder Theory in the Modern Global Business Environment*” International Journal of Applied Institutional Governance, 1(1)

OECD. OECD *Science, Technology and Industry Outlook 2006*, Organisation for Economic Co-Operation and Development, 2006.

Ojo, M. & Rosati, P. (2016).”*E-Commerce as a Tool for Resource Expansion: Stakeholders as Corporate Governance Mechanisms,”* Paper Presented at the 2016 AAA Annual General Meeting, New York

Phan, D. D. (2001). E-*Business Development and Competitive Advantage; A Case Study*. Information and Management, 40(6), pp581-590

Rong-Ruey D, Jamal K & Sunder S (2001). “Control and Assurance in E-Commerce: Privacy, Integrity, and Security at eBay” Social Science Research Network SSRN Working Paper 1.

Rukasha M, (2018) “Impact of e-commerce on corporate governance and ethics: A case of corporates in Zimbabwe,” Thesis submitted to UNISA, South Africa, http://uir.unisa.ac.za/bitstream/handle/10500/23625/dissertation%20_rukasha_ml.pdf?sequence=1&isAllowed=y

Scollay, M (1998). *“Privacy Protection in Australia: How far have we come?”* Telecommunications Journal of Australia Vol 8

Sen P., Ahmed R.A. & Islam M.R. (2015). *A Study of E-Commerce Security Issues and Solutions.* International Journal of Computer and Communication Systems Engineering (IJCCSE), 2(3), pp425-430

Shelly J (2001). *“Corporate Governance,”* UK, Pitman

Traver, K. C. (2009). *“E-Commerce: Business, Technology, and Society (Fifth Edition),”* Prentice Hall.

Trautman, L.J. (2016). ”*E-Commerce, Cyber and Electronic Payment Systems Risk: Lessons from PayPal*,” UC Davis Business Law Journal, Vol.16, pp261-307

Terre Blanche, M Durrheim, K. & Painter, D (2006). ”Research in Practice: Applied Methods for the Social Sciences,” Juta and Co Ltd

Terrell, B, & Edward, N (2011). *"Computer and Information Ethics,"* Stanford Encyclopaedia of Philosophy http://plato.stanford.edu/archives/spr2011/entries/ethics-computer [accessed 21/10/14].

Tiwari, R. & Buse, S (2007). *The Mobile Commerce Prospects: An Analysis of Opportunities in the Banking Sector.Hamburg, Germany.Hamburg University Press.*

UNCTAD. *World Investment Report 2005: Transnational Corporations and the Internationalization of R&D,* United Nations Conference on Trade and Development, 2007 (c).

Wahyuni, D. (2012). ”*The Research Design Maze: Understanding Paradigms, Cases, Methods and Methodologies,* “JAMAR, 10(1), pp 69-80

Watson, R.T., Berthon, P., Pitt, L.F. & Zinkan, G. F. (2008). *Electronic Commerce: A Strategic Perspective”,* Available online at https://www/jntubook.com/e-commerce-textbook-free-download

World Trade Organisation (2013). ’*E-Commerce in Developing Countries: Opportunities and Challenges for Small and Medium Sized Enterprises.*

5.1 Appendices

Cronbach Alpha Reliability Tests

Customers

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.782	.723	9

Employees

Reliability Statistics

Cronbach's Alpha[a]	Cronbach's Alpha Based on Standardized Items[a]	N of Items
.8512	.828	9

Suppliers

Reliability Statistics

Cronbach's Alpha[a]	Cronbach's Alpha Based on Standardized Items[a]	N of Items
.803	.871	3

Trade Associations and Government

Reliability Statistics

Cronbach's Alpha[a]	Cronbach's Alpha Based on Standardized Items[a]	N of Items
.785	.745	6

Investors

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.775	.735	8