Digital Literacy for Inclusive Growth

Dr. Preeti S Desai
Mr. Satya B L, Rashmi Gowda K M, Manjunatha K,

Assistant Professor, PGDMS & RC SIT, Tumkur
Students of MBA 4th Semester, PGDMS & RC, SIT, Tumkur

Abstract: In this era of digitization and globalization almost every day today actions of individual are affected by information technology. This information technology is no more a knowledge of educated and skilled individuals, because no matter whether an individual is educated or uneducated he/ she need technology for easing his/ her day today conversations/ transactions and entertainment. One of major area where technology is used is to manage individual's financial transactions. With the promotion of 'Digital India' usage of technology for financial transaction has increased manifold. At the same time major sections of Indian population is not so friendly with usage of technology for managing their financial transactions. This prompted us to take up a study to understand the level of digital literacy among the local population. Hence through a structured questionnaire responses of individuals were collected by 3rd semester MBA students in the month of October 2018. The questionnaire prepared to observe the digital literacy knowledge before after training. The study shows that people use technology more for entertainment and very less for financial transactions. Hence this paper analyses the responses collected from around 450 respondents regarding their digital literacy and financial literacy knowledge. The respondents are the residents of Tumkur. For the data analysis SPSS software is used. To study the impact of digital literacy training on respondents, paired t test is conducted. The result of the test shows that training had significant impact on the respondent's ability to understand digital aspects of financial transactions.

Key Words: Financial Literacy, Digital literacy, Digital India, Inclusive growth.

Introduction:

Mere reading and writing may not be regarded as literacy. Rather literacy could be understood as the individual's capacity to understand what the message of the particular text is in a proper context. People with relatively lesser literacy skills are considered not be able to read any kind of literature related to their day to day activities like signboards, medicine prescriptions, news papers etc., This specific inability mars the development of that individual personally as well as socially. Hence literacy starts as a learning process of something and proceeds to the acquisition of bundle of independent skills, then progresses towards the practice or application of the skills acquired and completes by capacity to draft the skills learnt and their application.

In the Indian context Literate person is one is able read or write in any language. This statement held good previously i.e., around 4 to 5 decades when India was struggling with various related to provision of basic education. At that time the focus was on how to make adult population read and write in at least their mother tongue. In this connection various programmes were undertaken of Government of India periodically to make suitable changes in the mentality of people regarding adult, women and girl child education.

Then came an era where Indian economy witnessed tremendous changes in economy which forced people to get themselves financially literate as the same was needed to understand their money matters. This was because banking industry was prominently developed and started providing various innovative services in collaboration with Government. Such services for example include channelizing of subsidies and other monitory benefits through banking companies. Hence banking companies started campaigning about financial literacy through micro finance institutions and self help groups.

Now due to globalization, privatization and liberalization we are exposed vast varieties of information access through information technology. Now we are enjoying the 4th generation internet which stores data in cloud and gives an access to any kind of information within few seconds. Such fast changes in the technology motivated the researchers to take the present study. In this study and attempt has been made to assess the level of digital literacy before educating the target respondents and ease of using technology for their day today transactions after training. The result of the study shows the necessity of digital literacy training programmes to achieve greater level of inclusive growth of the country.

Objectives of the study:

1. To assess the level of digital literacy among residents of Tumakuru

2. To analyze the impact of training on level of digital literacy among the respondents.

Research Methodology:

Responses were collected from people residing in Tumkur in the age group 18 and above through structured questionnaire. The questionnaire is prepared to record the pre and post training knowledge of the respondents regarding their usage of information technology for their day to day needs in general and financial transactions in particular. The data is analyzed using SPSS software. Sampling method used is random sampling method. Paired t-test is conducted to know the effect of training on the respondents.

The following tables summarize the responses regarding their digital literacy level. Table 1 to Table 7 shows how effective was the awareness training programme conducted by MBA students of our institution.

Table 1 **Interaction * Gender of the respondents Cross tabulation**

| | | Gender of the respondents | | |
		Male	Female	Total
Interaction	Highly unsatisfied	11	22	33
	Unsatisfied	30	20	50
	Neither satisfied nor dissatisfied	35	27	62
	Satisfied	64	70	134
	Highly Satisfied	77	92	169
Total		217	231	448

As per table 1 more than 67% of the respondents are satisfied by interacting with MBA students regarding their awareness of digital facilities available. Also it could be noticed that male respondents were more in satisfied respondent's category.

Table 2 - **clarifying doubts * Gender of the respondents**

| | | Gender of the respondents | | |
		Male	Female	Total
clarifying doubts	Highly unsatisfied	3	0	3
	Unsatisfied	12	12	24
	Neither satisfied nor dissatisfied	33	33	66
	Satisfied	83	82	165
	Highly Satisfied	86	106	192
Total		217	233	450

Table 2 indicates that 79% of the total respondents felt that their doubts regarding digital skills were effectively clarified by the trainers. However more doubts were raised by female respondents and they were clarified effectively.

Table 3 - **Time management * Gender of the respondents**

| | | Gender of the respondents | | |
		Male	Female	Total
Time management	Highly unsatisfied	6	5	11
	Unsatisfied	9	10	19
	Neither satisfied nor dissatisfied	30	33	63
	Satisfied	55	74	129
	Highly Satisfied	117	111	228
Total		217	233	450

According to Table 3 time management by the students is most appreciated by female respondents (185) followed by male respondents (172).

Table 4 - **way of communication * Gender of the respondents**

		Gender of the respondents		
		Male	Female	Total
way of communication	Highly unsatisfied	7	5	12
	Unsatisfied	3	5	8
	Neither satisfied nor dissatisfied	45	35	80
	Satisfied	56	70	126
	Highly Satisfied	106	118	224
Total		217	233	450

As per the above table the communication skills of the trainers was found more satisfactory by the respondents.

Table 5 - **Conceptual Clarity * Gender of the respondents**

		Gender of the respondents		
		Male	Female	Total
Conceptual Clarity	Highly unsatisfied	2	1	3
	Unsatisfied	13	9	22
	Neither satisfied nor dissatisfied	27	30	57
	Satisfied	73	88	161
	Highly Satisfied	102	105	207
Total		217	233	450

According to Table 5 conceptual clarity of the trainers was found more satisfactory by majority of the respondents (368 out of 450). This indicates that MBA students were well trained regarding the awareness programme.

Table 6 - **Confidence * Gender of the respondents**

		Gender of the respondents		
		Male	Female	Total
Confidence	Highly unsatisfied	6	3	9
	Unsatisfied	8	4	12
	Neither satisfied nor dissatisfied	35	29	64
	Satisfied	68	77	145
	Highly Satisfied	100	120	220
Total		217	233	450

According to the above table trainers were found more confident about their explanation. Both male and females have almost equal level of satisfaction.

Table 7- **Overall learning * Gender of the respondents**

| | | Gender of the respondents | | Total |
		Male	Female	
Overall learning	Highly unsatisfied	3	1	4
	Unsatisfied	12	8	20
	Neither satisfied nor dissatisfied	22	21	43
	satisfied	77	73	150
	Highly Satisfied	103	130	233
Total		217	233	450

The above table shows that around 383 respondents felt that they have learnt something very important for their day to day life.

Table no 8 to 13 summarizes the income, saving pattern and banking transactions of the respondents.

Table 8 - **periodicity of receipt of wages * Gender of the respondents**

| | | Gender of the respondents | | Total |
		Male	Female	
periodicity of receipt of wages	0	1	3	4
	daily basis	43	31	74
	weekly basis	37	31	68
	monthly basis	136	168	304
Total		217	233	450

The data shown in the table 8 indicate that almost 67% respondents have habit of saving money on monthly basis; this is followed by daily basis and weekly basis. This means individuals prefer to save money either on monthly basis or daily basis.

Table 9 - **Annual Income * Gender of the respondents**

| | | Gender of the respondents | | Total |
		Male	Female	
Annual Income	0	1	3	4
	<or =10000	44	55	99
	10001-30000	57	67	124
	30001-50000	56	46	102
	50001-70000	25	20	45
	70001-90000	12	16	28
	>90000	22	26	48
Total		217	233	450

According to table 9 more than 70% of the respondent's yearly income is less than Rs. 50,000 as most of them were house wives, collage students and small vegetable vendors in the locality.

Table 10 - **Frequency of banking transactions per month * Gender of the respondents**

| | | Gender of the respondents | | |
		Male	Female	Total
Frequency of banking transactions per month	0	6	19	25
	0	33	39	72
	1-4	90	107	197
	4-7	69	51	120
	8-10	18	12	30
	>10	1	5	6
Total		217	233	450

Table 11
Amount per transaction * Gender of the respondents

| | | Gender of the respondents | | |
		Male	Female	Total
Amount per transaction	0	6	20	26
	10000-20000	105	114	219
	20001-40000	60	60	120
	400001-60000	34	25	59
	60001-80000	8	10	18
	80001-100000	4	4	8
Total		217	233	450

As per the above table female respondents transact more with banks than male respondents. Most of the respondents transact minimum once and maximum 7 times per month. It is also observed that these transactions were made by visiting the branch office of the banks.

According to the above table prefer banking transactions minimum for Rs. 10000 per transaction and maximum Rs. 40, 0000 per transaction. In few cases the transaction they did banking transactions for up to Rs. 60000

Table 12 - Type of mobile phone * Gender of the respondents

| | | Gender of the respondents | | |
		Male	Female	Total
Type of mobile phone	Basic Key pad	43	61	104
	ANDROID	174	172	346
Total		217	233	450

According to the above table most of the respondents possess Android phones.

Table 13 - **Monthly saving pattern * Gender of the respondents**

| | | Gender of the respondents | | |
		Male	Female	Total
monthly saving pattern	<1000	29	35	64
	1001-1500	41	61	102
	1501-2000	15	26	41
	2000-2500	24	16	40
	>2500	28	29	57
Total		137	167	304

According to the above table different respondents different saving pattern. However it could be noted that many respondents opine that they save up to Rs. 1500 per month.

TABLE 14 - Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	I know my monthly expenses(B)	2.71	450	1.396	.066
	I know my monthly expenses(A)	4.22	450	.848	.040
Pair 2	I save regularly(B)	2.62	450	1.247	.059
	I save regularly(A)	4.24	450	.974	.046
Pair 3	i self operate my bank account(B)	3.00	450	1.520	.072
	i self operate my bank account(A)	4.41	450	.889	.042
Pair 4	I am aware of digital payments(B)	2.49	450	1.370	.065
	I am aware of digital payments(A)	4.14	450	.987	.047
Pair 5	I comfortably use digital payments(B)	2.38	450	1.338	.063
	Comfortably use digital payments(A)	4.09	450	.925	.044
Pair 6	I pay using digital payments(B)	2.35	450	1.370	.065
	I pay using digital payments(A)	4.10	450	1.031	.049
Pair 7	I spend more on needs than wants(B)	2.54	450	1.424	.067
	I spend more on needs than wants(A)	4.12	450	1.037	.049
Pair 8	i know about mudra yojana(B)	2.18	450	1.340	.063
	i know about mudra yojana(A)	4.06	450	.994	.047
Pair 9	Zero balance account(B)	2.63	450	1.524	.072
	Zero balance account(A)	4.23	450	1.021	.048
Pair 10	Kissan creditcards(B)	2.20	450	1.320	.062
	Kissan creditcards(A)	4.06	450	1.018	.048
Pair 11	No frill accounts(B)	1.92	449	1.148	.054
	No frill accounts(A)	3.92	449	1.081	.051
Pair 12	PMSBY(B)	2.29	450	1.427	.067
	PMSBY(A)	4.06	450	1.048	.049
Pair 13	Jan Dhan yojana(B)	2.50	450	1.543	.073
	Jan Dhan yojana(A)	4.19	450	1.028	.048
Pair 14	Awas Yojana(B)	2.18	450	1.351	.064
	Awas Yojana(A)	4.17	450	2.523	.119
Pair 15	Fasal Beema yojana(B)	2.28	450	1.303	.061
	Fasal Beema yojana(A)	4.08	450	1.076	.051
Pair 16	I am awre of investment schemes(B)	2.51	450	1.327	.063
	I am awre of investment schemes(A)	4.25	450	.993	.047
Pair 17	I know to operate ATM(B)	2.92	449	1.520	.072
	I know to operate ATM(A)	4.34	449	.974	.046
Pair 18	I know to use payment apps(B)	2.58	450	1.439	.068
	I know to use payment apps(A)	4.18	450	1.094	.052
Pair 19	I know to use net banking(B)	2.53	450	1.506	.071
	I know to use net banking(A)	4.16	450	1.098	.052
Pair 20	I can deposit money using Deposit Machines(B)	2.77	450	1.527	.072
	I can deposit money using Deposit Machines(A)	4.28	450	1.073	.051

TABLE 15 - **Paired Samples Test**

		Paired Differences							
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference		t	df	Sig. (2-tailed)
					Lower	Upper			
Pair 1	I know my monthly expenses(B) - I know my monthly expenses(A)	-1.507	1.500	.071	-1.646	-1.368	-21.305	449	.000
Pair 2	I save regularly(B) - I save regularly(A)	-1.622	1.461	.069	-1.758	-1.487	-23.562	449	.000
Pair 3	i self operate my bank account(B) - i self operate my bank account(A)	-1.416	1.594	.075	-1.563	-1.268	-18.835	449	.000
Pair 4	I am aware of digital payments(B) - I am aware of digital payments(A)	-1.658	1.594	.075	-1.805	-1.510	-22.057	449	.000
Pair 5	Icomfertably use digital payments(B) - Icomfertably use digital payments(A)	-1.707	1.449	.068	-1.841	-1.572	-24.978	449	.000
Pair 6	I pay using digital payments(B) - I pay using digital payments(A)	-1.742	1.593	.075	-1.890	-1.595	-23.193	449	.000
Pair 7	Ispend more on needs than wants(B) - Ispend more on needs than wants(A)	-1.589	1.645	.078	-1.741	-1.436	-20.490	449	.000
Pair 8	i know about mudra yojana(B) - i know about mudra yojana(A)	-1.876	1.614	.076	-2.025	-1.726	-24.657	449	.000
Pair 9	Zero balance account(B) - Zero balance account(A)	-1.600	1.640	.077	-1.752	-1.448	-20.693	449	.000
Pair 10	Kissan creditcards(B) - Kissan creditcards(A)	-1.858	1.612	.076	-2.007	-1.708	-24.446	449	.000
Pair 11	No frill accounts(B) - No frill accounts(A)	-2.002	1.523	.072	-2.143	-1.861	-27.859	448	.000
Pair 12	PMSBY(B) - PMSBY(A)	-1.773	1.645	.078	-1.926	-1.621	-22.869	449	.000
Pair 13	Jan Dhan yojana(B) - Jan Dhan yojana(A)	-1.684	1.718	.081	-1.844	-1.525	-20.799	449	.000
Pair 14	Awas Yojana(B) - Awas Yojana(A)	-1.987	2.770	.131	-2.243	-1.730	-15.217	449	.000
Pair 15	Fasal Beema yojana(B) - Fasal Beema yojana(A)	-1.802	1.610	.076	-1.951	-1.653	-23.751	449	.000

Pair 16	I am aware of investment schemes(B) - I am aware of investment schemes(A)	-1.742	1.561	.074	-1.887	-1.598	-23.676	449	.000
Pair 17	I know to operate ATM(B) - Iknow to operate ATM(A)	-1.416	1.583	.075	-1.563	-1.270	-18.957	448	.000
Pair 18	Iknow to use payment apps(B) - Iknow to use payment apps(A)	-1.609	1.589	.075	-1.756	-1.462	-21.484	449	.000
Pair 19	Iknow to use net banking(B) - Iknow to use net banking(A)	-1.622	1.622	.076	-1.773	-1.472	-21.212	449	.000
Pair 20	I can deposit money using Deposit Machines(B) - I can deposit money using Deposit Machines(A)	-1.509	1.560	.074	-1.653	-1.364	-20.520	449	.000

Table 14 and 15 denotes the results of the paired t test which is conducted on the same sample before training and after training. Before training is denoted by 'B' and after training is denoted by 'A'. The following hypothesis was set to know the changes in the digital literacy level among the sample.

H0: There is no impact of training on the respondents regarding their digital literacy level.

H1: Digital Literacy training has significant impact on the digital literacy level of the respondents.

The results show that alternative hypotheses (H1) is accepted as there is considerable difference in the digital literacy level of the respondents before and after training.

Conclusion:

In the era of enormous digitization of each and every service, it becomes very much important to educate people about using the digital facility to make their life easy and hassle free. So far now, everyone uses information technology for entertainment and communication purpose. In the financial sector banking is the industry which digitized to a greater extent compared to other industries. Starting from using of ATM to online transactions certain part of the population are not still comfortable. The reasons may be many, like lack of understanding of the technology and the fear of committing mistake and thereby losing the money. Such obstacles could create problems in the introduction of new services based on information technology thereby curbing the adoption of technological advancements.

The present study shows that people were unaware about various schemes provided by the government through banks. Also people welcome any trainings relating to digital literacy if it is provided to them at their home. One of the reasons for lack of digital literacy is absence of financial literacy among people belonging to rural area and slums. Hence it could be concluded from the present study for a successful financial system, it is necessary that people should be digitally literate. Digital literacy also leads to financial inclusion and sustainable growth of the banking sector, which is prominent part of any financial system.

Bibliography/ References

1. https://www.oecd.org/g20/OECD_Achieving%20inclusive%20growth%20in%20the%20face%20of%20FoW.pdf
2. https://www.pwc.in/assets/pdfs/publications/2017/digital-india-targeting-inclusive-growth.pdf
3. http://www.unesco.org/education/GMR2006/full/chapt6_eng.pdf