

Company Name: HCL Technologies, Business Services (BSERV – BPO) Division

Innovation - “Operational Excellence through accelerated ‘Intuition’ building” in a BPO – Harnessing discoveries in pattern recognition, mass communication and psychology for back office operations” Building a mental vocabulary of patterns with actions, feelings and a catchy name.

*Our innovation is a **Market Facing Innovation** which actually **helps clients** by delivering their **outsourced processes faster** and with **higher quality**, simultaneously resulting in **multiple value adds for the client's business**.*

This innovation was born in a global claims confirmation process outsourced by an US insurance major to HCL BSERV. Globally, back office processes are moving from simple rule based transactions to those requiring decisions and judgments.

Members buy insurance policies from our US client, face accidental losses and place claims. Some are accepted and others, rejected. Members re-present such rejected claims, which come to us, in India. These are complex requiring decisions and judgments. Typically executives with limited domain knowledge and no on-the-job experience, handle these. They work in ‘clean-rooms’ where security concerns prohibit use of pen-paper-phone-internet.

“Operational Excellence through accelerated Intuition building” is a unique process innovation to accelerate expertise development in these inexperienced executives working in challenging conditions

Basic best practices: Three basic best practices viz., solving cases in “teams of two” with dual monitors for each, segmenting tasks and people and aligning them based on skill-sets and creating “roles” to change behavior and attitudes, led to definite but inadequate improvements. **Logic is necessary but not sufficient for** decisions and judgments: ‘Expertise’ is required.

Herbert Simon’s pattern recognition: Expertise Development is through the natural pattern recognition process. This culminates in intuition. Intuition comprises large number of “chunks of knowledge” each with three components viz., *pattern* plus *action* plus *feeling* and all of them completely *cross-referenced* and stored in the sub conscious mind and spontaneously recalled for every requirement. Expertise development is a long drawn process requiring 5-10 years of efforts with 10,000 hours of practice. Needs acceleration

Al Reis and Jack Trout's Positioning and Branding concepts: These advertising experts discovered the power of creating a space in the mind (position) and hanging a product there (branding)

The Breakthrough Idea (Mine): The following thought process is my innovation. Both pattern recognition and positioning are slow processes. Can we accelerate both by combining them and making them resonate with a 'coaching' process?

Coaching: Each defective transaction was analysed to vividly bring out the pattern, action and feeling. This created that 'chunk-of-knowledge'. A specific catchy name was given to each chunk for leveraging the 'branding' advantage. This was repeated in a 10-member team for 200 defects over 15 days (50 hours) with active conscious cross-referencing. This shrunk lead time for expertise development by a factor of 10-20

Validation with three theories from Malcolm Gladwell: *"Experts have rapid cognition"*. Our executives took 11 minutes per case down from 38 minutes! *"Experts 'thin slice' or consider fewer parameters"*. Our executives used 5 parameters, down from 25 parameters. *"Experts have patterns"*. Our executives had 200-500 patterns within months of this exposure

Structured in a Lean Six Sigma framework, we reduced TAT and created a zero defect process (exceeding client's expectation of 96% quality), saving a substantial amount for the client.

The idea was crystallized and commercialized in June 2011 improving the existing revenue stream. Every vertical has a small but significant decision-cum-judgment component. We therefore showcase this competency to every prospective client. This has won us several new contracts across multiple verticals viz., banking, insurance, logistics and utilities.