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## **Digitalization Impact on Entrepreneurial Competencies of Business in India**

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### **Abstract**

Digitalization in entrepreneurial practices plays an important role in today's Business world. It provides a platform for business growth, new opportunities and market expansion. The Digital India initiative aims to transform India into a digitally empowered society and knowledge economy. Digital India has its own advantages first one is the transparency in transactions of money, the illegal cycle of black money is greatly reduced. Auditing would be made easier. Handling of large databases through servers for verification purposes. Online business is promoted by it. The money can be accessed at no time. Digital India initiative is quickly becoming one of the most important aspects of business market, which provides incredible benefits to millions of producers as well as customers worldwide. With the help digitalization one can not only generate more business but can also connect with more customers and serve them on a higher level. Thus Digitalization have greater impact on entrepreneurial competencies of any country. Present paper explores the importance of Digital India initiative to foster business growth. This paper evaluates main features, challenges and opportunities of digital India initiative.

### **Introduction**

Digitalization in entrepreneurial practices plays an important role in today's Business world. It provides a platform for business growth, new opportunities and market expansion. The Digital India initiative aims to transform India into a digitally empowered society and knowledge economy. Digital India has its own advantages first one is the transparency in transactions of money, the illegal cycle of black money is greatly reduced. Auditing would be made easier. Handling of large databases through servers for verification purposes. Online business is promoted by it. The money can be accessed at no time. Digital India initiative is quickly becoming one of the most important aspects of business market, which provides incredible benefits to millions of producers as well as customers worldwide. With the help digitalization

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one can not only generate more business but can also connect with more customers and serve them on a higher level. Thus Digitalization have greater impact on entrepreneurial competencies of any country. The 'Digital India' initiative was launched by Prime Minister Narendra Modi on 1 July 2015, It aims to connect entire India digitally in the span of 4 years i.e. till 2018-19. Now we can celebrate the fact that there have been dramatic improvements in all of its three key facets: in the creation of pervasive national digital infrastructure, in the electronic delivery of public services and financial support to citizens, and in enhancing digital awareness and literacy.

The digital India program has brought the communities together. The start-ups can now access reliable data and trusted information about setting up and running their business, just with the use of their fingertips. Connecting with the established businesses is no more a thing of pain. With better connectivity assisting/mentoring, the work of business houses has become much easier. Digital India is a campaign launched by the Government of India in order to ensure the Government's services are made available to citizens electronically by improved online infrastructure and by increasing Internet connectivity or by making the country digitally empowered in the field of technology.[1] The initiative includes plans to connect rural areas with high-speed internet networks. Digital India consists of three core components: the development of secure and stable digital infrastructure, delivering government services digitally, and universal digital literacy.

Digital India initiative is both enabler and beneficiary of other key Government of India schemes, such as BharatNet, Make in India, Startup India and Standup India, industrial corridors, Bharatmala, Sagarmala. As of 31 December 2018, India had a population of 130 crore people (1.3 billion), 123 crore (1.23 billion) Aadhaar digital biometric identity cards, 121 crore (1.21 billion) mobile phones, 44.6 crore (446 million) smartphones, 56 crore (560 million) internet users up from 481 million people (35% of the country's total population) in December 2017, and 51 per cent growth in e-commerce.[2] According to NITI Aayog, the volume of digital transactions in 2016–17 touched 10.9 billion INR, registering a growth of about 55% over 2015–16. The corresponding growth rate in 2015–16 was 49.4%. There was an increase of 74% increase in digital payments acceptance infrastructure, with the number of point of sales (POS) devices jumping from 1.51 million in October 2016 to 2.62 million in April 2017. The payment protection insurance (PPI) segment registered a spectacular growth of 162.5% in volume of transactions during 2016–17 as compared to 137.8% in 2015–16. In value terms, total digital payments touched 21,41,071 billion INR, registering a growth of 24.2% in 2016–17. The Immediate Payment Service segment has exhibited robust growth of 153.5% in 2016–17 in value terms. All modes of transfer like Real Time Gross Settlement (RTGS), National Electronics Funds Transfer (NEFT), debit cards, digital wallets and Unified Payments Interface (UPI) have shown positive growth from October 2016 to April 2017. [3] In the realm of digital literacy, the government's PradhanMantriGramin Digital SakshartaAbhiyan [PMGDISHA] has ambitions of

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making 60 million Indians digitally literate, and it is anticipated that this programme will attain greater traction in the days ahead.

## Digitalization and make in India

Make in India has introduced multiple new initiatives, promoting foreign direct investment, implementing intellectual property rights and developing the manufacturing sector. It targets 25 sectors of the economy which range from automobile to Information Technology (IT) & Business Process Management (BPM), [4] Digital India program was introduced to transform India into a digitally empowered economy. The program promises to bring positive changes and countless growth opportunities for the budding and existing entrepreneurs. Digitalization helped make in India to change the face of entrepreneurship in India. The processes of globalization and technological change is determined by the accelerated pace of life and growing importance of the information. Also, it relies on traditional marketing tools, and the investments of the new e-marketing solutions. In order to stay competitive in the market need to develop new ways of interacting with the customers and ensuring their loyalty. Digital marketing is becoming a more important part of creating marketing campaigns. Digitalization helps a brand/company to build a strong online presence by innovative social media marketing techniques and customer satisfaction.

## Boosted Connectivity

The digital India programme has brought the communities together. The start-ups can now access reliable data and trusted information about setting up and running their business, just with the use of their fingertips. Connecting with the established businesses is no more a thing of pain. With better connectivity assisting/mentoring, the work of business houses has become much easier. The public sector has been a strong catalyst for India's rapid digitization. The government's efforts to ramp up Aadhaar, the national biometric digital identity program, has played a major role. Aadhaar has enrolled 1.2 billion people since it was introduced in 2009, making it the single largest digital ID program in the world, hastening the spread of other digital services. For example, almost 870 million bank accounts were linked to Aadhaar by February 2018, compared with 399 million in April 2017 and 56 million in January 2014. At the same time, private sector innovation has helped bring internet-enabled services to millions of consumers and made online usage more accessible. For example, Reliance Jio's strategy of bundling virtually free smartphones with mobile-service subscriptions has spurred innovation and competitive pricing. Data costs have plummeted by more than 95 percent since 2013 and fixed-line download speeds quadrupled between 2014 and 2017.

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## Global Reach of the Indian Companies through Social media

The Digital India had empowered more and more young entrepreneurs to build innovative solutions and start their own venture for both Indian and global audience. This programme helps the new and experienced entrepreneurs to know about the tits and tats of the global market. The global reach of the Indian companies is eventually elevating the growth rate of the country.No matter what a businessman sell, social media can be helpful to sell it. Social accounts are a critical part of sales funnel—the process through which a new contact becomes a customer. As the number of people using social media continues to grow and social sales tools evolve, social networks will become increasingly important for product search and e-commerce. The time is right to align social marketing and sales goals.

## Transaction Transparency

When the transactions are made digitally, they can be easily monitored. Any payment made by any customer to any merchant will be recorded. This way, there will be no means for illegal transactions to occur. By restricting the cash-based transactions and using only digital payments, the government can efficiently expel the black economy.When the transactions are digitized, monitoring sales and taxes becomes convenient. Since each transaction is recorded, the customers will get a bill for their purchase, and the merchants are bound to pay the sales tax to the government. This, in turn, increases the revenue of the government – thus resulting in growth of the overall financial status of the country.Global and local digital businesses have recognized the opportunity in India and are creating services tailored to its consumers and unique operating conditions. Likewise, the Goods and Services Tax Network, established in 2013, brings all transactions of about 10.3 million indirect tax-paying businesses onto one digital platform, creating a powerful incentive for businesses to digitize their operations.The government expects 14% revenue growth under GST as more taxpayers come into the fold of formal economy and move to digital payment.

## Empowerment to Businessman

Digitization of the economy has made it easier to start a company. Benefits like self-certifications and online registration of the companies allow the potential entrepreneurs to start their business hassle free. The initiative has mushroomed innovative projects that are further improving the country's economic growth while enriching career growth of the new generation. Digital India is a much-needed change that this country of youths has been longing for.One of the biggest advantages of moving towards digital economy is that it gives an empowerment to the citizens. When the payments move digital, each and every individual is bound to have a bank account, a mobile phone, etc. This way, the government can easily transfer the subsidies directly to Aadhaar-linked bank accounts of people.

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## Efficient e-governance

Government of India launched National e-Governance Plan (NeGP) in 2006. 31 Mission Mode Projects covering various domains were initiated. Despite the successful implementation of many e-Governance projects across the country, e-Governance as a whole has not been able to make the desired impact and fulfil all its objectives. It has been felt that a lot more thrust is required to ensure e-Governance in the country promote inclusive growth that covers electronic services, products, devices and job opportunities. Moreover, electronic manufacturing in the country needs to be strengthened. In order to transform the entire ecosystem of public services through the use of information technology, the Government of India has launched the Digital India programme with the vision to transform India into a digitally empowered society and knowledge economy.[5]The quicker, safer, and more efficient alternative to traditional governance, e-governance will be the ultimate outcome of the digital economy. From birth certificate to death certificate, everything is available online – thus it is convenient for people to access the information they need on the go. Digital economy will definitely pave a way to e-governance, where delivery of all government services would be done electronically.

The digital economy has a lot of potentials to enhance job opportunities in new markets as well as increasing employment opportunities in some of the existing occupations in the government. It is also an opportunity for massive job creation for and by local entrepreneurs as the cost of starting a business is very low. This way, the unemployment rate in the country is bound to decrease.[6]

## Challenges in implementation of Digital India Initiative

There are various challenges in implementation of Digital India Initiative. With over 53% of the total population of India still living in rural areas, the majority of the population is still illiterate when it comes to digital systems. They either do not have smartphones or are unable to use them to their best of the capabilities. Transition to digitized platforms for governance requires digital literacy, and openness to change. Both of which are missing as per the current scenario of the majority population. Hence the products will face low adoption and people will fall back to the familiar old school ways. Government officials who will suddenly have to work with tech products instead of physical files might also push back the idea of adopting the digitized systems easily. While the situation has improved, we are yet to see a country with high-speed internet access in every corner. This challenge prevents the remote areas of the country from being a part of the digital reformation wave. Another issue is Data security. Our tech is not bulletproof just yet. Especially with the slow advancement in network security, India is yet to gear for a huge migration. The alleged Aadhar Card credentials leak has further reduced the faith Indians had in Digitizing the country's governance. As we have diverse cultures and languages. Unavailability of local language content is a barrier to Internet penetration and Digital India initiatives despite affordable data tariff being offered by incumbent service providers.

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**Conclusion**

Digital India provides a very good environment for new startups. It makes it very easy for new start up owners to get good ideas and make strong decisions based on consequences observed by multinational companies. The Digital India drive is a dream project of the Indian Government to remodel India into a knowledgeable economy and digitally empowered society, with good governance for citizens by bringing synchronization and co-ordination in public accountability, digitally connecting and delivering the government programs and services to mobilize the capability of information technology across government departments. Also technical supports makes it easier for new start up owners for making transaction of money easier and helps in avoiding long bank hauls. In case of foreign trade of goods and services by Indian startups Digital India initiative makes it very much easier to communicate with foreign companies as compared to old days.

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