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TELLING IT AS IT IS

Accelerated digital goverment

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COVID-19 has changed the way we live, and transformed business models and consumer behaviours. It might be the main catalyst governments need to drive innovation. Many sectors that once resisted digitilisation are now compelled to turn to it for survival.

In embracing the digital economy, we look at readiness from two perspectives – consumers and businesses. Malaysian consumers are ready, as most are already connected through their mobile phones, and by 2024, Malaysian smartphone users is estimated to reach more than 33 million!

For businesses, SMEs still have a lot to catch up on in terms of digitalisation, as well as to break into the international market. With only 54% beginning their digital journey in 2020 amid the pandemic, there remains much to be done.

While digital adoption has seen marked improvement recently, major challenges include the lack of digital literacy and the perceived difficulty of digital adoption. We are hopeful that through the National Digital Economy and 4IR Council chaired by the Prime Minister, this will accelerate local capabilities in embracing digitalisation.

To ensure the ability to serve efficiently, scale cheaply, and adapt quickly, here are three major dimensions governments should take a look at, in their digital journey:

1. Scaling digital infrastructure

With the implementation of the various movement control orders, citizens are required to study and work from home. With many businesses having to operate remotely, the government is grappling with an explosion in demand for digital services or new services that have never existed before. This has pushed them to scale their digital capabilities significantly, where they turned to two complementary digital approaches to tackle each challenge:

i. Ramping up artificial intelligence (AI) and automation.

With the disruption of business processes, it is time to rethink the role of automation in the new normal. From automating manual tasks to adopting AI, governments use automation tools to provide faster service while reducing human workload.

In grocery stores, we are seeing increased demand for contactless checkouts. In healthcare, we see an increase in telemedicine and telehealth services, while in e-commerce, businesses are booming, superseding the performance of brick-and-mortar sales.

We have seen Microsoft used to streamline operations and how AI, machine learning, and data management facilities have been introduced at the MAEPS quarantine centre. Meanwhile, a partnership between Huawei Malaysia and the Ministry of Health developed a cloud AI-assisted diagnosis solution that would reduce the time spent by doctors on CT images.

With the aim of strengthening economic recovery and growth, the Malaysian government has launched various initiatives such as the Strategic Programme to Empower the People and Economy (Pemerkasa) as well as the various stimulus packages.

With the Malaysia's 2021 Budget setting aside a sum of US$242.5 million for areas including cybersecurity, Internet of Things and connectivity, digital workforce, and digital transformation of small and medium enterprises, the country is definitely on the right track on its digitilisation journey.

ii. Harnessing cloud solutions

Cloud technology is imperative for business continuity. Cloud by nature is more quickly scalable, making it relatively easy to adapt, and promotes cost savings. Recognising this, the government plans to lead the growth of the cloud industry by adopting a cloud-first strategy in the public sector and appointing cloud service providers and managed service providers to build Malaysia's capabilities in the segment. Under the blueprint of the MyDigital initiative, Microsoft, Google, Amazon and Telekom Malaysia have been given conditional approval to build and manage hyperscale data centres and cloud services in Malaysia.

2. Creating a more digital public workforce

Building digital infrastructure is necessary to accelerate the digital drive of the government, but it can't sustain that momentum by itself. Building a digitally fluent workforce is equally essential. The pandemic highlighted the growing need for a tech-savvy, digitally literate public workforce.

Governments should be driving efforts to raise the digital literacy of their citizens. Huawei Malaysia collaborated with the Ministry of Communications and Multimedia to introduce the Huawei Asean Academy last year, a dedicated training module set to empower digital talent. The academy's ICT training programmes and courses are designed to target government bodies, industry professionals and university students, providing a holistic approach in growing the country's ICT ecosystem and digital economic growth.

3. Investing in citizen connectivity

The benefits of ramping up digital solutions and promoting virtualisation of services can be fully realised only when citizens can access such services. It is thus necessary for governments to build public infrastructure that allows better access to digital solutions, especially for the most marginalised populations.

According to the Malaysian Communications and Multimedia Commission chairman Fadhlullah Suhaimi, the Covid-19 pandemic has galvanised the government to consider the importance of connectivity, especially in suburban and rural areas where even 4G coverage and quality are marginal at best. With that, Malaysia is speeding up 5G deployments in the country through a special purpose vehicle that will receive 5G spectra, as well as build, operate and lease 5G infrastructure to new and existing telcos by the end of 2021.