

Covid accelerates automation adoption for HCL Digital Process Operations (DPO): EXACTO gains significant traction

We have written a number of pieces this year about how Covid-19 is accelerating the adoption of automation technologies in a range of end user industries. (See - [Accelerating RPA adoption within the NHS](#) as a recent example). We have also heard from the likes of **EY** that recent research with business leaders consistently points to businesses looking to ramp-up investment in automation as they prepare for a post-crisis world.

It's becoming increasingly likely that one of the biggest beneficiaries from changes to the workplace post-covid will be automation technologies. To date, automation has too often been deployed tactically and piecemeal, frequently struggling to scale and be adopted throughout an organisation. However, the need for cost reduction, speed, consistency, reducing physical contact are all likely to help drive up adoption rates.

As the focus shifts from cost reduction towards growth, the approach to automation technologies will have to become more strategic where the future of the workforce is a hybrid one – with a mixture of robots, humans, AI and intelligent automation all ultimately working together.

To understand what these trends look like in practice, I spent time recently with the automation team at **HCL** to get a feel for how their automation proposition is being deployed by clients, since the outbreak put so much pressure on organisations and demanded different ways of working, all in “double quick” time.

HCL has been on its Automation journey for the best part of a decade, starting out with low cost automation and Business Process Management back in 2011, before progressing onto Robotic Process Automation (RPA) and then adding in AI, Analytics, Machine Learning (ML) and Natural Language Processing (NLP) capabilities. Most recently they have moved onto what they are terming “Hyper Intelligent Automation” which includes the deployment of digitalCOLLEAGUE and end-to-end process automation.

Underpinning HCL's automation capabilities is a product suite named “EXACTO” - an intelligent automation engine that combines AI, ML and Computer Vision techniques with RPA. It also uses NLP to interpret, extract and read both structured and unstructured text and is designed to handle and identify any missing, unseen or ill-formed data from handwritten documents, faxes, electronic documents and images.

Under the EXACTO banner HCL has built a library of prebuilt automations that are gaining significant traction since the start of Covid for their ability to be deployed quickly. Current use cases include the following:

- Automating financial statements for accounts preparation across balance sheets and profit and loss accounts for up to around 190 different fields. EXACTO is configured to require values entered for about 30 to 40 of the fields and then derives the rest of the values through calculations.
- Invoice and Purchase Order (PO) capture and processing has been automated by EXACTO to help improve the Accounts Payable cycle. Most invoice and POs have similar processes meaning that this automation can be deployed in less than a week and can provide 70-80% accuracy without any specific training and before the business user gets to feed in the company specific data to close the gap. The second stage accuracy can be taken up to 95%
- EXACTO has an automated Know Your Customer (KYC) process for identity checking and compliance. Popular with Banks this is designed to aid the onboarding of new customers and speed up things like account opening process.
- Automated cheque processing is another area that EXACTO is being used, suitable for the standard and fixed patterns of structured information prevalent here. The system is also being used for signature matching from customer cheques against those held in a Bank's database, and can offer confidence levels well above the human eye.

HCL has used EXACTO to standardise about 6 or so popular businesses processes, training each solution via vast amounts of data run through them, now allowing for quick deployment with clients. The solutions typically are first deployed with a client 70-80% pre-configured then requiring only a small amount of customisation.

Pre-covid it would typically take between four to six weeks for deployment and customisation to a particular client, all depending on how unstructured the data was. Since the outbreak of the pandemic HCL has been able to speed this up considerably and is now getting the systems live and up and running in typically less than two weeks. Compliance, regulatory and infrastructure requirements make it very difficult to do it in less than that. Pre-built automations of this type, leveraging the work from one client onto the next are making a huge difference to the speed of automation deployment.

HCL has seen demand from a range of different types of businesses since the outbreak of the pandemic. Given supply chain issues, manufacturers have been looking to speed up their invoice and PO processing where even a single day delay can be very expensive. Elsewhere, healthcare is having to deal with unprecedented demand for health insurance claims and medical reports that have spiked considerably since Covid.

One specific Covid related example that HCL provided EXACTO's KYC solution for major banking customer used passport, photos and documentation to be able to automate the account opening process and helped the bank to reduce the cycle time for account opening by 40%.

Another example was a large scanning solutions player that had already outsourced their Accounts Payable operations to HCL for the processing of large volumes of invoices. The service historically had used a range of different equipment primarily with processes and work assigned manually. The outbreak of Covid had meant that they were not able to continue to do the work manually. HCL was able to take basic requirements and then deploy its invoice automation solution within a week without missing any SLAs or time lost when the process was down.

Indeed, the maturity of the EXACTO solution across these pre-configured processes is giving HCL's commercial team the confidence to move towards outcome-based pricing where rebates are being offered to clients if delivery is not at an agreed level.

The initial phase of Covid has been focused on "keeping the lights on" and a phase of activity concerned with business "resilience" or survival. This has played well to EXACTO's ability to deliver automation solutions that are robust, tried and tested, and all delivered very quickly. As the focus shifts from operational necessity into "the future of work" and the "new normal" eventually the approach to automation technologies will have to become more strategic.

HCL sees the future of the workforce as a hybrid one and the mixing in of digital COLLEAGUE that are able to augment the human workforce, take responsibility for delivering repetitive, manual tasks that require low-level decision making, enabling staff to focus on higher-value activity. EXACTO can automate entire Finance and Accounting and banking processes, with humans just viewing summarised information extracted via analytics and a dashboard. The logic being that this should ultimately help C-suite execs move their focus from operational activity (which the automation takes care of) to being even more concentrated on the customer experience. This shift in mindset will require the likes of HCL to sell at a much more strategic level as to deliver these benefits and may require significant organisational redesign.

The impact of the pandemic and the realities of conducting business during lockdown, has without doubt highlighted the vulnerability of analogue business models. Enterprises are not going to come out of the pandemic the way they went into it and a much greater understanding exists of what is achievable when traditional barriers are broken down, and new automation technologies are brought to bear on business challenges.