

# ACQUISITION AND ADOPTION OF DIGITAL COMPETENCY AMONG WOMEN IN THE INFORMAL SECTOR

## Abstract

Digital competency has emerged as a critical requirement for business development, sustained growth, and long-term competitiveness across sectors. The ability to navigate digital tools and platforms enhances operational efficiency, facilitates access to broader markets, strengthens customer engagement, and improves financial and administrative management. In this context, Digital skills serve as a vital indicator of an individual's capacity to remain competitive, adapt to technological advancements, and leverage innovation for sustainable business outcomes. In the absence of adequate digital proficiency, many face the risk of exclusion from mainstream economic activities.

The present study examines the influence of core antecedents, namely digital competency, performance expectancy, effort expectancy, social influence, and facilitating conditions, on behavioural intention, and how these factors contribute to the actual usage of technology in business operations. The study adopts the Unified Theory of Acceptance and Use of Technology (UTAUT) as its theoretical framework, which effectively captures the interplay between these constructs and their impact on technology adoption. The study is both descriptive and analytical. The locale of the study is Palakkad district in Kerala, India, which was purposively selected due to its prominence for largely informal micro-enterprises. Primary data were collected from a sample of 240 informal women entrepreneurs using a structured questionnaire, and the internal consistency of the instrument was confirmed with a Cronbach's alpha value exceeding 0.70, indicating acceptable reliability. In addition, secondary sources such as government reports, published research articles, and institutional databases were utilized to complement and contextualize the findings. Targeted Digital competency intervention addresses the digital skill gap by systematically enhancing individual abilities in preparing training modules across key dimensions of digital competency and business applications for business operations. Moreover, technology adoption is closely linked to behavioural factors of technology adoption. Rank analysis was employed to identify the most significant challenges to technology adoption. To assess whether a significant mean difference existed in digital competency levels of women in the informal sector before and after the

training intervention, the Wilcoxon Signed-Rank Test was applied. Additionally, the Kruskal-Wallis Test and the Mann-Whitney U Test were used to examine significant differences in digital competency across various socio-demographic and business profile variables of the respondents. The Structural Equation Modelling (SEM) was conducted to evaluate the influence of key antecedents of behavioural intention on the actual use of technology

The result indicated that digital competency was found to be significantly influenced by performance expectancy, indicating that enhanced digital skills improve perceptions of technology's usefulness in business operations. This perception of performance expectancy, in turn, had a strong positive impact on behavioural intention to adopt technology. Social influence also emerged as a significant predictor of behavioural intention, emphasising the role of peer support and community validation in shaping technology adoption decisions. Furthermore, both digital competency and behavioural intention significantly contributed to the actual use of technology in business, confirming their pivotal roles in the adoption process. Behavioural intention was also identified as a key mediator between social influence and actual technology usage. On the other hand, Digital competency did not influence effort expectancy, suggesting that users still perceive new technologies as requiring effort despite increased digital proficiency. Effort expectancy and facilitating conditions did not significantly affect behavioural intention, indicating that ease of use and external support were less influential in determining intent to adopt technology. The sustained technology adoption is more closely tied to internal factors such as digital competency and perceived performance benefits than to structural or external enablers alone.

**Keywords:** Women Entrepreneurs, Technology Adoption, Digital Competency, Behavioural Intention, Performance Expectancy, Effort Expectancy, Social Influence, Facilitating Conditions, Actual Usage.