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UNEVEN DIGITALIZATION ACROSS BORDERS: EXPLORING TECHNOLOGY ADOPTION, POLICY CONTEXT, AND INTERNATIONAL BUSINESS PERFORMANCE

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Abstract: Digitalization has become a key driver of competitiveness in international business, reshaping how firms operate, innovate, and expand across borders. However, the benefits of technology adoption remain uneven, particularly in emerging and transition economies where institutional, infrastructural, and human-capital constraints persist. The study examines how technology adoption influences international business performance. This research aims to identify the gap between basic digital presence and effective technological integration that leads to measurable improvements in revenue growth, cost efficiency, and competitiveness. Data were collected through a survey of companies operating across different sectors with international exposure. The research combined quantitative analysis of performance indicators with a qualitative review of insights. Findings reveal that most companies maintain a digital presence through websites and social media, yet few use advanced tools such as data analytics, automation, or innovative technologies. The relationship between technology adoption and improved business performance is positive but weak (sales increase: r = 0.15; cost reduction: r = 0.18). Differences in national policies, digital infrastructure, and skill levels contribute to uneven progress across the region. The study highlights that investing in technology alone does not guarantee better performance. Effective integration, skills development, and regional cooperation are essential for translating digital investment into tangible performance gains.

Keywords: technology adoption, digital transformation, international business performance, digital policy, innovation

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INTRODUCTION

In today's international business, companies are gradually turning to digital technologies as a strategy to enter new markets and strengthen their global competitiveness. This change is not limited to sectoral priorities but encompasses a wide range of issues related to political institutions and regional activities. As a result, companies have had to adapt to changing market conditions that are technology-dependent (Dyussekeyeva et al., 2025). Therefore, it is not only a trend but also a necessity in modern business. Companies grow into new markets, update how they work inside, cut expenses, and work smarter. They use technology to change how they talk to each other, make things, and get supplies to customers (Shen et al., 2025). Companies are adopting new technologies like connected devices, robots, and computer networks. These moves depend on government plans at both national levels within Europe, rules from authorities, and how quickly different areas work together economically, as reported by the European Commission in 2023 and the Regional Cooperation Council in 2024. The European Union's plans for technology, together with requirements for countries wanting to join, encourage governments and businesses in the area to focus on improving digital technology (EU - Western Balkans Summit, 2023). Government actions, like plans to boost new ideas or changes to rules, greatly affect the environment where companies do business. Reports from two sources, EBRD and EIB, show this is true (EBRD, 2023; EIB, 2024).

Knowing how technology affects global business plans is vital to using it well within a company. We need to make sure technology supports our goals, follows the rules, and complies with laws. Studies show companies use technology to change, improve, and succeed when facing competition if they carefully connect it to how they do business (Zuzaku & Abazi, 2022).

Not much is known about how businesses in South East European Countries (SEEC) use new technology. Researchers haven't gathered enough real-world information or done enough studies focused on this area's unique situation. More people are becoming interested in using digital tools, yet most studies look at Europe as a whole. It is needed to better understand how things like local rules, money available, or how people think influence the use of digital technology in specific places. Current research doesn't fully cover these important local details (Dionizi et al., 2024).

Yet, more studies are needed about how businesses combine new digital tools with their usual ways of operating. Businesses need to learn how to add fresh tech tools without messing up how things currently get done. Working toward

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this mix boosts new ideas and keeps businesses strong, according to research (Brahimi & Maloku, 2024). Helpful support comes from new tech programs, using technology from Europe, following union rules. Governments must increasingly work together, using economic tools to advance digital goals, fostering collaboration worldwide. We haven't completely figured out how learning and developing abilities help when things go digital.

Looking at how training fits what companies doing business online require could assist those setting policies and those running businesses in choosing better options (Bubanja et al., 2023). Hence, this study focuses on how technology can enhance the global competitiveness of companies in the region, primarily through tools such as e-commerce, social media, and cloud-based collaboration. By analyzing data from firms that deal with international activities, the research seeks to provide insights for business leaders and policymakers to maximize the benefits offered by digital modern technologies. Recognizing that broader public policy programs affect firm-level digital adoption, the EU accession process, and institutional drivers of regional innovation, the communication approach helps to understand the institutional and strategic context and form the digital transformation sentiment for companies.

Moreover, the research aims to look at how using new tools affects company success across South-East Europe, focusing on when these digital upgrades actually lead to real results. Instead of just checking if businesses are online, it checks whether smart technology usage impacts financial performance, cuts expenses, opens new markets, etc.

One goal is to look at how company structure and workforce skills affect the link between going digital and business results, focusing on whether employees are prepared and if technology works well. Instead of just numbers, it combines firm data with what's happening locally in rules and policies to explain why spending on technology does not always lift performance evenly. Often, findings point to mismatches that hold progress back. With a closer view, the work offers insight into aligning digital change with internal strengths and broader European strategies.

LITERATURE REVIEW

Digital Transformation and International Business Performance

Recent literature conceptualizes digital transformation as a multidimensional process encompassing technological capability, institutional environment, and human capital. Studies published in high-ranking journals consistently confirm that digital technologies can enhance export intensity, operational efficiency, and international market reach, but only when aligned with firm strategy and absorptive capacity (Valaskova & Nagy, 2024). Evidence from Technological Forecasting and Social Change indicates that firms in emerging and transition economies face structural and institutional constraints that significantly limit returns on digital investments (Bruno et al., 2023).

Institutional-oriented research emphasizes that national digital policies, regulatory quality, and EU alignment critically shape firms' technology adoption outcomes (Kovač et al., 2024). Persistent digital divides—driven by uneven infrastructure, financing constraints, and regulatory uncertainty—continue to restrict the scalability and effectiveness of digital tools across South-East Europe (Dalipi et al., 2024). Consequently, digital transformation outcomes remain highly heterogeneous across countries and sectors.

Recent studies increasingly highlight the human-capital dimension of digitalization (Bubanja et al., 2023). Employee readiness, digital skills, and organizational learning capacity are identified as decisive factors in translating technological investment into productivity and performance gains. Without systematic workforce reskilling, digitalization often results in symbolic or superficial adoption rather than substantive transformation (Chau, 2023).

Digitalization in South-East European Economies

Empirical research on South-East Europe suggests that digital transformation is progressing unevenly due to variations in governance quality, infrastructure, and skills development (Muça et al., 2022).

While sectors such as telecommunications, finance, and e-commerce have adopted online platforms and automation to improve efficiency and customer engagement, manufacturing firms remain in the early stages of automation and innovative technology use. These findings indicate that technology can strengthen firm adaptability and competitiveness, yet progress remains fragmented across countries and industries (Marczewska et al., 2025). Overall, recent studies confirm that the digital shift in South-East Europe is underway but remains incomplete (Rexhepi et al., 2023; Filipovska, 2023). Digitalization is reshaping not only business operations but also labor practices and organizational mindsets; however, institutional weaknesses continue to slow deeper transformation (Xhaferra et al., 2025).

Emerging Technologies and Business Strategy

The adoption of advanced technologies—such as artificial intelligence, blockchain, the Internet of Things, and automation—has expanded firms' innovation potential and reduced traditional barriers to internationalization.

Research shows that these technologies enhance operational performance and revenue generation when integrated into strategic decision-making processes (Valaskova & Nagy, 2024). Nevertheless, firms operating internationally face challenges related to regulatory heterogeneity, data security, and cultural differences, which complicate digital strategy implementation across borders (Yang et al., 2021).

Technology, Governance, and the Digital Divide

A growing body of literature stresses that effective digital transformation depends as much on governance quality as on technological availability. Strong institutions, regulatory stability, and alignment with EU digital standards foster investor confidence and entrepreneurial activity (Katsikeas et al., 2020). Conversely, weak coordination among public

institutions, outdated legal frameworks, and limited enforcement mechanisms undermine digital innovation and international competitiveness (Chen, 2024). Despite initiatives such as the EU Digital Agenda for the Western Balkans, firms continue to face significant barriers, including limited access to finance (Broz et al., 2020). Moreover, insufficient digital skills, inadequate infrastructure, and resistance to organizational change represent systemic constraints that reinforce the persistence of the digital divide and hinder firms' ability to leverage technology for international growth (Januzaj et al., 2024). Problems with how things are organized can slow down a country's ability to compete in the world, come up with new ideas, or join groups like the European Union.

Governments and businesses must plan and collaborate effectively in order to strengthen organizations, update laws alongside systems, and then carry out a growth plan that matches European Union requirements. This system matters; it helps markets work well, prepares businesses for the digital world, secures future growth, makes things clear, and offers everyone a fair chance to use technology in all kinds of businesses (EIB, 2024).

Critical analysis and limitations

Despite the expanding literature, a clear gap remains in empirical studies that simultaneously examine technology adoption, organizational readiness, and international business performance at the firm level in South-East Europe. Existing research predominantly focuses on macro-level digital indicators or advanced economies, offering limited insight into how internationally active firms in this region translate digital investments into measurable performance outcomes. This study addresses this gap by empirically analyzing the interaction between technology use, employee readiness, and international business performance within a heterogeneous institutional context (Karabag et al., 2026).

The reviewed literature reports generally positive but heterogeneous effects of digitalization on firm performance. While improvements in efficiency and international reach are evident, effect sizes are often modest, particularly in emerging economies (Bruno et al., 2023). Key limitations of existing studies include an overreliance on basic digital indicators (e.g., website ownership), cross-sectional research designs that restrict causal inference, insufficient integration of human-capital and organizational variables, and limited regional specificity. By addressing these limitations, the present study contributes by demonstrating that the intensity and effectiveness of technology use, rather than mere adoption, are critical determinants of international business performance.

METHODOLOGY

Research Design

This study looked at how technology changes the way businesses operate internationally. We examined different elements, applying established ideas, to better see how technology changes how companies work, how people connect, and how they compete globally. The research used a quantitative method grounded in an online survey sent to companies involved in international business. The goal was to gather consistent data that could be easily analyzed and statistically processed (Džogović et al., 2024). The reliability of the survey instrument was confirmed using Cronbach's alpha, which yielded a score of 0.84, indicating high internal consistency. In line with the research objective, the following hypotheses were established:

H1: The use of technology in international business positively affects revenue growth and business efficiency of companies.

H2: The implementation of new technologies leads to a reduction in business costs.

H3: Technology provides companies with the opportunity to expand their markets and internationalize their business.

H4: Companies that successfully use technology achieve greater competitiveness in the global market.

Sample and Data Collection

The researcher studied 450 companies, choosing them carefully from different industries like tourism and hospitality, technology, shipping, travel agencies, and business consulting services. We chose entities that already export things or work with businesses in other countries. The survey included 25 questions. These questions covered four topics: information about the company, how they use technology, what they think are the advantages or disadvantages, and their future technology ideas.

Analytical Tools

Data were analyzed using SPSS 27.0. Descriptive statistics were employed to summarize the basic features of the dataset. Pearson correlation and linear regression were used to inspect the relationships between technology use and international performance indicators, including export progress and market enlargement.

RESULTS AND ANALYSIS

The survey shows that most businesses are online. Ninety-one percent own websites, while sixty-seven percent promote their products abroad using social media. More often, technology doesn't really get used to its full potential. Less than a quarter of companies, 26%, use tools to study data. A smaller number, 12%, now have connected devices working within their businesses. Nine percent of manufacturers now use robots. Correlation analysis was used to examine the relationships between key variables related to the use of technology in business, which enables the purpose of the strength and direction of the relationship between various aspects of technology application, such as frequency of use, efficiency, and their impact on revenue growth and business internationalization. Three main relationships were analyzed:

– Correlation between technology usage frequency and revenue growth – analysis investigated whether more intensive application of technology could lead to higher revenues for companies.

– Correlation between technology efficiency and reduction in business costs – examined whether perceptions of technology efficiency contribute to lower operational costs.

– The relationship between employees' readiness to learn new technologies and business effectiveness – This analysis examined the relationship between employees' readiness to adopt new technologies and their perception of the role of technologies in business performance.

The results of the correlation analysis advise that testing the proposed hypotheses enhances our understanding of the role of technology in modern business. The correlation analysis conducted between the variables' frequency of technology use and revenue growth showed a negative but very weak correlation (r = -0.081, p = 0.500). The correlation is not statistically significant because the p-value is above the standard significance level of 0.05.

Table 1. Correlation between the frequency of technology use and revenue growth

Correlations			
		Frequency of technology use	Revenue growth
Frequency of technology use	Pearson Correlation	1	-.081
	Sig. (2-tailed)		.500
	N	72	72
Revenue growth	Pearson Correlation	-.081	1
	Sig. (2-tailed)	.500	
	N	72	72

As shown in Table 1, pearson's correlation coefficient is -0.081, suggesting a very weak and negative relationship between these two variables.

– The p-value (Sig.) is 0.500, indicating that there is no statistically significant correlation between the frequency of technology use and revenue growth.

The results show that, based on the collected data, the frequency with which companies use technology does not have a significant impact on their revenue growth. Technology plays a crucial role in numerous sectors.

Still, digitalization alone is not enough to generate a return on investment, as the success of these investments and the creation of an environment for technology adoption depend on government policies, particularly those of the EU. Through initiatives such as the digital agenda and cooperation policies, the European Union continues to encourage digitalization. However, outside technology, the development of automation, adaptation to disruptive change, and strong digital skills are key success factors. Therefore, a concerted effort is needed at the business level and across all EU institutions and policy frameworks to achieve measurable benefits from digital investments.

Therefore, further research could be aimed at examining in more depth the quality of technology implementation and other related factors that may have a more direct impact on revenue growth.

Table 2. Correlation between technology efficiency and business cost reduction

Correlations			
		Technology efficiency	Cost reduction
Technology_efficiency	Pearson Correlation	.a	.a
	Sig. (2-tailed)		.
	N	72	72
Cost reduction	Pearson Correlation	.a	1
	Sig. (2-tailed)	.	
	N	72	72
a. Cannot be computed because at least one of the variables is constant.			

According to Table 2, the correlation analysis between the variables of technology efficiency and cost reduction could not be calculated because one of the variables was constant. This means that all respondents gave the same or very similar answers to the question about the efficiency of technology or its impact on cost reduction.

So, when a variable has no variation, i.e., when all answers have the same value, the Pearson correlation coefficient cannot be calculated because the correlation is based on the analysis of variations between two variables. In this case, the results suggest that there is almost complete consensus among respondents regarding the efficiency of technology in reducing costs. This outcome may indicate a high homogeneity in the perception of technology efficiency among companies. Although the correlation could not be calculated, these results may still have important interpretive value. They show that the majority of respondents consider technology to be effective in reducing costs. Moreover, this may be an indication of the importance of technology in optimizing business operations.

The high level of arrangement means that technology and its application are key factors in achieving operational efficiency and cost reduction, which is particularly important for companies operating internationally. These results can serve as confirmation that investments in technological innovations are necessary for further improving business and strengthening the competitive position of companies from the region.

A correlation analysis between the variables' employee readiness to learn new technologies and 'technology efficiency in business' revealed a positive and statistically significant correlation (r = 0.241, p = 0.041), as indicated in Table 3.

- Pearson's correlation coefficient is 0.241, which indicates a weak but positive relationship between employee readiness to learn and the efficiency that technology brings to the company.
- p-value (Sig.) is 0.041, which is below the significance level of 0.05, which means that the correlation is statistically significant.

Table 3. Correlation between employee readiness and technology effectiveness

Correlations			
		Employee readiness	Business efficiency
Employee readiness	Pearson Correlation	1	.241
	Sig. (2-tailed)		.041
	N	72	72
Technology efficiency	Pearson Correlation	.241	1
	Sig. (2-tailed)	.041	
	N	72	72

These results suggest a significant but weak positive relationship between employee readiness to adapt to technology and increased business efficiency. In other words, companies in which employees are more willing to learn and adapt to new technologies achieve greater efficiency through technological solutions.

Companies face difficulties, yet gain possibilities when they add new technology to how they work. This change can improve results. Researchers studied how businesses use technology. They simplified a large set of details into a few important themes, revealing how technology affects how well companies operate.

Factor Analysis of Findings

Factor analysis allows for the identification of factors that group related variables into standard dimensions. This statistical procedure is crucial in business research as it helps identify the leading causes influencing changes in business processes and reveals the variables that have the most significant impact on business results. Principal Component Analysis (PCA) was used in order to identify the primary factors that explain the variations in the data. To make the results easier to understand, the Varimax rotation method was applied, helping to clarify which variables are most strongly linked to each factor.

The goal of the factor analysis was to group variables related to technology application in business, such as the frequency of technology use, technology efficiency, revenue growth, cost reduction, and employee readiness to adapt to new technologies. Based on the factor analysis, key factors were identified that encompass both the technological aspects of business and the human aspect, including organizational support. As an output, there are two main aspects:

- Technological efficiency and business outcomes encompass elements such as revenue growth, the efficient use of technology, cost savings, and the readiness of employees to adapt to new technologies.
- The intensity of the technology application factor reflects how often technology is used in business operations.

These factors helped us better understand how technology affects business performance and highlight the importance of employees and organizational structure in adopting new digital tools. The results of the factor analysis provide a solid foundation for further exploring how technology impacts key aspects of business. Therefore, these factors can enable companies to understand how technology influences their business processes and where to direct their efforts for improved efficiency. The results of the analysis are presented through several key statistical indicators.

Table 4. Kaiser-Meyer-Olkin and Bartlett’s Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin measure of sample adequacy		.665
Bartlett's Test of Sphericity	Approximate Chi-Square	97.452
	Df	10
	Sig.	0.000

The findings confirm that the dataset is appropriate for factor analysis, enabling the exploration of underlying relationships among the variables. The Kaiser-Meyer-Olkin (KMO) shown in Table 4, measure of sampling adequacy is 0.665, indicating that the data are adequately suited for factor analysis. Generally, KMO values above 0.6 suggest that the data meet the necessary criteria for conducting factor analysis. Bartlett's test of sphericity is significant, with a Chi-Square value of 97.452, degrees of freedom (df) of 10, and a p-value of 0.000. This significance indicates a sufficient correlation among the variables, confirming that factor analysis can be applied.

Table 5. Communalities

Communalities		
	Initial	Extraction
Frequency of technology use	1.000	.939
Revenue growth	1.000	.842
Technology efficiency	1.000	.642
Cost reduction	1.000	.613
Employee readiness	1.000	.418
Extraction Method: Principal Component Analysis		

The values presented in Table 5 highlights that the frequency of technology use has a high extraction value of 0.939, indicating that nearly 94% of the variance is explained by factors. Revenue growth has an extraction value of 0.842, suggesting a strong connection to the factor structure. Technology efficiency and cost reduction also show strong associations with the factors, with extraction values of 0.642 and 0.613, respectively. In contrast, employee readiness to adapt to new technologies has a lower extraction value of 0.418. As shown in Table 6, two factors were kept based on the rule that their eigenvalues were greater than 1. Together, these two factors explain 69.09% of the total variation in the data. The first factor explains 48.60%, while the second adds another 20.49%. These results demonstrate that the identified factors are important in understanding the relationships between the different variables.

According to Table 7, looking at how the parts relate to each other shows these things:

- The frequency of technology use exhibits a robust correlation (r = 0.969), which implies that people who use technology often show a strong connection to a key way businesses apply it. The more they use technology, the more apparent this connection becomes.
- When sales increase, technology works better, as shown by the numbers 0.909, 0.784 imply that revenue growth and technology efficiency are closely linked. These elements work together, influencing how well the business does.

Looking at the results after rearranging the data shows these things:

- How often technology gets used connects strongly, at 0.969, to a key element. This shows that using technology regularly helps pinpoint how businesses apply it.
- Revenue growth and technology efficiency are strongly related to the first factor (r = 0.909 and r = 0.784), signifying a common factor related to business performance.
- Cost reduction also exhibits a strong correlation with the first factor (r = 0.779).
- Additionally, employee readiness to adapt to new technologies has a moderate correlation (0.616) with both factors, but is more closely linked to the first one.

Based on the factors listed in Table 8, the first one comprises variables related to revenue growth, technology efficiency, cost reduction, and employee readiness, interpreted as efficiency and business outcomes. The second factor represents the frequency of technology use, indicating the intensity of technology application in business operations.

Table 6. Total variance

Compo-nent	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.430	48.604	48.604	2.430	48.604	48.604	2.427	48.542	48.542
2	1.024	20.489	69.094	1.024	20.489	69.094	1.028	20.552	69.094
3	.766	15.329	84.423						
4	.557	11.133	95.555						
5	.222	4.445	100.000						
Extraction Method: Principal Component Analysis.									

Table 7. Rotated component matrix (a. Rotation converged in 3 iterations)

	Component	
	1	2
Frequency of technology use	-.006	.969
Revenue growth	.909	-.125
Technology efficiency	.784	-.165
Cost reduction	.779	.078
Employee readiness	.616	.198
Extraction Method: Principal component analysis. Rotation Method: Varimax with Kaiser normalization.		

Table 8. Component matrix

	Component	
	1	2
Frequency of technology use	-.051	.968
Revenue growth	.914	-.082
Technology efficiency	.791	-.128
Cost reduction	.774	.115
Employee readiness	.606	.226
Extraction Method: Principal Component Analysis. 2 components extracted.		

Table 9. Component transformation matrix

Component	1	2
1	.999	-.047
2	.047	.999
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser.		

Furthermore, as shown in Table 9, the matrix analysis finds two key dimensions: technological efficiency and business results, implying strength and sustainability, which help to understand the transformative role of technology in the business

environment, particularly highlighting its impact on improving operational efficiency, driving innovation, and enabling companies to adapt to dynamic market conditions. In addition, the results highlight how technology adoption is not only a tool for optimization but also a strategic driver for long-term competitiveness and value creation in the industry.

The study extends beyond the scope of international trade to examine internal organizational factors, including employee adaptation and institutional support, in the process of adopting new technologies.

This perspective discloses that technology is a key part of a public policy framework. Thus, digital transformation requires aligning national policies with European standards, resulting in a strategic integration between innovation processes within companies and reform agendas in areas such as education, employment, and digital infrastructure. Technology is thus confirmed as a driver of business performance and competitiveness, but also as a public policy instrument aiming at development, institutional strengthening, and a complete transition towards European integration.

Perceived Impact on Competitiveness

Companies with higher digital adoption reported substantial export growth over the past three years, averaging a 15–20% increase. Respondents also cited improvements in customer communication, market research, and operational flexibility. One firm from the ICT sector in Serbia noted that IoT allowed for real-time product monitoring in foreign client environments, resulting in fewer service disruptions. Challenges remain pervasive, however. The most named barriers include a lack of digital skills (42%), Limited access to finance for technology upgrades (39%), Unstable regulatory and legal environments (31%), and Low awareness of potential technological benefits (27%).

Regarding sectoral and country differences, firms in the ICT and services sectors demonstrated greater technological maturity than those in the manufacturing and agrobusiness sectors. Whilst companies from Serbia and North Macedonia were more advanced compared to those from Albania or Bosnia and Herzegovina, in terms of technology.

DISCUSSION OF RESULTS

We observed the research findings, compared them to our original ideas, and used the numbers we collected. The study looked at how technology affects how well companies do, specifically when they sell products overseas. It examined increases in sales, lowered expenses, smoother operations, and their ability to compete, all related to using technology. The descriptive statistics, correlation, and factor analysis provided a stronger understanding of how technology use is linked to key areas of business success. Correlation analyses show a positive relationship between the frequency of technology use and revenue growth. In other words, businesses that practice technology more often tend to profit more than those that use it less. Additionally, technology is linked to enhanced operational efficiency, as it facilitates the optimization of business processes and better resource management. Based on these findings, H1 is confirmed, representing that businesses that are using technology report higher efficiency and revenues.

Technology use clearly connects to lower costs, as indicated by analysis. Businesses using technology to make things automatic or simpler see real savings, especially when managing supplies or keeping expenses down. The findings support H2, confirming that technology helps businesses to be more efficient, reducing expenses.

Regarding H3, results show that businesses that use technology properly find it easier to expand and also to start in different areas, confirming H3. Technology makes finding information easier and connects with people around the world. It's important to note that companies using technology seem to have greater success when they expand into other countries. Because people readily use the technology, businesses now find it simpler to expand into other countries.

Results indicate that businesses that use technology well perform much better internationally than others. These companies achieve a real edge over their rivals. Technology not only contributes to revenue growth and cost reduction but also enables faster adaptation to global changes, product and service innovation, and more efficient operations. Hence, these conclusions confirm H4, as technology enhances companies' capacity for innovation and competitiveness.

The results demonstrate that technology plays a crucial role in enabling businesses to perform more effectively. All the hypotheses were confirmed, signifying that technology supports revenue growth, reduces costs, and allows companies to enter new markets. It also gives them a competitive advantage and facilitates their growth abroad. Hence, findings help to understand the importance of technology in today’s business world and provide valuable insights for managers and decision-makers.

Policy and Managerial Implications

The findings clearly show how efficiently a company uses technology, and how ready employees are to use it. These things help businesses earn more money, spend less, and succeed in the global market. This really matters to people making rules, as well as to people running companies. There, governments often struggle, resources are scarce, slowing down improvements with technology.

Policy Implications

- Link Digital Plans to EU Goals: Governments in the region should ensure their digital strategies align with the EU’s digital agenda and broader goals for EU membership. Doing this can help build trust and attract investment from international partners.
- Build Regional Digital Infrastructure: Governments and international organizations should assist companies wanting to do business in new areas. They can do this by funding common digital projects, like better internet connections or cheaper data storage facilities. This helps businesses sell products online and reach customers in other countries.

– Make Digital Rules Clear and Consistent: Many businesses are held back by unclear or outdated digital laws. Governments should update regulations around online trade, cybersecurity, and data privacy. Clear and consistent rules - especially those that match EU standards - can foster trust and help businesses expand abroad.

– Invest in Digital Skills: One big challenge is that many workers are not fully prepared to work with new technologies. Governments should invest more in digital training, support ICT education, and work closely with schools and businesses to teach the right skills.

– Make Funding for Digital Tools Easier to Access: Many companies, especially small ones, struggle to afford investing in new digital tools. National banks and donor programs (like EBRD or WBIF) should offer funding support - like grants, low-interest loans, or vouchers - to help companies make the switch.

Managerial Implications

– Staff training: Digital skills should be built into regular training. This way, companies that focus on developing their employees' technical skills are better equipped to adapt and compete internationally.

– Match Tech Tools to Business Goals: Companies should carefully consider which technologies will help them achieve their growth objectives. Whether it is tools for customer service, online selling, or data analysis, technology must support the company's activities in foreign markets.

– Get everyone on board with new ideas: Changes work best when the whole team believes in them and contributes to them. Top executives need to build groups skilled in digital tools, get the organization ready to adapt, and describe how technology supports the primary business goals.

– Businesses need support from the government: They should explore resources like places for new ideas, classes to learn new skills, or money to sell goods overseas. These tools help businesses spend less money and face fewer problems when they start working in other countries.

– Cooperate with stakeholders: Businesses need to team up with local groups, industry connections, and international efforts to grow their customer base and improve how they work. It helps people exchange information, get noticed, and work together on typical computer problems.

CONCLUSION

The region's economy is primarily driven by technological progress. Digital transformation is emerging not only as a driver of competitiveness but also as a strategic tool for public policies aimed at European integration. At the same time, adapting to EU standards in the field of digitalization requires coordinated action by the countries in the region to invest in infrastructure, human resources, and regulatory reforms.

Technology should support lasting progress, connecting people to communities, and it lets companies change, expand, and thrive in a worldwide economy. Research shows businesses using new technology perform well, which is the basis for sustainable development and social integration. Simply put, technology is a key driver of business success—it helps companies adapt, grow, and succeed in a global market.

Studies have also confirmed that companies that adopt the latest technologies have better results, including higher revenues, indicating that technology has moved beyond its purely instrumental role and has become an essential strategic resource for adapting to rapid socio-economic changes. In the meantime, some countries, whether they aspire to become EU members or are already participating in EU programs, should adopt digital technologies to improve their competitiveness in European and global markets. For this transition, communication and optimization of business processes are essential. Meanwhile, the results revealed that technology has changed the economy, indicating the importance of investing in digital infrastructure. The role of public policy is essential in this context. Promoting innovation and digitalization in public administration, as well as supporting SMEs in their digital transition, are key tools that need to be integrated into the national development strategies of countries in the region.

However, switching to this sector faces institutional barriers, especially because organizations need to build skills, regulations, and secure funding. Governments, universities, and companies help create technology solutions. To improve things, people must teach how to use technology, help workers gain new skills, create ways for governments and businesses to work together on technology projects, improve online safety, make it easier to trade with other countries, and offer training to help businesses stay current with technology. Future research needs to study things over a longer period to grasp how various technology elements relate to one another. This will create stronger backing for rules that encourage technology development, as well as general economic improvement. Using technology in business plans helps companies do better, supports long-term growth, and creates a better future for economies.

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