













# Development through Digital Transformation



Quidgest









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#### Introduction

Lauded for their potential to equalize, digital technologies have become an increasing part of the political and public service domains. Governments and organizations committed to global development are giving their attention, and investments, to how to best incorporate new technologies into their development strategies to achieve rapid and sustainable growth.

Governments in developing countries and emerging economies are turning to digitalization as a way to accelerate growth through rapid improvement of policy administration and governmental services. And the multilateral partners funding development are putting their support behind these initiatives as a way to narrow global economic and social divides. "Governments can leverage digital technologies to re-invent policy design and experimentation implementation, for monitoring and evaluation, and to better serve the needs of citizens" (OECD, June 2017). Governments seeking to attract FDI and retain voter loyalty—especially in those countries where a young, and digitally connected population, are demanding change in the political landscape—are finding that digital transformation is not only desirable, but necessary to enhance the economic and social progression.

But how is digital transformation achieved? What are the considerations for those organizations, both private and public, now debating how their future will be shaped by digital technologies? In this article we will highlight some examples of how Quidgest has collaborated with multilateral organizations on innovative development projects through Digital Transformation.

#### The Importance of a Digital Strategy

For the Government of any country seeking to leverage digital technologies in the process of national governance and provision of public services, a digital strategy is key. And this is just as important for economically developed countries as it is for emerging economies. A digital strategy is not just reactive to the changes in technology but can take advantage of these changes to shape and facilitate how economic and social changes are visualized, targeted, and achieved.

"Digital transformation affects all corners of the economy, society, and government activities and to realize its full benefits, governments need to be able to actively engage all those who are potential users and beneficiaries of these technologies" (OECD, June 2017). Not only in how these groups will receive the changes that are made, but also in how user groups are themselves drivers of change, through their own innovations and through changing expectations of how governments and administrations should serve the needs of the population. A digital strategy should draw on the inputs of consumers, users, government bodies and staff, multilaterals, and regional organizations, and should be designed to both serve and engage all of these groups.

To begin with, as digital technologies offer the potential for integration of services, and consumers demand easier access, "public sector agencies and organizations find they need to reach across traditional policy silos and across different levels of government and develop a whole-of-government approach to



policymaking" (OECD, June 2017). "By identifying the key policy areas affected by the digital transformation, it will be easier to link up the relevant ministries and government bodies that need to be connected and coordinated to ensure that all policies are mutually reinforcing and aligned with one coherent and strategic national digital agenda" (OECD, June 2017). In the case of developing countries, it is essential for governments and multilaterals to coordinate in developing a digital transformation strategy to guide development and decision making.

#### **Enterprise Human Capital Management Solution for the Government of Jamaica (funded by IADB)**

Starting in 2016, Quidgest developed a Human Capital Management Enterprise System for the Government of Jamaica, now named MyHr+, which represents a significant part of the Human Resources Management Transformation in the Jamaican Public Sector.

14 Ministries, departments and agencies will be using the system, which offers a standardised human-resource and payroll platform, which collects a range of employment information for personnel across the public sector. All other entities will have the system installed over the next two years. The entire system, including a Self-Service portal, can be accessed through the internet and is mobile friendly. This improves the access to information, not only for HR and payroll employees but also for the 120 000 employees that, by the end of the project, will be using the Self-Service portal.

The first phase of the project is to be completed by the end of 2017, and is already being praised by key officials who note that the system provides a comprehensive view of the entire public sector, as well as a more efficient execution of regular HR functions and payroll operations, it is cost-effective, and facilitates more strategic activities for the Government of Jamaica.

The introduction of the HCME System is, thus, a significant step in the transformation of the human resource management in the public sector of Jamaica and will assist in achieving greater levels of efficiency in Governance in Jamaica

Digital technologies also offer the potential to engage more voices in decision making, but the support and structures must be there to do it in a sustainable way. The digital transformation of governments and public services implies a shift towards "a demand- and data-driven strategy" in which the direction and delivery of development becomes a more collaborative process OECD. While these offer opportunities to maximize access, reach and quality of public services while empowering beneficiaries and communities, it also requires commitment to progressively developing a more inclusive and transparent form of governance.



### Balanced Scorecard (Part of the 5-Year Development Plan) for the Technical Secretariat of the Presidency of El Salvador (funded by IADB)

In 2012, Quidgest developed a Balanced Scorecard system for the Technical Secretariat of the Presidency of El Salvador (TSP), who wished to monitor and ensure compliance with governmental plans, programs and projects, in the context of the Five Year Development Plan of the country.

The TSP required a system that monitored objectives and indicators defined by the Millennium Corporation Challenge. The system needed to measure key indicators systematically and periodically, assess business performance of Public Policies, analysis of data for evidence-based public policy decision-making, and allocate MCC funds (control and assess accomplishments as a result of the donations made by the Millennium Corporate Challenge).

Thanks to the implementation of the strategic management solution, the TSP is able to monitor the country's five-year development plan, MCC's indicators and centralize all data and results from each department.

According to the Technical Secretariat, the strategic management tool developed by Quidgest has been fundamental for the Government of El Salvador, as it provides useful information to facilitate decision-making, facilitates coordination at the highest level, allows for the automation of information processing and contributes to process improvement.

The results of this process monitoring are also publically analyzed on the TSP website.

#### Moving Into Digital Maturity

#### Infrastructure Development

The first step in the process of the digital transformation is about ensuring access for all. To achieve effective delivery of services, the necessary digital infrastructures, including efficient, reliable and widely accessible broadband communication networks, data, software, hardware, must be firmly in place. It is essential that governments promote investment in digital infrastructures and competition in the provision of high-speed networks and services.

#### Organization Development

To realize the potential impacts on productivity growth that come with the use of more digital solutions, governments and their partners must also invest in complementary assets, namely knowledge-based capital (skills, organizational changes and process innovations).

The capabilities of the leadership team to envision how digitalization will make a difference to the organization and the communities it serves, and their commitment to realizing this vision, are crucial the success of any organization's digital transformation strategy. But it should be noted that the vision is not the exclusive domain of the leadership team. Digital technologies provide the platform by which we involve more groups and voices in decision making, but leadership teams must be proactive in engaging



other voices. The leadership team requires both the technical capabilities for effective implementation and the relationship capabilities to reach out to the different stakeholders, internally and externally.

The OCED notes a number of challenges which governments are facing as they try to advance the digital transformation of their public sectors. These include "redesigning how the public sector functions and how actors are provided incentives to collaborate, share and integrate; rethinking policy making processes to make them more open and participatory; and addressing the resulting implications on the management of core processes and activities." (OECD, June 2017). Digitalization of government requires not only a shift to using technology solutions, but a shift in the process of governance itself.

#### Personnel Management Information System (PMIS) for the Government of East-Timor (funded by UNDP)

In 2008 the Government of East-Timor created a new Public Service Commission whose priority was to automate processes, especially within the Public Sector. Quidgest, who already had a strong presence in East Timor, developed a Personnel Management system to manage the human resources of the public service in East-Timor. The system consisted of a central interface and web access provided to several agencies that reported to the Commission.

The PMIS (Personnel Management Information System) allowed transparent communication across the Timorese Public Sector (including ministries and National Directorates). The solution encouraged decision making based on effective and consistent data, ensuring greater reliability. With data imported directly into the central database by the institutions, the transparency and fairness required for the country's reconstruction was attained, by reinforcing the credibility of the management.

The implementation of new processes led to the modernization of the Timorese Public Sector and use of the latest technologies. In particular, the usability of the system and process monitoring were important factors to change the existing paradigm of the country's public sector, and many manual processes which were streamlined and were now done automatically, bringing East Timor to the forefront of the 21<sup>st</sup> century.

### Design and Implementation of SIGEM for the Municipal Council of Maputo, Mozambique (funded by the World Bank)

Maputo, the capital and most populous city of Mozambique, with over a million inhabitants, is under a fairly sharp demographic pressure, which is the result of migration from rural areas in Mozambique. This pressure requires constant challenges to the City Council who, in 2012, was faced with a need to update technology to address the problems encountered in the planning, administration and territorial management processes, such as multiple databases without communication between them; outdated data that didn't reflect the reality and lack of interdepartmental information sharing.

To address these issues, Quidgest developed SIGEM, which is a web portal that allows Municipal Council departments to centralize all information related to property management and asset management under municipal jurisdiction, as well as the management of processes and associated documentation.

All procedures related to licensing and issuance of relevant supporting documents is now in a computerized central database for the entire municipality, which makes the process quicker and more transparent. The project SIGEM was a qualitative step for the City Council of the City of Maputo, with improvements in data collection and control, which resulted in an overall improvement of citizen services.



#### **Customer Focus**

Involvement of different voices in the digital transformation strategy will require a shift in perspective to a customer focus. This means putting the customer at the front of service design, and including users from the beginning and throughout the journey to increased digitalization of services and public resources. On a technical level, governments and their agencies must be willing to offer open functionality, agile development, and even to involve customers in the co-creation of digital services.

## Real Time Monitoring System and Kirí Biz System (Part of the Rapariga Biz Program) for the Government of Mozambique and UNFPA (funded by UNFPA)

In 2016, the Government of Mozambique, launched the Rapariga Biz Program which aims to help girls become more active in society, promoting their sexual and reproductive health rights. In a country where young girls face numerous challenges, such as premature marriages, early and unwanted pregnancies, maternal mortality, STDs and violence, this program aims to tackle these challenges by reaching to one million girls and young women aged 10-24 years by 2020.

In the context of this program, Quidgest developed a Real-Time Monitoring system, an integrated system for the collection and operational management of the Rapariga Biz program. Kirí Biz is the solution that serves as a basis for all processing of information and program activities, and provides the necessary data for the monitoring system.

The Real-Time Monitoring (RTM) system, in turn, provides information that helps monitoring the implementation of the program, measuring the results achieved and supporting evidence-based decisions, budgetary and operational management.

The Real-Time Monitoring system utilizes technologies already available and widely used. It is accessible through smartphones and tablets so data can be uploaded in the community areas where end users directly access services. Health professionals and mentors involved in the program can directly upload data to the system thus heightening engagement of local facilitators and increasing their access to information and results from the program.

The platforms used in this program also allow for impacts of the program to be visible and trackable in real time, allowing for high-level decision-makers to base their decisions on facts and help as many girls as possible.

#### Risks and Challenges

With the use of digital technologies comes challenges, and new levels of risk which must be considered by the groups leading these innovations. The governance of ICT use in governments and the regulatory environment concerning these new (potentially disruptive) areas require action. Again, the OEDC recognizes the need for "strategic public sector investments in digital technologies and management of data value chains (to spur data-driven public sectors) that deliver improved policy outcomes in specific areas". How to achieve the alignment of strategic decisions on key projects and investments across policy sectors, however, is still a challenge for many countries, e.g. in the field of welfare services and social security (OECD, June 2017).

### Development through Digital Transformation: The Role of Multilateral Organizations and Private Enterprises



Again, the need to address the challenges mentioned above requires overcoming organizational and regulatory barriers to integration and is aligned with the need for sharing and horizontality of decisions, information, and the use of data across the public sector.

There is a clear need for governments and multilaterals to invest in skills development, and to be flexible and creative in how skills and acquired and assimilated into the organization.

#### The Way Ahead

The answer, Quidgest believes, lies in putting the customer at the front of service design. Private enterprises have a vital role to play in helping public organizations move into the 'digital mind-set' - customer focus, open functionality, and agile development. By including users from the beginning and throughout the journey to increased digitalization of services and public resources, we involve the end beneficiaries at each point of development, and we allow for technology to be a driver of change.

On the subject of Digital Transformation as a development strategy, there is a clear need to have a coordinated strategy across the drivers of change (consumers, businesses, governments, multilaterals, ...) and involvement from all stakeholders. In the context of the 2030 Agenda for Sustainable Development, technological businesses have a key role to play in supporting both multilateral organizations and governments to increase their efforts in developing a digital transformation strategy to guide development and decision making. This has been proven effective throughout the years (see study cases), and is needed now more than ever.

References:

"Going Digital: Making the Transformation Work for Growth and Well-being", OECD, June 2017