

## DIGITISATION: Not Just 'Nice To Do' But A Mission 'Must Do'



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**Digitisation: Not just  
'Nice To Do'  
but a Mission 'Must Do'**

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*Banmali Agrawala, President & CEO, GE South Asia writes about how India needs a change in attitude towards digitisation. It should not be just 'nice to do' but a mission 'must do.' Digitisation could lead to effective public governance and improvement in productivity across industries.*

India is on a roll! In a predominantly slow growth world, India stands out as an economy which has sustained high growth for almost twenty years. Over the last few years there has been a further spurt in growth while the rest of the world struggles.

But India still has a long way to go in eliminating poverty and providing a decent quality of life to all her citizens. In order to achieve this, India will need to continue to grow at over 8% every year for at least another twenty-five years. India neither has an abundance of cash generating natural resources (particularly Oil & Gas) like the other BRICS countries, nor does she have an autocratic form of governance which can drive economic growth without building social consensus.

Affordability is key to any sustained development in India. While India is still woefully short on infrastructure, the main challenge in building new infrastructure is affordability. Further, new infrastructure needs even more natural resources which is something India is short of. India has 17% of the global population but only 2.4% of the global land mass, 4% of fresh water resource, consumes less than 5% of energy resources most of which are dependent on imports and India's share of global trade is less than 2%.

Therefore, the only path that India has in order to drive sustained economic growth is to be hyper efficient in use of all resources and have the world's best productivity. Presently there is just too much inefficiency all around, which impacts the poor the most and further increases the divide between the rich and poor.

Living with inefficiency is like using a leaking bucket in a desert. It is cruel to waste precious resources in a place like India which has scarce resources and where a swelling number of young population urgently needs at least the basic amenities of life.

The first place to start addressing the scourge of inefficiency is in targeting existing systems and assets. The best way to target the effort is to first get accurate data on the basis of which more focused action can be taken. The fastest way to get data on scale and with the least cost is by digitisation. Once good data is available, there can be a million ways to analyse that data to come out with a vast range of solutions.

Digitisation can perhaps be best divided in three main components- Digitisation of governance, the Consumer Internet and the Industrial Internet.

### **Digital Governance:**

We have seen that Digitisation in government processes like issuing passports or electronic voting machines or rail ticketing, or issuing driving licenses, or tracking imports etc. provides a better service at no additional or marginal cost. The average citizen is more than willing to embrace digitisation in governance as it is faster, more transparent, a leveler and more cost effective.

The key in achieving efficient digital governance is having good and real time data. Once the administration has access to good quality data the quality of decision making will be faster and a lot better. Further, Indians have shown a tremendous flair for being so comfortable in not just innovating on data through coding etc. but also in using data through smart devices and systems. Even the so called "illiterate" who cannot read or write can easily use smart phones through the use of graphics. In fact, the very definition of literacy might soon have to include the ability to deal with smart devices and data.

Digitisation sounds simple enough but can be time consuming and at times costly. Digitisation also needs some basic infrastructure like reliable power and access to the internet. Currently just about 30% of the Indian population has access to the internet. If we were to truly digitise the country, we would need a strong backbone of connectivity that would cover all the people and would be able to manage the massive volume of data.

Digitisation in governance is also about a culture change. We cannot talk about digitisation of land records, government procedures etc. and still insist on keeping paper copies. We cannot have e-boarding passes but insist on print-outs so that multiple government agencies can stamp on it. We cannot have the government accepting a digital signature but have the regulatory system to still insist on a "wet signature". We as citizens cannot talk about digitisation and then look for exceptions to seek special favours outside the system.

Once data has been captured, it has to be stored in a place so that various agencies can access it. This is where the architecture of the platform that collects the data becomes so critical. For

example, the government is getting increasingly better at correlating earnings, expenses and taxes paid in real time and that too at an individual level. Such a system is obviously massive and also has to account for issues such as security, privacy, authenticity, selective access etc. The quantum of data to be stored is also huge and needs space, reliable power and security.

We have so far approached digitisation in governance, more as a way to eliminate corruption and speed up processes. We now need to look at digitisation as a way for Government to make faster and smarter decisions. The bureaucrats need to rely on accurate information and data to make decisions. Access to information will get democratised and the people in government would not get their power from having any additional information. Those in government office will necessarily need to demonstrate true leadership and foresight in looking ahead and being proactive than be firefighting and reactive all the time.

### **The Consumer Internet:**

This is perhaps the one area where we have seen tremendous development and progress in recent years. We have also seen social behavioral change. Online shopping instead of visiting shops, e-banking instead of visiting banks, the platforms of social media to express opinion and almost the whole world available in real time on a mobile device. We have consequently seen transaction costs drop dramatically, choices increase exponentially and convenience being the order of the day. The substantial shift of power to the consumer is the new world order that the Consumer Internet has achieved. This trend is only likely to proliferate in India.

### **The Industrial Internet:**

This is one area where we have not even scratched the surface and have substantial opportunity to make an immediate and substantial impact.

For example, many of the older power plants can easily produce anywhere between 5% to 20% more electricity within the existing land footprint, the existing quantum of water consumption and the existing quantity of fuel consumption. The increased electricity generation can easily pay for the capital required to improve performance and that too within three to four years!

As another example if all the power generating assets and all the consumers were connected on one platform, it would be far more effective to supply power where it is needed from the most efficient source of generation at that point in time. One could further optimise operations to control pollution at various hot spots. The pollution hot spots in turn could be seen through satellite images which can tell us where prompt action needs to be taken. All this would only be possible if real time data is available centrally.

In yet another example if all the hospitals were connected with information on the utilisation of their diagnostic equipment, we could easily direct people to the right location to access those services.

Further if all patient records and test reports were digitised and available centrally, treatment would become so much faster and simpler. The insurance companies could offer better and cheaper services if they had access to such historical data. Today even within the same hospital, the patient has to carry physical reports from one place to another.

In aviation, with better access to data, the glide path of aircrafts landing can be modified to minimise the amount of fuel wasted in circling.

In railways, the fuel efficiency in locomotives can be optimised by determining the optimal speed the locomotive should have for a given load, gradient, condition of track etc.

Even a one percent improvement in efficiency in many areas of basic infrastructure will result in massive net savings.

Digitisation for India is not a “Nice To Do” hobby but it is a “Must Do” initiative without which we will not be able to achieve even our basic development objectives.

India is well placed to make this happen because the younger generation is comfortable with smart devices and Indians have shown their prowess in IT. The quality and number of new jobs that can be created to implement digitisation will be substantial. The government just needs to play facilitator by building the necessary connectivity, skilling people in IT and by being bold to take the full digital step in governance and doing away with “half measures”.

*Opinions expressed in this article are the author's own.*