

The Study on the Adoption of Digitalization in Small Businesses and its Impact in India

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Abstract: *The present instance pertains to the utilization of Information and Communication Technology in small businesses, in the context of India's growing economy. ICTs are introduced in India through two channels: the general business route of IT information associations or the specific route of provider-driven enterprises that connect internal digital components. The ICT-based local and context-specific services provided by independent businesses are organic, market-oriented, and self-sustaining, delivering affordable services to settings that were previously lacking in access to information and services. It is worth considering if the use of data and information and communication technology (ICT) can build an inclusive ecosystem that benefits small businesses, entrepreneurs, and technology users. According to a case study conducted in urban India, the majority of organizations, administrations, and products that are based on or include information and communication technology (ICT) are comprised of two components. The concept of the core components that drive business operations and enhance the customer's understanding of the product. The two entities can collaborate to create a new opportunity that can transform organizations into more customer-centric entities, enabling them to enhance business assistance and increase the use of ICT in local markets.*

Keywords: Small Business, Ethnography, ICT for Development, PC-Based Services, Urban India

I. INTRODUCTION

There have been two distinct paths taken in India to implement ICTs. One, as cutting edge IT stops that oversee out-obtained back-end handling and specialized help communities utilizing IT-talented and English-language-prepared work. The second is through a variety of proactive organizations working to close the "digital divide," such as governments, international donor organizations, non-governmental organizations, businesses, and academia. As a result, we see a variety of ICTs in donor-driven rural development projects as well as globally driven hyper-urban landscapes. Small street businesses offering local, affordable, and immersive ICTs can be found in the middle. Despite being excluded from global corporate initiatives and local governmental and non-governmental organization facilities, our contextual study of ICT-enabled small businesses argues that they have made a significant contribution to ICT immersion through entrepreneurial efforts. These are supported by economic processes that overlap, depend on one another, and are driven by entrepreneurship. These processes are carried out through informal networks and practices, frequently in particular spatio-cultural neighborhoods. In spite of intense material and infrastructural deficiencies, there is reliable pioneering dexterity to ferret and grow administration driven request and transform into beneficial organizations. Little shops and organizations, a having a place with the layers of endurance economy and some creating little gains, take on a scope of work rehearses in well defined for the nature and size of ordinary business.

II. LITERATURE REVIEW

We present a short survey of surviving writing on ICT reception among little and medium business (SMEs) to recognize their fit to our contextual investigation in India. In order to frame the data, we combined three themes to identify relevant research literature. Using case studies from various contexts, the first theme discusses the difficulties and gaps in the adoption of computer technology and information systems by SMEs. We found two worries prevailing

examination writing on SMEs and ICT reception contextual investigations across nations 1. Factors forming reception of data advances in SME strategic policies and 2. the advantages of SMEs' processes driven by e-commerce. They talk about the comprehensiveness of a website (Chan & Lin 2007), knowledge management (Hsu et al. 2007), the use of the internet (Jaw & Chen 2006, Guo & Xu 2006, Tan & Ouyang 2004), the introduction of ERP systems (Newman & Zao 2007), e-commerce mechanisms, and the development of an organization's capability to compete in export and global markets (Zang et al. 2007, Hinson & Abor However, our research now focuses more closely on small street-level businesses and their ICT adoption strategies in response to changing local demand rather than adoptions of higher information systems in organizational practices and e-commerce processes. According to Molla & Heeks (2007), Galperin & Bar (2007), the second theme looks at how ICT adoption is used to close the digital divide and put economically disadvantaged nations in a position where using ICT for development might not be possible right away. According to Molla & Licker 2000, Heeks 2008, there is a lack of research evaluating the impact of internal, external, and contextual imperatives on e-readiness in these nations. The ICT adoption studies of India are framed by the third theme, which draws inspiration from the previous two. Even though PCs and the internet are being used more and more, they are not the preferred means of communication, especially in the networks of small businesses that this paper focuses on. A significant portion of India remains on the weaker side of the digital divide due to ICT resource and infrastructure gaps, despite its rapidly expanding global IT capacity. In their extensive research on Indian small and medium-sized enterprises (SMEs), Bhagwat and Sharma (2006, 2007) point out the absence of appropriate information systems architectures to enhance existing skills and provide a competitive edge for building and expanding business networks. In addition, the non-formal sector accounts for the majority of small businesses in India and is deeply entwined with informal business practices.

Methodology

The urban studies were carried out from August to December 2007 in the center of a commercial district in the city of Bangalore. We did an investigation of 16 organizations, different firms that utilized a PC/laptops for regular business-capabilities, by leading unassuming meetings with 16 directors/proprietors, 16 workers, and perceptions inside their shop premises. We pondered and questioned business strategies for balancing expansion, customer demand for services, and financial stability. We looked into numerous attempts to meet customer demand with cost-effective management of technology and human resources. We provide everyday examples of running businesses, methods for adapting to local supply and demand, methods for acquiring a suitable workforce, and organizational strategies for creating survival niches through qualitative interviews and field observations. Each of the 16 owners and employees received two to three interviews. Baseline information was gathered through these interviews about highly valued services and special efforts to maintain and exceed them by identifying demand and matching appropriate service offerings. Every meeting likewise remembered perceptions and recording of business movement for booth premises. Research findings were informed and organized by transcripts from interviews and field notes. The social context of Bangalore was specifically chosen due to the city's status as India's Silicon Valley, which is home to cutting-edge global IT parks and is widely recognized as the nation's face of the IT revolution. It shocks no one that the city houses an enthusiastic ICT market as little endeavors extending in the shadow of goliath IT companies

Findings:

ICT Mixture INTO Metropolitan Private venture PC empowered little endeavors are those that rely upon a PC either for inside hierarchical strategies like charging, accounting or retail location applications or client-confronting shops like photograph studios, scanners, printers, digital bistros, mentoring establishments, cash move outfits and even PC constructing agents. Our study does not include businesses that use PCs for higher organizational processes like ERP, which typically generate more revenue and profits and have a larger scale. We talk about a study that looked at 16 businesses in the middle of a business district in Bangalore, India. Numerous ICT-enabled businesses and services, from informal microbusinesses to multi-city franchise chains, can be found in this area. We looked at a wide range of small offices and shops that had one or more personal computers We found two main types of businesses: franchised small businesses with multiple locations and small shops that provided computer-based services. In the first instance, all PCs were utilized for back-office operations and accounting, with a few being used for billing and point-of-sale

operations to maintain a certain level of organizational standard. In the second, number of computers is less, their job restricted to overhauling clients alone. These businesses tend to be much less formal and run by family members. We will discuss the characteristics and service offerings of both types of businesses, focusing on their strategies for localizing, stabilizing, and expanding market demand.

Franchisee Businesses

We will begin with seven franchised locations of larger companies. Account management and inventory management are carried out on a PC by the optician, retailers, and pharmacist. High volumes of sales are moved by pharmacies, for example. During business hours, employees who lack computer literacy take orders by hand. An accountant or employee with PC skills computerized transactions or total sales at the end of the day or a specific period. The convenience of manual, handwritten receipts that are later computerized by the billing software was preferred by the employers at the kitchenware store. When a regular salesperson could handle point-of-sale transactions, there was no need to hire more computer-savvy employees. The retailer of excellence items, one more diversified retail location, has two high level retail location for check-outs. Even though each of the seven employees has received instruction on how to use the computer for specific tasks, you will frequently find that, even during peak hours, only one of the two PCs is manned, leading to longer lines at the cash register. The manager attributes this to shiftwork by employees, who are required to complete multiple tasks at once, like tracking inventory and stocking it. An employee will continue with other tasks unless the manager directs them to bill. This suggests that internal human resource management solutions outperform a supply of additional PCs in terms of efficiency. Two of the franchisee stores, the inexpensive food joint and gems retail location are possessed by owners maintaining a couple of other free organizations and are missing from shop floors for significant time. Even though there is a certain amount of informal communication with customers (for things like discounts and credits, to name a few), the owner requires employees to take responsibility for their work during his absence. An auditor here uses PCs a few times per month to keep track of and consolidate the accounting of several stores that are owned by the same company. One day a high-skilled employee may sometimes computerized bookkeeping.

Computer-Skills Training Institutes

The following three businesses are privately owned computer-skills training institutes that provided inexpensive tutoring services for software like Microsoft Office, accounting software, and programming languages. These institutes provide alternative informal certifications of computer skills proficiency but do not have any formal accreditation to any programs that are officially recognized. High school and graduate students looking for work in competitive job markets are their clients. These schools add to the number of nearby colleges that can't keep up with the growing number of students. The classes are scheduled in a way that is convenient for the students and ensures that tutors and computers are available. The franchisee with seven locations across Bangalore is the largest in our sample. This branch had 20 PCs and 6 educators. Classes are taken in larger batches to ensure that the student-to-PC ratio is almost always one to one. The institute accommodated demand during the busy summer months by either recruiting advanced-level students as part-time tutors or adjusting batch schedules. The student-to-tutor ratio is lower at institutions that are smaller and less well-off and have fewer resources. To alleviate the tutor shortage, management encouraged peer learning and collaboration. Students were motivated to use free slots for self-paced learning because classes were unstructured. Therefore, tutoring methods, student enrollment, tutoring rates, and profits were market-driven and fluctuating

These findings indicate that the success of a business depends not so much on the quantity or even quality of information and communication technology (ICT), but rather on the contextual allocation of business resources. Services were mostly based on two things. It required an innovative businessperson who recognized the need for a computer that could simultaneously write CDs and browse the internet. The second required judicious skill-availability utilization. For instance, the retail franchisee chose manual billing over high-tech point of sale applications because it was less expensive and sufficient for his scale of business to find a computer-illiterate salesperson with strong skills in manual billing and accounting. Business grew to support digital art and posters as a result of the chance availability of an Adobe Photoshop-savvy employee. One owner claimed that in exchange for work experience, he encouraged his

young, PC-savvy nephew to use his computer skills. Shops that offered a plenty of PC-based administrations employed qualified typists to utilize laptops for modernizing or deciphering records. These typists are not engaged with some other PC based movement as their proprietors have little to no faith in them with higher PC capabilities. According to the proprietor of a DTP shop, "Some employees are not allowed to do anything with a PC but take a print out because it becomes difficult to repair the computer if he does something wrong." A component to represent is the degree to which unfortunate client service of PC providers influence the craving and inspiration of the proprietor to try different things with new contributions or practices.

III. CONCLUSION

In India, both abundance and scarcity coexist. Distributing the benefits of information technologies to large populations has been severely limited by approaches that are largely driven by the international market or by the state. There is a wide range of small businesses operating in both formal and informal economic sectors that fall under either of the two approaches to ICT adoption. These provide affordable, useful, and based on demand ICTs to populations that have not felt the global ICT boom or development's reach agencies These organizations are natural inside their financial setting. They are local, require little capital, and "a little more than modest entrepreneurial skills" are required for them to succeed.

In relation to ICT business configurations in urban India, we investigate two related issues:

1. The commercial, innovative, and context-specific localization of ICT services introduces technology and immerses it in previously underserved contexts. These technologies become important nodes for establishing themselves in commercial spaces.

2. Key people overseeing business are basic in turning ordinary occasions of endurance and hierarchical methodologies to more forceful shopper situated administration contributions for a nearby market.

Through high-quality services, owners must ensure customer satisfaction, and technology expertise becomes crucial for raising customer expectations and experience. Customer interaction and computer interaction are actively juggled during working hours, with the former taking precedence over the latter.

There are always employees who are responsible for important non-PC-related tasks and face-to-face customer solicitation. Because many of the employees lacked sufficient expertise and were afraid of system failures and inefficient troubleshooting, they were restricted from using the PCs. An imaginary line was drawn by owners and managers to stop employees from using computers more than was necessary. The more modest the gathering that oversaw computers the better it served venture association and cost. Ideal and financial utilizations of computers set apart by capability laptops in the front-work area were assigned for taking requests and administrative center laptops are utilized for administration related work like advanced craftsmanship, composition, examining, altering photos. Representatives were likewise characterized by business related registering abilities and oversaw appropriately. They were also equipped with function-specific software. For instance, if internet access was not essential to business operations, personal computers might not necessarily have it. Customers were king. One of our subjects, who runs a photocopying business, says, "We are satisfied with two PCs." "We have a reputation for good quality, and customers will wait for our service." There is reliable reaction that the current degree of ICT assets is adequate to deal with responsibility. The cost of a PC includes the cost of a new employee. Business owners are concerned that the cost of introducing new technology will also include the cost of hiring someone with the required skill or training a new employee with that skill.

Most laptops in these organizations are from affiliates with questionable specialized help capacities. Dependability and believability of a worker are basic enough for proprietors to vet them cautiously during the employing system and prior to entrusting a PC.

Serving a customer necessitated a harmonious combination of staff and technology. Employees were responsible for providing the transaction's human interface, while technology ensured speed and quality.

Even though this might be true for larger businesses, the lack of money, technology, and scale of these businesses make it hard to manage resources while still allowing technology to spread to businesses. Despite this, a dynamic and ever-vigilant entrepreneur skillfully advanced technology adoption, enterprise scale, diversity, and quality.

Profitable ICT-enabled small businesses have growth trajectories that are geared toward meeting local market requirements and labor conditions to the fullest extent possible. In addition, they are reliant on the broader culture of informal business practices to organize and hire particular employees, synchronize market and computing technology-provided opportunities.

A typical growth path for an urban ICT-enabled small business, like a photocopying business, would start with building a good name among its customers, adding computer-aided printing, moving on to internet-based services like downloading music and surfing the internet, and meeting a local demand.

The breath sometimes extended beyond the immediate area. It is abundantly clear that these businesses must strike a balance between the costs of technology maintenance, skilled staff, customer service, and expanding their customer base.

Shops that want to upgrade their technology are aware of changes and take advantage of opportunities that are proportional to market needs and conditions. However, technology is expertly introduced and utilized to profitably meet market and labor conditions.

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