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*Our goal is to streamline turnaround times, delivery cycles, and service processes, for simpler customer interactions: Sachin Dutta, COO, Canara HSBC Life Insurance*



In a thought-provoking interaction with Express Computer, Sachin Dutta, COO, Canara HSBC Life Insurance, discusses the company's transformative journey and strategic initiatives. From adopting cloud-based architectures to enhancing customer lifecycle management through digital innovations, Dutta discusses how these advancements have streamlined operations and enriched customer experiences in the insurance sector.

*Can you elaborate on the company's digital transformation journey and its current focus areas?*

The digital transformation journey for us has been really exciting. There is a lot to discuss about the overall transformation journey. When COVID happened, everyone had to adjust to a new normal. We started our digital

transformation journey around 2018 and 2019, although we have always been digitally organised. However, we felt it was time to look at the next level of transformation and take the next leap.

I see transformation not as a one-time exercise but as a continuous process where everyone tries to evolve and do different things. In 2018-2019, when we started our major initiatives on transformation, we aimed to move away from a monolithic setup to a microservices-based architecture. This was a significant leap that we attempted and successfully completed. By 2020, we transitioned from a monolithic setup to a service-oriented architecture, just before or during COVID.

Primarily, we had been using an on-premises data centre setup. We decided to move to a co-location setup and considered the cloud as a key enabler for our growth. The cloud provides scalability, elasticity, and resiliency, which were tested during COVID.

If you ask about our journey, while the internal technological advancements have been significant, the external factor driving this journey has been our customers. It's important for us to understand what customers expect from an insurance company and to visualise and deliver these capabilities. We integrated these capabilities into our processes and people, ultimately benefiting our customers.

Over the last few years, our digital transformation journey has been super exciting. We completely transformed the way we operate. From an outcome perspective, we have reduced turnaround times and improved our key performance indicators, all leading to better outcomes. Overall, the transformation journey has been very exciting for us.

*What specific digital initiatives have been implemented recently to improve customer experience and operational efficiency?*

There were a lot of changes, and we have. When we look at customers, we often, very fondly, use a phrase called customer lifecycle management.

When you consider the entire lifecycle of the customer with us, right from the pre-onboarding stage to the onboarding stage, to the servicing stage, to eventually the maturity payout or claim stage, we implemented several changes as part of our overall customer engagement or customer experience strategy.

We revamped some of the onboarding journeys to make them easier and more transparent for our customers. Now, when the customer goes through the journey, it's more transparent and easy to navigate, as opposed to filling out manual forms as they did at one point in time. Similarly, on our servicing side, we launched our customer app 18 months ago, and in August, it will be two years. This app provides customers with the option to perform transactions themselves, making it easier to complete transactions on the app, which previously required raising a request and processing through conventional means. This has significantly reduced the turnaround times from days to virtually minutes and seconds, thereby enhancing customer experience.

Regarding our claims side, we believe that as an insurance company, claims are the ultimate moment of truth, and making things difficult for the customer is something we completely discourage. We do not believe in complicating matters for the nominee during this critical time. Therefore, we have digitised the entire claims process. Now, a nominee can log a claim easily via the customer app without needing to log in. They can download the app, log a claim, scan some documents, and submit them. The information automatically reaches our claims engine, which seamlessly integrates with our underwriting engine to assess the risk and facilitate quick settlement if it's a genuine claim. If clarifications are needed, we will reach out to the nominee to clarify the doubts. However, most of the time, our claims journey is straightforward and easy, ensuring it remains simple for our customers. This focus on simplifying the claims process is crucial because, more than the onboarding and servicing journeys, the claims journey is a moment of truth for any insurer.

*How long has the digital process you mentioned been live—since 2018-19 or post-COVID?*

Our approach has been sprint-based delivery. We follow the agile methodology, where our first priority was to have a very robust architecture. That architecture needs to have a very scalable infrastructure. The architecture sitting on the cloud provides us the agility I spoke about.

Our first priority was to make the onboarding process much more engaging for the customer. Onboarding went live somewhere around 2020. We had our CRM solutions and customer app come around in 2021-2022, and our claims module went live somewhere around 2023. We are now going to expand that even further.

If you see how our journey has been, we've broken down the entire puzzle into what we call customer lifecycle management, where we're trying to make the experience very seamless and engaging for the customer at each touchpoint.

Another important point in this transformation is understanding whether customers are finding it easy and what kind of feedback we are getting. We launched or subscribed to a Net Promoter Score, a customer satisfaction index, in 2019. We've been monitoring our customer satisfaction scores, which have improved over the last five to six years. This puts us in a very competitive space and allows us to improve our offerings and services to our customers.

That's how we've been able to deliver some of these results over time and continue to modify and transform our processes. Our architecture and infrastructure are now more robust and scalable.

*During this journey over the past six years, have there been areas where your ideation was ahead, but you felt technologically behind?*

I haven't gotten that feeling because a lot of ideation happened at the beginning of our intense transformation cycle. So clearly, when we actually sit together with a very strong team, a lot of ideas, suggestions, and solutions come our way. I think a lot of our time was spent selecting some of these solutions and capabilities, as well as some of the tools that existed in the market.

I did not find a situation where I felt that we had a lot of good ideas but were not able to implement them. We have the technology, tools, infrastructure, and architecture to experiment and bring unique propositions to the market. This ranges from simple servicing requests to complex transactions.

Additionally, we focused on fulfilling promises at the time of claims. Initially, during the ideation stage, some of these ideas seemed more futuristic. There's always a dilemma of what is futuristic versus what is realistic at that point in time. The transformation from realistic to futuristic is something I would credit to the team working behind the scenes to make it happen for the customer. I believe we have successfully covered that gap and have future-proofed many capabilities that will be used in the times to come without the need to transform again.

*How are you leveraging AI/ML to enhance your services and offerings?*

I think a lot of proof of concepts have been done in the past. Some of the capabilities we've deployed in artificial intelligence and machine learning have proven to be more than just solutions. When we started our journey in 2019 and 2020, we visualised that AI and ML could take on a large scale in the times to come. Therefore, our choice of platform and investments at that point in time enabled AI/ML and data capabilities on the workflow or the platform itself.

Our straight-through engine leverages the power of AI and machine learning to predict whether a case can be

auto- underwritten or if it requires human intervention to make a judgement call or raise a requirement. These capabilities are maturing now. While we aren't claiming to be at the pinnacle yet, we are making steady progress with small, incremental steps. Over the last 4 to 5 years, our choice of platforms, solutions, and auto-underwriting capabilities has significantly increased our auto-underwriting rates compared to pre-transition levels.

Another use case is our partnership with a solution provider that scans a customer's face to provide health vitals. If you are our customer, you can log into our app, and it will scan your face to tell you basic health parameters. This serves a dual purpose: it offers a health and wellness proposition for the customer and helps reduce the need for medical visits. By integrating this feature into our underwriting rule engine, we aim to make the process simpler and more seamless for the customer.

Lastly, simplicity is key for us. Our agenda is to increase penetration by making every customer understand and engage with insurance. The simpler the proposition, product, and process, the higher the penetration. By simplifying things, we believe we can increase the adoption of insurance within the BFSI sector. To highlight two specific aspects: our straight-through processing in underwriting leverages AI/ML capabilities, and our facial health scan also utilises AI.

*With the emergence of GenAI, are there any potential applications you see for this technology within the insurance industry, specifically at Canara HSBC Life Insurance?*

There's been a lot of hype, very frankly. But now we are seeing a lot of good use cases really coming to the forefront. I believe that this will continue for the next few years, with a lot of innovation happening, leveraging GenAI.

In the case of GenAI, what we are trying to do is conduct a lot of proof of concepts at two stages. For our technology development team, we are looking at how we could leverage GenAI to write and review simple pieces of code. The impact depends on your architecture and how spread out your platforms are. By providing our development team with GenAI, we can help create and review some of the code, significantly improving productivity in our technology developments.

Similarly, another GenAI use case we are working on, and still doing a proof of concept for, is in underwriting. Traditionally, during underwriting, questions are asked in line with the underwriting policy or standard operating procedures (SOP). We are using generative AI to consume our standard documentation and predict whether a policy or insurance proposal aligns with the SOP. This creates a healthy competition between the system's built-in rules and the SOP, identifying gaps and areas for improvement. In the future, SOPs could be generated by the system rather than written by humans, leveraging GenAI to handle processes more efficiently.

Another proof of concept we are exploring is making our setup more efficient by using generative AI for tasks like underwriting co-pilots or checking the background history of customers. However, we are selective in our approach due to the associated risks, such as information security. Given the highly regulated space we are in, we must take cautious and conscious steps rather than experimenting on a large scale.

Regarding our AI/ML and GenAI capabilities, proof of concepts will continue. We'll see success, deploy, and let the model learn. The foundation lies in the quality of our infrastructure, architecture, data quality, and data structure. A strong data architecture is crucial for AI/ML capabilities to deliver the right results.

*With advancements like GenAI and AI, do you think it raises significant security concerns?*

Security is always at the forefront because as we become more integrated and expand our digital borders, leveraging external services, security is emerging as the most important element. It must always be a priority when designing a transformation strategy. It's a crucial driver, not just because regulators talk about it or due to data privacy acts, but because self-regulation is key. Security should be an inherent part of the thought process from the beginning, rather than an afterthought. It is essential when designing technology transformation strategies, including AI and ML. Therefore, it's a critical area to consider when designing these solutions.

*What key industry trends are you observing in the Indian life insurance market, and how is Canara HSBC Life Insurance adapting its strategy to stay ahead?*

I think the key trends we've spoken about—AI, GenAI, and so on—are going to expand further. Another trend I'm seeing in the life insurance space is that people are thinking beyond just life insurance. As a proposition, we need to engage more with our customers on health and wellness. Even in the life insurance sector, the trends are shifting towards a customer-centric approach. It's not just about providing insurance during unforeseen events anymore; it's about maintaining a continuous relationship with the customer.

We believe this customer-insurance company relationship will strengthen as offerings become simpler and solutions smarter. Technology will play a crucial role here. The handheld devices we use will integrate all services, making interactions with life insurance companies and others in the BFSI sector more seamless through customer apps and digital platforms. Traditional methods like phone calls and emails may diminish over time.

Simplifying insurance processes and increasing penetration across the BFSI sector are ongoing efforts. Regulatory initiatives and advancements by insurance companies are driving this simplification and technology adoption in the insurance space. These developments are expected to enhance penetration rates significantly.

*Can you share some insights into Canara HSBC Life Insurance's future roadmap? What are your long*

**term goals for digitalisation and technological integration?**

Over the next 12 to 18 months, our focus will be on maintaining and expanding our customer-centric approach. We've undergone a significant transformation, and this shift is not just a one-time effort but an ongoing evolution. Our goal is to further streamline turnaround times, delivery cycles, and service processes, simplifying interactions for our customers. We aim to create relevant and straightforward solutions that enhance their experience with us as a life insurance provider.

Central to our strategy will be leveraging AI and machine learning capabilities to build upon our existing strengths while managing security risks effectively. Our investments and efforts will be directed towards solidifying our position as a true digital insurer, committed to delivering value and trust. Whether it's facilitating investments, providing seamless services, or promptly honouring claims, including maturity and death claims, our focus remains on ensuring customer satisfaction and operational excellence.

Looking ahead, our aim is to continue pushing the boundaries of innovation and excellence in the market, reinforcing our reputation as a digital insurer that customers can rely on and appreciate.

**Link:** <https://www.expresscomputer.in/exclusives/our-goal-is-to-streamline-turnaround-times-delivery-cycles-and-service-processes-for-simpler-customer-interactions-sachin-dutta-coo-canara-hsbc-life-insurance/113803/>