# Fostering Transformation Through Digital Centre

MICRO REPORT - 2022



# Fostering Transformation Through Digital Centre

#### Advisor:

Anir Chowdhury
Policy Advisor,
Aspire to Innovate (a2i) Programme,
ICT Division & UNDP

#### Research Coordinator:

Rumana Sharmin Research Analyst, Aspire to Innovate (a2i) Programme, ICT Division & UNDP

#### Researcher:

Dr. Mohammad Thoufiqul Islam Department of Management, University of Dhaka

#### Research Assistant:

Samiul Hoque

Head of Administration, Center for Trade and Investment, University of Dhaka

#### Md. Rahmat Ullah

Young Professional, Aspire to Innovate (a2i) Programme, ICT Division

#### Ashoke Kumar Biswas

Capacity Development Coordinator, Aspire to Innovate (a2i) Programme, ICT Division

#### Contact:

Rumana Sharmin

Research Analyst, Aspire to Innovate (a2i) Programme, ICT Division & UNDP Email:

rumana.sharmin@a2i.gov.bd, rumana.sharmin@undp.org

## Introduction



The Access to Information - a2i programme was launched as a programme under the Prime Minister's Office for facilitating government services.

It is currently being implemented by the Cabinet Division and the Department of Information and Communication Technology and supported by UNDP as the Aspire to Innovate (a2i) Programmme-being a multinational digital transformation catalyst. It channels innovation to untangle the bureaucratic knots, making government services a breeze for the masses. One of the main objectives of this program is to accelerate the process of digitization for people-friendly services by increasing the efficiency of providing government services through various innovations and making service delivery citizen friendly by decentralizing the services of government departments and reaching the grassroots level. This is essentially accelerating the establishment of e-governance by transforming the traditional public service delivery process into a people-oriented service delivery system, providing transparent and efficient services, and reducing the time, cost, and visit (TCV) of service delivery. In the meantime, the a2i programme has received various recognitions at the national and

international levels for its contribution to service facilitation and digitization.

The Digital Centre stands as a flagship initiative under the Aspire to Innovate (a2i) Programme. This pioneering endeavor is dedicated to providing essential digital services to the citizens residing in rural areas. The diverse categories of Digital Centres encompass Union Digital Centre (UDC), Pouro Digital Centre (PDC), City Corporation Digital Centre (CDC), Upazila Parishad Digital Centre (UPDC), Garments Digital Centre (GDC), ekSheba Digital Centre (EDC), Zilla Parishad Digital Centre (ZDC), and Expatriate Smart Centre (ESC).

The primary objective of the Digital Centre initiative is to facilitate the delivery of information and government services directly to the doorstep of grassroots communities. The establishment of the 'Digital Centre' infrastructure has significantly improved the efficiency and effectiveness of public services, ensuring that the rights of the public are upheld and that vital information is readily accessible to the last mile citizens.

# Background

On November 11, 2010, Honorable Prime Minister Sheikh Hasina inaugurated the Union Information and Service centre in 4501 unions of the country through video conferencing, which became known as the "Union Digital Centre" (UDC). From this centre, people in rural areas can easily get life and livelihood-based information and essential services in an environment familiar to their homes. Initially, its activities only catered in the union council, but now separate digital centres have been started for municipalities, city corporations, upazila parishads, district councils, garment workers, and expatriate citizens.

Within each Digital Centre, a dedicated team of two entrepreneurs is diligently engaged in offering vital assistance to the extensive rural population characterized by limited institutional education, lower educational attainment, or unfamiliarity with information technology. The Digital Centre model, in recognition of the imperative of gender equality and equitable profit-sharing, ensures the presence of both male and female entrepreneurs. This commitment reflects the core principles of the entrepreneurial partnership, which prioritizes balanced representation and the fair distribution of profits. embodying a holistic business approach cultivated by both entrepreneurs.

Over time, in view of the needs of the people, various types of private services have also been included in the digital centre along with

government services. **Digital Centre currently serves more than 300 services.** If this continues, it is expected that the number of digital centres will increase to more than 20,000 and the number of services to more than 1500 in 2024. The reach of skilled services to the doorsteps of people through digital centres is gradually expanding.

The services include birth and death registration, citizen certificate, national identity card, land port, namzari, e-namzari, passport application and fee submission, Hajj registration, filling of government service forms. telemedicine, life insurance, job application abroad, agent banking, mobile banking, bus-air-launch ticketing, medical visa, doctor appointment, mobile recharge, SIM sale, various types of computer and technical training, e-mail, compose-print-training, photo-taking, photocopying, downloading government forms, knowing the results of the examination, applying for admission to the university, applying for an online visa, online shopping, agricultural advice, and information services, etc.

In addition to increasing the income of the entrepreneurs of the digital centre through the related services, the quality has also increased with the scope of access to the services of the people. It has created an environment of mutual trust, understanding, and trust between entrepreneurs and the people. It has emerged as a 'light-house' for rural people, especially in coastal areas.



# Methodology:

To evaluate the effectiveness of people-friendly services provided by the Digital centres, a recent research program titled 'Fostering Transformation Through Digital Centre' was conducted by Dhaka University. The research highlighted the performance of the Digital centres in terms of TCV, sustainability, gender equality, and empowerment, along with the satisfaction, expectations, and preferences of service recipients.

This Micro report is a part of the wider-scaled study named "Fostering Transformation Through Digital Centre". The study was conducted to assess the impact of Digital Centres. It has been conducted following a mixed approach. Data has been collected by both applying quantitative and qualitative techniques. The representativeness was ensured by applying scientific sample drawing. Data has been collected from both primary and secondary sources through primary and secondary data collection techniques for triangulation purposes.

A multi-stage sampling procedure involving the convenience sampling method has been applied to collect data. Due to the availability of resources in terms of both financial and human resources, 54 Districts were considered as the study area in all 8 Divisions and 80 digital centres were considered for the quantitative approach. A total of 1275 respondents provided their insights. Among them, 1240 and 35 were covered through quantitative and qualitative approaches respectively. Additionally, to compare with the aspect from non-beneficiary, a systematic random

sampling technique was applied in sampling areas, and a total of 220 samples were interviewed in person. A list of entrepreneurs had been collected and segregated into locations (rural 60% and urban 40%). Systematic random sampling was applied to pick the digital centres for the survey.

For the qualitative approach, Four FGDs (Focus Group Discussion) on the entrepreneur, beneficiary. non-beneficiary, and women entrepreneurs had been conducted, 35 Klls (Key Informant Interviews) on Program Office, Entrepreneur, Beneficiary, School Teacher, Local IT Officer, UP Chairperson, ICT Ministry Officer, Health Ministry Officer, Land Registration Officer, Local Govt., and Policy Makers were accomplished, and 10 Case studies were collected. Meaning, both supply and demand sides were covered from a 360-degree angle assessment. The researchers also employed participant observation techniques to gather qualitative data which were later used to validate quantitative findings.

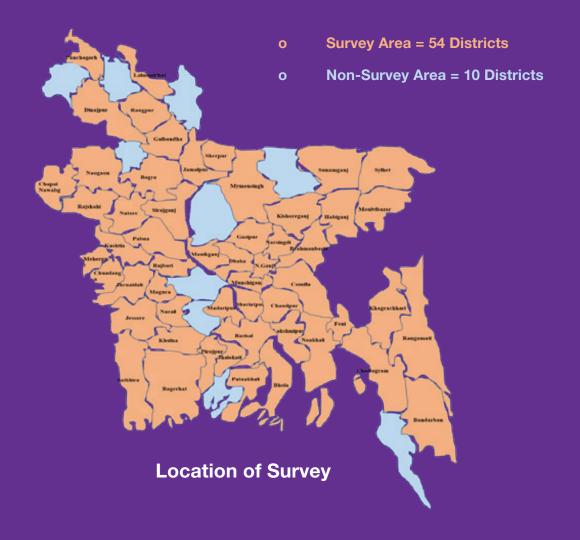
A judicious semi-structured questionnaire was used to collect primary data from beneficiaries in real-time data collection techniques. The questionnaire included questions about the respondents' background, the benefits, discomforts, challenges, and other issues they experienced with the services of digital centres.

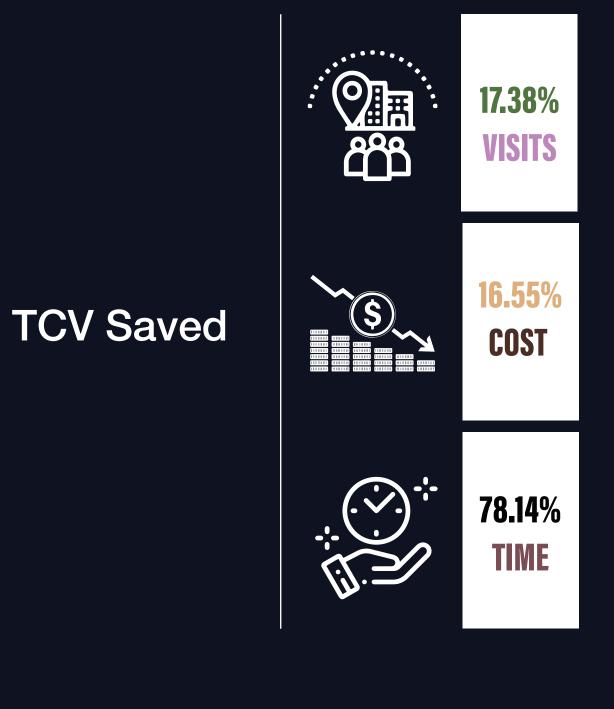
Secondary data was collected through content analysis of existing programmatic information and data, literature such as books, newspaper reports, previous research works, seminar papers, and reports.

# Major Findings:

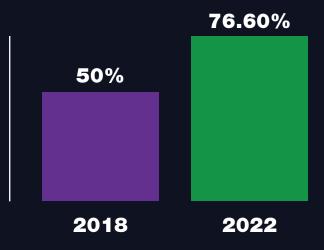
The study shows that there are presently 16,170 entrepreneurs operating in 8,468 digital centres throughout the country. These centres offer a range of more than 300 public and private services, including banking and e-commerce services. As of January 2022, these centres have provided a total of 62.5 crore services, resulting in an average savings of 17,450.2 working hours (78.14%), Tk 13.1 K (16.55%), and 134.2 times (17.38%) travel costs for citizens. In addition, citizens only need to make a maximum of 2.5 visits, spend 56.70 minutes, and Tk 189 to receive or provide a service at these digital centres. This has resulted in a satisfaction rate of 76.6 percent, which

is a significant increase from the 50% reported in 2018 (Rashid & Shafie, 2018). This increase in satisfaction reflects the reliability, trust, and dependence that citizens have on this platform. The reason for the rise in satisfaction levels is due to the reduction in both the cost of receiving services and the cost of travel. The location of the centres near the citizens' homes, the provision of better-quality services by skilled entrepreneurs, the reduced waiting time, and the absence of harassment are some of the other reasons. Currently, most digital centres are located within a 3 km radius, but service providers expect that in the future, centres will be operational within











# Currently Located [3 km]





# Expectation [1 km]



## Two respondents who have taken service from Digital Centre said,

**Anupam Tripura** is a cloth merchant residing in the Karigari Para Union of Kaptai Upazila, Rangamati district. He is 34 years old and married. He has completed his secondary school certificate (SSC). When asked about the Digital centre, he mentioned that he came to know about it through the members of the Union Parishad in his area. He also stated that he has availed various services from this centre, such as applying for digital birth registration, correcting errors in the national identity card, and opening a cash account. Anupam appreciates some positive aspects of this Digital centre, such as the lack of corruption. reduced confusion, and efficient service.

"I hope that in the future, Digital centres will be established closer to our locality, and more diverse services will be available."
- Anupam Said.

Joychi Chakma is a teacher at a primary school in Putikhali village, under Kuttukchhari Union, Rangamati Sadar Upazila, Rangamati district. She is 43 years old and married. She holds a degree in her educational qualification. When asked about the Digital centre, she mentioned that she learned about it from her friends, colleagues, radio, mobile phone messages, and newspapers. She also stated that she has availed various services from this centre, such as digital birth registration, correction of errors in the national identity card, and issuance of citizenship certificates. She prefers using this centre for its ease of access, quick service, and efficient problem-solving.

#### According to her,

"I hope that since we live in a remote area, the Digital centre can be established closer to our locality in the future. This would save us a lot of travel expenses and time. Additionally, if the internet speed is improved, it will be even more beneficial for us."

The results of the study demonstrate that the following factors are highly effective in ensuring the sustainability of digital centres:

#### **Factors of Sustainability**

The acceptance or delivery of government services in the digital centre The equal attendance of male and female entrepreneurs The relationship with Union Parishad TCV Reduction

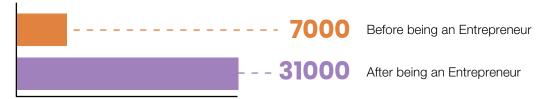
In addition, the Digital Centre will be able to further expand its scope in the near future due to increased acceptance and demand of the people, the reduced distance of the location, expansion of e-commerce, opportunities to increase the technical skills of the young generation, facilitation of supply of goods and cooperation in other government projects.

Study shows that the number of entrepreneurs between the ages of 31 and 40 is relatively higher (54%). Although the number of male entrepreneurs is high, the number of female entrepreneurs is increasing day by day and at the same time, the number of entrepreneurs with disabilities is also increasing. The level of income and job satisfaction of women and disabled entrepreneurs is also increasing day by day. In particular, the income of women entrepreneurs has increased from Tk. 3,100/- per month to Tk. 30,687/-. which is much higher than their expectations. In the case of women

beneficiaries and entrepreneurs and the disabled, the level of satisfaction in both receiving and delivering services has increased comparatively and contributed to increasing the equality of women and men and women's empowerment and improving the quality of life.

The study reveals a substantial upswing in income following participation as an entrepreneur in the Digital Centre. The average income prior to involvement stood at approximately BDT 7,000, while post-engagement as a Digital Centre entrepreneur, this figure has soared to BDT 31,000. On average, entrepreneurs now earn monthly incomes ranging between BDT 20,000 and 30,000. These findings underscore the transformative potential of the Digital Centre program, which not only boosts income levels but also fosters an entrepreneurial spirit, facilitating the conversion of innovative ideas into actionable ventures.

#### Income of an Entrepreneure



# Evidence of Transformation: Stories Behind

## **Empowering Communities in Their Lives and Livelihoods**

#### Story of Lovely Rani

Lovely Rani's journey began in 2010, a high school student with dreams bigger than her circumstances. Despite their initial financial struggles, the family's socio-economic condition has significantly improved with the support of the Union Digital Centre (UDC). With agent banking at its core, the UDC elevated her family's status while offering services like bill payments, applications, and registrations. Beyond digital services, Lovely Rani and her team actively engage in humanitarian efforts, including raising awareness to combat child marriage, facilitating maternity allowances, and providing support for hospitalized expectant mothers. With two co-entrepreneurs under her wing, Lovely Rani ensures they receive monthly remuneration. She also mentors and empowers women to become self-sufficient. Her vision extends far. Lovely Rani dreams of a centre that's a powerhouse of empowerment. She hopes for government collaboration, bringing online land services and digital training to her community. Lovely Rani's story isn't just hers; it's a testament to digital centres transforming lives and carving paths to a brighter future.

## Pivotal Role as MENTOR in Communities

#### Story of Arifuzzaman Moon

Since 2010, Arifuzzaman Moon has been crafting change. His digital centre isn't just a hub; it's a powerhouse of services, from passports to banking. His centre offers a wide range of public and private services, including police clearance, passport applications, and e-house registration. With seven outlets and daily revenues of Tk 30,000, he's not just an entrepreneur; he is the community's backbone. He empowers people with training, battles child marriages, and champions allowances to reach rural citizens. His shoulders carry not just responsibilities, but dreams. Moreover, Arifuzzaman Moon actively works towards preventing child marriages in the community as an influencer of the community after being a UDCs entrepreneur. He also advocates for the allocation of various allowances, including the old age allowance. Taking responsibility for all family expenses, including his younger brother's education, he has earned the trust and respect of the local population. People in the area rely on his guidance and expertise to address their concerns and challenges. He



envisions that by 2041, his village will be a digital village, where QR codes unlock a cashless realm. This isn't just a vision; it's a revolution. Arifuzzaman Moon isn't just changing lives; he's sculpting towards a Smart Bangladesh.

#### **TABOO BREAKERS**

#### Story of Munmun Nahar

In 2010. Munmun Nahar embarked on a transformative journey with the Union Digital Centre (UDC), guided by the local chairman's vision. Armed with an Honors Master's degree in Economics, she not only shouldered her own education expenses but also became the lifeline for her two sisters and a brother. Furthermore, she single-handedly shoulders the financial burden of her entire family, including her parents. All of these expenses are covered by the income generated from the digital centre. Munmun Nahar's centre offers a range of services, such as banking services (including DPS accounts at Tk 10), agent banking services, and various registration processes like passport applications. Through her digital centre, she has established a strong presence in the area. Munmun Nahar's realm of impact extends beyond transactions; she's a trusted beacon for women, with 75% of her service seekers being female. Yet, her influence doesn't stop there. Munmun Nahar is a warrior for social change. standing against child marriages and empowering women. She's not just an entrepreneur; she's an embodiment of empowerment and progress, resonating through her community's hopes and dreams.

#### A Vision Towards Technological Leap in Rural Bangladesh

#### Story of Mahbub Rahman

In 2011. Mahbub Rahman embarked on an entrepreneurial odyssey, transcending personal challenges to become a Digital Centre entrepreneur. Despite delays in his SSC examination until 2016, he weathered various jobs to support his family's financial stability. Seizing the opportunity in 2011, he ventured into entrepreneurship at the Digital Centre. Today, Mahbub Rahman orchestrates change, guiding three co-entrepreneurs and actively combating child marriages, preventing approximately 60-70 cases. His centre stands as a sanctuary for essential allowances, providing accessibility to disability, age, widow, mother-child, and Vulnerable Women Benefit (VWB) allowances. Currently situated in the Union Council room, he envisions expanding his operations by opening additional sub-centres in the future. Moreover, his dream is to develop a dedicated software application for UDC, enabling individuals to conveniently locate the nearest digital centre from the comfort of their homes. Not confined by physical walls, his vision extends to



future sub-centres and a technological leap—a dedicated software application guiding individuals to nearby digital centres. His efforts in preventing child marriages and ensuring access to vital allowances have made him a trusted and respected figure in Kamarjani. Mahbub Rahman's journey epitomizes resilience, dedication, and community impact, as he crafts a legacy of positive change and envisions a future of enhanced accessibility through innovation.

## Not Just a Centre But a Powerhouse of Progress

#### Story of Sweety Akter

In 2011, Sweety Akter embarked on her journey as a catalyst of change, a digital centre entrepreneur. Her centre's earnings don't just fund her dreams; they weave a safety net for her entire family. With two children, five siblings, parents, and dependents, she's not just an entrepreneur; she's a lifeline for the family . A Secondary School Certificate (SSC) graduate, she's armed with education and determination. Within her digital centre, she has two co-entrepreneurs whom she personally trains and provides employment opportunities. Additionally, she actively contributes to the development of the local youth by offering various skill development courses at her centre. These courses have played a significant role in empowering the youth and transforming the socio-economic conditions of the village. Empowering youth, rewriting socio-economic narratives - her centre isn't just a place; it's a powerhouse of progress.

## A Case Study on Intelligent Rural Business Influencer

#### Story of Sharmin Akter

Sharmin Akter, a 32-year-old woman, is a Digital Centre Entrepreneur in the remote area of Kamrangirchar. She embarked on her entrepreneurial journey in 2016, and her remarkable story serves as an inspiration to many in her community. Despite facing challenges, she has carved a path to success through her unwavering dedication and passion for her work.

Sharmin's journey began when she submitted her CV in 2016, seeking employment. Her determination led her to a unique opportunity when she received a call for the position of an entrepreneur. She initially lacked computer skills and used to handcraft certificates at the counselor's office. It was there that she met her male entrepreneur partner, who became her mentor, teaching her how to use a computer and more.

Starting from the counselor's office. Sharmin soon progressed to renting a floor to run her business. Initially equipped with just one laptop and one desktop, she took a loan from Bank Asia to expand her digital centre. Currently, her business boasts one laptop, six computers, four printers, and an IPS system, all funded by her hard-earned money. Sharmin's success story is further enhanced by the seven co-workers who support her; six are male, and one is female. Interestingly, she trusts her female co-worker more despite similar work quality.

Earning nearly 1 lakh per month from her Digital Centre, Sharmin financially

supports her family of four as a single mother. She has also completed her master's degree, highlighting her commitment to personal growth and education.

Sharmin's Digital Centre serves around 80 beneficiaries daily, with a balanced gender distribution of 50% male and 50% female clients. This gender balance has evolved over time, with more males seeking services from her center. In a community where child marriage is common, Sharmin's dedication to education sets her apart. She and her sisters were once mocked as "over-smart," but today, they are regarded as role models for girls and children in their

locality. Even established businessmen seek her advice, viewing her as exceptionally intelligent. However, Sharmin attributes her success to hard work and a genuine passion for her work, rather than innate intelligence.

Sharmin Akter's journey from a job seeker in 2016 to a successful Digital Centre Entrepreneur is a testament to her determination and commitment. She has not only transformed her life but also become a beacon of hope and inspiration in her community. Her story exemplifies the power of hard work, resilience, and a genuine passion for one's work in overcoming adversity and achieving success.



These are the inspiring stories of Bangladeshi digital centre entrepreneurs who've made significant contributions. They've boosted their families' economies and fostered community social development. Sweety Akter supports her extended family through her centre, offering training and employment. Munmun Nahar empowers women and combats child marriages. Mahbub Rahman overcomes challenges, ending child marriages and ensuring vital allowances. Arifuzzaman Moon's diverse services uplift society, supporting his family. Lovely Rani enhances family decision-making and local earning opportunities.

#### **Conclusion:**

In summary, the Digital Centre initiative has made significant strides over the course of a decade, guided by the motto 'Service at the Doorsteps of the People.' Notably, there has been a substantial increase in both the quantity of digital centres, now totaling 8,468, and the diversity of services offered, exceeding 300. The number of entrepreneurs engaged in this endeavor has surged to over 16.100. It's worth emphasizing that there is a notable upward trajectory in the inclusion of women and entrepreneurs with disabilities, which not only contributes to advancing gender equality and women's empowerment but also enhances overall quality of life.

In recent years, the traditional workplace has undergone a great many changes. While it has been decades since the internet first began digitizing many of our assets and work processes, fast forward to today, and we see how those early decisions and innovations have completely revolutionized how we work. Employees are increasingly contributing to projects remotely instead of operating in offices, and employers have access to global talent — now more than ever before. Theoretically, this is a potential area for decent work and employment that can be categorized as 'gig work'. Since the advent of ICT is inevitable and that, globally and nationally, every

person including the physically impaired must get digital service eventually, Digital Centres, as formulated by a2i, emerged as connecting points between digital services and "analog" citizens — particularly at the rural level as 'gig workers. It is an innovative and knowledge-based initiative for structuring the unstructured sectors of the gig economy — ushering an entrepreneurial approach from the urban to the rural economy. [https://a2i.gov.bd/unleashing-the-potential-of-rural-entrepreneurs/]

The Digital Centre program is poised to be a potent catalyst in the pursuit of a technologically advanced Bangladesh in the foreseeable future. The study suggests that with certain strategic measures, the realization of a Smart Bangladesh through the proliferation of digital centres can be further expedited. These measures include the provision of contemporary and forward-thinking training for entrepreneurs, the establishment of a robust legal framework to ensure sustainability, an intensified public awareness campaign to inform the populace about the services offered by digital centres, contingency plans to guarantee uninterrupted access to electricity and the internet, and an expansion of the network of digital centres as dictated by demand, among other considerations.



















