



# **DIGITAL** **FOR THE PEOPLE,** **BY THE PEOPLE**

RAYMOND MAKHOUL

**accenture**<sup>></sup>**strategy**

For years, technology development has focused on optimizing the workplace. Over the past few years, technology has begun to impact the way we live and play just as much—if not more.

## **IMAGINE A NATION WHERE ...**

Patients can consult doctors from the comfort of their home.

Home management tasks are offloaded to smart devices, delighting the home living experience.

Time is no longer wasted on the road as people's daily journeys are enhanced by seamless and productive transport.

Sustainability is no longer an ambition, but a reality with green city infrastructure.

This is life in a Digital Nation, where technology enriches people's daily lives.



# DIGITAL IS A **NATIONAL ASSET**

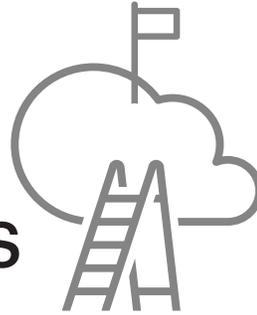


A nation's digital acumen is one of its greatest assets. Digital transformation across industries could mean \$100 trillion in net benefits for society and industry through 2025, according to World Economic Forum and Accenture analysis.<sup>1</sup>

Government leaders understand the role that national governments can and should play in driving digital transformation. National governments are in the best position to orchestrate multi-sector, whole-of-nation, and citizen-focused digital agendas for the digital economy.

Despite isolated successes, national digital strategies have only partially delivered on their sectoral digitization promise. There is a need for a new approach that we call Digital Nation. It is harnessing technology and innovation to improve quality of life for citizens and diversify national economies. Digital Nation strategies focus on outcomes, have top-of-government leadership, and are collaborative. A people-focused alternative for countries to unleash their full digital potential.

# OUTCOMES, NOT TECHNOLOGIES



The recognition that there is no opting out of the Fourth Industrial Revolution is fueling national digitization efforts. Consider that the OECD is calling on the G20 countries to establish national digital strategies to address challenges from poor infrastructure to digital skills shortages.<sup>2</sup> Or that sovereign wealth funds, which are government-owned investment vehicles, have been increasingly investing in technology companies since 2010, reaching more than \$12 billion in 2016 of disclosed funding.<sup>3</sup>

The question is not if momentum exists, but if it has delivered results. The answer is not often enough. Too many nations have taken all-encompassing approaches that create significant unchecked digital demand. They often lack the funding and capability to meet it, which creates a classic supply and demand imbalance. National digital agendas also stall because they typically focus on enabling technologies rather than on specific social and economic outcomes for top priority areas and sectors.

Digital Nation strategies are different because they focus on the end, not the means. They tackle the digital agenda with precision, focusing on national and citizen priorities with a human-centered, outcomes-driven approach. Technology is critical too, of course. But it comes later. What comes first is creating a business case that prioritizes the digital response to specific national challenges based on the return on investment (ROI) for citizens, sectors and the economy.

These priorities are different for every nation. The government of Japan is focusing on smart factories to digitize the manufacturing sector and improve its competitiveness.<sup>4</sup> And the Central Government of India created a digital locker system to solve for managing billions of citizen records.<sup>5</sup> By narrowing in on desired outcomes and priority sectors from the outset, nations develop strategies that are manageable enough to implement well while targeting the most pressing national challenges.

The Qatari government's Smart Qatar program is a good example of this prioritization. Leaders created a Digital Nation Playbook that represents curated digital demand for government. It is a compendium of services to be digitized across five priority sectors. By making the Playbook public, the government created a stimulus for Digital Nation program development and for information and communication technology (ICT) sector growth.<sup>6</sup>



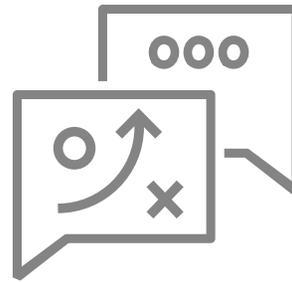
# LEADERSHIP **FROM THE TOP**



National digitization programs are typically led by agencies, ministries and government CIO offices. Herein lies the problem. These organizations focus on a single sector by design, and lack the authority and structure to coordinate multi-agency digital initiatives with national relevance. This makes it difficult to connect the dots on cross-sector collaboration and drive integrated planning. Redundancies and the potential for duplicative investments can creep up quickly. Agencies also struggle to hold peers accountable. Mandating the digitization of sectors outside of their mission is authority without the means to enforce it.

To help address this issue, Digital Nation strategies are led from the very top of government, where the accountability for the digital agenda trickles down to relevant stakeholders. When presidents and prime ministers become chief digital officers, lines of authority and accountability are not muddled by interagency politics. Executive leadership is a strong declaration of the nation's commitment to digital innovation. It signals that this is a serious program with top-of-nation sponsorship. This helps win the hearts and minds of citizens—and markets—that the Digital Nation is not an empty promise. The government of Singapore has watched this dynamic play out firsthand. When the nation first launched its Smart Nation program in late 2014, it was decided to form a small Smart Nation Program Office dedicated to driving the transformation. The governance has now evolved to be more integrated, with a merger of the administrative functions of digital government, ICT infrastructure and Smart Nation initiatives under a single PMO agency called Smart Nation and Digital Government Office, reporting to a Permanent Secretary who also oversees Govtech as the implementing agency.

# FROM BUILDER TO BROKER



In addition to migrating leadership to the top, governments must shift from a builder role to a broker and market maker role. This means developing the Digital Nation strategy to aggregate demand for digital and working like venture capitalists and public entrepreneurs to stimulate supply. Governments use their purchasing power within country and globally to attract multinationals, small and medium-sized businesses, start-ups—even the crowd and individual citizens—to co-create solutions. This is open and inclusive “democratic” digitization, a whole-of-ecosystem effort to jumpstart innovation.

This is a dramatically different way for governments to work and an opportunity for them to act proactively to be part of the platform economy. Accenture Strategy analysis indicates that leading governments have dedicated funds to promote start-up ecosystems that fuel Digital Nation initiatives.

Take the government of the United Kingdom’s digital marketplace. Government agencies can use it to find approved ICT and digital services providers to ease the procurement process. In fact, over 64 percent of sales to date have been to small and medium enterprises (SME) which also indicates that the marketplace is playing a key role in supporting ICT and digital SME growth.<sup>7</sup> The United States federal government is making government data more transparent and customer-focused through its Data.gov site, which provides interested parties with easy access to more than 196,000 datasets. These datasets are being used by private businesses and research institutes, reflecting the philosophy that open data is “a strategic national resource” that can drive economic growth.<sup>8</sup>

# ANY NATION CAN BE **A DIGITAL NATION**

**TO GET THERE, NATIONAL GOVERNMENTS MUST APPROACH NATIONAL DIGITIZATION DIFFERENTLY, STARTING IN THESE WAYS:**



**THINK LIKE AN INVESTOR.** Governments cannot solve for everything at once with systematic digitization. Resources are finite. Setting the national digital agenda requires an investment portfolio approach. Like savvy investors, governments can use a value mindset to pinpoint investments for maximum ROI. This is setting priorities to choose a starting point, seed early successes, and ultimately, rotate to new sectors. Selection of sectors for digitization can be based on their national impact, potential for digitization, and digital readiness.



**BE CLEAR ON GOVERNANCE.** National digitization requires top-of-nation leadership, with participation of sector leaders. The governance model should promote a whole-of-ecosystem contribution from government, the private sector, academia and citizens. The governance must also support clear objectives and accountability at both institutional and civil servant levels with KPIs and incentives aligned to citizen outcomes and sector strategic objectives and plans. For nations that can, offering agencies additional budgets beyond operational budgets provides additional incentives for them to deliver.



**SUPPORT CO-CREATION.** Governments need to establish a co-creation ecosystem and innovation management capability—in partnership with innovation labs, startups, research institutes, and multinational companies—to source top talent and apply the right innovation to deliver Digital Nation strategies and grow the local ICT sector. Securing affordable government-backed financing for stakeholders and pairing them with needed support can help them drive growth and attract and leverage additional private funding resources that may be more difficult to obtain without first-step funding and risk-sharing.

# **HARNESSING TECHNOLOGY AND INNOVATION TO IMPROVE PEOPLE'S QUALITY OF LIFE AND GROW NATIONAL ECONOMIES IS AN AMBITIOUS UNDERTAKING.**

It takes more than vision. It takes a steadfast commitment to new ways of working within government and with ecosystems. Winners will never forget that the power of digital innovation is not about adopting the latest technology or trend. It is about new opportunities to make lives better and nations stronger.

## **THAT'S DIGITAL FOR THE PEOPLE, BY THE PEOPLE.**



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## CONTACT THE AUTHOR

### **RAYMOND MAKHOUL**

Abu Dhabi, United Arab Emirates  
[raymond.makhoul@accenture.com](mailto:raymond.makhoul@accenture.com)

## CONTRIBUTORS

### **ABIR HABBAL**

[abir.habbal@accenture.com](mailto:abir.habbal@accenture.com)

### **ALI NEHME**

[ali.nehme@accenture.com](mailto:ali.nehme@accenture.com)

## NOTES

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## ABOUT ACCENTURE

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