

2019
NATIONAL
CONFERENCE



**2019 NATIONAL
CONFERENCE**
Solo, 24 - 25 July 2019



Green Digital: Digital Innovation Goes Beyond Technology

Indra Utoyo

Director of Information Technology and Operations
PT Bank Rakyat Indonesia (Persero) Tbk.

EMPOWERING INTERNAL AUDITORS : EMBRACING THE 4IR

Green Digital: Digital Innovation Goes Beyond Technology

By Indra Utoyo

Managing Director IT & Operation Bank BRI

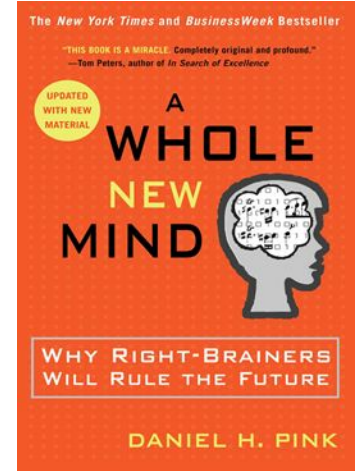
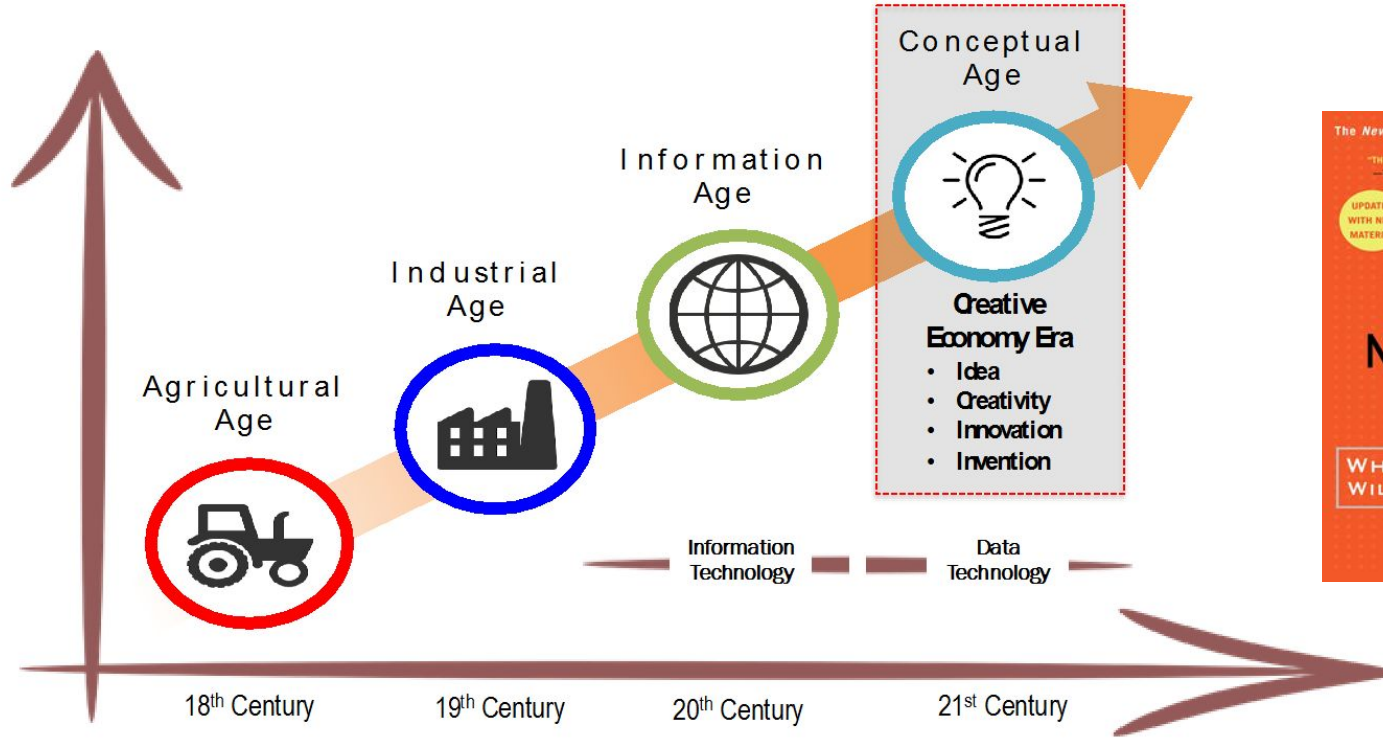
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1. **Digital ‘Disruption’ Phenomenon**
2. Building The Right Innovation Culture
3. BRI Digital Transformation Journey

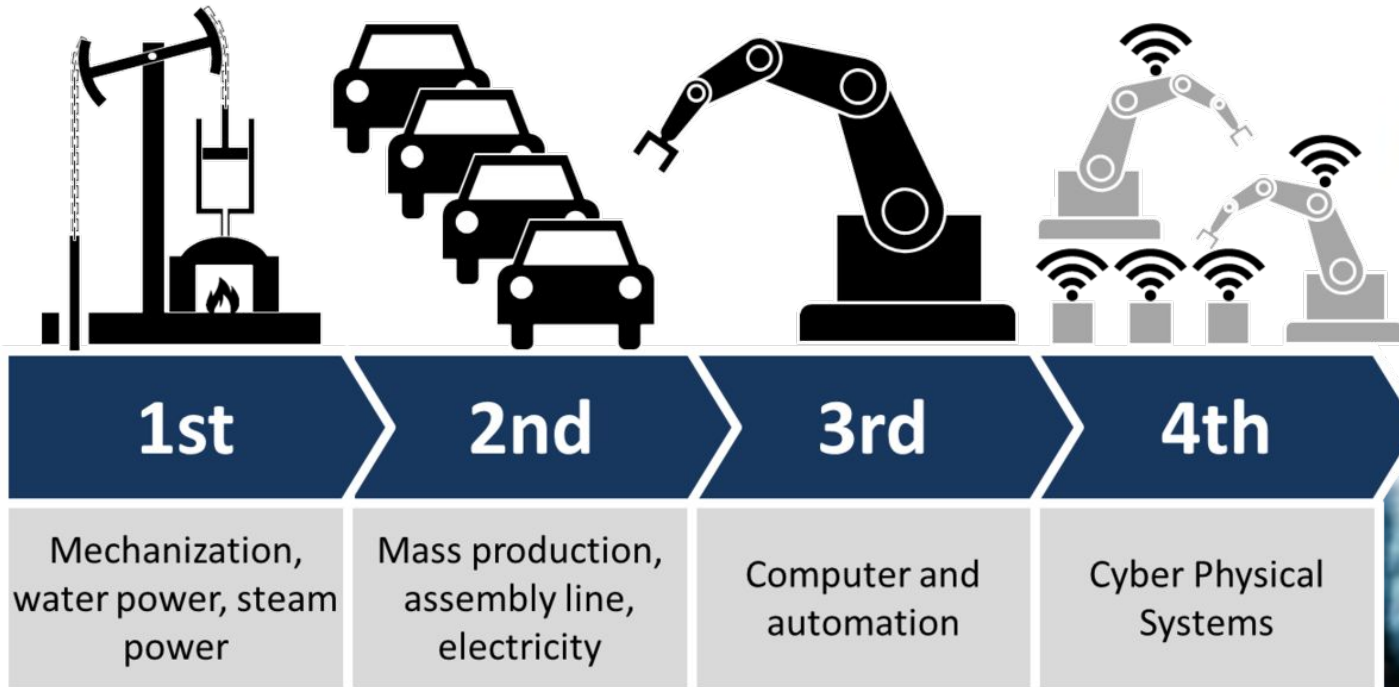


We are now living in 21st Century....

The “Creative and Conceptual” Age



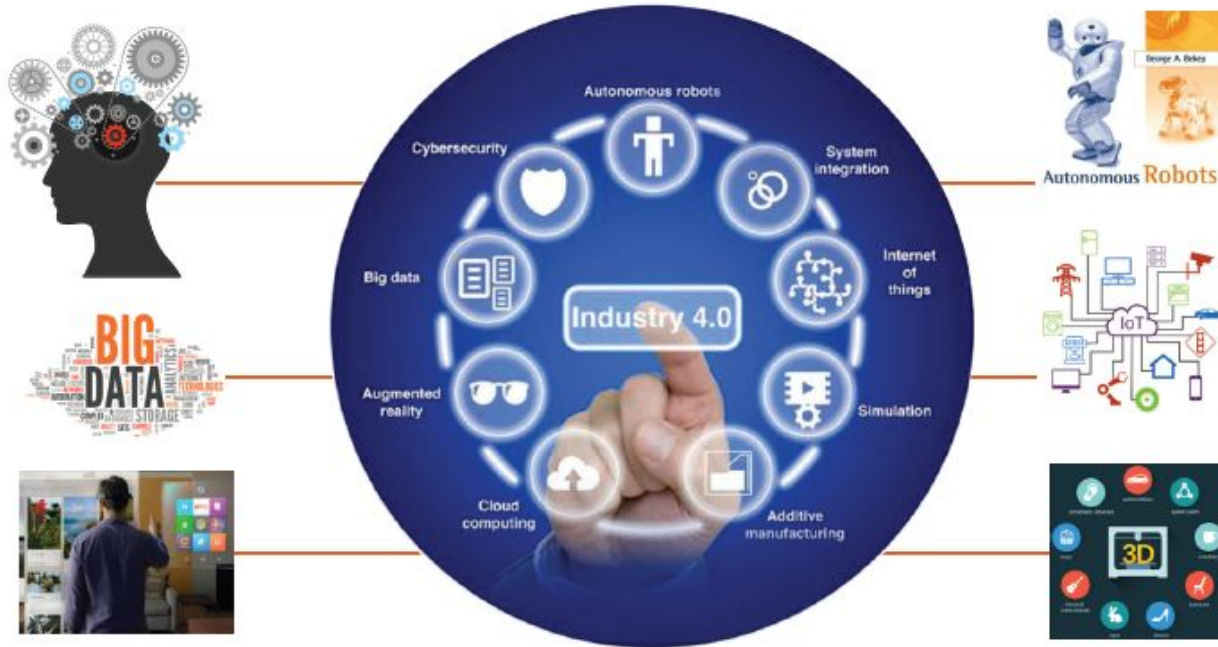
Industry 4.0 Revolution : Impacts Everyone from Any Sectors



Industry 3.0 : Physical and cyber are 2 parallel worlds.

Industry 4.0 : **Cyber and physical** is an **integrated** world.

Megashifts in the Industry Revolution 4.0



**Digitization, Mobilization, Augmentation,
Cognition, Disintermediation, Automation**

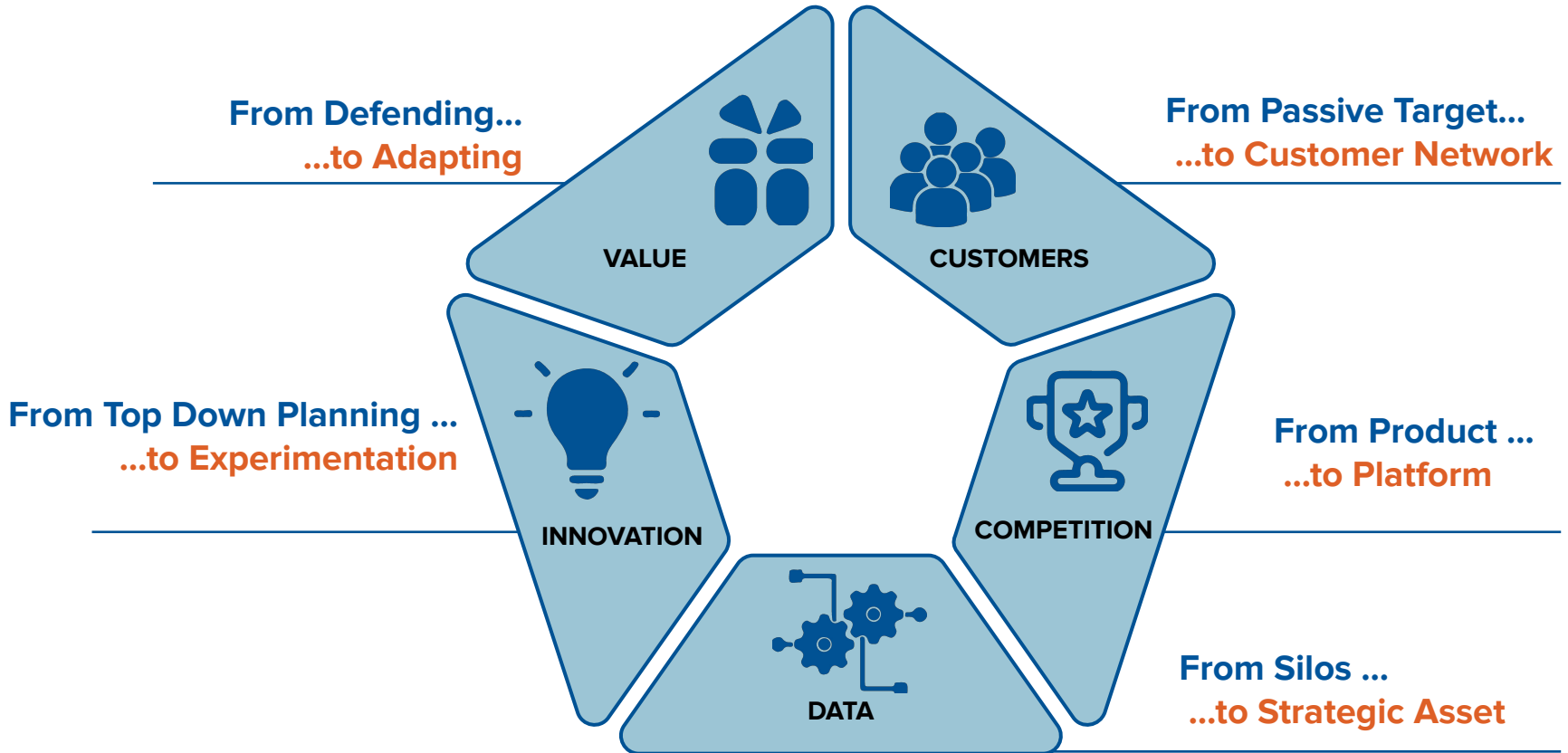
“The digital revolution is far more significant than the invention of writing or even of printing”

(Douglas Engelbart –
early mouse computer inventor)

“The digital transformation is not about technology is about redefining your value proposition”

(Jeanne Ross - MIT)

5 Domain dalam Transformasi Digital

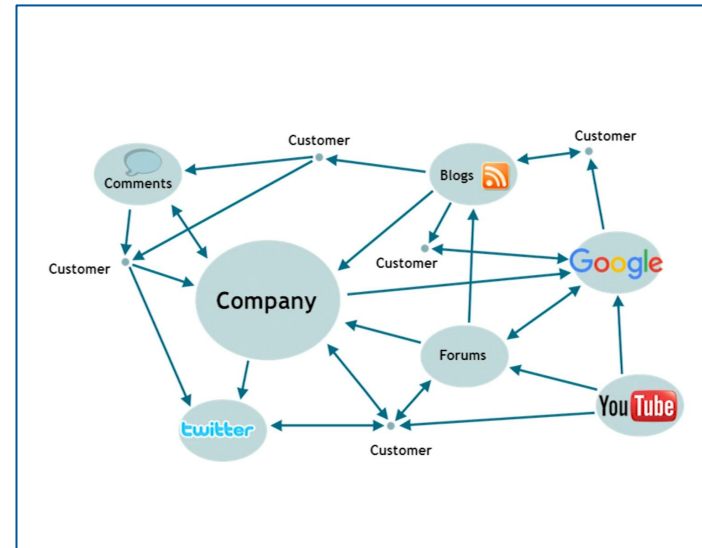
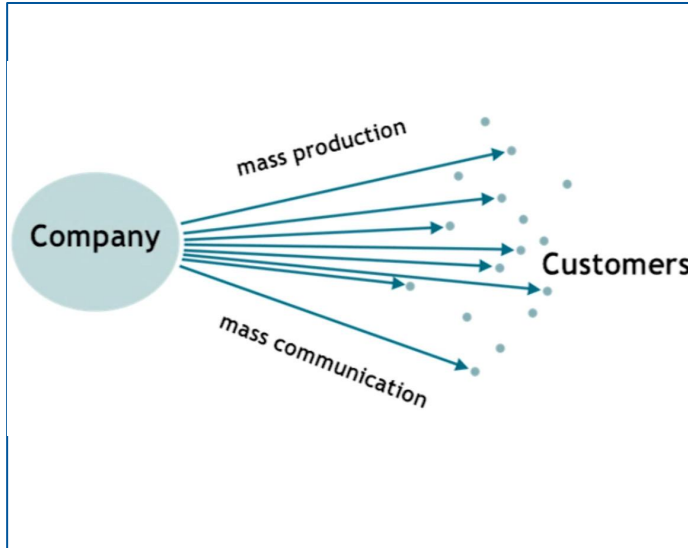


Customers: From Passive Target...To Customer Network

Mass Market Model



Customer Network Model



Competition: From Product...to Platform

“In the economy we’re in now, if you’re not a platform, you’ll be commoditized”

- Fred Wilson (Venture Capitalist)

- Platforms help users create products, business, communities, and networks of their own. It **help others** build **value**
- If it is open and collaborative, those users may in turn **add value** to the platform



Jeff Jarvis **“What would Google do ?”**

Digital Economy is....

....connected

Connect every device, system, and service we use



....shared

Use only what we need; pay as we go



....direct

Bypass "the middleman"



....transforming people's lives

Better convenience, choice and value



....transforming society

Increased efficiency, economic development, and problem solving

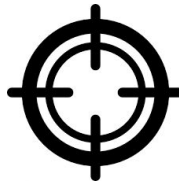
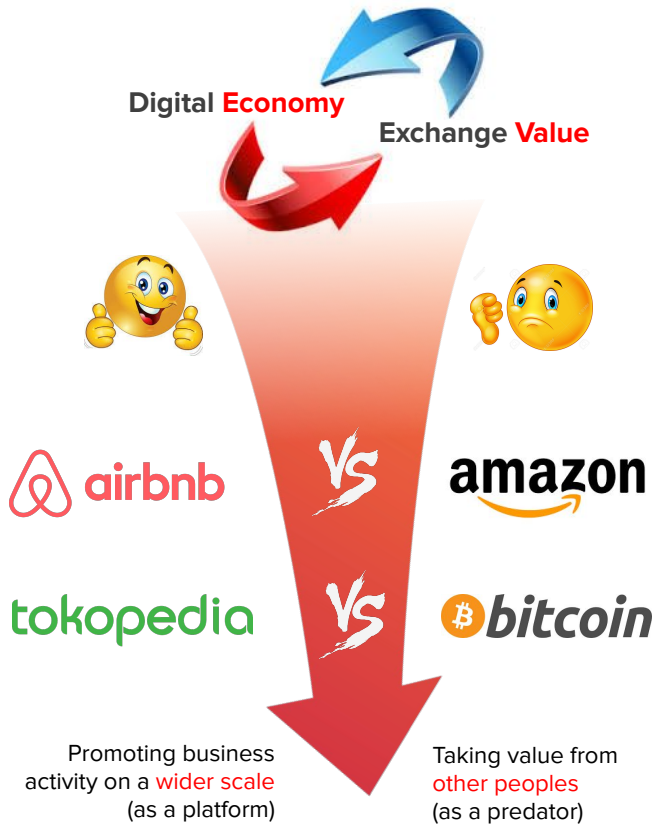


....transforming business

Greater customer loyalty, open innovation, and resource abundance

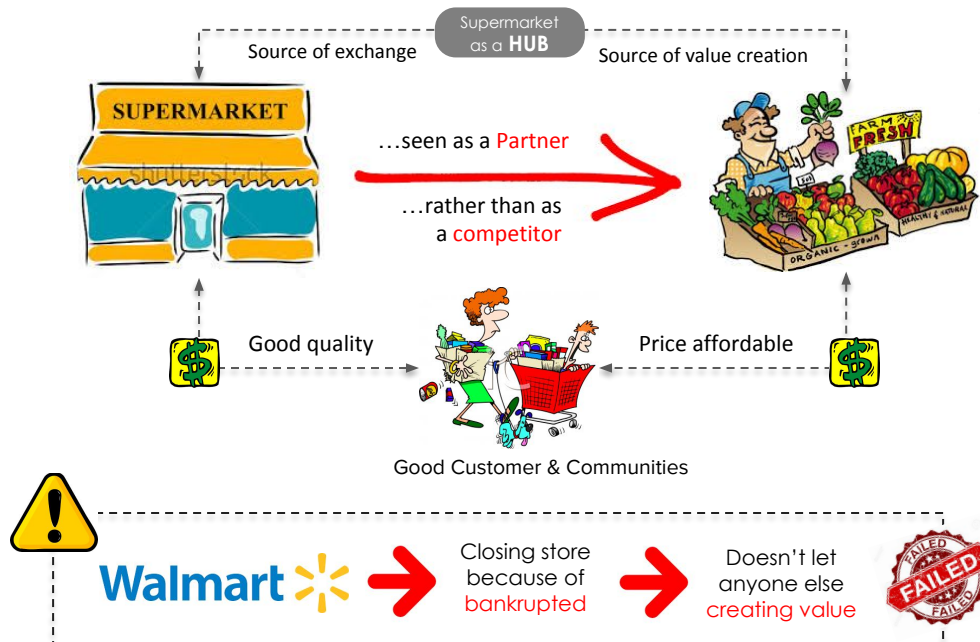


The Digital Economy Should Be about Capital Creation, Not Extraction



- How do we help people **create value** rather than **suck it out**?
- How do we help businesses & neighborhoods **circulate value** rather than **suck take money off**?

Supermarket open their parking lot on weekends to a farmers market



Tak Mau Seperti Amazon, Tokopedia Pilih Rangkul UMKM

Penulis: Desy Setyowati

Editor: Pingit Aria

© 31/1/2019, 17.52 WIB

Tokopedia sudah merangkul sekitar 5 juta mitra yang 70% di antaranya merupakan unit bisnis baru.

William menyatakan, Tokopedia akan merangkul lebih banyak Usaha Mikro, Kecil, dan Menengah (UMKM) ketimbang menjadi *retailer* dan membuat produk sendiri, kata dia. "Tapi misi kami bukan *retailer*, tapi pemerataan digital."

Saat ini, Tokopedia sudah merangkul sekitar 5 juta mitra yang 70% di antaranya merupakan unit bisnis baru. "Cukuplah Tokopedia menjadi perusahaan teknologi yang membantu orang lain," ujarnya.

Kolaborasi Danone-AQUA dan Tokopedia Dorong Pemberdayaan Pengusaha UMKM Perempuan

21 April 2018

1377



CRIME

US authorities seize \$19 million worth of bitcoins in dark web drug probe

JULY 19, 2019, 7:40AM EDT

The U.S. government has seized \$19 million worth of bitcoins from a drug trafficker, who allegedly laundered funds through the cryptocurrency on the dark website known as "Silk Road."

\$1 Billion Bitcoin Shopping Spree to Hit Dark Web in 2019: Research

There's going to be plenty of bitcoin being spent in underground marketplaces this year.

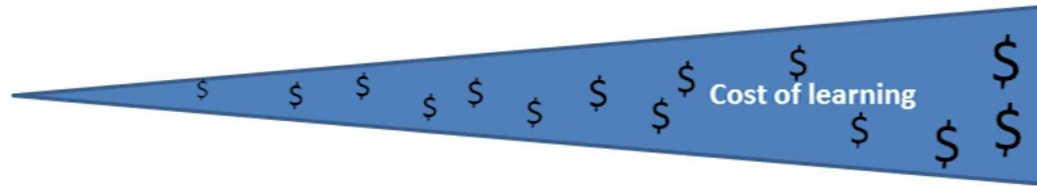
by Mark Emem — 02/07/2019 08:42 in Bitcoin Crime, Cryptocurrency News, News



Innovation: From Top-Down Planning to Experimentation

Traditional innovation cycle

Observe Generate ideas Analyze & discuss Team decision Design product Build product Launch & market Customer response



Big Bets Decision

Big tough call leadership

Innovation by rapid experimentation

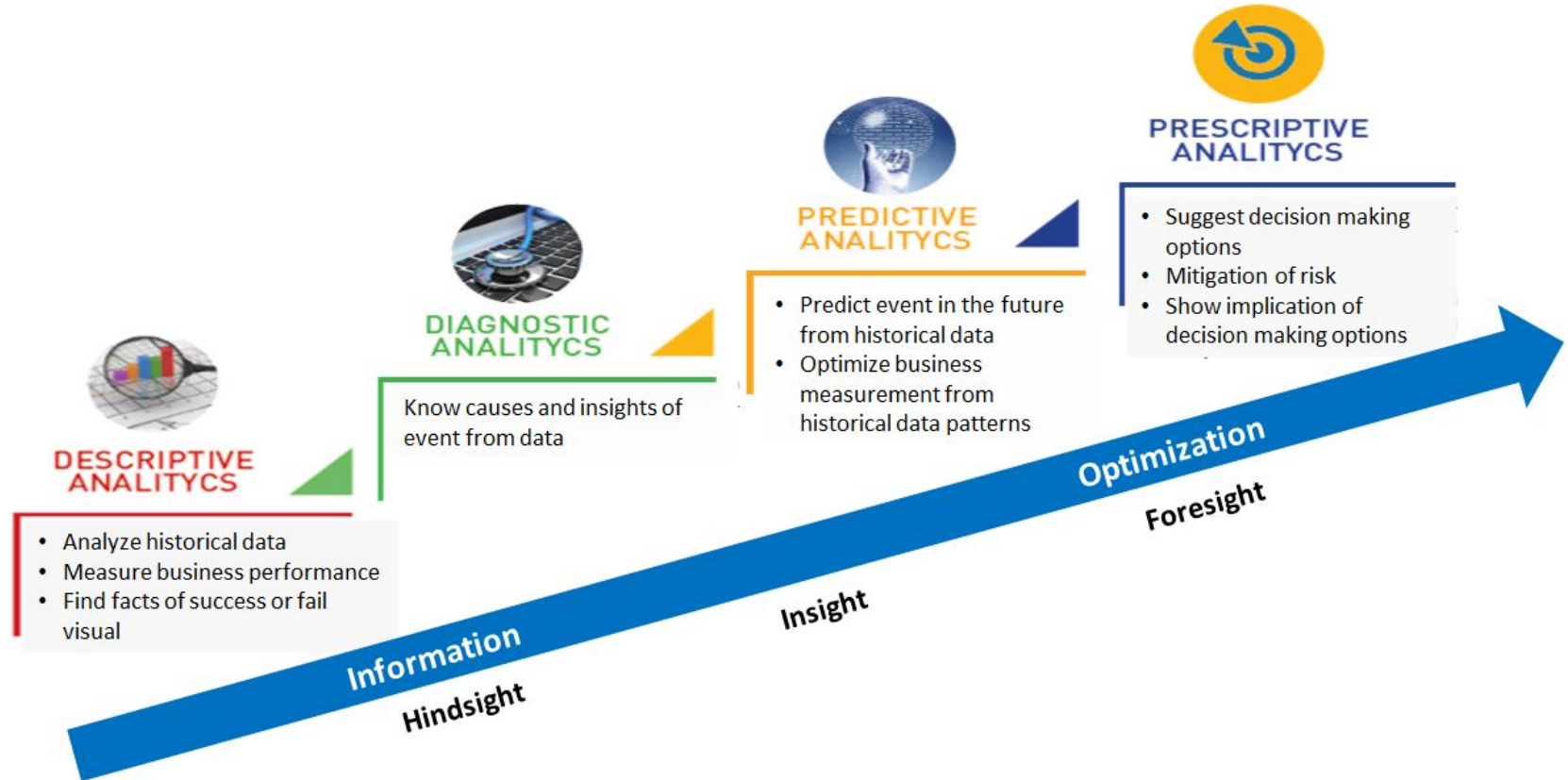
Observe Generate ideas Design prototype & test Customer response



Fail Fast, and cheap

The Questioner-in-Chief

Data: From Silos...to Strategic Assets



Value: From Defending ...to Adapting, From Industry ...to Arena



Professor McGrath

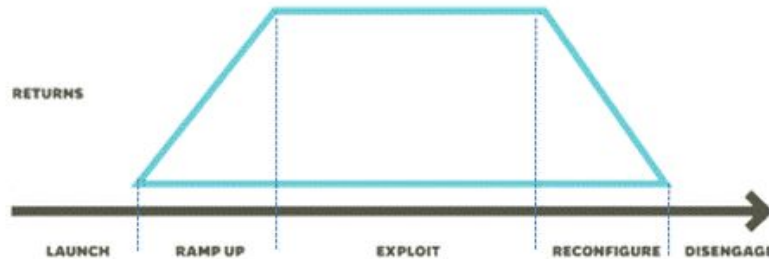
“...Competitive advantage is **transient, not sustainable**... Sustainable competitive is not just ineffective, it's actually counter productive...”

Transient advantages : “*Continuous Reconfiguration*”,

- Being **alert** to what is going on around you
- Having an **external focus**
- Being prepare to **move early**, before the warning sign is obvious, before it's **too late**



Companies in high-velocity industries must learn to cycle rapidly through the stages of competitive advantage. They also need the capacity to develop and manage a pipeline of initiatives, since many will be short-lived.



Create a Healthier Future



Develop Builders of Tomorrow



Schindler

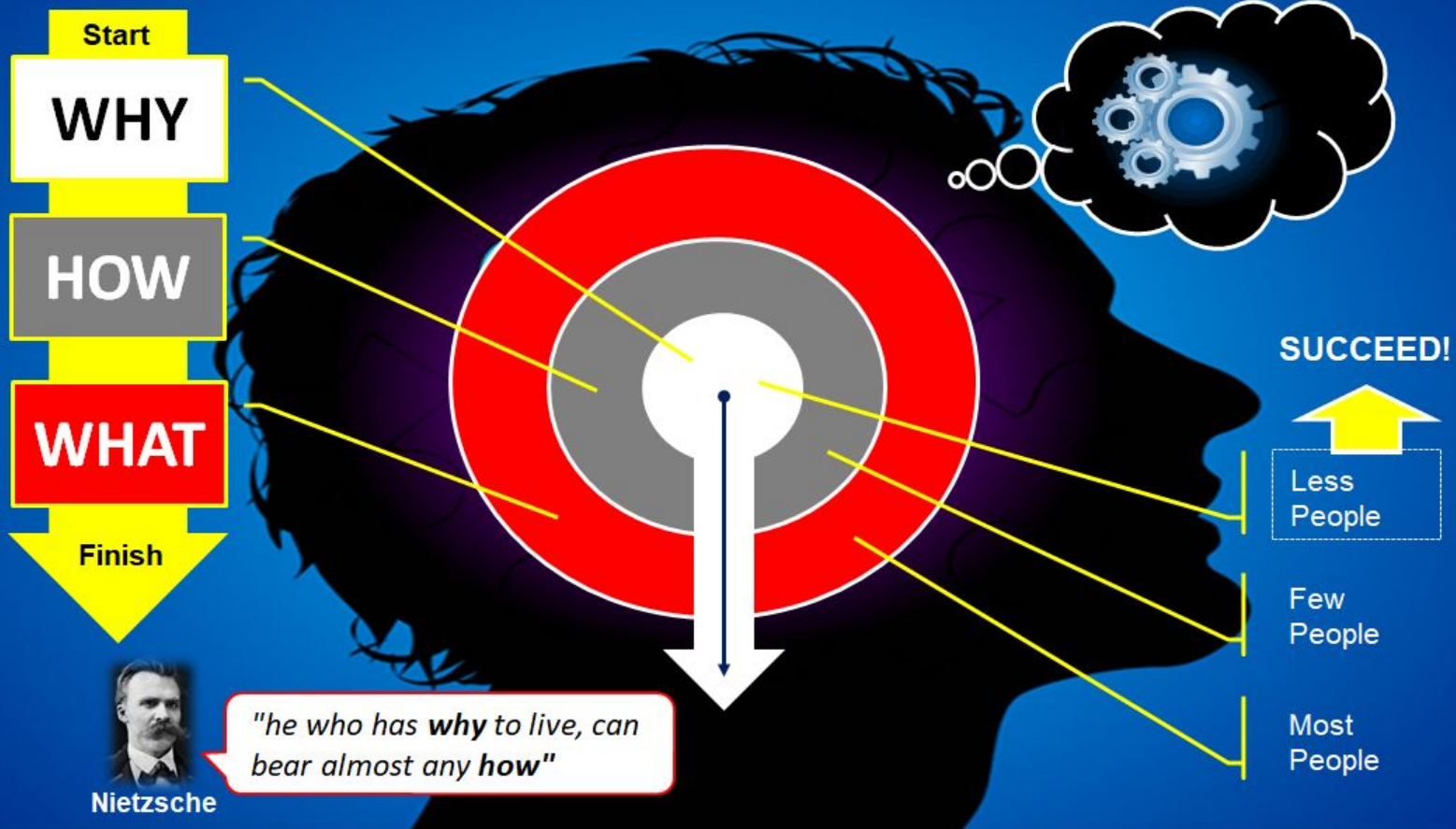
Provide Urban Mobility Solutions

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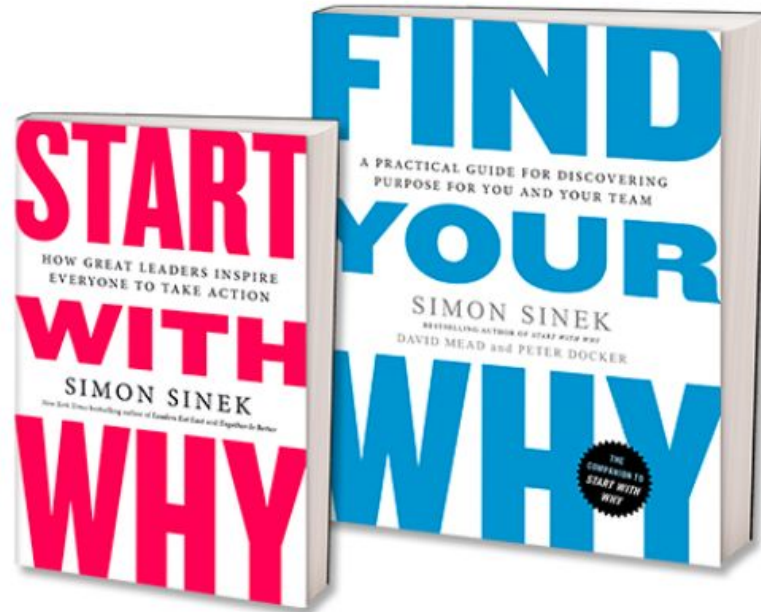
Everything we do start with **WHY** before How & What



"he who has **why** to live, can bear almost any **how**"

People don't buy what you do They buy “why” you do it

-Simon Sinek-



Case Start with WHY - Learn From Apple

The Most Innovative Company with efficient R&D

	Company	R&D Spending		
		2011, \$US Bil.	Rank	As % of Sales [Intensity]
1	Apple	\$2.4	53	2.2%
2	Google	\$5.2	26	13.6%
3	3M	\$1.6	86	5.3%
4	Samsung	\$9.0	6	6.0%
5	GE	\$4.6	30	3.2%
6	Microsoft	\$9.0	5	12.9%
7	Toyota	\$9.9	1	4.2%
8	P&G	\$2.0	72	2.4%
8	IBM	\$6.3	17	5.9%
10	Amazon	\$2.9	48	6.1%

EXHIBIT 1 | The Most Innovative Companies of 2018

1	Apple	11	Airbnb	21	Siemens	31	Intel	41	3M
2	Google	12	SpaceX	22	Unilever	32	NTT Docomo	42	SAP
3	Microsoft ¹	13	Netflix	23	BASF	33	Daimler ³	43	DuPont
4	Amazon	14	Tencent	24	Expedia	34	AXA	44	InterContinental Hotels Group
5	Samsung ²	15	Hewlett-Packard	25	Johnson & Johnson	35	Adidas	45	Disney
6	Tesla	16	Cisco Systems	26	JPMorgan Chase	36	BMW	46	Huawei
7	Facebook	17	Toyota	27	Bayer	37	Nissan	47	Procter & Gamble
8	IBM	18	General Electric	28	Dow Chemical	38	Pfizer	48	Verizon
9	Uber	19	Orange	29	AT&T	39	Time Warner	49	Philips
10	Alibaba	20	Marriott	30	Allianz	40	Renault	50	Nestlé

Source: 2017 BCG global innovation survey.

Utamakan Yang Utama : The Paradox Of Excellence

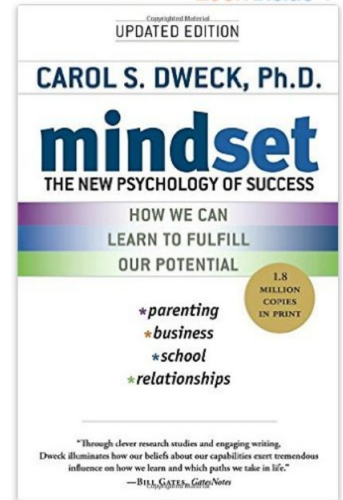


" doing the **WRONG** thing **WELL** instead of doing the **RIGHT** thing **POORLY**"

Nurturing Growth Mindset : From Know-It Alls to Learn it Alls

FIXED MINDSET **MINDSET** CHARACTERISTICS GROWTH MINDSET

SET - YOU HAVE WHAT YOU HAVE	SKILLS+INTELLIGENCE	CAN BE GROWN AND DEVELOPED
HOW THEY LOOK PERFORMANCE FOCUS	MAIN CONCERN	LEARNING / GETTING BETTER PROCESS FOCUS
SOMETHING YOU DO WHEN YOU'RE NOT GOOD	EFFORT	AN IMPORTANT PART OF LEARNING
GIVE UP / CHECK OUT	CHALLENGES	PERSEVERE / WORK THROUGH IT - SHOW MORE GRIT
TAKE IT PERSONAL GET DEFENSIVE	FEEDBACK	LIKE IT / USE IT TO LEARN
HATE THEM / TRY TO AVOID MAKING THEM	MISTAKES	TREAT THEM AS A LEARNING OPPORTUNITY



make it happen.
positivity. inspiration. motivation.

Creating an Innovation Culture

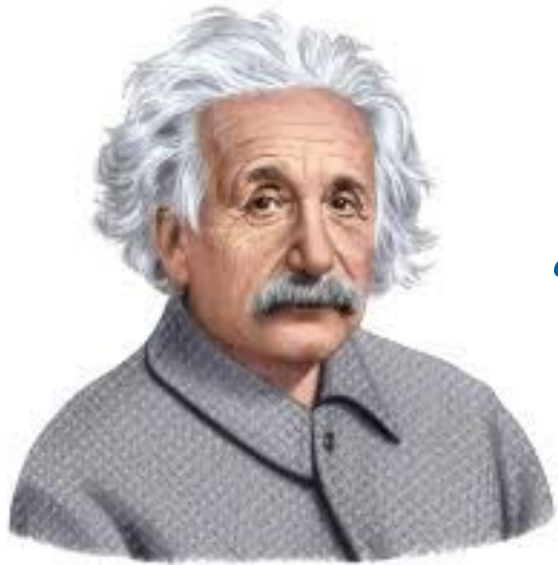
Practicing ‘Innovation Parenting’ (innovation is everyone’s Job)

Bust Hierarchy (let ideas flow)

Encourage the unreasonable (tolerance toward failure and risk taking)

Don’t die of indigestion (commitment to allocate resources)

Cultivate external relationship (everything we do we can’t do it alone, focus on our strength)



“We cannot solve our problems with the same thinking we used when we created them.”

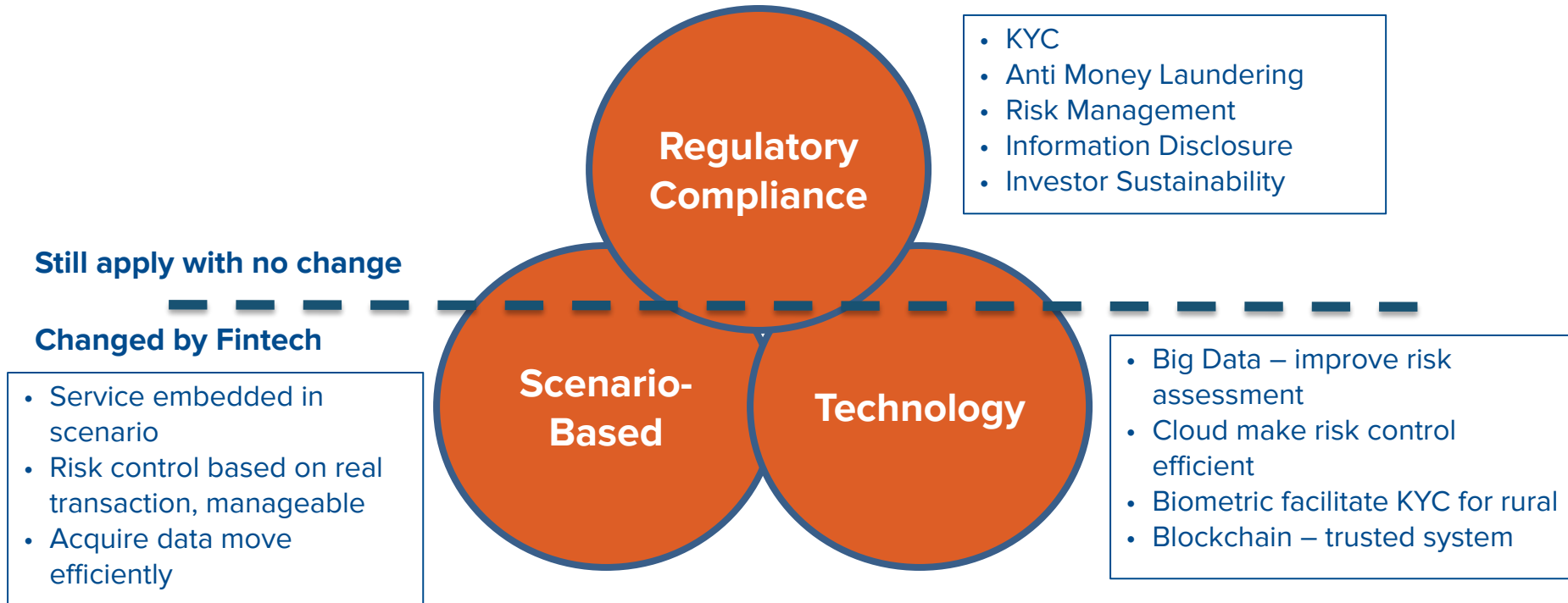
-Albert Einstein-

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Digital Initiatives Model in Financial Industry



Digital Strategy Framework

Digital First, Ecosystem First



DIGITIZE CORE

Digitize existing services
and transactions
(Business Process)



BUILD DIGITAL ECOSYSTEM

Orchestrate ecosystems
(Bank as Platform)



EMBED IN OUR CUSTOMER'S LIFE

Launch new digital
propositions
(Business Model)

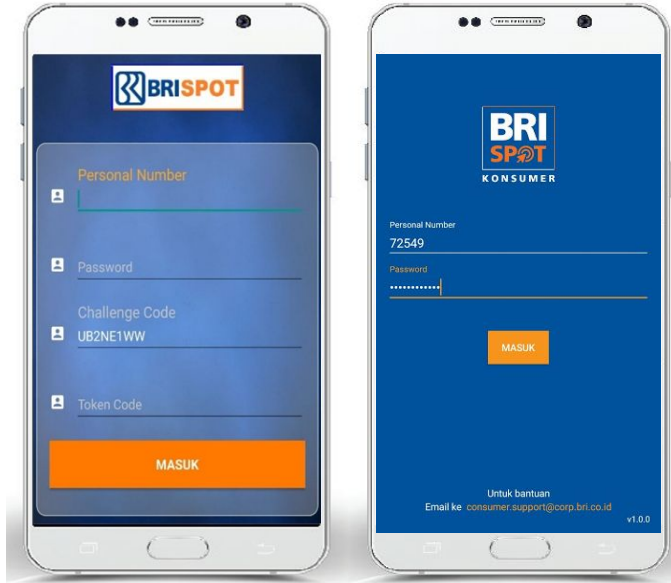
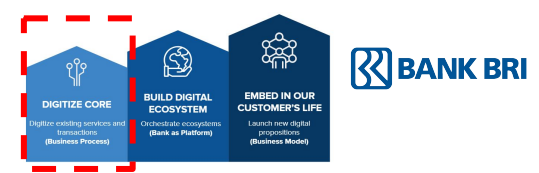


Digital as our DNA

'Digital as our DNA'



Reshape the Distribution Strategy

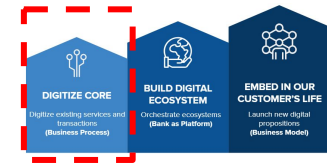


“Empower of our employees to better serve the customer”

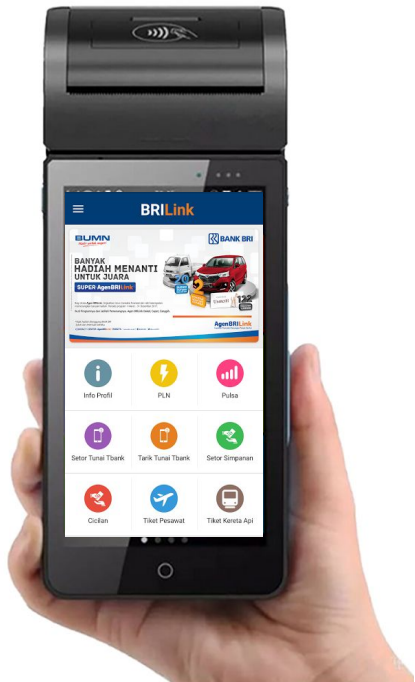


“Engage our customers and personalize the services”

BRILink - Empowering Indonesian Rural Economy

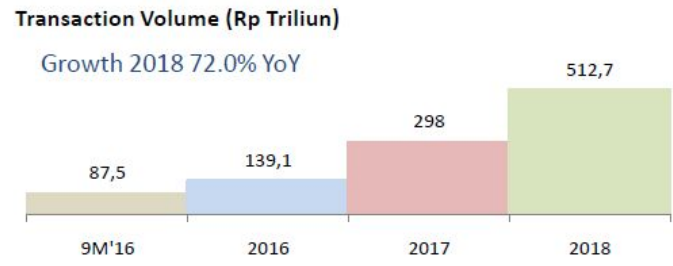
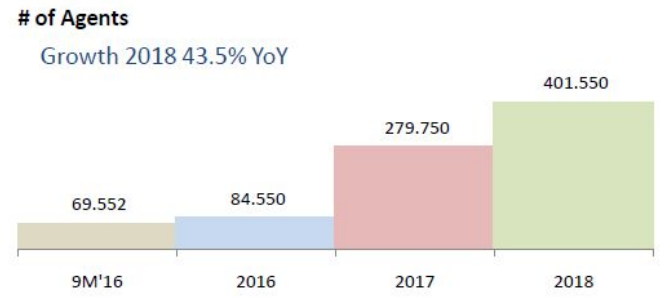


BRI Initiatives for Micro & SME Empowerment

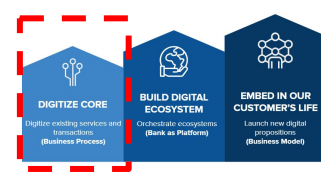


Elevate our Customer from Unbanked to Banked

BRILink is being used to boost **financial inclusion in remote areas** with the support from powerful network by **BRI-sat** empowering communication connectivity.



Sabrina: Virtual Assistance for BRI Customers



Sabrina is a smart banking assistant via chat



Customer Service



Information



Personalized Offer

Available at :



Facebook Messenger
(Official Account Bank BRI)



Telegram Messenger
(@BANKBRI_ID_BOT)



Whatsapp Messenger
(+628121214017)

BUMN
Hadir untuk negeri

BANK BRI

KONTAK SABRINA UNTUK INFO SEPUTAR BANK BRI

INFO SEPUTAR PRODUK BRI

LOKASI ATM & KANTOR BRI

INFO PROMO & EVENT

CHAT LANGSUNG DENGAN SABRINA

Temui SABRINA di akun BANK BRI:

CONTACT BRI 14017 / 1500017 www.bri.co.id BANK BRI @promo_BRI

Execute Open API for Digital Partnership with Precision & Fast



API stands for 'application programming interface' -It connects your business processes, services, content, and data to channel partners, internal teams, and independent developers in an easy and secure way.

ISO 27001:2013

Education Ecosystem

Fisheries Ecosystem

Oil & Gas Ecosystem; Transportation Ecosystem; etc

BRI api

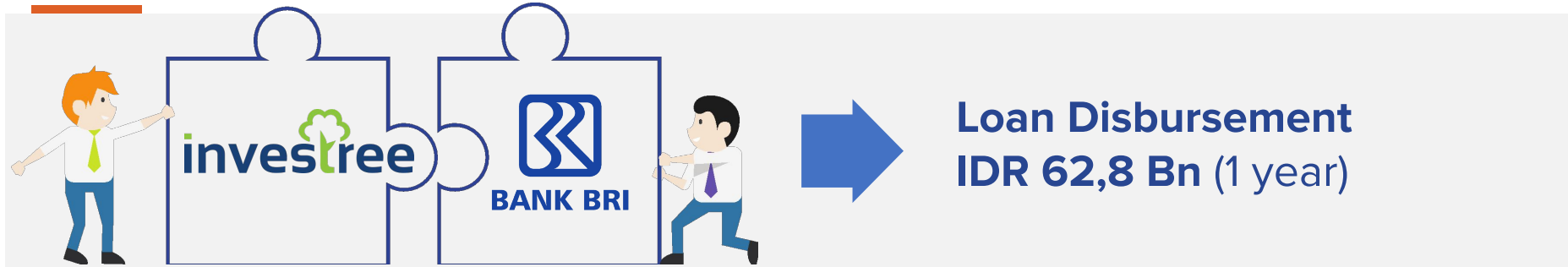
	BRI 2 BRI
Informasi Saldo	Transfer antar Rekening BRI
	BritAma Valas
Informasi Mutasi	Transaksi Valas
	Tbank
Informasi Valas	Layanan T-Bank
	e-Pay BRI
Informasi Lokasi Kantor BRI	E-Pay BRI
	BRIVA
Informasi Lokasi E-Channel BRI	Layanan BRIVA (BRI Virtual Account)
	KKB
Kartu Kredit BRI	Kredit Konsumer
	KUR BRI KUR MIKRO BRI
Kredit Mikro dan Retail	

Agricultural Ecosystem

Fintech & E-commerce

Digital Partnership Model to connect with Fintech and create digital ecosystem.

Partnership With Fintech To Support Creative Industry



Name	PT MA
Industry Type	Vendor Event Organizer
Project Client	PT HMS
Loan Disbursement	IDR 550,000,000

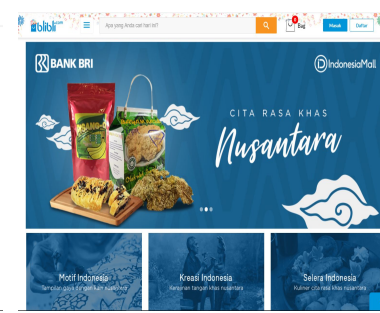
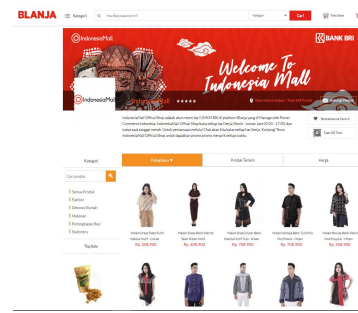
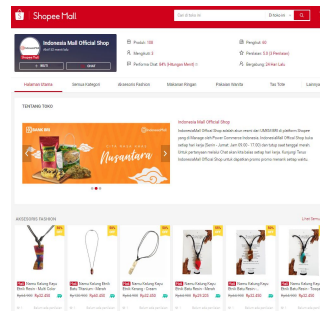
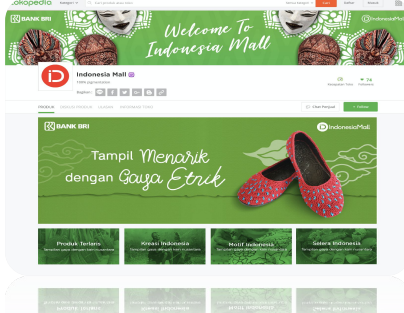
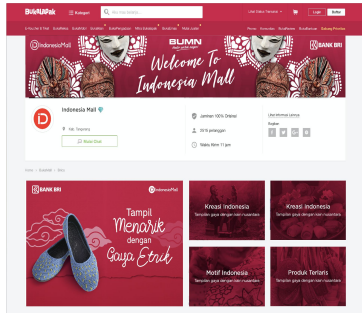
Name	PT. MSC
Industry Type	Vendor Advertising
Project Client	PT RB
Loan Disbursement	IDR 1,248,000,000

Name	PT IDI
Industry Type	Vendor Event Organizer
Project Client	PT NI
Loan Disbursement	IDR 365,000,000



**Financing Total 107
Entrepreneurs**

Official Store
Indonesia Mall
Powered by BRI
(SME's Go Online)



<https://www.bukalapak.com/u/briindonesiamall>

<https://www.tokopedia.com/indonesiamall>

https://shopee.co.id/indonesia_mall

<https://www.blanja.com/store/indonesiamall>

<https://www.blibli.com/anchor/indonesiamall>



Indonesia Mall
awarded by The
Asian Bankers



Grand Launching
Indonesia Mall di
Eastparc Hotel Jogja
18/10/18



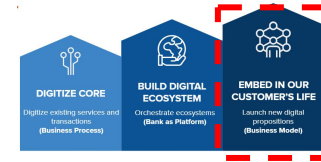
Transaction Increased

48%

#3 Best Official Store in Tokopedia

Become Digital in all Channels

Launch New Digital Product for Untapped Market Segment

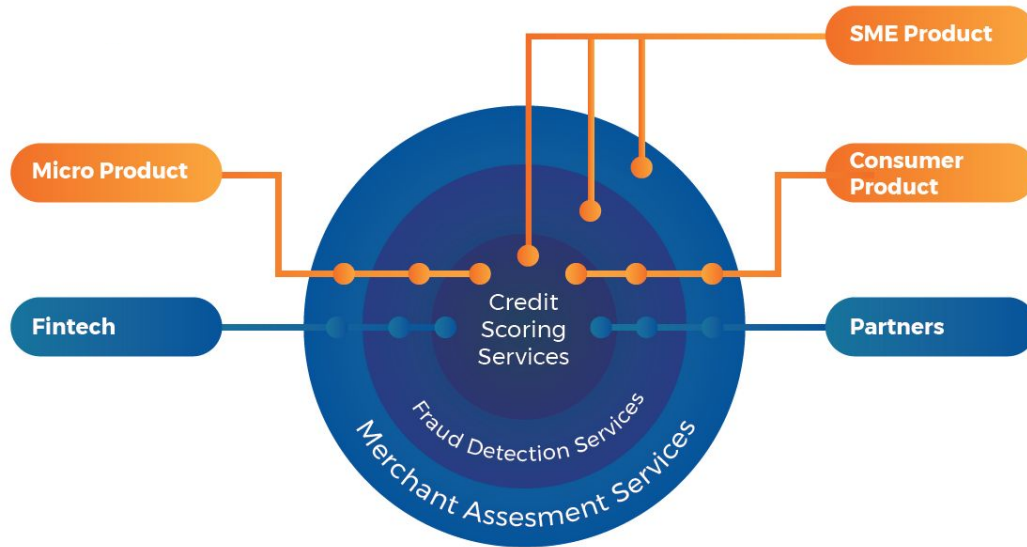


“Faster-Better-Cheaper”

- Digital loan product with “Mobile First” channel.
- Untapped new market segments (IDR 500.000 - 20m)

BIG DATA Financial Services Support for Descriptive, Predictive, Prescriptive

Framework of Contextual Risk Management



Big Data Analytics

- Enabling “Data-driven” decision for Business.
- Better Risk Profiling
- Better analysis and assessment

ISO 27001:2013

The First Bank with ISO Certificate in Big Data



Merchant Assessment Services : BRILINK Analytics To Optimize Agent BRILINK Acquisition

↑ FBI = Active User x Transaction x Fee

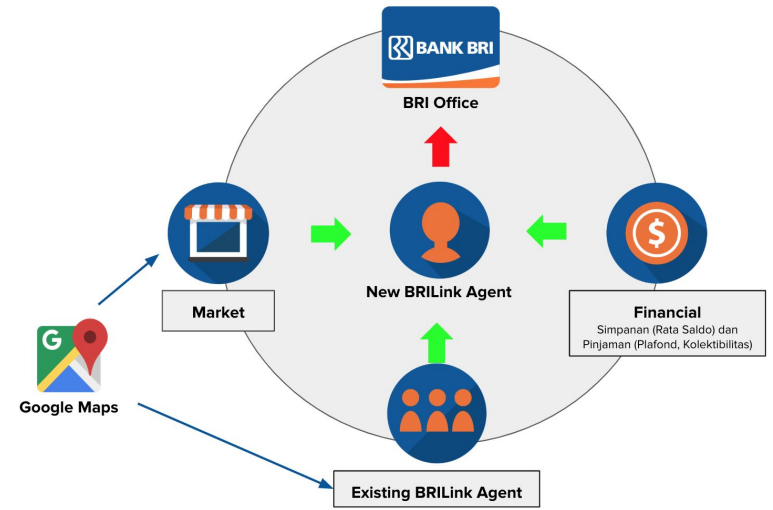


Goal: Find the Best BRILink Agent

: Agent BEP : Agent NON BEP : Nasabah Potensial Agen BRILINK

Transaksi agen BRILink tembus Rp 512,7 triliun sepanjang 2018

\$36Billions



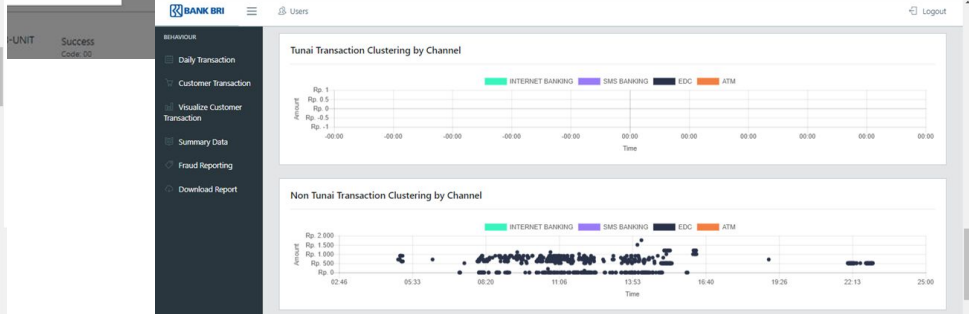
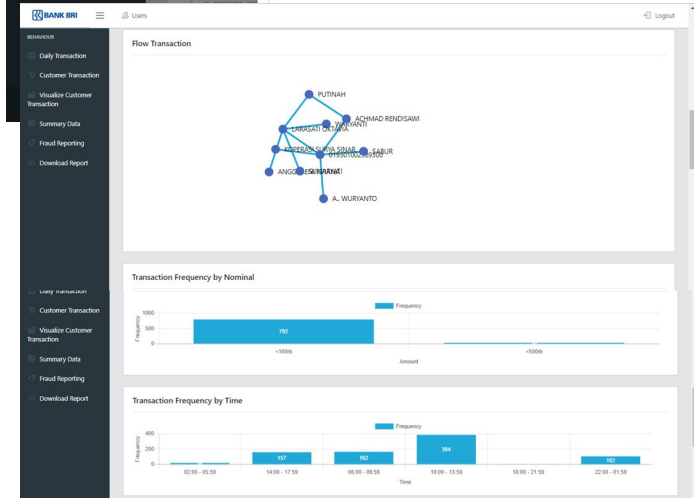
Fraud Detection Services :

BRIForce Precision in Detecting Anomaly based on Customer Behaviour

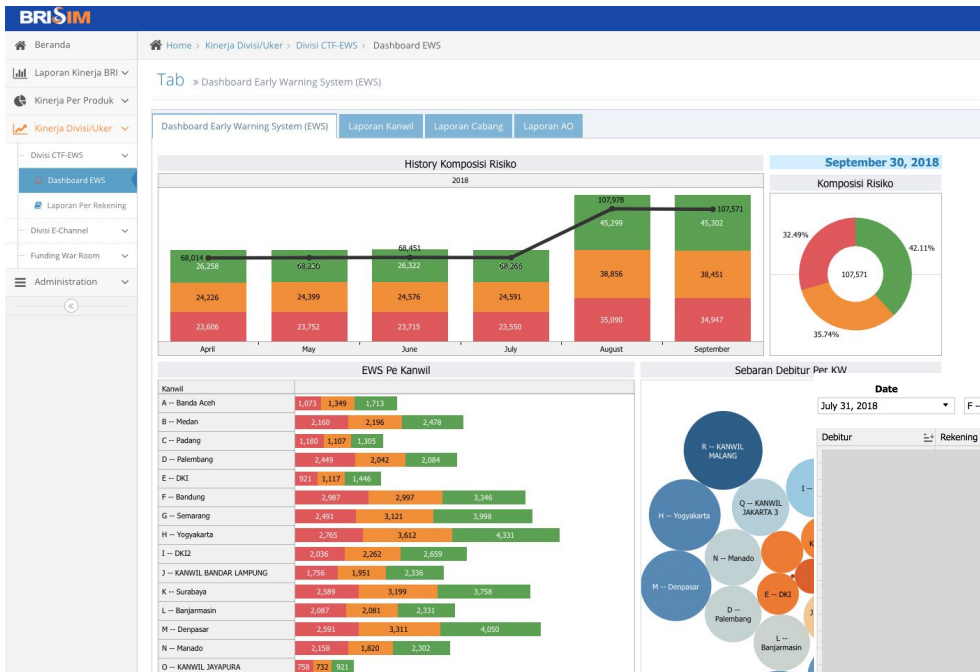


Value Propositions

BRIForce detects REALTIME anomalies for all customer transactions in ATM, EDC, eBanking.



Credit Scoring Services : Credit Risk Analytics - Early Warning System



Key Highlights

Early Warning System is the potential first payment default customers every month.

Date	Kanwil	Kanca	Unit Kerja	Debitur								
July 31, 2018	F -- Bandung	00025 -- KC Garut (Konso...)	00025 -- KC Garut									
Debitur	Rekening	Kol.	Nama AO	Warna	Restruk	Sektor Ekonomi	Tgl_Arealisasi	Tgl_JT	Prediksi	Outstanding	Plafon	Merah
		2		MERAH	Yes	Perdagangan Eceran Kaki Lima bar.	07/10/13	09/29/18	0.98	862,000,000	862,000,000	4
		2		MERAH	Yes	Perdagangan Eceran Sembako	05/25/15	08/25/18	0.95	430,000,000	430,000,000	4
		1		MERAH	No	Perdagangan Besar Tekstil, Pakala..	10/18/12	10/18/18	0.62	598,678,264	600,000,000	4
		1		MERAH	No	Perdagangan Eceran Alat Rumah T..	12/24/95	08/14/18	0.60	7,107,634	300,000,000	1
		1		MERAH	Yes	Perdagangan Eceran Bahan Konstr.	12/14/12	10/20/18	0.55	716,450,762	720,000,000	4
		1		MERAH	Yes	Perdagangan Eceran Spare Part n..	05/06/04	06/20/19	0.55	60,380,413	140,000,000	3
		1		KUNING	No	Perdagangan Eceran Makanan,Min..	08/31/15	08/30/18	0.48	600,000,000	600,000,000	0
		1		KUNING	Yes	Perdagangan Eceran Sembako	10/29/12	08/04/18	0.43	219,647,438	219,647,438	3
		1		KUNING	No	Perdagangan Eceran Bahan Bangun..	09/09/03	09/09/18	0.42	110,000,000	130,000,000	1
		1		KUNING	No	Perdagangan Eceran Sembako	04/01/11	04/22/19	0.36	500,000,000	500,000,000	1
		1		KUNING	No	Perdagangan Besar Dalam Negeri ..	02/27/01	01/20/21	0.31	809,737,614	972,000,000	2
		1		KUNING	No	Penjualan Suku Cadang dan Akses..	01/04/13	01/04/19	0.28	#####	#####	0
		1		KUNING	No	Perdagangan Eceran Komoditi Lain..	08/16/01	03/16/19	0.26	13,070,954	#####	1
		1		KUNING	No	Perdagangan Eceran P n D (Makan..	04/15/11	04/14/19	0.25	#####	#####	1
		1		KUNING	Yes	Perdagangan Eceran Bahan Bangun..	05/29/95	11/24/18	0.24	145,000,000	155,000,000	0
		1		KUNING	No	Perdagangan Eceran Spare Part n..	02/27/13	02/27/19	0.24	#####	#####	0
		1		KUNING	No	Industri plastik dan karet buatan	01/29/13	01/25/19	0.20	#####	#####	1
		1		HJAU	No	Industri Penerbitan	10/20/94	10/13/18	0.20	318,790,096	750,000,000	0
		1		HJAU	No	Perdagangan Besar Tekstil, Pakala..	08/23/95	06/21/19	0.19	455,212,316	480,000,000	1
		1		HJAU	No	Perdagangan Eceran P n D (Makan..	08/20/02	02/18/19	0.16	231,872,821	400,000,000	0
		1		HJAU	No	Perdagangan Eceran Sembako	10/21/03	03/21/19	0.16	104,719,232	200,000,000	1
		1		HJAU	No	Perdagangan Eceran Sembako	05/24/04	08/10/18	0.15	196,080,421	200,000,000	0
		1		HJAU	No	Perdagangan Eceran Kaki Lima Ko..	03/31/15	03/29/19	0.15	993,046,714	#####	1
		1		HJAU	No	Perdagangan Eceran Hasil Bumi Kh..	05/10/11	05/05/19	0.14	200,000,000	200,000,000	0
		1		HJAU	No	Perdagangan Eceran Tekstil, Pakal..	06/03/14	06/03/19	0.14	#####	#####	1

Thank You