VOLUME 01 | FEBRUARY 2024 | www.cpmsrilanka.org

ISSN 2279-3769

ISBN 978-955-3729-00-2

CPM SRI LANKA

THE INSTITUTE OF CHARTERED PROFESSIONAL MANAGERS OF SRI LANKA

CHARTERED MANAGER

Sustainable Economic Growth through a People Centric Digital World

Featured Interview by

Sandun Hapugoda,

Country Manager,
Sri Lanka and Maldives,
Mastercard

Sustainable economic growth through a people centric digital world

With the ever-increasing information overload governments and businesses need to adopt new methods of processing information for use in operations and economic activity. Therefore, countries are adopting digitization and digitalization in their logistics and undertakings so as to enhance speed in activity and saving in delivery of service.

Digitization converts analog info into digital form, while digitalization transforms processes using digital tech. Digitization is about converting information, while digitalization improves processes and creates new opportunities.

Increasingly countries are adopting these processes. Thus, while a country like Singapore is far ahead in these processes, we in Sri Lanka are about to embark on them. Singapore has advanced in digital transformation and so their businesses and the workforces are equipped to handle digital changes. They have also transformed the public sector, and the way the people and the businesses are served.

Following such leading countries, Sri Lanka, needs to develop the ability to use technology safely, and ensure equal access for all. The Government is the main service provider, and the people are the consumers. New technology will enable the consumer to avail themselves of services without difficulty, when and where they want it. New processes will bring in transparency, and greater productivity while ensuring the ability of the people to send feedback. No less a person than the President himself has said that the Government plans to setup four new universities specializing in new technologies emphasizing the crucial role of science, technology and innovation in overcoming development challenges that Sri Lanka now faces.

In their February 2024issue of the 'Chartered Manager' Journal, CPM Sri Lanka brings together experts and practitioners in the area of digitalization to illuminate and discuss digital transformation and take a lead in spearheading the process for her members and the business community.

LIVE YOUR LIFE, YOUR WAY

The People's Bank Credit Card is more than just a card; it is an all-access permit to a premier level of living that will enhance your lifestyle and take it to the next level. Get the power to impress with a People's Bank Credit Card!

A card that says you've arrived!

- 0% Instalment Plans
- Exclusive year-round deals
- Loan on card
- Free overseas travel insurance cover
- Credit Card against Fixed Deposit

*Conditions apply

VISA

www.peoplesbank.lk

1961 PEOPLE'S BANK CALL CENTRE

PEOPLE'S BANK
Pride of the Nation

A (lka) Fitch Rating, AAA Brand Finance Rating
People's Bank is a Licensed Commercial Bank supervised by the Central Bank of Sri Lanka

NDB TAKES BANKING TO A NEW ERA WITH DIGITAL BANKING INNOVATIONS

Download the NEOS App Today

GET IT ON Google Play | Download on the App Store

NDB Bank constantly provides new and innovative solutions with the intention of delivering the best experience to its customers via the Bank's award-winning digital platform – NDB NEOS.

VKYC

The first AI-enabled video KYC (vKYC) based facility enables you to open NDB accounts conveniently from wherever you are.

NEOSPAY

QR payment method where customers can make payments to merchants, pay bills and do many more transactions.

NEOS Biz

The first Business Banking mobile app in Sri Lanka, NEOS Biz enables SME customers to register and appoint users that are able to use the mobile app for various transactions.

CRIB Report

A hassle-free method where you can register and request your individual credit reports (iReport) and individual credit score reports (CRIB Score) via the NDB NEOS App.

*Conditions Apply

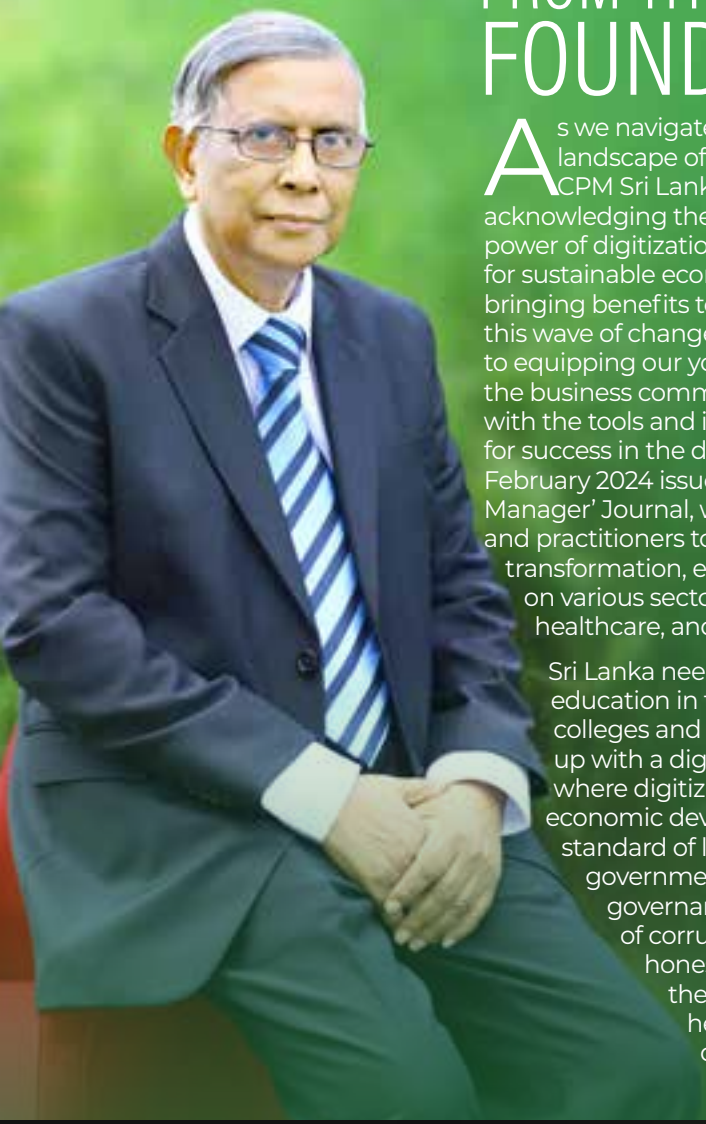
011 744 8888 www.ndbbank.com

A- (lka) Fitch Rating - National Development Bank PLC (PQ 27) is a licensed commercial bank supervised by the Central Bank of Sri Lanka. NDB Bank is a member of the NDB Group, the largest financial services conglomerate in Sri Lanka.

neosapp powered by NDB bank

NDB bank

The future is banking on us



FROM THE FOUNDER AND PRESIDENT

As we navigate the evolving landscape of our nation's progress, CPM Sri Lanka is at the forefront, acknowledging the transformative power of digitization and digitalization for sustainable economic growth bringing benefits to society. Embracing this wave of change, we are committed to equipping our youth, citizens and the business community big and small with the tools and insights necessary for success in the digital era. In our February 2024 issue of the 'Chartered Manager' Journal, we converge experts and practitioners to shed light on digital transformation, exploring its impacts on various sectors including finance, healthcare, and education.

Sri Lanka needs to fast track STEM education in the schools, technical colleges and universities to catch up with a digital-first Singapore where digitization has resulted in economic development, a good standard of living, an efficient government with good governance practices free of corruption and instilling honesty and integrity in the public service and her citizens. Further digitization has resulted in the transformation in health, transport, urban living, government services, businesses and the CPM Journal covers some of these sectors.

In Sri Lanka the bloated public sector the major expenditure in the government budget is financed by the private citizens who are making immense sacrifices due to high taxes and prices, which calls for the transformative power of digitization to be speedily implemented if we are to come out of the great difficulties experienced by the society with a massive debt trap. We need to make a determined effort to bring the public service to the stature of the former civil service an independent institution which is not affected by the change of governments.

I express gratitude to the authors of articles, journal committee and our members for their unwavering support and encourage everyone to seize the opportunities of digitization with good management practices and to benefit from the events organized by the various committees.

Prof. Lakshman R. Watawala, FCPM

FROM THE **CHAIRMAN**
JOURNALCOMMITTEE

The Institute of Chartered Professional Managers of Sri Lanka relies on the journal to provide our esteemed members with important professional insights. Our constant commitment is to provide our members with relevant content that keeps them informed about the ever-changing business world. We want to give our members access to materials that will keep them informed and current in the ever-evolving world of business, a world that is ever changing and overflowing with information.

In our pursuit of sustainable economic growth, let's celebrate the harmony between people and the digital world. Embracing technology with a people-centric focus ensures inclusive progress. This journal is dedicated to showcasing initiatives that prioritize individuals and communities, creating a resilient and fair economic landscape. Together, let's shape a future where digital advancements enrich lives. Your contributions are integral to this transformative journey.

We are appreciative of the journal committee's constant dedication in creating our publication. We also thank our Director and the hardworking staff for setting the foundation for us to be able to provide you with the journal. Their committed work guarantees a smooth transition from conception to your desk. I appreciate your unwavering support.

Kosala M. Dissanayake

CONTENTS

CORRESPONDENCE & INQUIRIES

bschool@cpmsrilanka.org

ADDRESS

The Institute of Chartered Professional Managers of Sri Lanka
No.11, Melbourne Avenue, Colombo 04.

TELEPHONE

+94 11 2590995 | +94 70 6590995

WEBSITE

www.cpmsrilanka.org

OUR VALUE PROPOSITION

The Institute of Chartered Professional Managers of Sri Lanka (CPM Sri Lanka) stands as a beacon of excellence in the field of professional networking, offering a comprehensive and enriching value proposition to its members.

A multitude of carefully chosen events are at the core of its dedication to developing managerial competence and establishing a thriving professional community. From the prestigious International Management Conferences that bring together thought leaders and industry experts on a global stage to the convivial Evenings for Managers providing an informal platform for networking, CPM Sri Lanka orchestrates a diverse array of opportunities for knowledge exchange and collaboration.

The institute's dedication to recognizing and celebrating excellence is evident in events such as the Best Management Practices Company Awards, a platform that not only acknowledges outstanding achievements but also sets benchmarks for the industry. CPM Sri Lanka's commitment to intellectual discourse is showcased through research symposiums, journals, and research publications, fostering an environment of continuous learning and innovation.

The institute's multifaceted approach extends beyond professional development to include social responsibility initiatives such as the Sahana Corporate Social Responsibilities program, underlining its dedication to societal well-being. From the adrenaline-pumping Cricket Challenge to the intellectually stimulating Management Quiz Battle, CPM Sri Lanka ensures a holistic experience for its members.

Through events like BizTalks, Global Celebrations, and hosting Foreign Delegations, the institute provides a global perspective, broadening the horizons of its members. In essence, CPM Sri Lanka's value proposition lies in its ability to seamlessly blend professional development, recognition, and community engagement, establishing itself as a cornerstone for managerial excellence in Sri Lanka and beyond.

Finance and Banking in a Digital World

Conrad Dias,
Chairman, LOLC Finance PLC

*In an illuminating conversation with the **'Chartered Manager'** Journal, Mr. Conrad Dias focuses on the dynamic landscape of finance and banking in the digital era is explored. He is the Chairman of LOLC Finance PLC From the transformative impact of digital technologies to the future trajectory of Central Bank Digital Currencies (CBDCs), this discussion delves into innovations driving sustainable economic growth and a people-centric approach.*

The following is for your reading pleasure:

In today's rapidly evolving digital landscape, how do you see the role of financial institutions changing, and what impact does this transformation have on fostering sustainable economic growth?

Today financial institutes, financial services industry and even the regulators are undergoing significant changes that is redefining their role, functions and even operations with rapidly changing digital landscape. Digital landscapes itself together with Artificial intelligence is changing at a speed that is unimaginable speed and that changes the entire environment we all are experiencing. I will share few things that is impacting the financial services that foster sustainable economic growth.

Financial institutions are embracing digital technologies to Digital Transform the organisation in many folds. Digital technologies are used to streamline operations Increase efficiency, enhance customer experience and engagement and introduce innovative financial products and services . These digital technologies include mobile, cloud, technologies, blockchain, data analytics, artificial intelligence.Today adaptive organizations are embracing and embedding generative AI to increase employee productivity and further the digital journey. Adoption of digital technologies by financial institutes allows individuals, micro and small businesses to be in the formal economy which in turn supports the overall economic growth.

The rise of financial technolgy or famously referred to as fintech, brings more innovation to the industry and disrupting the traditional financial serves , challenging incumbents to be more agile, customer centric and innovative. Large financial services institutes today collaborate and invest in fintech players to reach customers that they haven't been to attract, they also use fintech as a technology to bring capabilities with financial focus Digital technologies. Fintech's brings capabilities such as efficient peer to peer lending, provide easier access to capital that fuel new business models, new startups, innovations and promote entrepreneurship that is essential for growth and sustainability of an economy.

Digital technologies on one hand allows financial institutes to operate more efficiently, reducing cost and increase accessibility especially to those who are in remote or underserved , while AI and data driven insights enhance risk management capabilities and underwrite what was considered riskier before. Therefore digital technologies from one hand bringing more inclusion from economy perspective and resilience to the industry and the financial institute that brings overall resilience and economic sustainability.

Digital promotes the concept-t of open banking that foster innovation in the industry by collaboration and data, information sharing of the customer between banks and nonbank players like fintechs within a regulatory framework. Customers are able to access wide range of financial services

and other data driven services through third parties with the open banking initiative. It is a concept that foster innovation, encourage competition in a secure framework with consumer protection.

In summary all the above and other transformative digital initiatives in the industry increase the efficiency, improve risk management, improve accessibility of the services specially to unbanked and under bank, promoting financial inclusion. Further digital transformation also promote innovation, entrepreneurship bringing resilience to the overall economy and sustainable economic growth

Digital payment and fintech innovation are important and integral of digital transformation of financial services that can enhance financial inclusion and economic growth in many ways.

Digital payment solutions and fintech innovations are becoming increasingly popular. How can these technologies enhance financial inclusion and support a people-centric approach to economic growth?

Digital payment and fintech innovation are important and integral of digital transformation of financial services that can enhance financial inclusion and economic growth in many ways.

Digital payments can enable individuals and micro, small and medium businesses specially those underserved and unserved in the remote areas enabling access banking services without the need for physical bank. As an example digital payment transactions data provide possibility of access to finance (loans) through formal financing driven by transparency of cash flow of a businesses whether is working capital needs , invoice financing or supplier financing. In general digital payments solutions increase access to all banking services.

Traditional banking and payment transactions can be costly and time taking with several points of checks and balances to ensure transparency, accuracy and avoid fraud that increase the cost of the whole transaction, hence not feasible for small value transaction. Well designed digital payments lower transaction cost significantly, instantaneously or real time, increase transparency and making it affordable to any transaction including micro payments.

Fintech innovation and digital payments ecosystem can enhance effective distribution of social benefits and support programs such as samurdhi, aswesuma welfare benefits program, government pension distribution with direct transfer to beneficiaries digital accounts ensure funds reach the intended recipients promptly, reducing leakages and improving the effectiveness as well as reducing cost of distribution and administrative burdens. Governments can truly build a people centric economic growth with digital inclusion with fintech and payment systems.

Further mobile wallets, prepaid cards and bank account led digital accounts and payment

solutions which are alternatives to traditional bank accounts encourage and facilitate transactions where traditional banking infrastructure is limited or not available. These empower individuals to participate in the formal economy and get access to wide range of financial services more effectively.

Other fintech innovations that leverage on data both traditional and other alternate data promote financial inclusion and people centric economic growth. For example innovative credit scoring with alternate data help unbanked and underbanked who are not in the formal finance to have access to credit. Leveraging on data fintechs are able to provide personalised financial solutions that are tailored to specific industries like consumer finance with on the fly EMI (equated monthly instalment schemes) , supplier finance to increase trade and etc.

In summary digital payment solutions and fintech innovations, breaks down the traditional barriers to financial inclusion by providing accessible, affordable and user friendly with less complex financial service. These empowers and facilitate individuals and small businesses and even marginalized communities to participate in the formal economy to save, invest and access to formal finance that ultimately contributes to the people centric approach to economic growth.

Cybersecurity is a major concern in the financial sector. How can banks and financial institutions balance the need for robust security measures with the imperative to provide convenient and accessible digital banking services?

Just like digital and AI technology is enhancing the capabilities of the financial services industry it is enhancing and changing the landscape of the cyber threat and risk. Therefore banks and financial institutes need to be in the forefront of the cybersecurity and need to prioritize the same while striking a balance of user experience. There are many strategies that need to be adopted to enhance robust cybersecurity measures in apart from investment in to pure technology solution.

Firstly the focus should be on the weakest link of the cybersecurity and in the digital landscape that is the humans and mainly the ultimate enduser who is unaware of the cyber threats and risk that can be exploited with that weak link. Making the end user aware and educate about cybersecurity best practices to reduce the risk of falling victims to phishing attacks or other social engineering

In summary digital payment solutions and fintech innovations, breaks down the traditional barriers to financial inclusion by providing accessible, affordable and user friendly with less complex financial service.

There are many other successful digital platforms globally, that solves unique problems in banking with digit and promote inclusive finance, embedded finance etc.

techniques is key. Further educating them what are do's and don't's in a digital connected world will help users or customers to be more proactive to protect themselves while enjoying the enhanced user experience and benefits.

From technology points banks and financial institutes can enhance the security posture based on their use cases. End to end encryption for data in transit and at rest will protect the potential cyber risk of data theft, multi-factors authentication including biometrics for prevent unauthorised access, risk based authentication that can enhance the user experience, robust secure application development techniques and vendors, cybersecurity regulatory compliances and standards adoption, are some of the steps organizations can take.

Further in the connected and digital world digitally transforming banks and financial institutes have to move and invest in continuous real-time monitoring and detection with immediate response to mitigate risk. Regular security audits and testing to identify vulnerabilities of ever changing ecosystem is a must. Cross industry collaboration to stay ahead of the cyber criminals will enhance the security posture of the financial services industry to gain true value of digital investments.

Could you share examples of successful digital banking initiatives or strategies that have contributed to both financial sector growth and improved access to financial services for underserved populations?

Certainly, there are many global solutions that has made greater strides due to many factors so let me share few global examples first in various forms of digital banking domain.

First when it comes to digital banking every one think of payments, wallets and apps and that I would say the lowest haggling banking service that was digitally transformed by banks and non banking fintechs and telcos.

One of the most successful payment platform that has gone beyond the country of origin is Alipay which was introduced in china by Alibaba group (later Ant Financials) . Started as simple QR base payment platform through mobile wallet that had processed transaction volumes that is surpassing volumes of total developed world economies. Alipay has extended to neighbouring countries facilitating cross border payments for Chinese tourists. Alipay as platform has extended to many banking services such as savings and investment going beyond simple payments.

Another example I can share on true digital bank is Nubank which is a Brazilian fintech company that has disrupted the traditional banking sector offering digital banking services with a focus of simplicity, transparency and user friendliness with its mobile app only bank. Nubank allows customers to open a digital banking account, manage their finances , access to credit via credit cards and for small businesses. Platform today is gone beyond Brazil to Mexico and Colombia with over 90 million customers becoming

5th largest bank in the Latin American market in terms of number of customers. One of the big players in attracting unbanked and underbanked in the market and have played a pivotal role in financial inclusion.

Another platform based out of Russia for digital lending that is build on AI drive credit scoring with more than 700 parameters that determine the credit worthiness based on purely alternate data called webbanker. Platform processes a loan in few minutes and need to end process is fully digital from customer onboarding, loan orgination, underwriting, disbursement and collection and monitoring.

There are many other successful digital platforms globally, that solves unique problems in banking with digit and promote inclusive finance, embedded finance etc. However as founder of many digital financial technology products, I have to mentioned about the most successful fintech product in Sri Lanka with statistics, that is none other than iPay a platform beyond payments. Why I say the most successful is for the last 3 years and including this year iPay is the platform that used and facilitate more that 60% of central banks justpay digital transactions viz-a-viz 20+ other fintech and banking apps in the market. Responsible for processing 1.5+ million transactions with growing user base of 500k. Just like many other fintech platforms iPay started from the payment space and today it is ecosystem and comprise of full neo banking features and gone beyond Sri Lankan borders to Cambodia and launching soon in African Countries.

Sustainable finance has gained prominence in recent years. How can digitalization enable financial institutions to better integrate environmental, social, and governance (ESG) factors into their operations and investments?

Digital transformation of the financials services itself will bring sustainability to an organizations in many forms simply reducing waste, usages of paper and increasing efficiency will contribute immensely to environmental piece of sustainability, inclusive financial and enabling wider populations have access to finance and, ability bring more unbanked and under bank to banking ecosystem is increase the social element of sustainability. Further digital transformation and technologies like blockchain brings transparency in the banking system that increase the governance element of sustainability.

Further digital financials technology enables financial institutions to gather, process and analyse vast amounts of data related to ESG factors. Analysis of such data will help the financial institutes to make informed decisions regarding investments and create products that are aligned to sustainable and responsible finance.

Digitalisation enables organisation to use alternate data sources for ESG analysis such as geospatial, satellite imagery, social data for sentiment analysis, ended geographic information systems and other unconventional data sets that will be provided additional insights into organisations performance on ESG factors. This will enable enhance introduce new products and services also to leverage these resources to enhance the understanding of the environment and social aspects.

Digital finance platforms enable direct engagement of customers on the ESG related and create transparency so that entire values chain is part of a journey towards sustainability. Customer can be informed and made part of the ESG contributor with direct communications with digital engagement and make greater awareness and participation in the sustainable finance journey as they can become directly part of the journey.

AI and machine learning algorithms can analyse patterns and trends in ESG data identify any risk and opportunities that was impossible earlier. This enables financial institutions to identify new opportunities as well as more accurate ESG risk

assessments and take more informed investment decisions aligned to sustainability.

Smart contracts built in blockchain technology can automate compliance with ESG with self executing contracts that can be programmed to ensure that investments adhere to the specific sustainability standard and reduce the risk of none compliances and contributions to the integration of ESG principles.

Regulatory frameworks play a crucial role in the financial sector. How can governments and regulatory bodies adapt to the challenges and opportunities presented by digital finance to ensure stability and protect consumers?

Government and Regulators can play a pivotal role in the digital finance transformation of the financial services industry, economy of a country and protecting the consumers. Firstly establishing, flexible, dynamically evolving, regulatory and legal framework is essential for long term sustainability of digital finance. This will prevent the exploitation of the consumers by fintech players and building trust on digital and fintech products and solution.

It is important that the government and regulators foster collaborate with the industry and technolgy providers and promote information sharing with in a framework to mitigate potential risk and developing a more proactive regulatory framework.

Governments can facilitate robust digital identity and digital KYC (KnownYou Customer) standards that will help faster financial inclusion and mitigate risk of money laundering and reduce fraud. Further enacting and enforcing data privacy regulations to protect customer data as well as privacy will build trust amongst the customers to use more and more digital financial solutions.

Regulators should also adopt and embrace new digital technolgy solutions which is known as RegTech or regulatory technolgy to streamline and be relevant for the digital age in the compliance and monitoring processes. Automation and

Government and Regulators can play a pivotal role in the digital finance transformation of the financial services industry, economy of a country and protecting the consumers.

AI driven analytics will enable regulators to be efficient in monitoring while faster in response to enforce compliances. Regulators also can encourage the fintechs to innovate with introduction of regulatory sandbox that will help consumers to enjoy Innovative products with blessings of the regulator.

Governments and regulators can play a major role in driving digital financial by collaborating with industry in education the customers in making them aware of the benefits as well as the risk.

Additionally they can also be enhance consumers awareness of risk, rights and responsible use of digital financial products and services.

Data analytics and artificial intelligence are transforming the way financial institutions make decisions. How can these technologies be leveraged to enhance risk management and customer experience while promoting sustainable growth?

As I mentioned in the answer to the first question today data, analytics and AI is the next wave of the digital transformation of the financial services industry . In this journey of digital transformation companies data and AI can leverage the digital finance in many ways.

From a risk management data analytics and AI can be used in prevention, detection and prediction of risk. AI powered fraud detection and analysis can be used to analyze transactions patters , identify anomalies and detect potential fraudulent activities , these technologies can be used beyond transactional data and extend to behavioral data even to prevent frauds. Machine learning models can be used to predict potential risk whether it's risk of default on loan to risk of underwriting a loan with behavioral data.

AI capabilities can be used to create sophisticated credit scoring algorithms that can consider a broader range of data sources , including alternate data source big data sources and other behavioral data to asses credit worthiness, repayment capabilities to broaden the customer base with underwriting loans for individuals with limited credit history fostering financial inclusion and economic sustainability.

Using data with AI capabilities analyzing customer behaviors, preferences and needs financials services can deliver hyper-personalized offerings tailored to the individual and targets promotions

Using data with AI capabilities analyzing customer behaviors, preferences and needs financials services can deliver hyper-personalized offerings tailored to the individual and targets promotions and even more intuitive user interfaces and experiences.

and even more intuitive user interfaces and experiences. Further within generative Ai capabilities implement AI drive intelligent Chatbot's and virtual assistants that improve overall customer satisfaction and engagement.

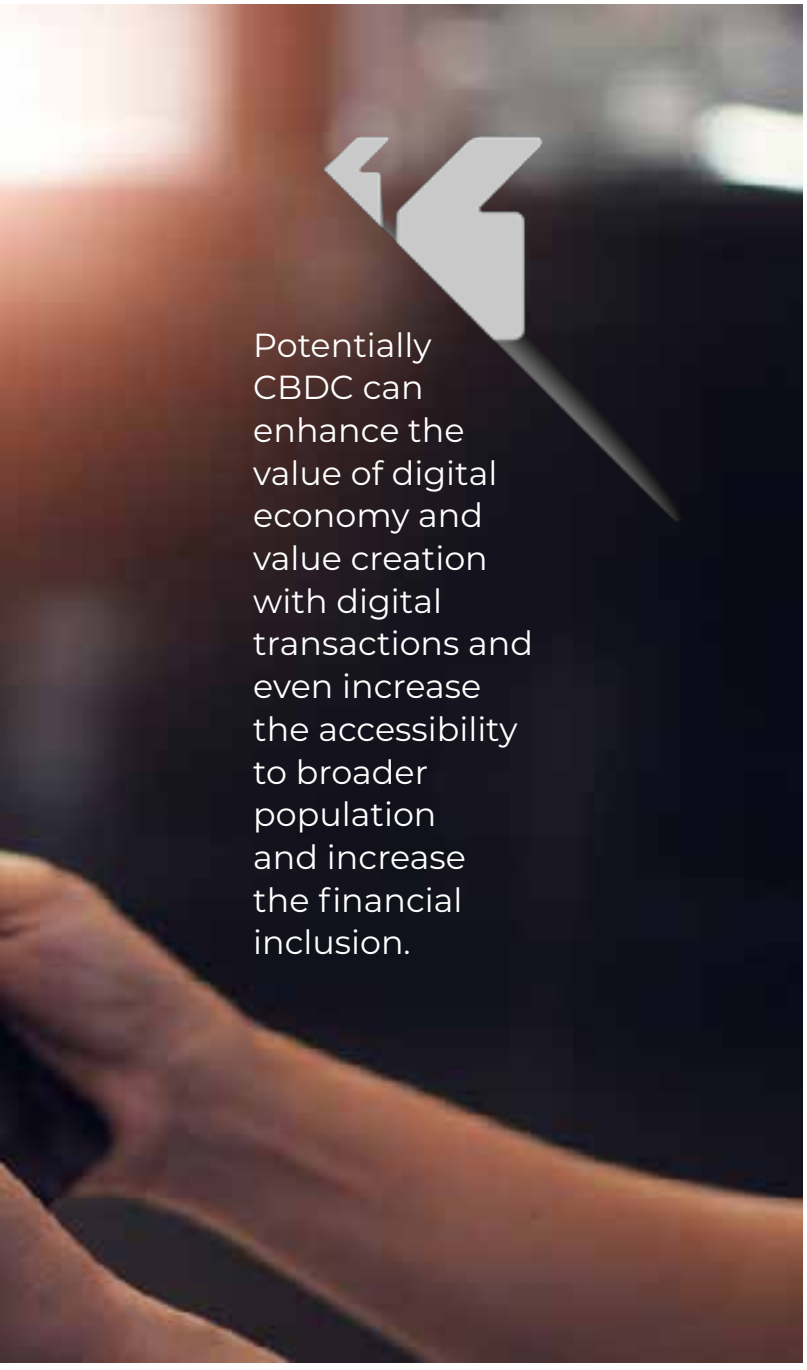
The concept of central bank digital currencies (CBDCs) is gaining momentum. What potential benefits and challenges do CBDCs present in terms of financial stability and economic growth?

CBDC a concept that followed other open digital currencies like bitcoin, Ether, Stable coins such as USDT and many other varriants that is supported by concept of digital asset management technology which is blockchain. Managing digital assets there are many advantages of using such a technology however selecting the right protocol is important as all open digital assets have many

variations. Further CBDC, which world be centrally governed and managed by an authority doesn't require protocols like in Bitcoin blockchain as the entire creation of coins will depend on monetary policy of a government, having said that let me start with some of the advantages of moving to CBDC for a country and economy.

CBDC can streamline payment process reducing the need for intermediaries and including banks in the ultimate sense which will increase efficiency and lower the cost of operations. Further digital currency completely eliminate the need to print physical currency that further reduce the cost to government in printing and maintaining physical currency.

Potentially CBDC can enhance the value of digital economy and value creation with digital transactions and even increase the accessibility to broader population and increase the financial inclusion.



Properly designed CBDC completely eliminate counterparty risk because the settlement is virtually instantaneous with update of the ledger as the currency is a digital asset in the ledger and there is no requirement of physical settlement or balancing of the ledger. This could be extended to end user without an involvement of third party bank creating huge efficiency in the entire transaction settlement ecosystem.

Just like in the open cryptocurrency world the exchange's support multiple cryptocurrency exchange virtually realtime with proper design and engagement with the other countries CBDC's can enhance and increase the efficiency of cross-border transactions eliminating entire correspondence banking requirements. This could bring truly a global economy that support global trade and economic cooperation.

Fully adopted CBDC can eliminate the money laundering, corruption that involves with physical cash and bring full transparency to transaction, that can lead to equitable tax collection and planning, supporting fiscal policy and central banks can have more direct control and potentially improving the effectiveness of monetary policy.

If I now turn to disadvantage or rather challenges there can be many starting from implementation with technology, people's acceptance and government acceptance in a specially in developing economies and so on , however let me share my thoughts with few challenges.

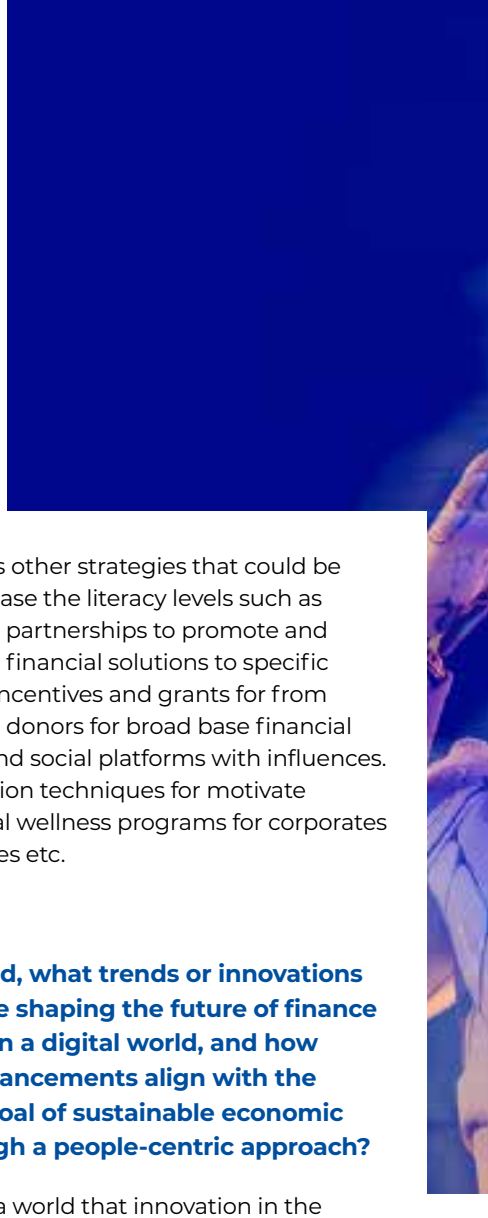
As mentioned in the advantages , the introduction of CBDCs question the existence of intermediaries and traditional banks and even role of the banks, so fully implementation of CBDC's with other banking products like deposits and loans could impact the banking system and broader financial stability.

As the CBDCs going to be fully digital platform and with the computing power specially likes of quantum computing could pose new cybersecurity challenges, protecting from the cyber hackers and maintaining confidence in the CBDC let financial system could be big challenge.

As CBDC led ecosystem brings transparency to the entire transaction ecosystem raises the concern about privacy and potentially increase of surveillance, users may fear to adopt the same hence striking the balance between privacy and regulatory monitoring requirements could be a challenge.

As mentioned earlier selecting the right technology infrastructure and architecture is crucial for the success of CBDC as it requires to balance the security, investment , scalability and robust infrastructure which could be challenging.

There are other challenges like user education and adoption which is critical for protecting



the investment. Even there are possibilities of implementing smooth and efficient cross-border transaction ecosystem there are many regulatory and legal challenges in each jurisdiction.

Financial literacy is key to ensuring that individuals can effectively participate in the digital financial world. What initiatives or strategies can promote financial education and empower people to make informed financial decisions?

Today digital is becoming everything and adoption of any digital technology and or related product or services directly depend on awareness and literacy level the ultimate end users have. As we know even in the non-digital world general financial literacy have not reach to its full potential either, that's why people fall pray to various financial scams, pyramid systems, unsolicited money lenders and so on. Therefore as digital finance is for the public and impact all people and there are potential benefits and well as risk its important robust strategies are laid in educating and increasing the digital financial literacy level.

As the digital literacy has become a subject in early education and school curriculum, integrating digital financial concepts could add emended value in the country's journey of digital financial transformation. This should be extended to both university education systems and other professional qualifications specially finance related.

Partnership and collaboration with education institutes by the Fintechs and financial institutes who has digital footprint to increase the literacy of the products and services will also enhance the literacy.

Government and regulator led awareness campaigns, educational programs and promoting financial literacy is essential for successfully drive and broad base digital finance.

There are various other strategies that could be adopted to increase the literacy levels such as industry specific partnerships to promote and introduce digital financial solutions to specific industry, use of incentives and grants for from NGO's and other donors for broad base financial literacy, online and social platforms with influences. Use of gamification techniques for motivate training, financial wellness programs for corporates and communities etc.

Looking ahead, what trends or innovations do you foresee shaping the future of finance and banking in a digital world, and how can these advancements align with the overarching goal of sustainable economic growth through a people-centric approach?

Today we are in a world that innovation in the technology is happening every second and future of finance is going to be different from what we are experiencing now. Few of the key developments that we can anticipate are as follows:

Decentralized Finance (DeFi). DeFi represents shift towards decentralized, blockchain based financial systems with the autonomous organisation. The concept will facilitate true peer-to-peer lending, decentralized exchanges and other financial services eliminating the reliance on centralized authority as well as traditional intermediaries. Convergence of technologies like generative AI, with autonomous organisation and other regulatory tech capabilities brings DeFi closer to reality and slings with the goal of people centric economic growth.

Central Bank Digital Currency- CBDC- We spoke in length of CBDCs earlier and this is getting more closer to implement in many countries including Sri Lanka. Implementing CBDCs with a focus on reducing cost, increasing efficiency , accessibility and financial can contribute to sustainable development and economic growth immensely.

Artificial intelligence and machine learning-AI and ML will continue to revolutionize banking operation, risk management, products and customer experience we also discussed in details earlier on how AI will impact the banking and financial services, specially how fraud detection and prevention can be enhance , further hyper-personalised financial advice and products can be introduced which is more people centric approach while data driven actions supports bring sustainable economic practices.

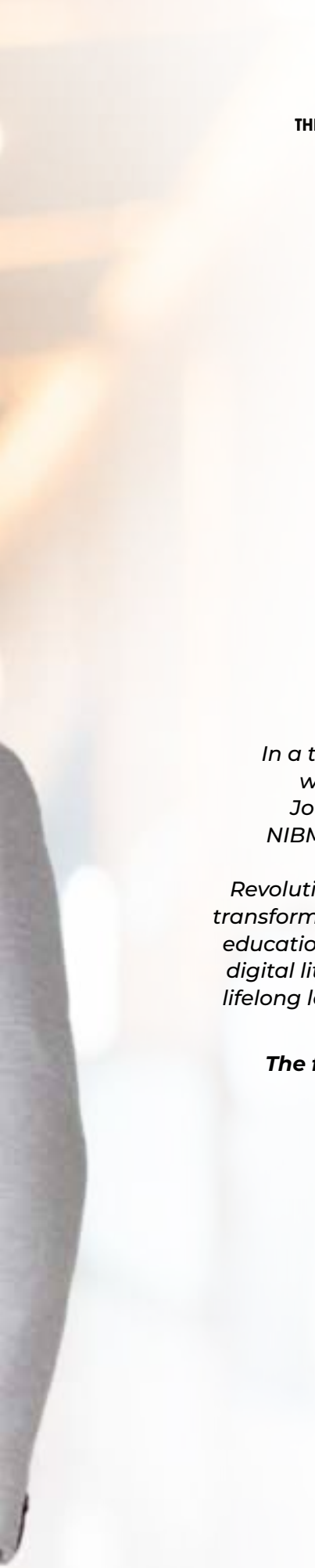
Green and Sustainable Finance- increasing emphasis on green fiancé and sustainable investment align to ESG goals will have more focus. Breakthroughs in Materials sciences which continued advancements in wind, solar geothermal hydroelectric nuclear etc with , enabled by artificial intelligence will create more opportunities for investment in sustainable finance. Financial institution will be pushed to contribute to the UN 2030 SDG goals and more pressure will come from stakeholders to directing capital, investments, products towards environmental and social responsibility initiatives that will contribute towards sustainable economic growth.

Robotics and human collaboration, the rise of 'AI as a Service' (AIaaS) platforms like of GPTs (Generative Pre-trained Transformer) will enables humans to partner with AI in every aspect of their work, at every level in every industry. Ai technologies and robots whether physical or virtual will entrench to everyday business operations Increasing efficiency and to enhance human potential will fuel further innovation to create a people centric sustainable economic growth.

Convergence of the exponential technologies Data, AI, mobile, blockchain, augmented reality, virtually and others continue to bring not only personalized financial solutions but embedded financial solution where banks and finance services provider is invisible but customers need will get full filed whether it's a access to finance or store of value or transfer of value. We will so more embed finance in the future that increase financial inclusion as well as supporting people centric sustainable economic growth.

A Foundational Technological Education for rapid economic change

Dr. D.M.A. Kulasooriya,
Director General, NIBM



*In a thought-provoking exchange with the **'Chartered Manager'** Journal, Dr. D.M.A. Kulasooriya, NIBM's Director General, explores Sri Lanka's Fourth Industrial Revolution journey. Emphasizing the transformative power of technological education, the discourse underscores digital literacy, equitable access, and lifelong learning's critical importance in driving economic growth.*

The following is for your reading pleasure:

The setting

Sri Lanka, like many other nations, is adjusting to the digital age known as the Fourth Industrial Revolution. This era, marked by automation and artificial intelligence, requires a populace equipped with strong technological skills, closely tied to education levels. A tech-savvy workforce can leverage digital tools for enhanced productivity, creativity, and innovation. Education plays a pivotal role in this transformation, viewed as essential for Sri Lanka's long-term economic growth.

To fully embrace digitalization, a holistic approach is necessary, involving improving teachers' ICT skills, updating teaching methods, and creating suitable software and course materials. Sri Lanka's education system must prioritize integrating technology into the curriculum, endorsing online learning, and offering personalized learning experiences. Technological education can also address accessibility issues by reaching remote areas, contributing to a fairer distribution of educational resources.

Recognizing technology's role is vital for bridging the digital divide, ensuring equal access, and empowering marginalized communities. Strategies like blended learning, interactive tools, and gamification are crucial for developing skills such as digital literacy and collaboration, preparing students for the evolving workforce demands.

Outcome-Based Learning with Flipped Classroom

Flipped learning, a transformative pedagogical approach, involves students acquiring initial knowledge at home and engaging in advanced cognitive activities during classroom sessions. This fosters a student-centric environment. To effectively implement this method in Sri Lanka, teachers should follow the following practical steps,

- Mindful Use of Technology: Utilize digital platforms for pre-lesson content, creating accessible video lectures aligned with the curriculum.
- Collaboration with Peers and Parents: Establish open communication with parents for home support and encourage student collaboration through online forums.
- Customizing Content for Local Relevance: Tailor pre-lesson content with examples pertinent to Sri Lanka, enhancing students' understanding.
- Teacher as a Facilitator: Shift from a traditional lecturer to a facilitator, promoting critical thinking and collaborative learning during class time.
- Assessment and Feedback: Integrate formative assessments, offering timely feedback and addressing misconceptions for an interactive learning environment.
- Professional Development: Provide teachers with necessary skills through workshops, seminars, and collaborative opportunities, fostering continuous growth.
- Adaptation to Local Resources: Design a flexible flipped learning approach acknowledging resource variations across regions in Sri Lanka.
- Continuous Evaluation and Improvement: Regularly assess effectiveness through student feedback and metrics, refining the approach based on insights gained for a dynamic and responsive instructional method.

Privacy and security concerns are critical with increased technology usage, requiring robust policies to safeguard student privacy and protect against cyber threats.

Problems associated with Technology in Education?

Sri Lanka's embrace of technological advancements in education comes with challenges that demand attention for the development of a robust digital education system.

Addressing the digital divide is crucial, with disparities in access and limited infrastructure

hindering widespread adoption. In 2023, Sri Lanka had a 66.7% internet penetration rate, with 40.3% digital literacy and 28.3% computer literacy, emphasizing the need for initiatives to expand connectivity and provide devices across socio-economic backgrounds.

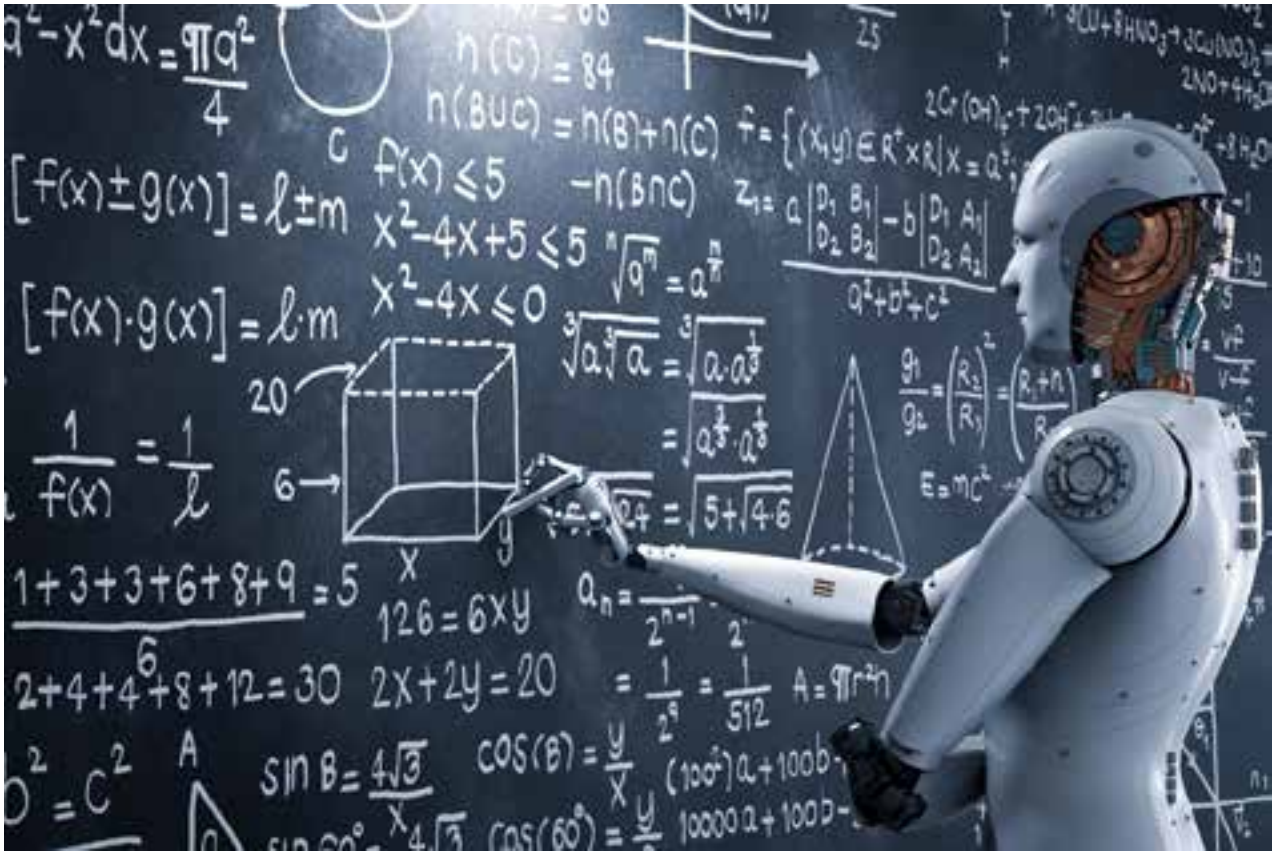
Technological proficiency remains a hurdle for both students and teachers. Comprehensive training programs are essential to empower educators and learners, ensuring effective utilization of educational technology. Ongoing support and professional development are vital for sustaining proficiency.

While technology enhances inclusivity, it also risks widening inequalities. Targeted interventions are required to support students from disadvantaged backgrounds, ensuring equal opportunities for all.

Persistent digital literacy gaps, as defined by the Department of Census and Statistics as "a person (aged 5-69) is considered as a digital literate person if he/she could use computer, laptop, tablet or smartphone on his/her own", hinder effective student engagement. A broader definition is needed to encompass the full spectrum of skills.

Privacy and security concerns are critical with increased technology usage, requiring robust policies to safeguard student privacy and protect against cyber threats. Pedagogical adaptation is necessary. Educators need support to shift instructional methods for active learning and engaging online experiences.

The financial burden of implementing technology is a significant concern. Sustainable funding



models, including public-private partnerships and government initiatives, are crucial for equitable access.

Addressing these challenges in Sri Lanka's education technology landscape necessitates a collaborative effort from educators, policymakers, and the community.

Key components of a foundational technological education

A good education in technology is important for dealing with the changing digital world. To make sure everyone can benefit, we need to focus on improving the infrastructure and internet access, especially in rural areas. It's crucial to teach basic computer skills and online safety early in school. Using flexible learning platforms is also important, as they can meet the needs of different students.

Teachers should be trained well to use technology effectively in their classrooms. Including content in multiple languages can help students relate to the material. Providing educational resources that are free and accessible can make sure everyone has a fair chance to learn.

Getting the community involved, like through tech hubs, can encourage teamwork. Government policies that support technology and allocate resources are important too. Making sure there's diversity in STEM fields is necessary for a fair and inclusive tech world.

We also need to teach about cybersecurity and work with both public and private groups. Adding cybersecurity to the regular lessons helps students stay safe online. Partnering with tech companies gives students real-world experience.

In Sri Lanka, a good education in technology should focus on including everyone, making it accessible, and teaching digital skills. By doing this, the education system can prepare students for success in the digital age, helping the country move forward.

In Sri Lanka, it is crucial to address the digital divide and provide affordable technological education for underserved communities. A collaborative approach between educational institutions and the government is necessary. The strategy involves comprehensive infrastructure development, expanding broadband in rural areas, and ensuring reliable internet for schools. Providing low-cost devices to students from low-income backgrounds through government collaboration and public-private partnerships is essential.

Advocating for affordable internet, negotiating with providers for educational packages, and prioritizing teacher training programs are key steps. Integrating digital literacy into the curriculum ensures equal opportunities for all students. Public-private partnerships, especially in technology infrastructure, device provision, and training, can bridge the digital gap.

Community engagement is vital, understanding local needs, gaining support from leaders, and fostering commitment. Advocacy campaigns with the government can raise awareness about the digital divide. Establishing monitoring mechanisms in collaboration with the government ensures the effectiveness of initiatives. Through these efforts, Sri Lanka can progress in making technological education accessible and affordable for all, especially in marginalized communities.

Role of digital literacy in foundational technological education and the digital economy

Digital literacy plays a crucial role in shaping technological education, enabling active participation in the digital economy. In Sri Lanka, aligning with global development goals, integrating digital literacy into foundational

Combining foundational education with digital literacy cultivates adaptability and a lifelong learning ethos, enabling continual knowledge updates for relevance in a rapidly evolving technological environment.

education is vital for cultivating a digitally adept workforce. One key aspect is its role in providing access to abundant internet-based information, overcoming traditional educational barriers in remote areas.

Moreover, digital literacy fosters global connectivity, allowing Sri Lankan students to engage with international educational platforms and benefit from diverse perspectives. In the evolving economic landscape, it contributes to skill development tailored for the digital economy, aligning with the nation's focus on technology-driven industries like IT, digital marketing, and e-commerce.

Combining foundational education with digital literacy cultivates adaptability and a lifelong learning ethos, enabling continual knowledge updates for relevance in a rapidly evolving technological environment. The COVID-19 pandemic emphasized the role of digital literacy in ensuring educational continuity during disruptions.

In Sri Lanka, incorporating digital technologies into education enhances efficiency and innovation, positively impacting administrative processes and teaching methodologies. Digital literacy emerges not just as an educational tool but as a transformative force empowering active participation in the digital economy. Embracing it positions Sri Lanka for economic growth, innovation, and sustainable development, aligning with UN's sustainable development agenda.

Development of a skilled tech workforce to meet the demand for Technological Education?

Addressing the shortage of qualified technology educators in Sri Lanka necessitates a comprehensive strategy involving collaboration among the government, educational institutions, and industry stakeholders. Firstly, increased investment in education is crucial to enhance the quality of technology-focused learning from primary schools to higher education. This funding would support the establishment or improvement of schools and programs dedicated to technology, identifying and nurturing tech talent early on.

Simultaneously, specialized teacher training programs are essential to upgrade the skills of current educators in technology-related subjects. These programs, developed in collaboration with private tech companies, offer practical training and exposure to industry trends. Industry collaboration is pivotal to ensuring the curriculum aligns with technological advancements, involving partnerships between educational institutions and tech companies.

Providing scholarships and financial incentives for students in technology education and extending grants to professionals transitioning from industry roles to teaching would attract a diverse pool of educators. Promoting STEM education, incorporating extracurricular activities,

and facilitating flexible certification programs for individuals transitioning into teaching roles are vital.

Ensuring access to cutting-edge technology infrastructure in educational institutions, especially in remote areas, is imperative. Global collaboration through partnerships with international institutions can import expertise and resources. Prioritizing research and development with grants and incentives for educators contributes to advancements in teaching methodologies.

Continuous monitoring and evaluation of technology education programs, informed by student and industry feedback, are indispensable for ensuring effectiveness. These collective strategies aim to propel Sri Lanka towards developing a skilled technology workforce and addressing the shortage of qualified technology educators.

Lifelong learning in a rapidly changing economy

In Sri Lanka's fast changing economy, lifelong learning is crucial for upskilling and reskilling individuals to acquire essential technological skills. A comprehensive strategy, involving government interventions, is essential for this. Policies encourage sustained skill development and fostering public-private partnerships can address specific technological needs collectively. Joint funding for training programs can be established by the government, private sector, and educational institutions.

Specialized programs focusing on emerging technologies, including workshops and online courses, cater to current and future workforce demands. Platforms like Coursera provide everyone easy access to education. Industry-specific training, on-the-job opportunities, and upskilling partnerships promote a learning culture within organizations.

Financial barriers are mitigated through subsidies or tax incentives for technology-related training. Community learning centers with computer access bridge gaps in rural education. Awareness campaigns highlight the benefits of continuous learning, reshaping societal perspectives.

Professional associations and networks support learning by providing networking, mentorship, and industry trend information. Flexible learning options,

such as part-time courses and online programs, cater to diverse schedules.

Government incentives for technology companies investing in employee training align business interests with societal goals. Recognizing and certifying individuals completing training programs enhances marketability, promoting a culture of continuous learning. A collaborative approach involving various stakeholders encourages lifelong learning in Sri Lanka amid a changing economy.

Several countries and regions have successfully implemented technology education programs, leading to economic growth and digital inclusion. Singapore integrates technology education early on, evident in the "Smart Nation" initiative, establishing itself as a global tech and innovation hub. South Korea prioritizes STEM education through policies promoting digital literacy, with the "Korea New Deal" contributing to economic growth.

Estonia is recognized for its digital education system, emphasizing coding and digital literacy, positioning itself as a European standout. Finland's innovative education approach focuses on critical thinking, problem-solving, and collaboration, indirectly contributing to technological adaptability. Taiwan excels in promoting ICT education, investing in infrastructure and digital literacy, making it a global technology hub.

These examples highlight the importance of technological education in preparing for the digital age, emphasizing a skilled workforce, innovation, and collaboration for economic development.

The emerging trends and challenges in providing foundational technological education

In the ever-changing world of technology, foundational technical education is facing new trends and challenges. The integration of advanced technologies like artificial intelligence, machine learning, blockchain, and the Internet of Things into industries poses a challenge for educators to update their teaching. The focus is on ensuring students learn both traditional technical skills and modern technologies.

Flexible and adaptive learning models are becoming more popular, requiring investment in digital infrastructure and teacher training in online teaching methods. Soft skills like critical thinking and communication are now considered essential for workplace success.

Personalized learning pathways, guided by data analytics and artificial intelligence, are changing how education is delivered. However, there is a risk of technology becoming outdated quickly, so collaboration with industry partners is crucial. The digital divide, caused by unequal access to technology, is hindering educational progress for some demographics. Initiatives like providing affordable devices and improving internet access aim to address this issue.

Equipping educators with skills for the evolving technological landscape is an ongoing challenge, emphasizing the need for professional development and collaboration. Balancing technical proficiency with soft skills is crucial, urging educational institutions to incorporate practical learning and real-world applications to prepare individuals for success in a rapidly changing digital world.

Digital Transformation Trends in Advanced Countries

Dr. Upendra Pieris,
Chief Executive Officer, OREL IT

*Delving into the evolving digital landscape, Dr. Upendra Pieris, CEO of OREL IT, discusses digital transformation in advanced countries with the **'Chartered Manager'** Journal. The interview highlights defining digital goals, addressing data privacy, and the critical role of government policies, collaboration, and emerging technologies in fostering inclusive growth.*

Advanced countries often lead in digital transformation. How do these nations define and prioritize their digitalization goals to ensure both economic growth and inclusivity?

Digital transformation refers to the comprehensive integration of digital technologies into various aspects, fundamentally changing how it operates and delivers values. The Digitalization goal of nation is based on their comprehensive strategy, social collaboration, Inclusive policies, Innovative Ecosystem, data protection, security, monitoring, and evaluation. It involves leveraging digital tools and technologies to economic growth and enhance inclusivity for all the segments of Society. The comprehensive strategy is outlined with the digitalization goals, targets, outcomes, and timelines. The diverse perspectives of digital transformation ensure all the segments in society bridge the digital divide in all the areas. For example, we can get a clear picture while involved in government parties, private sectors, and civil society. When all the strategies are moving towards to the policy level, it needs to promote inclusivity and Data privacy. Mostly in Europe region countries focused on Data privacy. Because the growth of digital transformation is based on trust of the Society. With the digital transformation, it is towards to powerful innovation ecosystem by creating wide range of stakeholder and opportunity to diverse economy.

Can you highlight some notable digital transformation trends in advanced countries that have had a substantial impact on economic development and improved quality of life for their citizens?

When it is coming to reality of the digital transformation, the significant approach is the Smart

Cities in Singapore. Singapore has implemented various initiatives including use sensors and data analytics to monitor and manage urban services. For example, traffic management systems, waste management, and energy efficient buildings. This will be driven towards more sustainable living and enhanced resource management. The E-Government services in Estonia highlight the public inclusivity of the digital transformation. Citizens can access a wide range of public services online including voting, tax filling and healthcare services. Also, digital ID card systems allow secure and efficient government interaction.

London has witnessed in the financial technology means Fintech to manage digital banking, mobile banking and providing consumers with convenient and secure options. Furthermore, we can highlight 4.0 industry revolution in Germany, Digital Healthcare in Denmark, Cybersecurity measures in Israel.

In the digital age, advanced countries must strike a balance between promoting technological advancement and safeguarding personal data. Advanced countries had used critical ways to bridge both.

Data privacy and security are major concerns in the digital age. How do advanced countries strike a balance between innovation and safeguarding individuals' rights and information?

In the digital age, advanced countries must strike a balance between promoting technological advancement and safeguarding personal data. Advanced countries had used critical ways to bridge both. They put in place strong legal frameworks, such as the General Data Protection Regulation (GDPR), to utilize uniform norms for responsible data processing. To keep up with evolving threats, technological defenses such as encryption and advanced cyber security measures are constantly updated. Transparency is encouraged, with firms encouraged to talk publicly about data practices. Simultaneously, public awareness and education campaigns help people grasp their digital rights. International cooperation helps to build global standards that recognize the transnational aspect of digital interactions. In sum, countries with advanced economies navigate the junction of innovation and privacy by implementing a holistic strategy that combines legal and technological elements.

In what ways has the COVID-19 pandemic accelerated or reshaped digital transformation initiatives in advanced countries, and what lessons can other nations learn from these experiences?

In advanced nations, the COVID-19 pandemic has caused the acceleration and reshaping of digital transformation programs. The rapid and broad adoption of online collaboration tools and remote work has highlighted the vital role that digital technologies play in ensuring business continuity in times of crisis. As people and businesses adjusted to social distancing measures, Advanced Nation saw a boom in e-commerce, telemedicine, and digital communication platforms. The value of strong digital infrastructures was highlighted through this acceleration, which

led to a rise in investment in cloud computing and cybersecurity. The takeaway from these encounters is that embracing digital transformation requires agility and readiness. Other countries can benefit from understanding how important it is to give digital infrastructure top priority, cultivate an innovative culture, and invest in the skills required for a workforce that is proficient in digital technology. The pandemic that the robust and flexible digital framework is more than just a crisis asset. However, it is a critical component for long-term financial durability and adaptability.

Sustainability is a global priority. How are advanced countries integrating sustainable practices into their digital transformation strategies, and what benefits are they seeing in terms of economic growth?

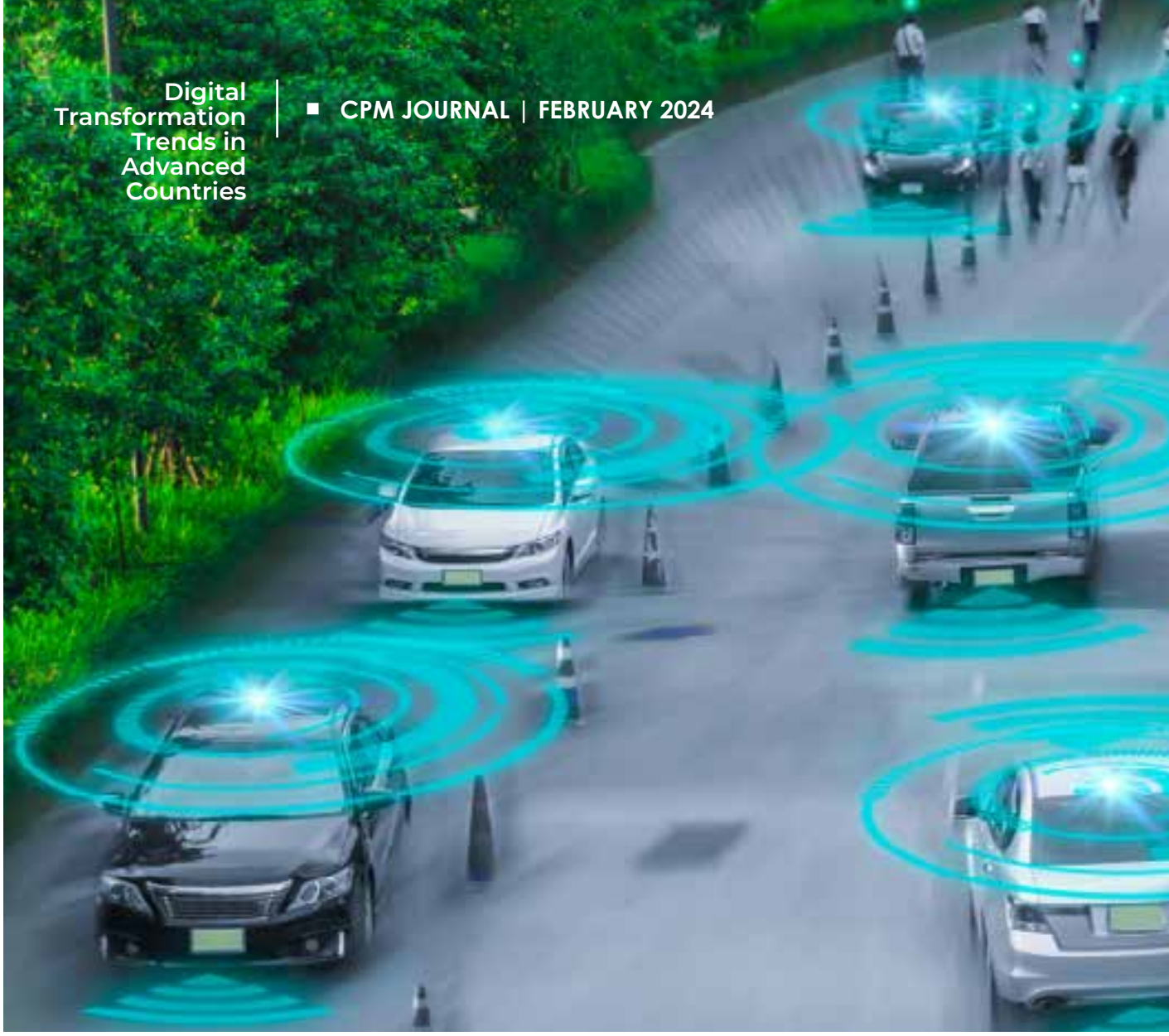
Sustainability has become a top priority on a global scale, leading nations to incorporate eco-friendly practices into their digital transformation plans. Advanced countries are implementing sustainability strategies through the utilization of technologies that lower carbon emissions, improve energy economy, and encourage conscientious resource usage. For example, cloud computing helps data centers to optimize their energy use, and the use of renewable energy sources helps to maintain environmentally friendly operations. Beyond protecting the environment, adopting sustainable digital transformation has been shown to have positive economic effects on the countries involved. Energy-efficient practices save capital, and investments in clean technologies promote economic expansion and job creation. Furthermore, following sustainable practices improves a country's standing internationally, drawing eco-aware investments, and encouraging the development of innovative green technologies. Including sustainability into digital strategies contributes to environmental conservation and serves as a strategic driver for global economic advancement.

The talent pool is critical for digital advancement. How do advanced countries nurture and attract digital talent to fuel innovation and drive economic growth?

The talent pool is critical in driving innovation and economic growth in the field of digital advancement, and advanced countries employ multiple approaches to nurture and attract digital talent. These countries place a premium on education and skill development initiatives that foster a pipeline of skilled individuals in science, technology, engineering, and mathematics (STEM). Academic and industry partnerships open doors for students to learn from the best and stay up to date on the newest technology. Advanced countries also have immigration policies that make it easier for skilled professionals to enter, ensuring a diverse and dynamic talent pool. To attract and retain talent, these countries foster a positive work environment by providing competitive salaries, professional development opportunities, and a robust innovation ecosystem. By fostering an entrepreneurial culture and embracing diversity, advanced countries not only nurture existing talent but also attract global digital experts, resulting in a vibrant environment for innovation and long-term economic growth.

Government policies play a significant role in shaping digital transformation efforts. Can you share examples of effective policy measures that have supported the digitalization of economies in advanced nations?

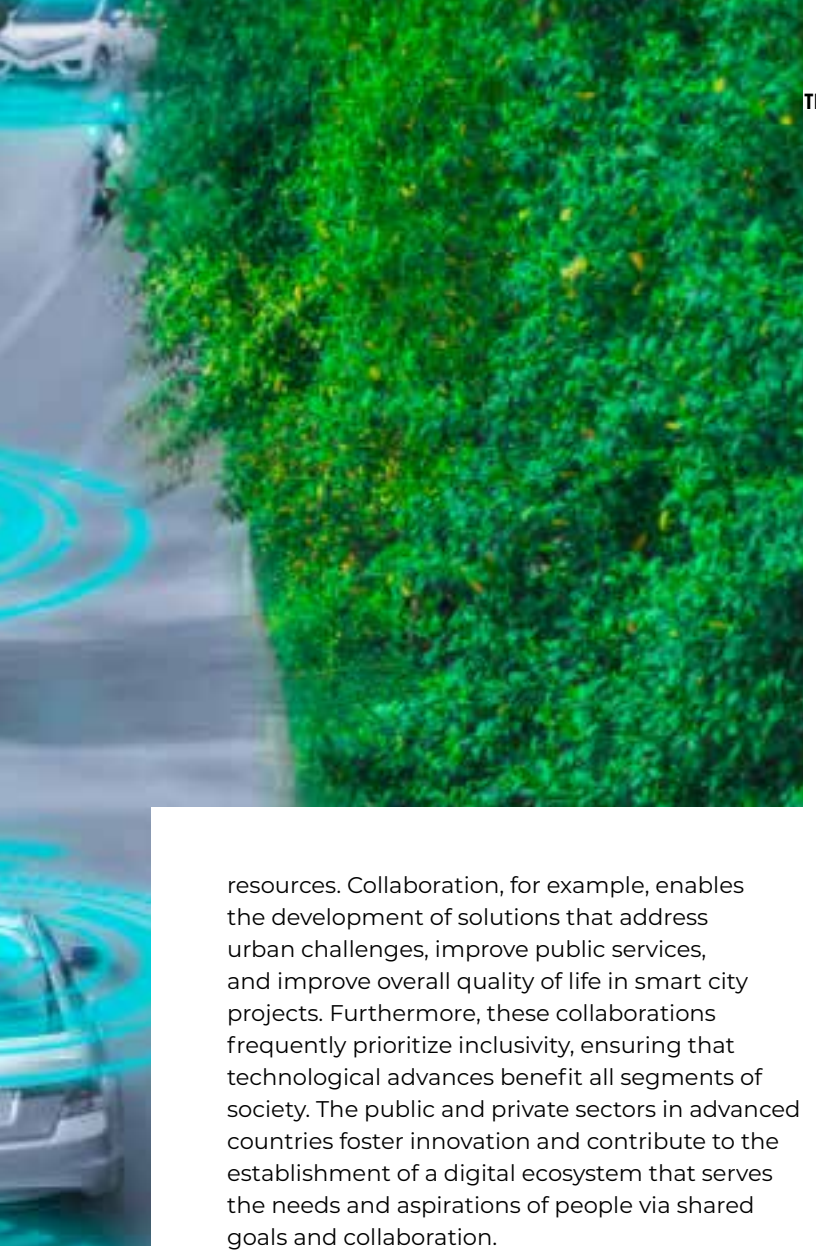
Government policies have a considerable influence in steering digital transformation efforts, and the focus on broadband infrastructure development is a notable example of effective policy measures supporting the digitalization of advanced economies.



South Korea and Singapore, for example, have implemented strategic policies to ensure widespread access to high-speed internet. These countries foster digital innovation and connectivity by investing in robust broadband networks and encouraging competition among service providers. Such policies not only bridge the digital divide by ensuring equitable access in urban and rural areas, but they also lay the groundwork for a thriving digital ecosystem. Accessible and dependable broadband enables businesses to take advantage of cloud services, allows for remote work, and encourages the adoption of emerging technologies. This policy-driven focus on broadband infrastructure is a cornerstone in the digital transformation journey, supporting economic growth and fostering a digitally inclusive environment in advanced economies.

Collaboration between the public and private sectors is often essential for successful digital transformation. What models of collaboration have worked well in advanced countries, and how do they contribute to a people-centric digital world?

In advanced countries, successful digital transformation frequently depends on effective collaboration between the public and private sectors. The public-private partnership (PPP) is a notable model of collaboration in which government entities and private companies join forces to drive digital initiatives. This model has proven effective in various industries, including infrastructure development, cybersecurity, and the implementation of smart city solutions. Public-private partnerships combine the private sector's agility and innovation with the public sector's regulatory and resource capabilities. These collaborations help to create a people-centric digital world by pooling expertise and



resources. Collaboration, for example, enables the development of solutions that address urban challenges, improve public services, and improve overall quality of life in smart city projects. Furthermore, these collaborations frequently prioritize inclusivity, ensuring that technological advances benefit all segments of society. The public and private sectors in advanced countries foster innovation and contribute to the establishment of a digital ecosystem that serves the needs and aspirations of people via shared goals and collaboration.

How can advanced countries ensure that the benefits of digital transformation are equitably distributed among their populations, including marginalized communities, to achieve a more inclusive form of economic growth?

A major challenge for advanced countries is ensuring equitable distribution of the benefits of digital transformation across all segments of society, including marginalized communities. These countries must implement targeted policies and strategies to achieve more inclusive economic growth. Primarily, investing in programs for digital literacy is essential for providing people from all occupations with the skills they need to participate in the digital economy. It is also critical to bridge the digital divide in rural and underserved areas by providing accessible and affordable internet access. To ensure that the benefits of connectivity reach every corner of the country, government initiatives should prioritize digital infrastructure development. Furthermore, encouraging diversity in the technology sector and encouraging inclusive hiring practices contribute to more representative innovation. Collaboration between the public and private sectors can result in initiatives that address the specific challenges faced by marginalized communities. By incorporating these measures, advanced countries can ensure that the benefits of digital transformation are not concentrated in specific demographics, instead they are shared broadly, fostering a more equitable and sustainable path to economic growth.

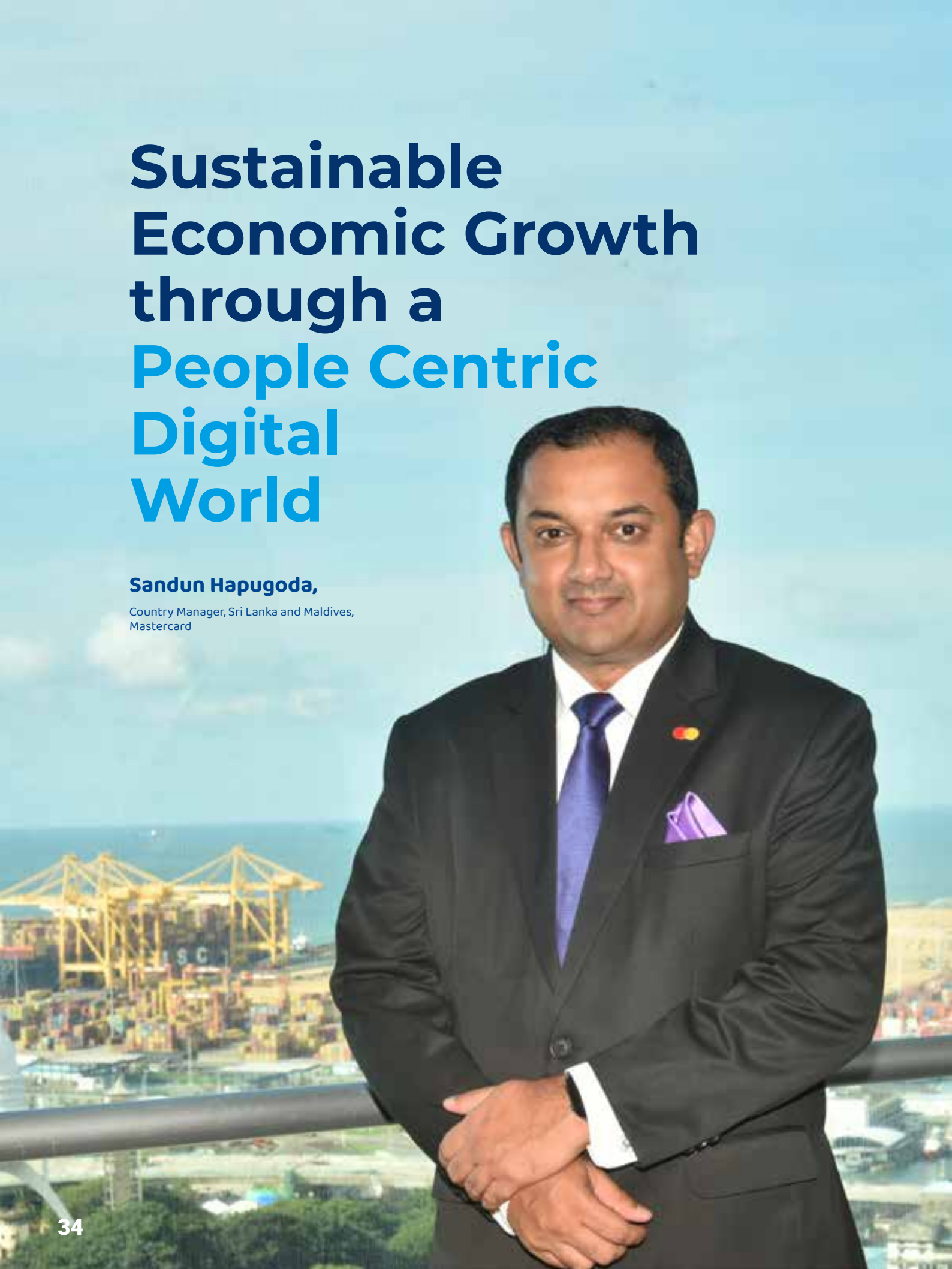
Looking to the future, what emerging digital transformation trends and technologies do you anticipate will continue to drive economic growth and sustainability in advanced countries?

Several emerging digital transformation trends and technologies are expected to drive economic growth and sustainability in advanced countries in the future. The widespread use of artificial intelligence (AI) and machine learning is expected to improve business processes, improve decision-making, and propel innovation across industries. With its ability to process data closer to the source, edge computing will contribute to faster and more efficient digital operations. Blockchain technology is expected to play a key role in increasing transparency and security in a variety of industries, including finance and supply chain. Continued 5G network expansion will hasten Internet of Things (IoT) adoption by fostering interconnected devices and smart city solutions. Sustainable technologies, such as renewable energy innovations and green computing practices, are poised to become integral components of digital transformation strategies, aligning with the growing emphasis on environmental stewardship in advanced countries. Furthermore, quantum computing advances have the potential to revolutionize data processing capabilities, opening new avenues for scientific research and technological applications. As these trends emerge, advanced nations are expected to synergistically leverage these technologies, contributing to long-term economic growth and a more mindful and sustainable future.

Sustainable Economic Growth through a People Centric Digital World

Sandun Hapugoda,

Country Manager, Sri Lanka and Maldives,
Mastercard



"Unlocking the potential of digitalization is crucial for Sri Lanka's journey towards sustainable economic growth. In this comprehensive overview, Sandun Hapugoda, Country Manager of Mastercard for Sri Lanka and Maldives, delves into key concepts such as digitization versus digitalization and Singapore's digital transformation success. From ensuring equal access to technology to navigating workforce challenges.

Enrich your knowledge on this enlightening exploration of how digital transformation can drive prosperity and inclusivity in Sri Lanka."

What are the key differences between digitization and digitalization, and how do these concepts contribute to sustainable economic growth?

Understanding the distinction between digitization and digitalization is vital for sustainable economic growth, as it enables better leveraging of technology investments over time to achieve greater returns for the money spent. It is especially important for smaller countries such as Sri Lanka.

A recent study also suggests that digitalization can support sustainable growth by enabling companies to reduce their environmental footprint, increase efficiency, and create new business models.

Digitization refers broadly to converting analog/manual records into digital formats, while digitalization involves maximizing digital technologies to transform businesses, government processes or society.

For example, consider the National ID, or even the Taxpayer Identification Number (TIN), topics of recent discussions. The conversion of existing national ID and the consolidation of other identities including the driving licenses and the TIN into digital formats represent the process of digitization. However, establishing a digital technology-based process for registering a national digital ID/creating a TIN and enabling external parties to verify and authenticate citizens covers the entire process of digitalization.

Similarly, the digitization of existing land registry records, possibly incorporating blockchain technology, differs from implementing new digital deed registrations and transfers. The broader process of establishing a system to register new deeds, transfer deeds is a part of the complete digitalization process. Therefore, it is important to recognize that only focusing on digitizing records without considering the larger digitalization processes would be a waste of investment.

For Sri Lanka, to accelerate growth and ensure long-term stability and sustainability, both digitization and digitalization are key. Both will contribute to improving efficiency, attracting Foreign Direct Investments (FDIs), encouraging innovation, and ensuring inclusivity in the economic development strategy and across all segments.

How has Singapore's advanced digital transformation impacted its businesses and workforce, and what lessons can Sri Lanka learn from their experience?

While many see Singapore as a success story in digital transformation there are numerous other countries that have also undergone significant digital advancement, especially over the last two decades.

Importantly, these countries have not only digitalized their government services but have also created an

enabling and empowering environment for tech startups – creating an environment that allows startups to initiate, nurture, and grow, providing advanced digital solutions to citizens resulting in better experiences for all.

Looking at Sri Lanka, we have a considerably high literacy rate, mobile penetration, internet penetration, and a banked population comparable to some developed countries. Therefore, Sri Lanka should leverage the existing infrastructure to introduce and expand digital services. Sri Lanka has significant potential to digitalize specific government services, including inland revenue, national ID, motor registrations, land registrations, etc, leading to improved efficiency and transparency.

Towards this goal, a key driver should be the establishment of a national digital policy independent of political regimes to ensure the continuity of key initiatives, such as the digital ID, without repeated disruptions.

Drawing parallel to Singapore, the Singapore government has backed many initiatives as part of its Smart Nation goal, and with sustained efforts, the country leads in digital transformation.

Similarly, it would be relatively easier to roll out digitalization initiatives in Sri Lanka due to the manageable size of the market compared to larger geographies. By doing so, Sri Lanka can create new opportunities for growth and innovation.

What specific steps can Sri Lanka take to ensure safe and equal access to technology for all its citizens in the journey towards digitalization?

In Sri Lanka's journey towards digitalization, it is important to ensure safe and equal access to technology for all citizens. Implementing initiatives such as affordable broadband access, digital literacy programs, and creating inclusive policies will help to bridge the digital divide and empower every segment of the population.

Sri Lanka should introduce affordable and the latest technology to foster a tech-savvy environment. Even in the remote schools, the country must promote digital literacy.

Beginning from the education sector, Sri Lanka should introduce affordable and the latest technology to foster a tech-savvy environment. Even in the remote schools, the country must promote digital literacy.

In today's context, multiple organizations collect vast amounts of information that could be used to profile customers. It is crucial to ensure that they use the data appropriately for authorized and intended purposes only. Therefore, Sri Lanka should protect citizens' privacy and security by implementing strong data protection laws and cybersecurity measures.

Additionally, with the growth of electronic payments, which represents a substantial aspect of the entire digitization process, increased awareness and confidence building in these platforms is also necessary.

These steps must be encouraged will help lessen the digital divide and enhance the participation of all citizens in the digital economy and contribute towards sustainable growth.

What social and cultural changes will result from providing equal access?

Providing equal access to technology can lead to transformative social and cultural changes. Increased connectivity and access to information can promote knowledge-sharing, cultural exchange, and civic engagement, creating a more informed and connected society.

It will also encourage young generations to have access to more jobs that could be done digitally and inculcate an entrepreneurial mindset which will lead to innovations to compete with the modern world.

However, it is important to note that the impact of technology on culture is multifaceted, with both positive and negative consequences. The culture-technology relationship has contributed to a digital divide, creating disparities in access to technology and digital resources. Socioeconomic factors, cultural barriers, and infrastructural limitations can hinder equal access to technology, exacerbating existing inequalities1. Therefore, it is important to ensure that digital technologies are accessible to all citizens, regardless of their socioeconomic status, gender, or location

In what ways can technology-driven processes bring transparency and increased productivity to the public sector in Sri Lanka?

Technology-driven processes have the potential to revolutionize the public sector in Sri Lanka by bringing transparency and increasing productivity. Implementing e-governance solutions, data analytics, and digital communication platforms can streamline operations, enhance service delivery, and minimize bureaucratic hurdles.

For instance, the World Bank has approved a $25 million loan to the Government of Sri Lanka to improve the transparency and efficiency of core government and public financial management functions. The Public Sector Efficiency Strengthening Project (PSEP) was to help strengthen

the institutional capacity of the Ministry of Finance to improve efficiency and deliver better services. The use of smart technology-based systems such as e-procurement will enhance efficiency, improve transparency and accountability of public institutions through the simplification of procedures.

By leveraging technology-driven processes, including e-governance tools, and improving communication between citizens and government institutions can create a more efficient and transparent public sector in Sri Lanka that can better serve the entire population.

How does President's plan to establish new universities specializing in new technologies align with Sri Lanka's development challenges and the role of science, technology, and innovation?

The President has emphasized the importance of the digital sector in propelling the nation's economic growth. Highlighting the critical role of education, the President announced plans to expand existing universities and establish new ones aligning with Sri Lanka's development challenges and the role of science, technology, and innovation.

Sri Lanka has always been known as a country with quality and skilful human resources for the technology industry. It is also important to expand human resource capacity for more output to cater to the demanding needs of the world and also to expand the industry in Sri Lanka, which is one of the greatest foreign currency generating industries.

Therefore, establishing universities specializing in new technologies aligns with Sri Lanka's development challenges by addressing the growing need for skilled professionals in emerging fields while building a mid to long-term strategy to cater to educational needs of other Asian countries.

Science, technology, and innovation will play also a key role in shaping the country's future, driving economic growth and competitiveness. By investing in education and research, Sri Lanka can create a pool of skilled professionals who can contribute to the country's economic growth and development.

Creating new universities that focus on new technologies will help the country build an

environment conducive to research and development resulting in boosting innovation, necessary to remain competitive in the global market.

What role does the private sector play in driving digital transformation in Sri Lanka, and how can businesses contribute to sustainable economic growth?

The private sector plays a key role in driving digital transformation in Sri Lanka. Businesses can contribute to sustainable economic growth by investing in technology, nurturing innovation, and collaborating with the government and academia.

Public-private partnerships are also instrumental in shaping a digitally resilient economy. The forming of partnerships can help lead to the development of infrastructure, policies, and regulatory frameworks. While this will accelerate the growth of the economy, it would also boost investor confidence to attract more foreign direct investments (FDIs) to the country.

Encouraging small and medium-sized enterprises (SMEs) and micro, small, and medium-sized enterprises (MSMEs) to embrace digital technologies and transform their businesses is also important. Doing so, they will not only be able to expand their geographic areas of operation to sell products and services globally but also would be able to accept payments digitally from all around the world.

Looking beyond profit-making, businesses can engage in socially responsible practices demonstrating corporate citizenship. Initiatives related to digital literacy, community development through technology, and environmental sustainability can be implemented to contribute towards sustainable growth and for the overall wellbeing of society.

How can the government effectively engage with citizens and businesses to gather feedback and enhance service delivery through technology?

In today's connected world, effective government engagement with citizens and businesses through technology is paramount. Embracing digital platforms for feedback collection, implementing responsive e-governance systems, and leveraging data analytics can enhance service delivery, making governance more transparent and citizen-centric.

In Sri Lanka, recent reports indicate that in early 2023, there were 14.58 million internet users with internet penetration at 66.7 percent, 7.20 million social media users and a mammoth 36.18 million active cellular mobile connections. These statistics indicate that despite being a developing country Sri Lankans are digitally connected.

Using popular technology platform, the government can personalize its services to the individual's needs, interests, and circumstances to create a customized experience. The use of social media can help the government collect input from citizens on a large scale, providing insights to create awareness on policy development and decision-making.

The government can also encourage feedback from citizens and businesses by creating online forums, surveys, and other feedback mechanisms. When citizens comply, government can gather the valuable feedback and enhance service delivery through the used technology platforms. By taking these steps, the government can effectively engage with citizens and businesses to gather feedback and enhance service delivery through technology.

Digitalization presents significant opportunities – from stimulating economic activities and creating new jobs to being able to reach the yet unreached.

What are some notable success stories or case studies of organizations in Sri Lanka that have embraced digitalization and achieved sustainable economic growth?

Digitalization presents significant opportunities – from stimulating economic activities and creating new jobs to being able to reach the yet unreached. Many Sri Lankan organizations have embraced a digitalization and achieved sustainable economic growth

One notable success story is the Sri Lankan company, Dialog Axiata, which has embraced digitalization and achieved sustainable economic growth. Dialog Axiata is a telecommunications company that has invested heavily in digital infrastructure, such as high-speed internet and mobile networks, to ensure that all citizens have access to digital technologies. The company has also promoted digital literacy by providing training and education programs to help citizens develop the skills needed to use digital technologies effectively. Dialog Axiata's investment in digital infrastructure and digital literacy has helped create new opportunities for growth and innovation while minimizing the negative impacts of digitalization on sustainability.

Another success story is the Sri Lankan company, MAS Holdings, which has embraced digitalization and achieved sustainable economic growth. MAS Holdings is a textile manufacturer that has invested in digital technologies to transform its business processes and create new value propositions. The company has implemented e-governance solutions, data analytics, and digital communication platforms to streamline operations, enhance service delivery, and minimize bureaucratic hurdles. By leveraging digital technologies, MAS Holdings has been able to reduce costs, increase efficiency, and create new business models.

These organisations are just two of the many success stories in the country that have unlocked the potential of digitization. The technology evolves more companies are realising that that digitalization can help businesses reduce costs, increase efficiency, and create new business models, contributing to sustainable economic growth. By investing in digital infrastructure, promoting digital literacy, and encouraging the adoption of digital technologies in businesses and government services, Sri Lanka can create new opportunities for growth and innovation.

What challenges and opportunities does digitalization present for the workforce in Sri Lanka, and how can individuals and organizations adapt to these changes?

Digitalization presents both challenges and opportunities for the workforce in Sri Lanka. On the one hand, digitalization can lead to job displacement, particularly in industries that are highly susceptible to automation and on other hand, digitalization can create new job opportunities, particularly in emerging fields such as data analytics, artificial intelligence, and cybersecurity.

Current gaps in education and skilling are one of the key challenges for Sri Lanka. In the future of a digital economy, there lies a critical window of opportunity for Sri Lankan youth entering the workforce over the next decade. Digital skilling interventions will need to go beyond technical skills to enable adaptiveness.

To adapt to these changes, individuals and organizations can take several steps including supporting individuals to upskill and reskill themselves in order to remain relevant in the job market. In order to stay competitive in the global economy, professional and technical graduates will be expected to adapt with the development of more advanced IT jobs with focused efforts into skilling for jobs in Data Science and Cyber Security.

Organizations can also embrace remote work to reduce costs and increase efficiency. Remote work opportunities can help organizations tap into a wider pool of talent, regardless of geographic location.

As technology adoption is likely to rapidly transform work, Sri Lanka needs to invest in digital infrastructure, such as high-speed internet and mobile networks, to ensure that all citizens have access to digital technologies. The country needs to promote digital literacy by providing training and education programs to help citizens develop the skills needed to use digital technologies effectively.

As technological developments are likely to lead to new business models, Sri Lanka must encourage entrepreneurship. Digitalization can create new opportunities for entrepreneurship and innovation. Sri Lanka should encourage free enterprise by providing funding, mentorship, and other resources to aspiring entrepreneurs. By taking these steps, individuals and organizations can adapt to the challenges and opportunities presented by digitalization and contribute to sustainable economic growth in Sri Lanka.

How does CPM Sri Lanka's 'Chartered Manager' Journal plan to lead the way in fostering digital transformation and supporting the education and business community in Sri Lanka?

The journal provides a platform for thought leaders, academics, and practitioners to share their insights and experiences on digital transformation and its impact on the economy and society. The journal also covers topics such as digital literacy, e-governance, and cybersecurity, which are critical to the success of digital transformation initiatives.

I believe that CPM Sri Lanka's 'Chartered Manager' Journal is committed to fostering digital transformation and supporting the education and business community in Sri Lanka.

The journal's focus on digital transformation and its impact on the economy and society can help raise awareness and promote the adoption of digital technologies in businesses and government services. By providing a platform for thought leaders, academics, and practitioners to share their insights and experiences, the journal can help create a community of practice that can drive innovation and growth in Sri Lanka. The journal's coverage of topics also help build the capacity of individuals and organizations to embrace digital technologies and transform their businesses.

In summary, CPM Sri Lanka's 'Chartered Manager' Journal is well-positioned to lead the way in fostering digital transformation and supporting the education and business community in Sri Lanka. By providing a platform for thought leaders, academics, and practitioners to share their insights and experiences, the journal can help create a community of practice that can drive innovation and growth in Sri Lanka.

Challenges and Opportunities of Digital Transformation

Mahesha Amarasuriya,
Director at Mastercard Sri Lanka

*Ms. Mahesha Amarasuriya, Director at Mastercard Sri Lanka, engages in a comprehensive discussion with the **'Chartered Manager' J**ournal, dissecting digital transformation's complexities. She examines hurdles to adoption, cites successful real-world cases, and stresses the necessity of data security. Her expertise underscores innovation's critical role in resilience and growth within the evolving digital landscape.*

Excerpts follow.

Digital transformation is a buzzword in today's business world. Could you provide an overview of what it means in the context of fostering sustainable economic growth with a people-centric approach?

There are three words that are interconnected and often used interchangeably, but have different meanings: Digitization, Digitalization and Digital Transformation.

Digitization is the conversion of text, pictures, or sound into a digital form that can be processed by a computer. For instance, an e-signature. Digitalization is the next step involving utilization of technology to improve processes. For example, a bank can digitalize its paper-based loan approval or credit card approval process by using technology. In this instance, the bank is enhancing business operations using digitized data and technology.

On the other hand, digital transformation is the process of adoption and implementation of digital technology by an organization to create new or modify existing products, services, and operations by the means of translating business processes into a digital format. This process creates value for all stakeholders, especially customers. Take, for instance, the case of a bank that carries out the entire customer onboarding process digitally, including canvassing/ reaching out to customers, opening accounts (as well as KYC), facilitating seamless and efficient transactions, and continuing with customer engagement.

Many organizations face resistance when embarking on digital transformation journeys. What are the common challenges and barriers to successful digital transformation, and how can they be overcome?

Sri Lanka has a robust digital infrastructure with 29 million cellular mobile connections, 7.2 million social media users, and over 14.6 million internet users. However, the overall digital adoption rate tells a different story. The country's digital economy is worth USD 3.47 billion, or 4.37% of its GDP. While this is higher than Bangladesh which is 3% of GDP India's digital economy is 11% of DGP which is an aspiration for Sri Lanka to strive for[1] There are several reasons for slow digital adaption, including:

[1] *https://www.statista.com/statistics/961908/digital-economy-value-add-to-gdp/#:~:text=U.S.%20digital%20economy%20value%20added%20to%20GDP%202005%2D2021&text=In%202021%2C%20the%20digital%20economy,to%2022.99%20trillion%20U.S.%20dollars, https://english.news.cn/20230706/c6c8f9c7fa7a4253bb71251515ca26bd/c.html,*

https://economictimes.indiatimes.com/tech/technology/digital-economy-to-contribute-20-pc-of-indias-gdp-by-2026-union-minister-chandrasekhar/articleshow/105808056.cms,

https://www.dhakatribune.com/opinion/longform/312490/the-emerging-digital-economy

a) Stakeholder reluctance

While change is the only constant, it is a human tendency to resist change. There is fear of losing one's job role, position, authority, etc. in the process of digital transformation.

b) Safety and security concerns

Digital adaption is slowed at times at personal/ individual level due to concerns over safety and security of data. Global research notes that over 70% of consumers transacting online worry about being a victim to financial fraud.

c) Lack of awareness

At times, organizations and individuals are not fully aware of the benefits of digital adoption. Many MSMEs don't accept card payments/online payments due to lack of knowledge/awareness on the cost of carrying cash and benefits of accepting payments online.

Overcoming these challenges requires commitment at all levels. At an organizational level, the top management must create awareness among all individuals on the benefits of digital adaption and have a strong change management strategy that explains the entire process, including the outcome, transition, and assurance of employment /benefits.

From an external perspective, organizations must build confidence among customers on the safety measures and security features that have been put in place.

In your experience, what are some examples of companies that have effectively leveraged digital transformation to achieve sustainable economic growth while prioritizing the well-being of their employees and customers?

There are several global examples where organizations have successfully leveraged digital transformation to achieve sustainable growth.

There are several global examples where organizations have successfully leveraged digital transformation to achieve sustainable growth.

For example, rather than focusing on 'making fast food faster', the team at McDonalds focused on enhancing customer experience, improving in-store, drive-through, and home delivery (ordering, payment, mobile) systems. Similarly, Domino's and Pizza Hut used digital transformation by introducing a 'Pizza Tracker', enabling customers to monitor ordering, preparation, baking, packing, and delivery through one app.

Several banks and financial institutions in Sri Lanka have also successfully embraced digital transformation using mobile banking apps, to provide a seamless user experience for customers, including opening of accounts, transactions processing across multiple platforms, and continuous customer engagement.

Data privacy and security are paramount in the digital age. How can organizations strike a balance between leveraging data for innovation and ensuring the protection of individuals' privacy rights?

As the digital adaption increases, the importance of data privacy and security will also increase. Digital transactions involve the exchange of sensitive financial information, such as credit/debit

card numbers, bank account details, and personal identification data. Without adequate security measures, this information can be intercepted, resulting in potential financial loss and identity theft.

Security measures instill trust and confidence among users when conducting digital transactions. Hence, customers need assurance that their personal and financial information will be protected from unauthorized access or misuse. Establishing a secure environment helps build trust in the digital economy and encourages more people to engage in digital/online transactions.

Cybercriminals are constantly developing sophisticated methods to exploit vulnerable points of a digital truncation flow. Research shows that the global cost and lost revenue from cyberattacks is estimates to reach $10.5 trillion by 2025. Likewise, the loss from ransomware is said to to reach $265 billion by 2031, with a new attack on a consumer or business every two seconds. The cost of an average malware attack is estimated to be $4.5 million.

While Sri Lanka's Personal Data Protection Act, No. 9 of 2022 has brought in a mandatory regulatory framework towards the protection of data, there is more to be done. Organizations, especially financial institutions, should embrace superior and sophisticated data security mechanisms that go beyond the traditional platforms.

Technologies have advanced beyond the 'Username and Password' stage and even surpassed biometric recognition of fingerprint or facial recognition. The present technology is designed to analyze and identify patterns of fraudulent activity by examining various digital signals and behavior in real time. It utilizes machine learning algorithms and advanced analytics to detect anomalies and potential fraud indicators.

By continuously monitoring user interactions, systems can now assess the validity of each session and assigns a risk score based on various factors, including device fingerprinting, location data, behavioral biometrics, etc. Therefore, an organization now needs to adopt holistic security systems from an inside-out and outside-in approach. Such systems include firewalls, web security and third-party risk management from an 'outside-in approach' and network infrastructure and data security, cyber awareness and training, and incident and crisis response mechanism from and 'inside-out approach'.

The COVID-19 pandemic accelerated digital adoption. How has this crisis reshaped the landscape of digital transformation, and what lessons can be drawn for ensuring future resilience and sustainability?

COVID-19 pandemic was indeed a positive contributor to the rapid uptake of digital payments in Sri Lanka and globally. In Sri Lanka in terms of e-commerce and digital commerce, the internet-based payments alone have grown more than four times, from 10.8 million in Q1 2020 to 47.6 million in Q3 2022.

Covid was a test of agility and adaptability. Whilst previously one spoke of survival of the fittest, it became survival of the fastest. All retail businesses, from grocery and vegetable shops, beauty accessories, to clothing stores had to adapt to face the challenges and convert into online sales for mere survival. While providing online and e-commerce facilities was portrayed as a survival strategy in 2020, three years later, many organizations are changing their strategies permanently and embracing the culture of digital commerce. Having an open mind and the attitude to convert any adversity into a positive outlook is the survival toolkit.

Sustainability and environmental concerns are gaining prominence. How can digital transformation initiatives be aligned with sustainability goals, and what role does this alignment play in long-term economic growth?

There is greater focus across the world on Environment, Social and Governance (ESG) goals for an organization. Though it is hard to connect directly, ESG goals can be achieved through digital adoption.

Environmental Goals - The global consumption of paper and paperboard is approximately 400 million tons at present and is projected to rise over the coming decade to reach 476 million tons by 2032. While all industries and companies have a carbon footprint when using paper for any of their activities, industries such as education and healthcare can make a significant impact by converting paper-based processes to digital. This can be followed by Services and financial sectors. These four sectors alone can save over 150 billion sheets of paper per year.

Social Goals - Social goals for an organization revolve around expanding workforce diversity, equality and creating economic opportunities for underserved communities. By adopting digital processes and digital transformation, an organization can achieve some of these goals. Remote working can offer opportunities for everyone, especially women, to ensure better work-life balance as well as enabling opportunities for anyone across geographical boundaries, including the underprivileged and differently-abled, to participate in the workforce.

Governance Goals – The cost of carrying cash is estimated to be about 4.7% to 15.3% of the value of the transaction, which is difficult to calculate as it includes additional labor hours for back-office reconciliation, extended time at check out, security cost of transporting cash (cost of insurance), risk of theft, etc.

Accepting digital payments such as point of sale or e-commerce saves cost while ensuring better governance in terms of audit trails and provides better visibility of transaction records.

Building a digitally skilled workforce is crucial. What strategies and investments can organizations make to upskill their employees and prepare them for the demands of a digital world?

There are two key aspects in creating a digitally skilled workforce; Digital skills evolve, and a successful Digital journey is one that involves everyone in the workforce.

As digital skills are evolving it becomes a continuous process. It is not a skill such as driving a car which has remained relatively the same over the years. Digital skills evolve in line with the changes to the digital landscape. For example, about a decade or more ago doing online transactions would have been an area of training to the finance professional within an organization. Today the same person may need to know how to get the best use of ChatGPT or Autopilot. Hence, regularly updating employees on new digital developments is important. Digital technologies and digital transformations bring rapid changes to the work environment, organizational structures and job roles. Therefore, the underlying key concept is to set the mindset and attitude of employees to embrace change.

Digital journey for an organization is one that involves everyone at every level. It requires commitment and participation of everyone irrespective of the role, position or the department. For example, if a financial institution/bank launches a mobile app then it should be mandated that all employees use the app and maybe take one step further, not to accommodate physical fund transfer requests at branch level from internal staff members. This will ensure that all staff learn the functionalities/features of the app, use them, offer feedback and also become brand ambassadors of it.

Collaboration and partnerships often play a role in successful digital transformations. Could you share examples of cross-industry collaborations that have facilitated digital innovation and sustainable growth?

There are multiple examples across the world where collaborations and partnerships have supported successful digital transformation. The Transport for London (TfL) changed its system to open loop systems since 2011, a project in partnership with Mastercard. London Underground has approx. 5 Mn passenger journeys a day. At peak times, there are more than 543 trains passing. With the progressive development one can simply tap any of the existing cards and within seconds access the required trains.

Regionally, the partnership between Mastercard, Maldives Transport & Contracting Company (MTCC) and Bank of Maldives (BML) rolled out the first multi-model, open loop transit payment and digital ticketing system in South Asia that initially connects 14 islands with plans to expand to 41 islands. Open loop technology will be expanded to bus and ferry services in the area of Malé and Hulhumale which accounts for the majority of passenger movement in the country in the next phase.

How can digital transformation help SMEs to achieve efficiency and growth?

There are over 1.7 Mn SMEs accounting for approximately 75% of all businesses in Sri Lanka. They contribute to almost 45% of total employment, over 50% contribution to the GDP and 20% of all exports. Even globally over 97% of all business are SMEs and employ half of the workforce.[2]

Digital transformation can help a SME in many ways. Having a global presence and the ability to accept payments online will immediately provide a wider global reach. Even a small handicraft manufacturer will be able to sell products across geographical boundaries if he has online presence.

An organization should have data driven insights to provide a more customized service and better manage procurement/processes. A small restaurant can have data on high demand meals, peak times of the day/week, and even customer level data such as who is visiting the restaurant, what day/what time and their meal preferences. This data will facilitate the owner to purchase the right ingredients, thereby managing

[2] *https://www.adaderana.lk/news.php?nid=94108, https://www.adb.org/publications/catalyzing-sme-venture-capital-sri-lanka, https://www.worldbank.org/en/topic/smefinance*

storage, seating and even give customer level discounts/offers.

Accepting payment digitally can facilitate a seamless and a secure experience to the customers, whether it is a card present POS transaction or an online transaction, coupled with other payment options such as 'Buy Now Pay Later'. It will save the SME the cost of managing/handling cash and also enable better financial management by facilitating better payment records, creditors and debtor records and cashflow management leading to overall better governance of the organization.

Looking to the future, what emerging technologies or trends do you believe will present the most significant challenges and opportunities for organizations seeking to accelerate their digital transformation journeys?

Many exciting technology concepts are emerging, and the future will be an exciting one to look forward to. Some key concepts that that will have a significant impact in shaping the future and accelerating digital transformation will be Metaverse, Blockchain, use of AI, etc.

Metaverse will open a whole new platform to do business. The ability to convert virtual meetings to as close as physical meetings will bring in a blend of physical connection, expressions and body language that are essential elements of a successful meeting while enabling cost and time efficiencies for geographically placed persons to meet. It also opens business opportunities for digital art, music, and crafts to be appreciated by people across the world.

The concept of Blockchain will also play a significant role in a wide range of areas to provide faster, and data-driven decisions. Using Blockchain in the Know Your Customer process can have great benefits to the banking and finance industry. It will prevent each bank from carrying out separate KYC and have a record of the changes to the customer profiles, such as change of address, employment, and contact details. Similarly, blockchain concept in maintaining land/property ownership and lease registry will facilitate easier access to financial facilities and reduce some of the regular litigation over false deeds/ownership etc. Value chain financing and invoice financing can also benefit tremendously from the blockchain concept.

Development in AI into applications such as ChatGPT/ Autopilot will have an impact on businesses by playing the role of an office assistant in summarizing documents, to keeping meeting minutes to developing presentations, etc.

Development in AI into applications such as ChatGPT/ Autopilot will have an impact on businesses by playing the role of an office assistant in summarizing documents, to keeping meeting minutes to developing presentations, etc.

On the payments and acceptance perspective Internet of Things (IOTs) will progress in the market with wearables such as bands, rings, watches and stickers that enable payment.

While opportunities are many, the biggest challenge is on digital inclusion and digital adaptation. Uptake on some of these technologies would be slower than expected due to concerns over data security, concern over cyber frauds, and not having access to the required infrastructure and overall reluctance towards change.

Leveraging technology to impact on the Sri Lankan Economy

Naleen Edirisinghe,
CEO, Pan Asia Banking Corporation PLC

The crucial impact of technology in shaping Sri Lanka's economic future is explored. Emphasizing opportunities across sectors, the interview delves into initiatives driving innovation, fostering inclusive growth, and addressing challenges in digital infrastructure, education, cybersecurity, and emerging technologies.

Below are the interview snippets with the 'Chartered Manager' Journal, Naleen Edirisinghe, CEO of Pan Asia Banking Corporation PLC:

Sri Lanka has been making strides in adopting digital technologies. How do you see technology playing a role in fostering sustainable economic growth in the country?

Technology is undoubtedly a powerful force driving positive change in Sri Lanka. We are witnessing significant technology adoption across various sectors, and I believe this trend will only accelerate in the coming years. It presents tremendous opportunities to optimize processes, enhance efficiency, and create new avenues for economic growth.

Technology plays a pivotal role in driving sustainable economic growth by enhancing efficiency, innovation, and connectivity. In the context of Sri Lanka, embracing digital technologies enables us to streamline operations, promote financial inclusion, and create an ecosystem conducive to entrepreneurship. Moreover, technology facilitates access to global markets, thereby contributing to the diversification of our economy.

What are some of the key sectors in Sri Lanka that have the potential to benefit the most from technological advancements, and how can these advancements be harnessed to create economic opportunities?

Sectors like agriculture, tourism, financial services, manufacturing, and healthcare hold immense potential. Precision agriculture, AI-powered travel experiences, fintech solutions, automation in manufacturing, and telemedicine are just a few examples of how technology can revolutionize these industries. For instance, in banking, digital financial services can promote financial inclusion. In agriculture, precision farming technologies can optimize productivity. Collaboration between the private sector, government, and academia is crucial to harnessing these advancements, fostering innovation, and creating economic opportunities.

In the pursuit of a people-centric digital world, how can Sri Lanka ensure that the benefits of technological advancements are accessible and inclusive, especially for marginalized communities and regions?

Ensuring inclusivity requires a multi-faceted approach. This involves investing in digital infrastructure in underserved regions, promoting digital literacy programs, and fostering partnerships with local communities. Tailoring technology solutions to address specific needs, such as affordable access to digital financial services, healthcare, and education, is paramount. Government initiatives and public-private partnerships should be designed to prioritize the inclusion of marginalized communities.

Challenges in Expanding rural connectivity and digital infrastructure include the need for significant investments, addressing connectivity gaps, and ensuring cybersecurity.

Could you share examples of successful initiatives or projects in Sri Lanka that have demonstrated the positive impact of technology on economic growth and people's well-being?

Initiatives like the Digitalization of Payments and Financial Services like the digital payment platforms like LankaQR and eZ Cash are prime examples. These solutions are empowering communities, improving access to essential services, and facilitating financial inclusion. have contributed to financial inclusion, while smart agriculture projects utilizing data analytics have enhanced farmers' productivity. E-Government services have streamlined bureaucratic processes, making services more accessible to the public. These success stories underscore the transformative impact of technology on economic growth and well-being.

Sri Lanka has a growing tech startup ecosystem. How can the government and private sector collaborate to support and nurture these startups, further contributing to economic growth and innovation?

Collaboration between the government and the private sector is crucial to support and nurture tech startups. Initiatives such as funding support, incubators, and mentorship programs can be established. Simplifying regulatory processes and providing a conducive business environment will encourage innovation. Public-private partnerships can facilitate the development of a robust ecosystem that fosters entrepreneurship, drives economic growth, and positions Sri Lanka as a regional tech hub.

What challenges and opportunities do you see in terms of digital infrastructure development in Sri Lanka, and how can these impact the country's journey towards a more technology-driven economy?

Challenges in Expanding rural connectivity and digital infrastructure include the need for significant investments, addressing connectivity gaps, and ensuring cybersecurity. However, these challenges present opportunities for public-private collaborations to invest in and develop robust digital infrastructure. A well-developed infrastructure can catalyze economic growth by providing a solid foundation for the adoption of emerging technologies and attracting foreign investments.

Data privacy and cybersecurity are critical concerns in the digital age. How can Sri Lanka ensure a secure and trustworthy digital environment while encouraging technological adoption for economic advancement?

Ensuring data privacy and cybersecurity requires a comprehensive approach. This involves implementing robust cybersecurity measures,

educating users on best practices, and establishing legal frameworks that safeguard privacy. Collaborative efforts between the government, private sector, and international partners are essential to develop and enforce regulations that strike a balance between innovation and security. The government and the regulator taking steps in enacting the Personal Data Protection Act and the Technology Risk and Resilience guidelines respectively are steps in the right direction.

Education and skills development are fundamental in preparing the workforce for a digital economy. What initiatives are in place or needed to enhance digital literacy and skills among the Sri Lankan population?

To enhance digital literacy and skills, it is crucial to invest in educational programs that incorporate technology into the curriculum. Public and private partnerships can support initiatives like coding bootcamps, vocational training, and upskilling programs tailored to the evolving demands of the digital economy. Collaboration with industry experts and continuous monitoring of skill demands will ensure the workforce remains competitive in the global digital landscape.

How can Sri Lanka leverage emerging technologies like artificial intelligence, blockchain, and the Internet of Things (IoT) to drive innovation and sustainable economic growth in key industries?

AI can optimize logistics, personalize customer experiences, and automate tasks. Blockchain can streamline supply chains and secure data. IoT can enhance resource management and provide real-time data for informed decisions. By embracing these technologies strategically, we can unlock new avenues for growth and innovation. However, leveraging emerging technologies requires a strategic approach. Investment in research and development, fostering a culture of innovation, and creating an enabling regulatory environment are key components. Industry-specific pilot projects can demonstrate the practical applications of these technologies, leading to wider adoption. Collaborations between industry players, academia, and government agencies will play a pivotal role in driving innovation and sustainable economic growth.

Looking ahead, what recommendations or strategies would you propose to accelerate the integration of technology into Sri Lanka's economic landscape while maintaining a focus on sustainable growth and inclusivity?

We need to increase investment in technology, foster a collaborative environment, establish a supportive regulatory framework, and prioritize inclusivity. By focusing on these key areas, Sri Lanka can harness the power of technology to achieve sustainable economic growth and development for all its citizens.

We can adopt a three-pronged strategy:

Investment in Digital Infrastructure: Prioritize investments in digital infrastructure, ensuring nationwide connectivity and cybersecurity.

Education and Skills Development: Implement comprehensive education and skills development programs, focusing on digital literacy and emerging technologies, to empower the workforce.

Innovation Ecosystem: Foster a vibrant innovation ecosystem by supporting startups, providing incentives for research and development, and creating an environment that encourages collaboration between academia, government, and the private sector.

By pursuing these strategies, we can accelerate the integration of technology into Sri Lanka's economic landscape, driving sustainable growth while ensuring inclusivity and resilience in the face of technological advancements.

How to speed-up your Digital Transformation

Janaka Abeysinghe,
CEO, Sri Lanka Telecom

*In a profound discussion with the **'Chartered Manager'** Journal, Mr. Janaka Abeysinghe, CEO of Sri Lanka Telecom, underscores the pivotal role of digital transformation in driving sustainable economic growth. Emphasizing inclusivity and data privacy, he highlights SLT-MOBITEL's transformative initiatives and the influence of emerging technologies on future transformation.*

In the context of sustainable economic growth, why is digital transformation crucial for businesses today, and how does it impact people directly?

Digital transformation is now crucial for a country to achieve sustainable economic growth as it enhances efficiency, transparency, and accessibility. Companies that are able to transform can operate more productively, reach new markets, and compete globally in the digital economy. Digital transformation fosters innovation, allowing businesses to adapt quickly to market changes. This agility is crucial for sustainable growth as it enables businesses to stay relevant in evolving markets. Businesses adopting digitalization empower people by creating new job opportunities in areas such as data analysis, cybersecurity, digital marketing etc. and improving access to information and services. Businesses can enhance sustainability by adopting digital technologies to monitor, analyze, and optimize their operations, which includes reducing energy consumption, minimizing waste, and implementing eco-friendly practices.

It directly impacts people by offering them faster, more accessible, and user-friendly experiences, leading to greater convenience and seamless services that improve their quality of life. Online shopping, digital payments, telemedicine, and e-learning save time and increase accessibility. Digital technologies provide knowledge, education, and resources, empowering and enabling people. Bridging geographical barriers and linking individuals globally promotes inclusivity, collaboration, and knowledge exchange. Digital transformation-driven innovations including smart cities, healthcare advances, and efficient transportation systems promote safety, access to healthcare, and environmental sustainability, improving quality of life.

As Sri Lanka's National ICT Solutions Provider, SLT-MOBITEL's digital transformation is essential for the nation's economic growth through enhanced connectivity. In an era defined by rapid technological advancements, SLT-MOBITEL's commitment to digitalisation is necessary to steer the country towards a more competitive and a connected nation. Our transformative efforts include modernising our networks, platforms, and enhancing our services to empower individuals and businesses, thereby helping the nation to become smart, remain competitive, innovative, and well-positioned for sustained economic growth.

Could you share some key challenges organisations typically face when embarking on a digital transformation journey, and what strategies can help accelerate this process while keeping people at the forefront?

Today, most organisations often face the challenge of resistance to change. In addition, issues such as legacy system integration, a lack of digital skills in the workforce, creating skill gaps, cybersecurity

risks, and changing organisational cultures are impediments. To accelerate digital transformation, an agile, step-by-step approach focused on people, including creating a strategic roadmap, conducting employee training programmes, and ensuring transparent communication, is important. Keeping people at the forefront involves creating a culture of adaptability and offering greater satisfaction by involving them in the process. There are also instances when it is necessary to bring in outside expertise to help accelerate transformation.

As a large company with legacy systems, changing long-embedded processes has been challenging. We have taken an agile approach, setting up digital business units, reskilling employees, and bringing in strategic partners. We have invested heavily in training programmes to upskill our employees, ensuring they are well-equipped to leverage new technologies, and it has helped minimise resistance to change. By instituting a culture of collaboration and open communication within SLT-MOBITEL through engaging employees, customers, and other stakeholders, we ensure diverse perspectives and expertise are considered in the decision-making process. Prioritising the needs and experiences of people through an accessible and inclusive approach has supported the acceleration of our transformation.

How can businesses strike a balance between adopting cutting-edge technologies and ensuring inclusivity and accessibility for all individuals in the digital transformation process?

In today's fast-paced world, inclusivity and accessibility should be the guiding principles and not the afterthoughts. It involves adopting intentional strategies and design principles to address the needs of diverse user groups. As a result, companies need to regularly assess if technologies meet accessibility standards and provide training, so that the employees of all abilities can leverage them.

By understanding the needs, preferences, and limitations of diverse user groups, companies can prioritise the user experience through user-centric design principles and adopt inclusive design and accessibility standards. Engaging diverse user groups in the development process, ensuring compatibility with assistive technologies, and conducting regular accessibility assessments are also key. Businesses can integrate these considerations into the development and deployment of cutting-edge technologies, ensuring that innovation is inclusive and benefits a wide spectrum of users, creating a more equitable digital landscape.

We are in the process of leveraging technologies, including cloud computing, Data Analytics, IoT, 5G, Artificial Intelligence, and automation, to improve efficiency. But when doing so, we guarantee implementations meet accessibility guidelines and provide staff training in assistive technologies to uphold inclusivity.

Many organisations encounter resistance to change during digital transformation. What approaches or leadership strategies can foster a culture of adaptability and innovation among employees?

Leadership must communicate the benefits of digital transformation, involve employees in decision-making, and provide training and support for employees to learn new skills. By providing transparency, inspiring a forward-thinking vision, and inviting both negative and positive feedback, we can help minimise resistance. Leaders should nurture a culture of adaptability involving innovation and collaboration while also

We promote Partnerships and Collaborations with organizations and groups in expert and specialized technology areas to gain insights and harness new knowledge. Further we engage with communities representing diverse user needs to ensure that technological advancements consider their perspectives. We also strive to maintain a feedback loop and commit to continuous improvement. We regularly update and refine technologies based on user feedback and advancements in accessibility standards. Ethical Considerations are also a top priority for our company in all our engagements. We evaluate the ethical implications of cutting-edge technologies. Further we consider how these technologies might inadvertently exclude certain groups or perpetuate biases. Hence, we strive for technologies that benefit all without marginalizing any specific demographics.

Leadership must communicate the benefits of digital transformation, involve employees in decision-making, and provide training and support for employees to learn new skills.

recognising and rewarding invention, creating a safe space for experimentation, and demonstrating the positive impact of change, but be mindful not to promote authoritarian control.

We have given a higher emphasis on employee communications and change management in our internal Digital Transformation program. We have established a separate cross functional virtual organization team with an effective communication strategy and a plan. This was devised to ensure transformation efforts are clearly communicated to all employees of the organization with clear feedback path to raise awareness, provide feedback and escalate any issues or concerns. The change management program within the transformation project ensures that the transformation objectives and outcomes are achieved and the necessary organizational change is effectively achieved.

At SLT-MOBITEL, effective change management has been vital, given our long-tenured workforce. We have constantly adopted open and clear communication, setting forth our digital vision and way forward. We have also encouraged having employee input into solution design and have taken every opportunity to keep motivation and innovation high despite facing some disruptions in the transformation process.

Sustainable economic growth often involves environmental considerations. How can digital transformation initiatives align with sustainability goals, and what role do individuals play in this alignment?

Businesses should ensure that digital transformation initiatives play a crucial and supportive role in aligning with sustainability goals. Companies should leverage technology to optimise processes, reduce environmental impact, and contribute to broader sustainability objectives. Reducing paper usage, optimising energy consumption, and enabling remote work are among the popular choices undertaken by companies.

Businesses should ensure that digital transformation initiatives play a crucial and supportive role in aligning with sustainability goals.

Solutions such as AI, IoT sensors, and cloud computing can optimise energy use. Transitioning to electronic documentation, digital communication tools, and paperless workflows helps organisations streamline processes while decreasing their ecological footprint. Additionally, by enabling employees to work from anywhere, organisations contribute to lower carbon emissions associated with daily commutes, promoting a more sustainable work culture. Digital technologies support the implementation of circular economy principles by enabling better product lifecycle management. From product design and manufacturing to end-of-life recycling, organisations can use digital tools to create closed-loop systems that minimise waste and promote resources. Through these initiatives, organisations contribute to building a more environmentally responsible and socially conscious business ecosystem.

Individuals, too, can become stewards of sustainability by connecting environmental impact to the changes they are empowered to make. By adopting eco-friendly digital practices, such as minimising electronic waste and supporting environmentally conscious initiatives within and

outside their workplaces, people too can contribute towards a positive ecological footprint.

SLT-MOBITEL is constantly conscious of maintaining the best environmental practices in its business operations, eliminating or minimising negative impacts. Recycling and green initiatives, adhering to company policies and business processes to optimise space utilisation, minimising waste of any kind while maximising productivity, and stringent energy management policies and practices are some of the initiatives undertaken.

Data privacy and security are paramount in a people-centric digital world. How can organisations maintain trust with their customers and employees while collecting and utilising data for digital transformation?

As custodians of our customers' data and employees' data, we adhere to local personal data protection laws, global security standards, and data sovereignty laws. Maintaining trust has been paramount while advancing digitalisation.

Organisations must prioritise robust data protection measures, communicate transparently about data usage, and comply with privacy regulations. Building trust involves educating users about data practices, providing opt-in and opt-out choices, and demonstrating a commitment to ethical data handling. Security and privacy must also be included in system design, along with responsible data governance policies. Transparency about data practices and enabling user control, generate trust among both employees and customers.

It is also essential that businesses clearly communicate their privacy policies, what measures have been taken to ensure the security and privacy of data maintained by the company to its customers by regularly updating the customer terms and conditions and privacy policies.

In your experience, what are some successful examples of companies that have rapidly transformed digitally while prioritising their employees' well-being and maintaining a sustainable business model?

I firmly believe that companies that reskill employees for digital roles while supporting their wellbeing, outperform and thrive. Leadership should be mindful that purpose and profits do not have to be mutually exclusive. Globally, there are hyperscale companies that have successfully embraced digital transformation while prioritizing employee well-being.

The government needs to encourage significant investments in affordable, high-speed digital infrastructure and connectivity, especially 5G and fiber, to drive digital adoption in businesses and communities.

They have introduced flexible work models, invested in employee training, and adopted sustainable practices.

Salesforce is known for its commitment to employee well-being and sustainability. They have rapidly transformed digitally through cloud-based solutions while prioritizing employee happiness. Initiatives like “Ohana culture” focus on employee success, well-being, and a sustainable approach to business operations. Some leading organizations in the FMCG category have similarly dedicated to sustainability while embracing digital transformation. They have invested in digital technologies to streamline operations and optimize their supply chain while committing to sustainable sourcing, reducing environmental impact, and promoting employee well-being through various programs.

These examples demonstrate that prioritising employees’ well-being through a people-centric approach enhances both employee satisfaction and business sustainability. It is clear that organisations that invest in the holistic development and satisfaction of their workforce often find increased productivity, innovation, and overall success in the digital age.

We have to balance technological advancements with the needs and well-being of the workforce. There has to be a strong commitment and involvement from top leadership in driving the digital transformation agenda while simultaneously emphasizing the importance of employee well-being. Clear communication, inclusive decision-making, recognition and rewards, and collaborative work can ensure the well-being, satisfaction, and engagement of its employees.

How can digital transformation initiatives ensure that they don’t leave behind marginalised communities and instead contribute to closing the digital divide for a more inclusive economic growth?

I believe that we should adopt inclusive strategies and address specific challenges faced by these communities. Through targeted community outreach, providing digital literacy programmes, and offering affordable access to technology, the divide can be bridged.

We have invested heavily in expanding digital infrastructure, including broadband connectivity, for rural and underserved areas to ensure equal access to technology through many programs such as the “Gamata Sannivedanaya Program” initiated by the TRCSL. By collaborating with stakeholders, local organisations, and government institutions, we seek to make digital technology available to marginalised communities, ensuring they have the necessary tools to participate in the digital economy.

Recognising the prevalence of mobile devices in marginalised communities, it is important to design digital services that are mobile-friendly and tailored to address the unique requirements of these communities, considering cultural sensitivities and socio-economic factors.

SLT-MOBITEL has expanded its fiber connectivity across the island with the aim of closing the divide. Our digital projects, which have introduced

telehealth services, provide remote healthcare consultations and services to communities with limited access to medical facilities. Online education platforms now cater to the educational needs of marginalised populations, offering courses in local languages. Propelling e-government services has also been successful in reaching marginalised communities.

Could you discuss the role of government policies and regulations in fostering a conducive environment for digital transformation that supports sustainable economic growth through a people-centric approach?

Forward-thinking government policies and regulations are crucial in creating the necessary ecosystem for inclusive and ethical digital transformation. Policies that prioritise inclusivity, protect user rights, and promote a competitive digital ecosystem, are aligned towards a people-centric approach.

The government needs to encourage significant investments in affordable, high-speed digital infrastructure and connectivity, especially 5G and fiber, to drive digital adoption in businesses and communities. Revamping education system and training programmes to build digital skills generates opportunities for youth to participate in the digital economy. The government should support policy incentives towards growing R&D and technology parks. Simultaneously, it should undertake the modernization of government operations to expedite the implementation of e-services. Additionally, there is a need to improve regulations for security, privacy, and ethical use of data. These are among the urgent policies needed.

By incentivizing digital adoption, investing in digital infrastructure, cybersecurity, and digital literacy, and ensuring fair access, the government can help remove transformation barriers.

Currently, we work closely with policymakers on areas including cybersecurity frameworks, connectivity infrastructure, and localization to support sustainable growth while accelerating innovation.

As we look to the future, what emerging technologies or trends do you believe will have the most significant impact on digital transformation efforts and the goal of sustainable economic growth with a focus on people?

In my view, AI and machine learning will be game-changing. AI-driven predictive analytics will enable businesses to make data-driven decisions, optimize processes, and better anticipate customer needs, contributing to overall economic growth.

The growth of Internet of Things (IoT) devices is leading to interconnected ecosystems, providing real-time data on various aspects of industries such as manufacturing, healthcare, and agriculture. For Sri Lanka, the technology is important to transform into a smart city, which can then support sustainable urban development, efficient energy management, and enhanced quality of life for residents.

Blockchain, 5G edge computing, quantum computing, digital twins, XR technologies, robotics and automation also hold tremendous potential and will significantly impact digital transformation. The widespread adoption of 5G technology will bring faster and more reliable internet connectivity, enabling seamless communication, improved accessibility, and the proliferation of innovative applications. Blockchain's decentralized nature will contribute to increased security, transparency, and trust in digital transactions.

However, while these advancements hold tremendous potential, we have to be mindful that technology alone is not the solution; they need to be deployed in an ethical, inclusive framework that is integral to people-centric growth.

Digital Transformation in Healthcare: Advancing Wellness and Accessibility

Sujith Samaradiwakara,

Founder Director/Group Chairman at Technomedics International (Pvt) Ltd & Group Chairman at JF&I Packaging (Pvt) Ltd

Explored in an illuminating discussion with the 'Chartered Manager' Journal, Sujith Samaradiwakara, Founder Director/Group Chairman at Technomedics International (Pvt) Ltd & Group Chairman at JF&I Packaging (Pvt) Ltd, delves into the transformative potential of technology in healthcare. The discourse examines AI-driven diagnostics, telehealth, and data analytics, showcasing how these advancements enhance accessibility, efficiency, and patient care, fostering a sustainable and people-centric approach to healthcare and economic growth.

Digital transformation is reshaping healthcare. How can this transformation enhance healthcare access and outcomes while contributing to sustainable economic growth?

Digital transformation in healthcare can reshape the landscape by leveraging technology to enhance access and improve outcomes while contributing to sustainable economic growth.

The two aspects of Digital transformation and Technology transformation of healthcare are the key the driving factors that has enhanced the healthcare delivery system globally, whiles Technology advancements has created more accurate, more precise and better clinical outcomes & the digital transformation is playing the key role in assessment, diagnosis delivery of healthcare to a different level.

The use of AI in Healthcare is rapidly transforming the traditional practices by playing the key role in clinical diagnosis and predicted outcomes from Radiology imaging & diagnostics, laboratory & clinical testing and clinical analysis has assisted the clinicians in making complex decisions and breaking down many barriers.

The ability to communicate, and ability to transfer patient data and information beyond boundaries using the digital platforms and wireless technologies has created the ability for patients to be diagnosed and treated from remote locations by the experts in the world. The patient data could be transferred and received on real time through various wearable devices and accessed by a Clinician using the mobile phones whilst sitting in an Airplane.

Also, recording of data in digital form, database management of patient information, and ability to access & manage these data from remote locations in real time has tremendously improved the accessibility, efficiency, accuracy and resulting in great economic benefits to the stakeholders.

From appointment scheduling to electronic health records (EHRs), digital solutions reduce administrative burdens, minimize errors, and cut down on paperwork, ultimately leading to cost savings. These cost efficiencies, coupled with improved patient outcomes, contribute to the overall sustainability and growth of the healthcare sector.

Telemedicine has gained prominence, especially during the COVID-19 pandemic. What role does telehealth play in improving healthcare accessibility and efficiency, and what challenges need to be addressed for its widespread adoption?

Accessing, assessment and treating of patients during the Covid 19 pandemic was a significant challenge to the health workers due many factors like lockdowns, non-availability of logistics and shortage of healthcare professionals.

Telemedicine played a crucial role during this period in improving healthcare accessibility and efficiency by providing remote consultations. Telehealth services eliminate the need for patients to travel long distances and benefit the rural or underserved areas. This not only reduces healthcare costs for individuals but also enhances timely interventions by minimizing delays associated with travel and avoiding congestion in Hospital facilities.

There are many challenges that we need to overcome if Telemedicine to be adopted in a widespread way especially in this part of the world. The appropriate level of technology needs to be available and accessible to all segments of the society beyond the geographical boundaries. Also getting the Clinicians trained to adopt the new technology and developing the necessary protocols and regulatory framework is necessary.

Healthcare data analytics is a powerful tool. How can data-driven insights be leveraged to improve patient care, optimize resource allocation, and support sustainable economic growth in the healthcare sector?

Availability of data and meaningful analysis of data can give us insights into the areas which have been overlooked previously and assist in our daily decisions and long-term strategic decisions in healthcare, as it would be in any other industry. Obviously, the right decisions made based on the proper data supports sustainable economic growth by improving efficiency & reducing waste.

Through data-driven insights, healthcare providers can personalize treatments, predict disease outbreaks, and identify areas for operational improvement. Personalized medicine, made possible by analyzing individual patient data, leads to more effective treatments and better outcomes.

The optimization of resource allocation is critical for healthcare systems to function efficiently.

Through data-driven insights, healthcare providers can personalize treatments, predict disease outbreaks, and identify areas for operational improvement.

Data analytics allows for the identification of inefficiencies, enabling cost savings and the allocation of resources where they are needed most. This, in turn, contributes to the sustainability of the healthcare sector, ensuring that resources are used effectively and that the sector can continue to grow.

What are the Challenges faced by healthcare authorities in Sri Lanka in digitizing the Healthcare system of the Country.

Digitization of the healthcare system in the Country was started many years ago, however many reasons have resulted in slowing down the process to a snail phase. This process is taking place in bits and pieces in various departments of the health system more independently than a centrally coordinated process.

Lack of long-term visionary within the health system to drive such a complex & long-term project could be the biggest challenge they need to overcome. Once this is established, we believe the rest of the obstacles could be managed more effectively.

The certain other challenges could be acquiring the technical know-how to manage and drive this complex process and meet the requirements of

various departments within the health system. This should include the health administration, Finance, Hospital Management, Procurement, Regulatory framework, Logistics and administering the Clinical environment.

The parity between the knowledge levels of various stake holders and end-users who are part of the process, and their willingness to learn and adopt to new technologies could be a significant challenge in implementing this process in the short run.

The significant cost involved in a project of this magnitude, in terms of infrastructure development and logistics could always be a challenge with the prevailing economic conditions of the Country.

Medical devices are becoming more advanced and interconnected. How do these advancements impact patient care, and what considerations should be made to ensure their safety and efficacy in a digital healthcare ecosystem?

In a rapidly evolving world, its obvious that medical devices are becoming more advance and interconnected. The new technologies would immensely benefit the patients and clinical outcomes due its precision, accuracy, efficiency and effectiveness. It also affects the patientcare process by reducing errors, reducing the time spend in medical facilities and improving the flow. Certain

advancements with the combination of AI could perform complex surgeries within a fraction of the time and with minimum complication compared to conventional practices. The interconnection of devices has significantly improved the acquiring, storage and smooth transfer and ability to use patient data real-time despite of the patient's physical location.

Considerations are to be made about how to adopt these technologies in our part of the world, especially with challenges in acquiring and transferring the necessary knowledge to the medical professionals . Also, adopting the right technology and making the resources available within the health system could be a challenge in the current text. Also lack of regulations and a solid legal flatform to protect patient data and patient's safety needs to be addressed.

Ensuring the safety and efficacy of these devices require robust cybersecurity measures to protect sensitive patient information from potential threats. Striking a balance between innovation and security is essential to fully harness the benefits of advanced medical devices.

Privacy and security are paramount in healthcare. How can healthcare organizations and technology providers ensure the protection of sensitive patient data while embracing digital transformation?

Privacy and security are paramount in the healthcare sector, especially as digital transformation progresses. Healthcare organizations and technology providers must implement robust encryption and authentication measures to safeguard patient data. Strict compliance standards and regular security audits are essential components of a comprehensive cybersecurity strategy.

Additionally, educating healthcare professionals and technology users about the importance of cybersecurity best practices is crucial. Promoting a culture of security awareness within the healthcare industry ensures that all stakeholders understand their role in maintaining the privacy and security of sensitive patient information.

Healthcare disparities persist in many regions. How can digital healthcare initiatives bridge the gap and promote health equity, particularly among underserved populations?

Digital healthcare initiative could be the best viable solution that could bridge healthcare disparities and promote equal healthcare opportunities to the underserved public.

Telemedicine services bring healthcare access to remote areas and overcoming geographical barriers. Online platforms can be utilized for health education and outreach programs.

By leveraging mobile health apps, healthcare providers can reach underserved populations, offering tools for self-monitoring, medication reminders, and health education. Customizing digital healthcare solutions to the unique needs of diverse populations is essential for ensuring equitable access to healthcare resources and services.

Electronic health records (EHRs) play a central role in digital healthcare. How can interoperability and standardization of EHR systems enhance patient care and streamline healthcare operations?

EHR could be the nerve system of any health institute provided that it could be put into the use as intended. Such a system would maintain all patient data, history, records of medications and clinical reports, which could be accessed for current and future use of the patient & clinicians.

Digital healthcare initiative could be the best viable solution that could bridge healthcare disparities and promote equal healthcare opportunities to the underserved public.

Interoperable EHR systems should facilitate communication with many other data storage systems available in a hospital and be able to communicate and exchange data from files and devices so manual entering of data could be minimized or eliminated.

Standardization of EHR systems simplifies data exchange and communication between different healthcare entities, reducing redundancy and improving overall efficiency. This will also minimize the efforts and time used on training operators and make it more user-friendly to the enduser.

This interoperability not only benefits patient care but also facilitates more streamlined healthcare operations, contributing to the overall effectiveness of healthcare delivery.

Preventive care and wellness programs are gaining importance. How can digital tools and technologies encourage individuals to proactively manage their health, potentially reducing the burden on healthcare systems?

With the populations around the world becoming more aware and conscious about their health, there is a demand for preventive care and wellness programs within the health system. This has also created opportunities for the healthcare providers to optimize the resources and increase revenue.

There are many wearable devices and Apps developed for monitoring, tracking and predicting health conditions and promoting & motivating people to be more conscious of their activities.

By engaging individuals in their health management, digital tools contribute to early intervention and the prevention of chronic conditions. This proactive approach has the potential to reduce the burden on healthcare systems by preventing the progression of diseases and minimizing the need for expensive and intensive treatments.

Looking ahead, what do you see as the most promising trends and innovations in digital healthcare that have the potential to transform the industry and contribute to a people-centric, sustainable approach to healthcare and economic growth?

AI (Artificial Intelligence) is the most promising trend that could transform the Healthcare Technology of the world. Its impact would lead to a more people-centric, sustainable approach to healthcare and economic growth by playing a significant role in diagnostics, improving the accuracy and efficiency of medical assessments.

Emphasizing a patient-centric approach, digital healthcare trends are expected to prioritize user experience and accessibility. The integration of patient feedback, continuous improvement of digital interfaces, and the development of intuitive and user-friendly applications will contribute to a more inclusive and effective digital healthcare ecosystem.

Can Digital Transformation create a level playing field?

Prof. Malik Ranasinghe,
Chairman, ICTA

Vishaka Nanayakkara,
Director, ICTA, Senior Lecturer in Computer Science and Engineering, and Director, Center of Open and Distance Learning, University of Moratuwa

Dr. Buddhika Karunaratne,
Senior Lecturer in Computer Science and Engineering and Deputy Director, Center of Open and Distance Learning, University of Moratuwa

The 'Chartered Manager' Journal engages in a comprehensive discussion with Prof. Malik Ranasinghe, ICTA Chairman, highlighting digitalization's transformative potential. The interview emphasizes leveling playing fields, bridging global disparities, and fostering inclusivity, while also exploring strategies, success stories, and challenges in achieving a balanced digital landscape.

Digital transformation has the potential to reshape industries and economies. In your view, how can it contribute to creating a level playing field for businesses and individuals?

Digital transformation can create the level playing field by granting wider access to markets, reducing costs, fostering innovation, offering opportunities for skill development, and empowering both businesses and individuals to compete more effectively in the global landscape.

Access to technology varies widely globally. How can digital transformation initiatives ensure that they do not exacerbate existing disparities but rather promote inclusivity and equality?

Digital transformation initiatives can promote inclusivity and equality by prioritizing measures like infrastructure development, digital literacy programs, affordable access to technology, and policies that support marginalized communities. Thereby ensuring everyone can benefit from and participate in the digital revolution.

Could you provide examples of digital transformation projects or strategies that have successfully reduced barriers and increased opportunities for underrepresented groups, thus fostering a more equitable economic landscape?

An excellent example from Sri Lanka, where all of us are involved, is the "open.uom.lk", a free of charge open learning platform launched by the University of Moratuwa with sponsorship from DP Education Foundation, to provide school leavers opportunities to develop the attitudes, skills and knowledge necessary to enter the ICT industry. Developed in collaboration with industry expertise, "open.uom.lk" platform hosts courses in the domains of information technology and project management necessary to qualify for employable programs such as Trainee Full Stack Developer, Trainee Python Programmer, Trainee Web Developer etc. "open.uom.lk" platform launched on 22 February 2022, has over 240,000 participants registered as of now, accessing free of charge IT education on mass scale. "open.uom.lk", the free of charge open learning platform, was awarded the prestigious 8th European e-Learning Excellence award for 2022, six months after its launch as the most innovative e-Learning development for 2022.

Some examples from the global context are listed below.

Digital Skills Training Programs: Initiatives like Microsoft's "DigiGirlz" and various coding boot camps specifically target girls and women, aiming to bridge the gender gap in technology by providing skills and mentorship.

Mobile Banking and Microfinance: Services like M-Pesa in Kenya have revolutionized banking for people in remote or underprivileged areas. This technology allows individuals without traditional bank accounts to access financial services through their mobile phones, fostering financial inclusion.

E-commerce Platforms for Artisans: Platforms such as Etsy or NOVICA provide a space for artisans from diverse backgrounds to sell their products globally, empowering them economically by leveraging the reach of digital marketplaces.

Remote Work Opportunities: Remote work initiatives have enabled individuals, especially those with disabilities or caretaking responsibilities, to access job opportunities that were previously inaccessible due to physical limitations.

Education Technology for Underserved Communities: Initiatives like Khan Academy and UNESCO's Mobile Learning Week focus on providing free educational resources and leveraging technology to reach remote or underserved communities, ensuring equitable access to education.

Diversity and Inclusion in Tech: Companies implementing diversity and inclusion programs, like mentorship programs for minorities in tech or initiatives to hire and retain diverse talent, aim to create more equitable opportunities within the tech industry.

These projects and strategies demonstrate how leveraging technology can actively reduce barriers and create opportunities for underrepresented groups, contributing to a more equitable economic landscape.

Privacy and data ownership are critical aspects of digitalization. How can individuals have control over their data while still participating in the digital economy, and what role do regulations play in achieving this balance?

Individuals can control their data by having clear consent mechanisms, access to their data, and the ability to opt-out. Regulations, like GDPR or CCPA, set standards for data handling, ensuring transparency, giving individuals rights over their data, and holding businesses accountable for proper handling, thereby balancing data control and participation in the digital economy.

In many countries, rural and underserved areas have limited access to digital infrastructure. How can digital transformation bridge the urban-rural divide and promote economic growth in all regions?

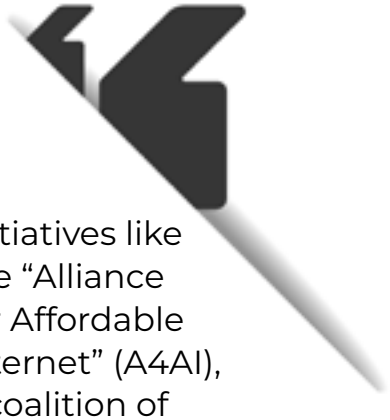
Digital transformation can bridge the urban-rural divide by investing in infrastructure like broadband expansion, promoting digital literacy programs, and encouraging tech-driven entrepreneurial opportunities in rural areas, thereby enabling economic growth across regions.

Education and digital literacy are fundamental to leveling the playing field. What initiatives or policies can be put in place to ensure that individuals have the skills needed to participate in the digital economy?

Initiatives can include integrating digital skills into education curricula, providing affordable or free online courses, establishing community learning centers, and offering vocational training programs focused on digital skills, supported by policies that prioritize education reform and access to technology.

Cybersecurity threats can disproportionately affect vulnerable populations. How can digital transformation efforts enhance security measures to protect both businesses and individuals, particularly those with limited resources?

Digital transformation efforts can enhance security



Initiatives like the “Alliance for Affordable Internet” (A4AI), a coalition of public and private entities, work to reduce internet costs, increasing accessibility globally.

by promoting awareness through education, providing accessible cybersecurity tools and resources, encouraging collaboration between businesses and governments, and implementing cost-effective security solutions tailored to the needs of smaller entities, thus safeguarding businesses and individuals, especially those with limited resources, against cyber threats.

Government policies play a significant role in shaping the digital landscape. What role can policymakers play in promoting a level playing field and sustainable economic growth through digital transformation?

Policymakers can promote a level playing field and sustainable growth by implementing regulations that ensure fair competition, by investing in digital infrastructure, enhancing capacity and capability of digital users, fostering innovation and technology diffusion to society through supportive policies, and prioritizing digital inclusion initiatives to bridge gaps in access and opportunity across communities.

Collaboration between the public and private sectors is often key to successful digital transformation. Can you provide examples of effective partnerships that have advanced the cause of digital equality and economic equity?

Initiatives like the “Alliance for Affordable Internet” (A4AI), a coalition of public and private entities, work to reduce internet costs, increasing accessibility globally. Additionally, partnerships between technology companies and governments to provide low-cost devices or internet access to underserved communities have also significantly improved digital equality and economic equity.

Looking to the future, what are some potential challenges and opportunities that digital transformation may encounter in its quest to create a level playing field, and what strategies can be employed to address them?

Some challenges could include digital exclusion, cybersecurity threats, and widening inequality. Strategies to address these might involve policies ensuring universal internet access, robust cybersecurity measures for all, and targeted programs offering digital skills training, capability enhancement and essential resources to marginalized communities, ensuring equitable participation in the digital economy. A comprehensive and clear digital transformation policy and strategy for Sri Lanka would enable to overcome most challenges and enhance the opportunities.

More than a Pin,
It's a Symbol of **Excellence**

Contact us to obtain your

Individual Membership

011 2 590 995 / 070 6 590 996

membership@cpmsrilanka.org

www.cpmsrilanka.org

CPM SRI LANKA | THE INSTITUTE OF CHARTERED PROFESSIONAL MANAGERS OF SRI LANKA

www.cpmsrilanka.org

Maximize

Your Organization's Potential:
Choose

Corporate Membership

with **CPM Sri Lanka**

011 2 590 995, 070 6590 997 or 9

sso@cpmsrilanka.org

mastercard

Discover a world
of experiences that make
every moment special.