



**2020 NATIONAL
CONFERENCE**
Virtual Event | 2-3 December 2020



Digital Transformation: Have Your Organizations Leveraged the Momentum?

Restiana Ie Tjoe Linggadjaya, MM, CIA, CRMA
SEVP5 Indonesia Eximbank
Vice President IIA (2014-2017)

Digital Transformation: Have Your Organizations Leveraged the Momentum?



Restiana Ie Tjoe Linggadjaya, MM, CIA, CRMA

Senior Executive Vice President V
Indonesia Eximbank

Case Studies

- Combined Stock Offering PT Telkom (2000)
- Baligate & Indonesian Bank Restructuring (2000)

Awards

- Full Scholarship, AIM
- Citibank Achievement Award, Best Process Improvement
- Citibank Team Player Award

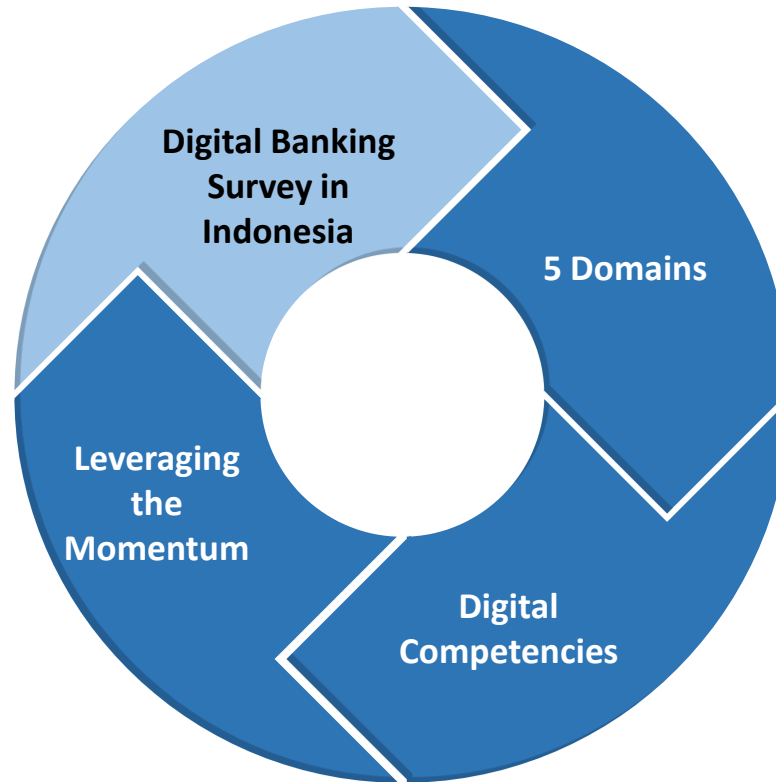
Educational Background

- S2 Management, Asian Institute of Management, The Philippines (2000)
- S1 Finance, Universitas Trisakti (1989)

Professional Background

- Chief Risk & Compliance Officer, PT Smartfren Telecom, Tbk (Dec 2018 – Apr 2020)
- Chief Operating Officer, PT Maybank Indonesia (Mar 2017 – Nov 2018)
- Chief Audit Executive, PT Bank CIMB Niaga, Tbk (Mar 2010 – Feb 2017)
- Chief Internal Auditor, PT Bank Danamon, Tbk (May 2004 – Feb 2010)
- Finance Director, PT Asuransi Allianz Life Indonesia (Apr 2002 – Apr 2004)
- Vice President Internal Audit, ABN Amro Bank Indonesia (Jul 2000 – Apr 2002)
- Vice President Treasury, Cash Mgt & Custody, ING Barings (Apr 1996 – Oct 1998)

Digital Transformation: Have Your Organizations Leveraged the Momentum?



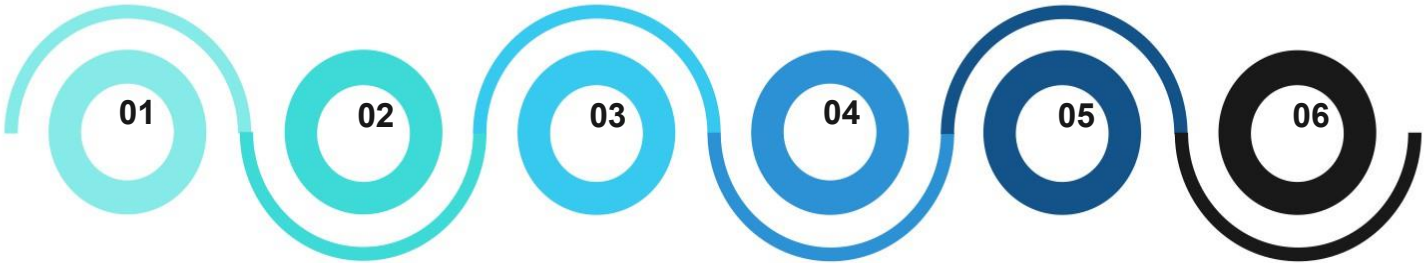
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Digital Banking Survey in Indonesia

Cyber security as major risk to digital business in the next 2-3 years.

44% respondents' primary objective of digital strategy is to enhance their customer experience

64% respondents stated that IT environment is moderately effective for digital strategy



66% respondents have developed their digital strategy

72% respondents indicated that Gojek is an emerging serious competitor

76% respondents have plans to increase the use of agile development processes in the coming years

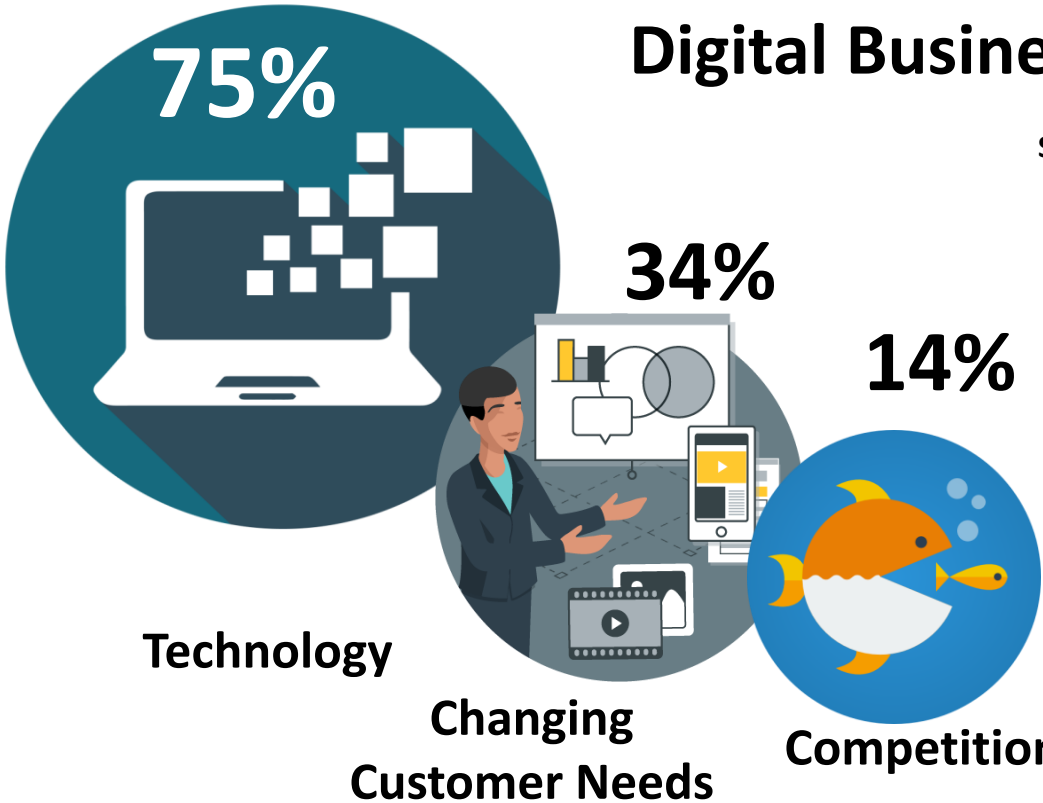
Source: PwC Digital Banking Survey in Indonesia 2018

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Main Drivers

Digital Business Transformation

Source: PwC Indonesia Banking Survey 2018

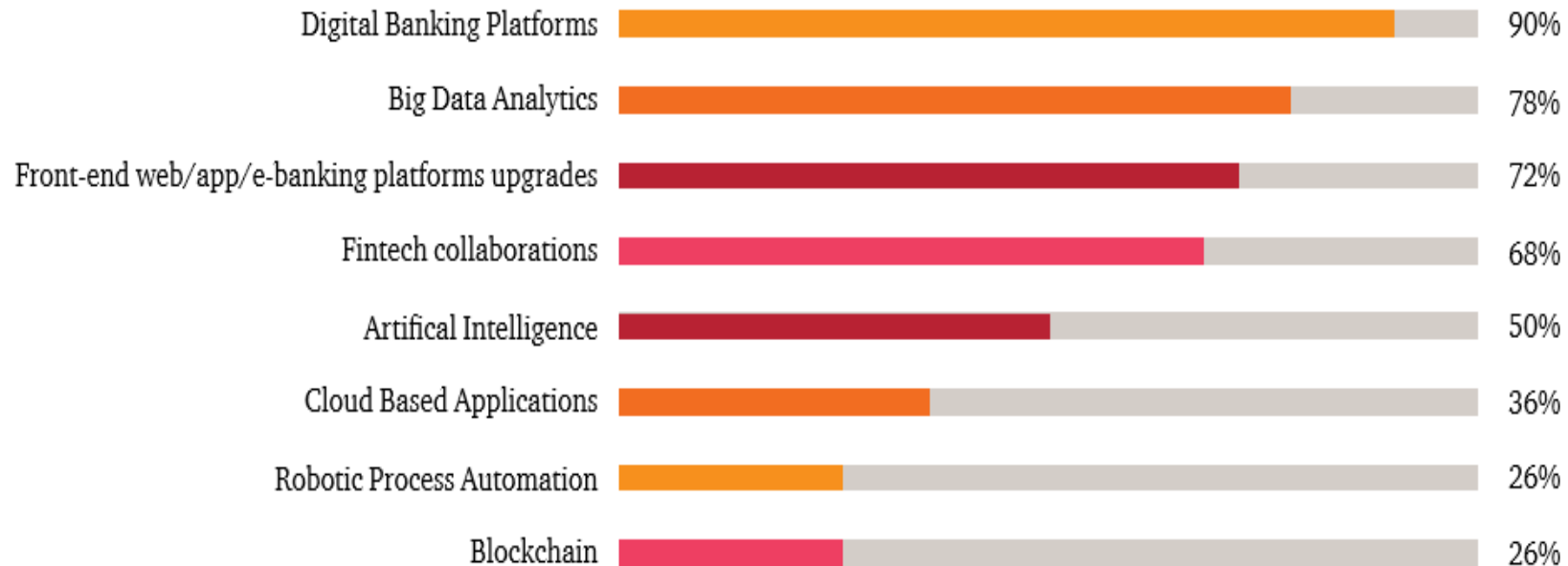


Note: Operational excellence, risk management, regulations, etc (under 10%)

Pandemic situation (Covid) has NOW become a New Main Driver!

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Embrace & Upgrade to the New Technology

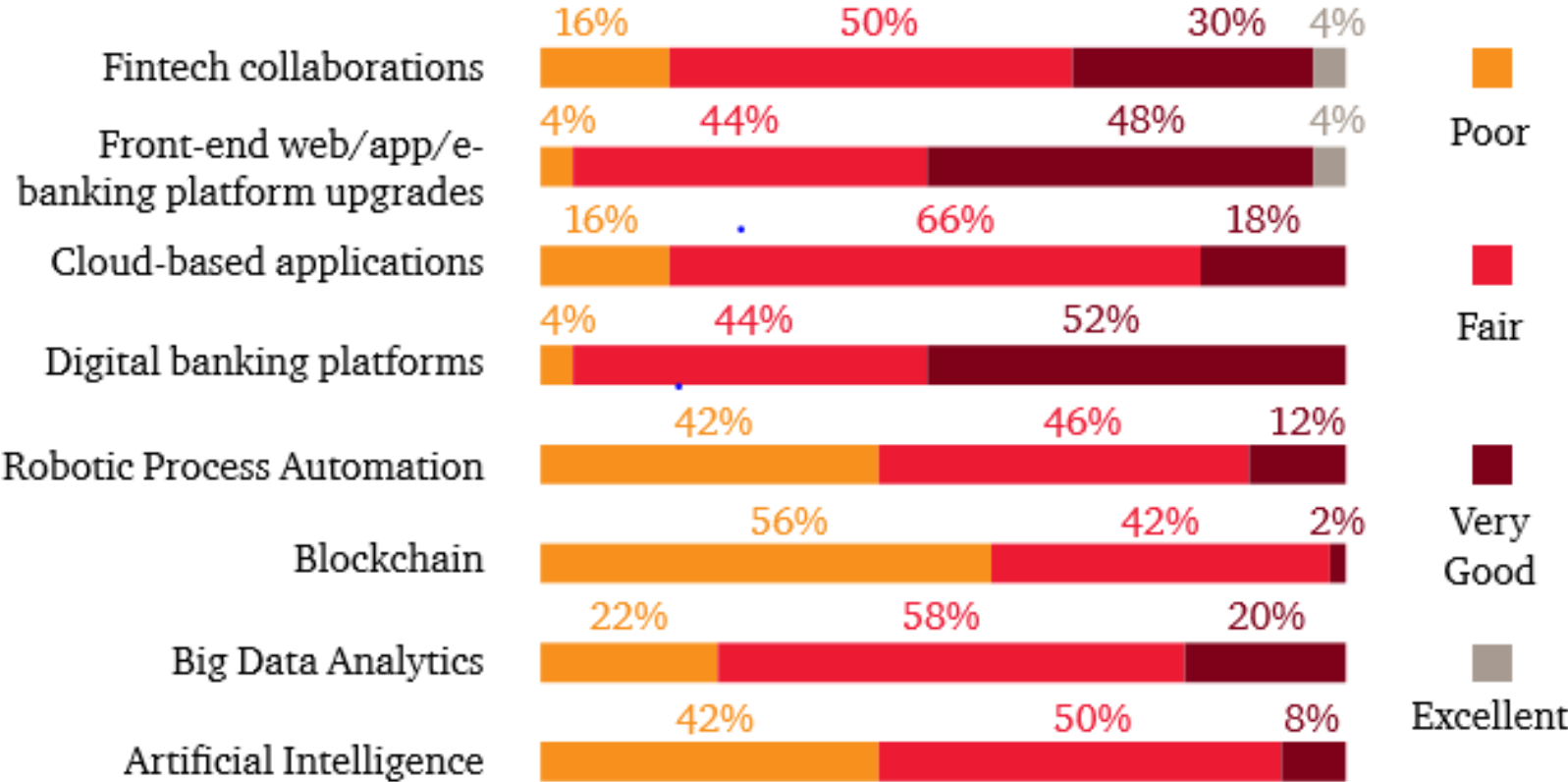


Investments in emerging areas in the next 3 years

Source: PwC Indonesia Banking Survey 2018

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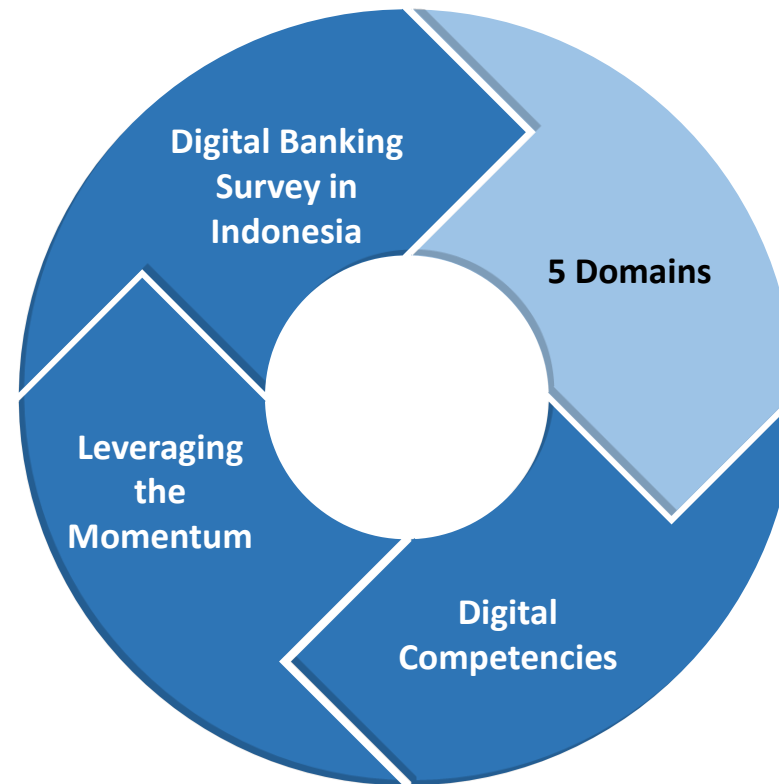
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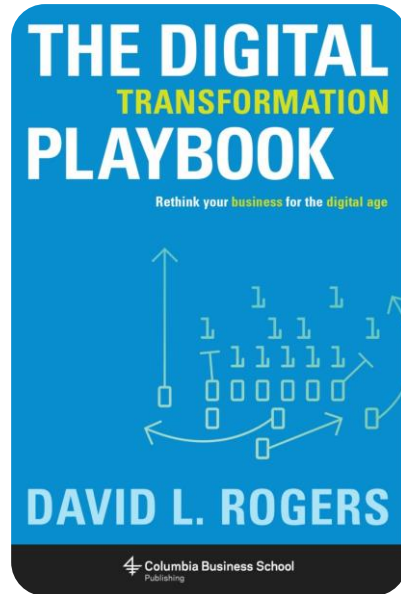
Current State of IT Skills

Source: PwC Indonesia Banking Survey 2018

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Digital Transformation: Have Your Organizations Leveraged the Momentum?



The rules of business have changed.

In every industry, digitalization have transformed business models and processes.

- **How do we adapt and transform for the digital age?**
- **What separates businesses that thrive in digital world vs those who fail?**

Digital Transformation requires organization to upgrade its **strategic mindset** much more than IT. infrastructure.

Holistic view of **Business Strategy**.

How organizations embark on digital transformation

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Digital Transformation Playbook

5 Domains	Strategic Themes
Customers	Harness Customer Networks
Competition	Build Platforms, not just Products
Data	Turn Data into Assets
Innovation	Innovate by Rapid Experimentation
Value	Adapt your value proposition

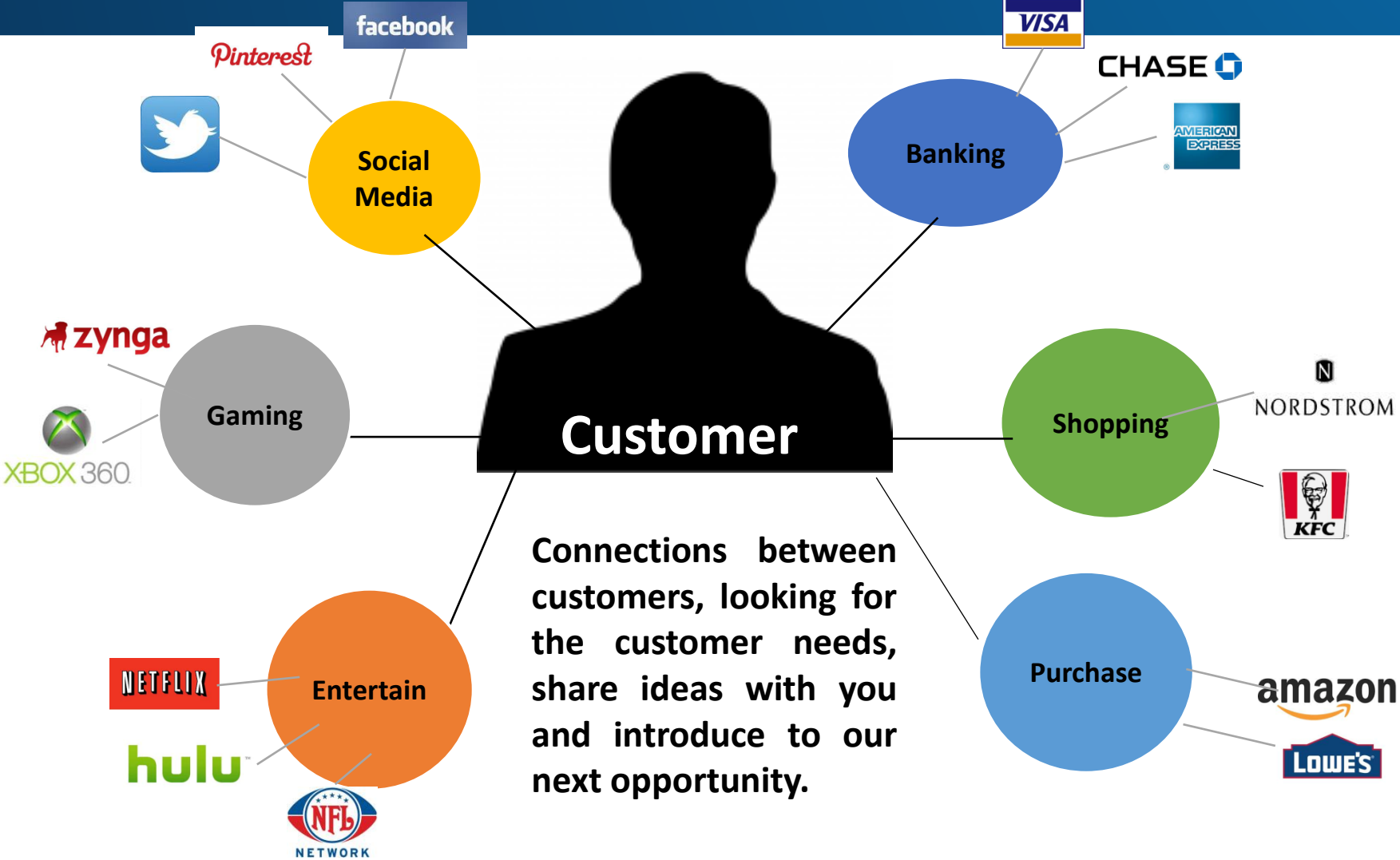
How organizations embark on digital transformation

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5 Domains	From	To
Customers	Firm is the key influencer. Marketing to persuade purchase.	Customers are the key influencer. Marketing to inspire purchase, loyalty & advocacy.
Competition	A few dominant competitors per category.	Winner takes all due to network effects.
Data	Data is a tool for optimizing processes. Make use only of structured data.	Data is a key intangible asset for value creation. Unstructured data increasingly valuable.
Innovation	Focus on the finished product	Focus on minimum viable prototypes and iteration after launch.
Value	Value proposition defined by industry and execute unique value proposition.	Value proposition defined by changing customer needs and uncover next opportunity for customer value

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Domain 1: Customer

Dynamic Network

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Amazing Customer Experience

Our customers & Network

Omni Channel

Consistent & personalized experience across all channels



Need a deeper understanding of customer needs from various sources



Desire to increase customer loyalty by understanding & providing what matters for our customers.



Challenged getting the right information to provide customers what they need cross-sell and up-sell

Domain 1: Customer

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Coopetition : Competition & Cooperation

Transact	<ul style="list-style-type: none">• Payment gateways• e-Wallets	   
Invest	<ul style="list-style-type: none">• Crowdfunding• Stock trading platforms• Insurance aggregator	 
Lending	<ul style="list-style-type: none">• P2P lending	  
Lifestyle	<ul style="list-style-type: none">• eCommerce• Financial comparison tools	   

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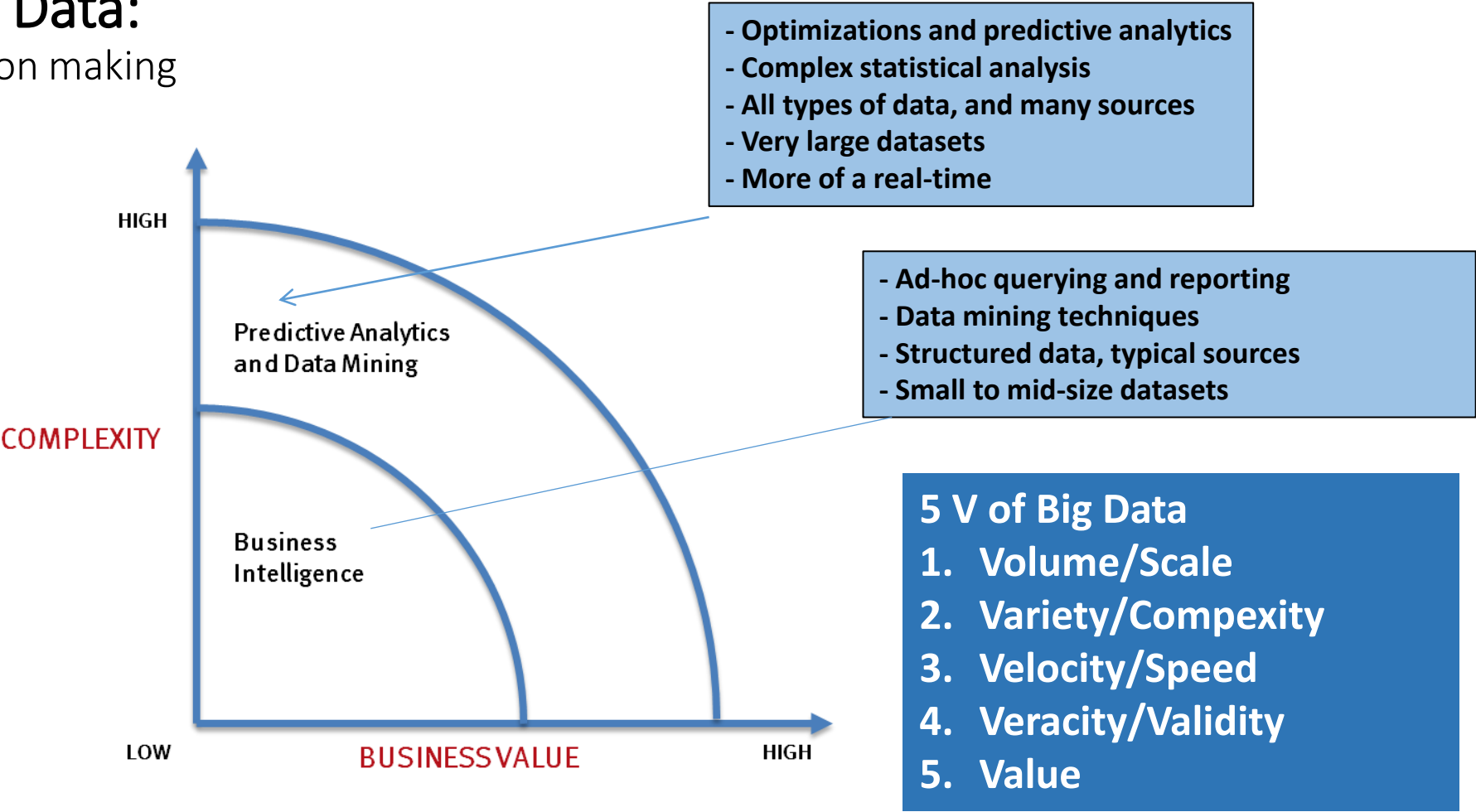
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Drivers of Big Data:

Data Driven decision making



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Innovate by rapid experimentation



Domain 4: Innovate by rapid experimentation

Minimum Viable Prototype

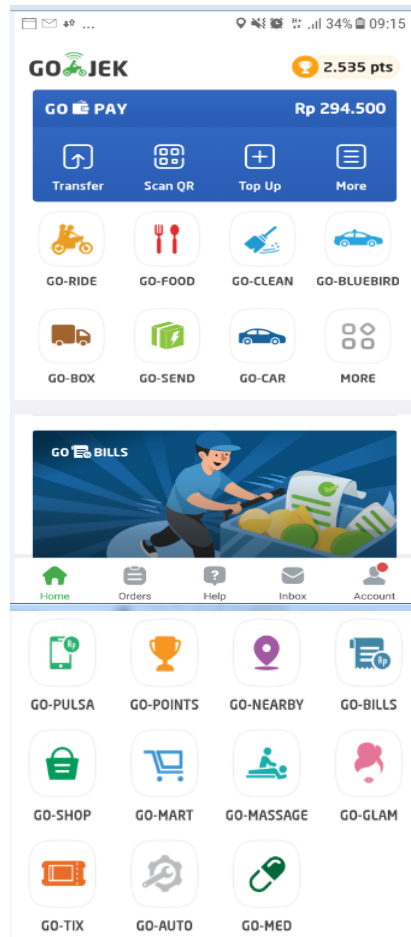
Source: Brett King, Bank 3.0

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Gojek

Traditional business with a success story

Every PAIN POINT of customer is the SOURCE of innovation

- Mobile apps : customers & drivers connect easily
- Strategic partnership for traffic data
- Transparency with visualization
- Expanded to daily life of customers with many more services
- Go Send, Go Food, Go Massage, Digital Wallet: Go Pay

(From Problem Statement to provide Value Added)
(Competitive Edge)

Domain 5: Value

Uncover next opportunity for value proposition

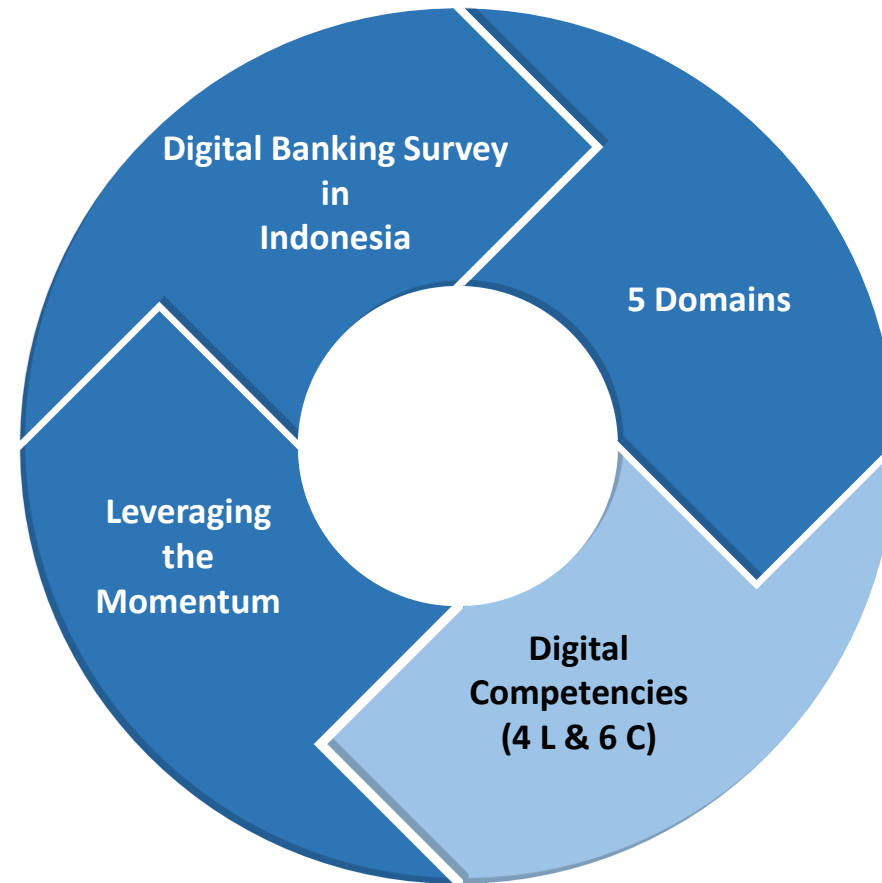
Source: Brett King, Bank 3.0

Adapt your value proposition

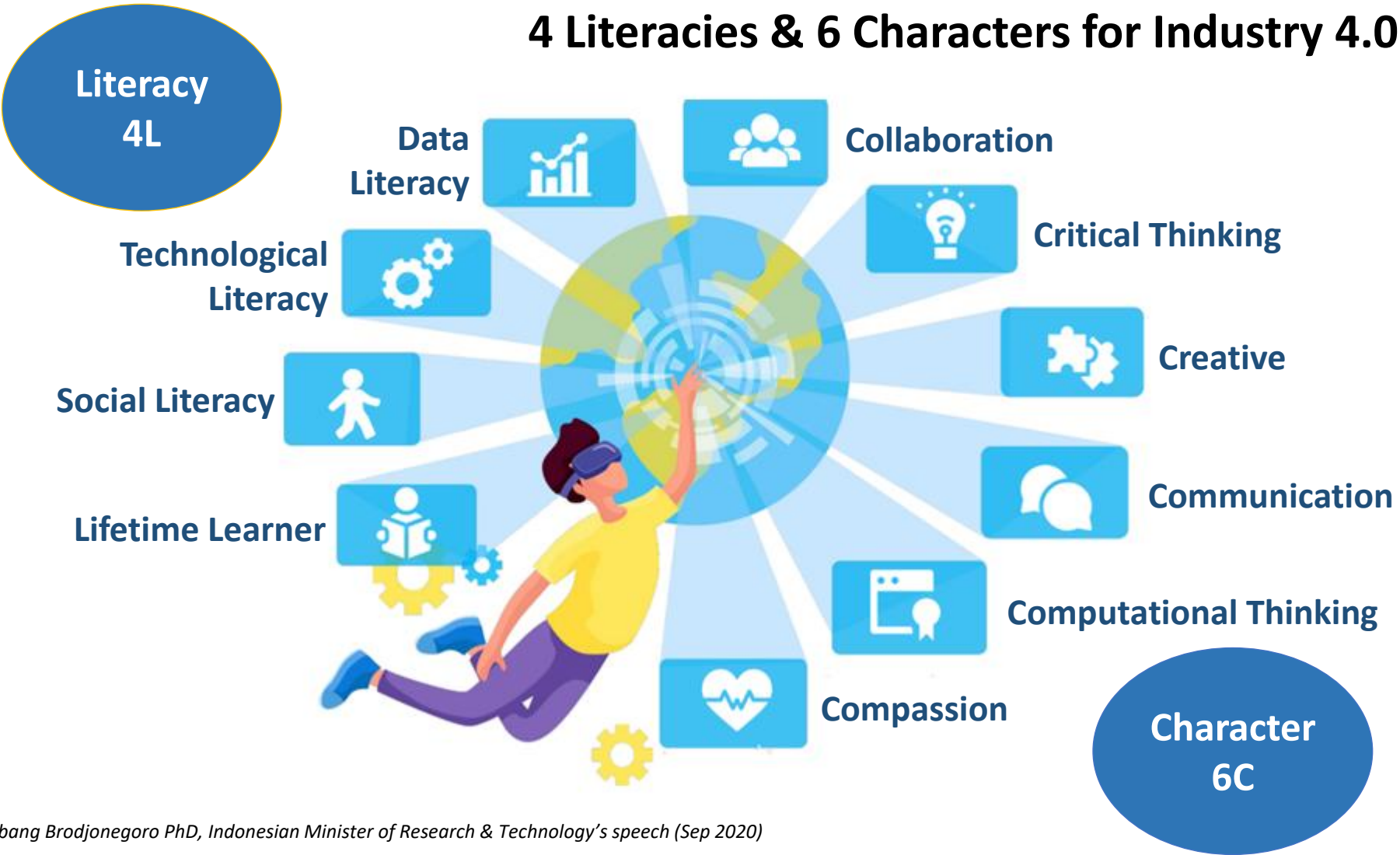
Usability (Easy to use with Intuitive design)

- Simple principles:**
- **Clear engagement message**/images on the home page linked to journey
 - **Experience design** – easy to find where I need to go next
 - **Clean code** that is easy for browsers to load.
 - Good use of **keyword and content** to sites can be **indexed** via search engines

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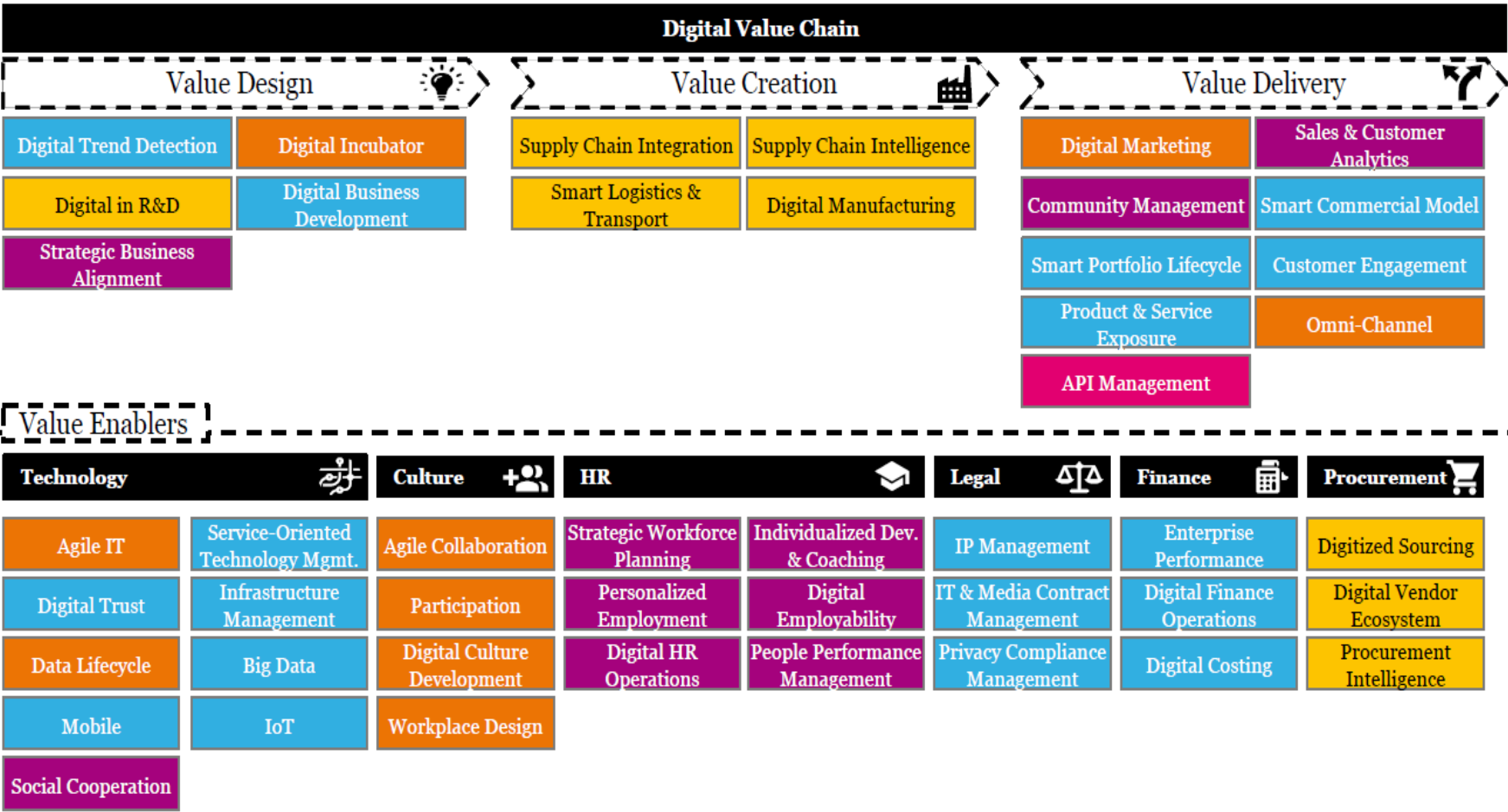
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Source: Prof Dr. Bambang Brodjonegoro PhD, Indonesian Minister of Research & Technology's speech (Sep 2020)

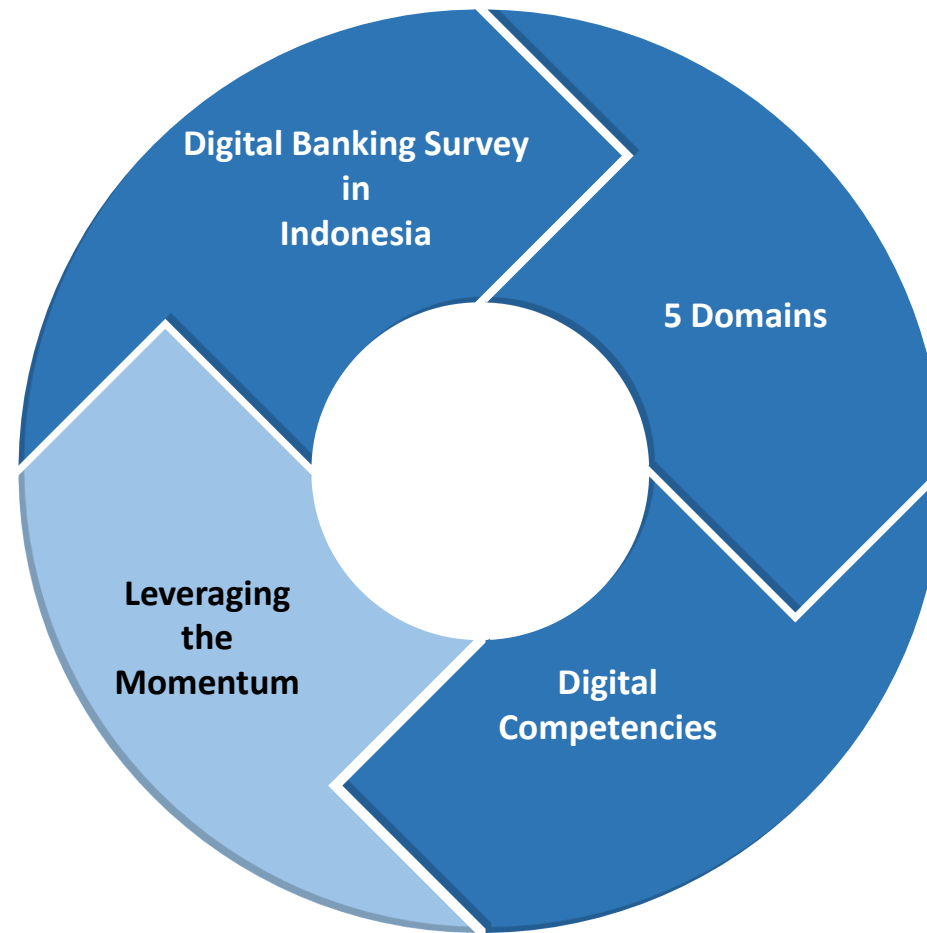
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DIGITAL STRATEGY



Enhancing digital skills across all functions is critical to the success of digital strategy

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Future of Digital Transformation

Immediately prepare for the 5G & 6G Era

Augmented Reality

Big Data

Virtual Reality

Block Chain

Cloud Computing

Artificial Intelligence

Biometric Recognition

Internet of Things

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Leveraging the Momentum



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Internal Audit 2.0



Digital Savvy Auditors



Automated Audit



Big Data Analytics
(Visualization with Tableau,
Machine Learning)



Agile Auditing



Systems & Tools



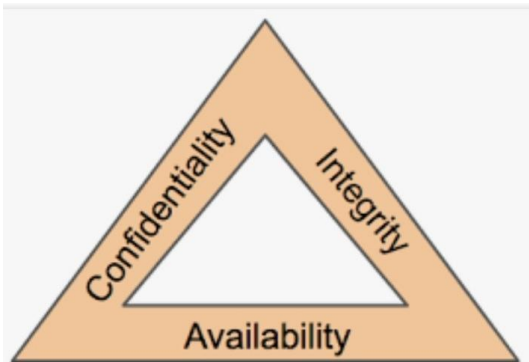
IIA Standard

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Technology Audit

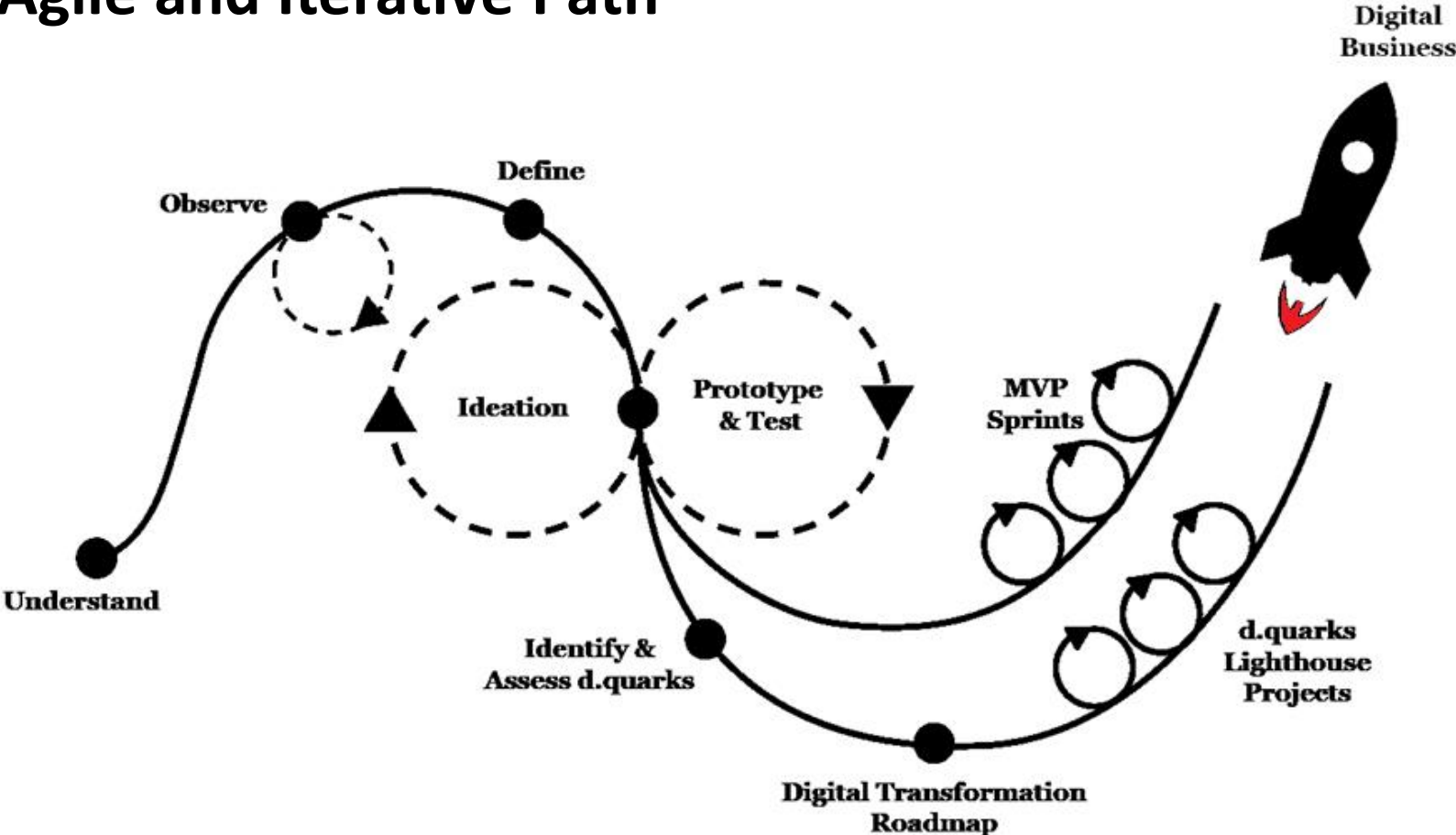
- **Cyber Security Audit**
- **Cloud Computing Audit**
- **IT Security Audit : Application & Data Security**
- **Disaster Recovery & Back Up Audit**
- **Big Data Analytics Audit, Predictive Analytics & Machine Learning**



- **Confidentiality: No unauthorized view and access**
- **Integrity: No unauthorized changes**
- **Availability: Access to systems and resources**

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Agile and Iterative Path



Source:
PwC Framework for Digital Transformation

Domain 4: Innovate by rapid experimentation

Minimum Viable Prototype

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Agile Auditing

Agile

- Short distance between auditor and auditee with frequently interaction
- Emphasize on consulting role
- Strong analytical and communication skill to discover problem during design phase
- Ability to quickly respond to change

Traditional

- Long term audit fieldwork with less interaction between auditor and auditee
- Emphasize on assurance role
- Focus on identifying the incompliance
- Low ability to quickly respond to change



Source:
PwC Framework for Digital Transformation

How to change the auditors' mindset to embrace the speed of agile development

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How the customer explained it.



How the project leader understood it.



How the analyst designed it.



How the programmer wrote it.



What the customer really wanted.

Consultative Audit in Agile Development Process

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References

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THANK YOU