Digital Transformation in Public Sector

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01
STRATEGIC SPRINGBOARD
Why and how to deliver vision for Indonesia’s Digital Transformation

02
(SUCCESS) STORIES
Drawing lessons learned from Subnational Government: Jabar Digital Service
IMPORTANT DISCLAIMER:

Forthcoming statements, in writing and verbally, represent my personal views, not of the institutions I work for.
WHY AND HOW TO DIGITALLY TRANSFORM PUBLIC SECTOR
**Presidential Strategic Directives**

1. Immediately accelerate the expansion of access, enhance digital infrastructure and increase the availability of internet services;
2. Prepare a digital transformation roadmap in strategic sectors including government, public service, social aid, education, health, trade, industry and broadcasting sectors;
3. Accelerate the integration of the national data centres;
4. Prepare needs of human resource for the digital talents; and
5. Immediately prepare regulation, funding/financing scheme.
Regulatory Framework

1. e-Government:
   PR 95/2018 concerning Electronic-Based Government System;

2. One Data:
   PR 39/2019 concerning One Data, as well as ministerial and subnational derivatives following the PR.
However, We Shouldn’t Stop at eGov

From Cradle to Grave Public Service

Key: Service | Exemplar service | Civil Service Board monitored service | Exemplar and CSB monitored service

Source: UK GDS
Technical vis à vis Political Missions

(Morestin, 2017)
Triangularity of Policy Implementation

- **Legitimacy and support perspective**
  - What sources of legitimacy and support do we rely on and how can we increase legitimacy and support in the future?

- **Strategic public management**
  - What dimensions of public value do we produce and how can we produce more net value in the future?

- **Operational capacity perspective**
  - How well and how reliably do our programs, policies and procedures work to create value and how can they be made more efficient and effective in the future?

- **Public Value Account**
  - Increasing authority to define value

Direction of policy development, implementation and impact

From: Recognising Public Value, Mark Moore, 2013
What Does This Imply to DT?

Do we have support from high level political leaders?

Do we have the right talents, infrastructure, and governance to operationalize the system?

What are the phasing of strategic services to deliver? Are they impactful? Will the people support them?
Yet Here’s The Sad Reality...

Connectivity hasn’t reached the last miles. In late 2018, over 700 villages in West Java don’t have internet connection.
And Here’s The Sad Reality...
Half of Indonesia’s Population Still Not Connected to Internet

Last mile connectivity challenges persist

<table>
<thead>
<tr>
<th>Region</th>
<th>Proportion</th>
</tr>
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<tbody>
<tr>
<td>Papua</td>
<td>69%</td>
</tr>
<tr>
<td>Nusa Tenggara</td>
<td>63%</td>
</tr>
<tr>
<td>Maluku</td>
<td>62%</td>
</tr>
<tr>
<td>Sulawesi</td>
<td>55%</td>
</tr>
<tr>
<td>Sumatera</td>
<td>54%</td>
</tr>
<tr>
<td>Kalimantan</td>
<td>48%</td>
</tr>
<tr>
<td>Java-Bali</td>
<td>45%</td>
</tr>
</tbody>
</table>

Source: SUSENAS, August 2019.

FIGURE 2.2
Java-Bali and Sumatra still have the highest number of Indonesians not connected

PROPORTION OF INDIVIDUALS 15+ WITHOUT ACCESS TO INTERNET, BY REGION

Source: Beyond Unicorns Report, World Bank (2021)
Low Uptake in Digital Financial Services

Among those who buy online, a majority still prefer cash on delivery

PERCENTAGE SHARE OF HOUSEHOLDS WHO BUY ONLINE

- **Cash on Delivery**: 58%
- **Credit Card**: 0%
- **Direct Debit**: 1%
- **Transfer and ATM**: 32%
- **eMoney or eWallet**: 1%
- **Others**: 7%


Note: Figure 3.7: Lack of trust in online transaction category can be further broken down into three categories: (i) discomfort with the concept of paying goods before receiving it; (ii) discomfort associated with handing financial information; and (iii) discomfort rising from handing any personal private information.

Not having accessed DFS is associated with lack of awareness and knowledge

PERCENTAGE SHARE OF HOUSEHOLDS THAT DO NOT USE DFS

- **"Didn't understand its benefits"**: 45%
- **"Didn't know how to use it"**: 58%
- **"Never heard about the services"**: 45%

Why Is Connectivity Worth Pursuing?

**Economic Productivity**
Konektivitas memampukan warga desa menggali kesempatan ekonomi untuk peningkatan produktivitas dan pengembangan kesejahteraan.

**Human Resources**
Konektivitas membuka ruang peningkatan kualitas hidup SDM, melalui keterbukaan akses informasi, akses pendidikan, konsultasi kesehatan jarak jauh, dan sebagainya.

**Social Network and Public Participation**
Konektivitas meningkatkan keterhubungan sosial dalam sebuah komunitas di luar lingkup fisik. Meningkatkan partisipasi publik dalam implementasi good governance.
COVID-19 Pandemic...

Exposes Major Gaps in Indonesia’s DT, But Also Provides Leverage for Future Push
02
(SUCCESS)
STORIES
FROM
JABAR
DIGITAL
SERVICE
DT In Subnational Government

“Pusat Layanan Digital, Data, dan Informasi Geospasial - Unit Pelaksana Teknis Daerah (UPTD) dibawah Dinas Komunikasi dan Informatika Provinsi Jawa Barat”

Visi
Menjadikan Jawa Barat sebagai provinsi terdepan dalam penggunaan data dan teknologi untuk mendukung layanan publik dan perumusan kebijakan yang lebih responsif, adaptif, dan inovatif.

Misi
- **Penggunaan Data** untuk Sistem Pengambilan Kebijakan
- **Pengembangan Kehidupan Masyarakat** melalui penggunaan teknologi digital
- **Transformasi Digital** Pemerintahan
Digital Province Vision

- Dynamic Government
  - Fast Response
  - User Centered

- Innovative Unit
  - Strengthened ICT Department
  - Jabar Digital Service
  - Jabar Saber Hoax

- One Data One Map
  - Command Center
  - Digital Public Service

- Local / Municipal Government
  - Smart City
  - Smart Rural

- Digital Village
  - Infrastructure
  - Commerce
  - Public Service
  - Communication
  - Training

- Digital Citizenship
  - Empowerment

- JABAR DIGITAL PROVINCE

- GOVERNMENT

- Digital Inclusive

- Education
  - Vocational School
    - Curriculum
    - Training
    - Talent Development

- Society 4.0
  - Definition
  - Strategy
  - Dissemination

- Innovation
  - Startup
    - Capital
    - Incubator
  - Center
    - Innovation Hub
    - Startup Hub
    - Tech Park
    - Creative Center
  - New Technology
    - Breakthrough Invention

- Collaboration
  - Corporate Sponsor
    - Collaborative Founders
  - Venture / Gov Capital
  - Startup Tech Adoption
COVID-19 Management

TOTAL: 28 Aplikasi yang dikelola JDS
- 18 Aplikasi JDS
- 10 Aplikasi Terintegrasi dengan aplikasi JDS
Sistem Digital yang bantu Jabar merespon Pandemi
Tech and Sustainable Development

Kembangkan potensi desa lewat Program Desa Digital
**Digital Village**

49+ Million
20% of the entire population in Indonesia

**with 5.312 Villages,**

<table>
<thead>
<tr>
<th>Sector</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Agriculture</td>
<td>72.1%</td>
</tr>
<tr>
<td>Industry manufacture</td>
<td>8.8%</td>
</tr>
<tr>
<td>Trade/Retail</td>
<td>8.5%</td>
</tr>
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</table>
Digital Village

1.0 Infrastructure
Rural areas are provided with basic digital infrastructures to access the Internet.

2.0 Digital Literacy
Villagers are well-versed in using the internet to communicate and access information.

3.0-4.0 Internet Optimization with IoT and E-Commerce
Villagers are able to independently and sustainably empower their productivity.
Digital Village
Command Center
Command Center

Monitoring
Enables real time monitoring and data collection

Decision Support System
Feeds towards evidence-based policy and decision making

Response Center
Accelerates responses to citizens reports and disaster alerts

Control Management
Eases coordination with agencies and with cities and regencies

Public Showcase
Showcases and educates the public on the use of data for public services
Catching-up with the Momentum

Key takeaways to improve our current low state to catch up with its pandemic-propelled high pace momentum:
1) Reduce 'unproductive frictions', including by improving interoperability, digital infrastructure, limits in access, and poor (not inclusive) design.
2) Improve data security and privacy protection with stringent guidelines and well regulated institutional environment.
3) Create govtech talent pools with agile ways of working and user centric design.