Karvy

Header: Data doctors
Strap: This one has taken the challenge head on. Karvy firmly believes that if you manage people right and have all the groundwork in place, you can make it big time….against all odds

The Karvy story is a lesson for anyone interested in succeeding in the BPO space. And Karvy has succeeded in a space that most have failed – medical transcription. Indeed, while medical transcription was the order of the day just two years ago, so many have burnt their fingers that no one even mentions medical transcription as a possible BPO. But Karvy has proved that it is not just possible to survive but, indeed, thrive in the field of medical transcription.

Not that Karvy had any expertise in healthcare. It also did not have any technology background. This just goes to prove that to succeed in the BPO business; you neither need domain expertise to start up nor a solid technology foundation. You just need execution skills – the ability to manage people, imbibe technology, set up infrastructure, recruit and train people and deliver the goods.

Karvy was set up in the early 80s by a group of chartered accountants for offering financial services. Karvy offered the entire range of financial services – IPO activities, book building, corporate transfer, depository participation and selling of equity and mutual funds to retail investors – to the entire range of participants – mutual funds, corporate and retail shareholders. The clientele of Karvy reads like a virtual who’s who of Indian corporate bigwigs and institutional investors – Reliance, Infosys, Wipro among corporates and Morgan Stanley, Franklin Templeton, UTI among mutual funds. Karvy has 2,400 employees spread across 110 cities in India in 154 centres to serve the needs of retail investors.

It is this ability to execute that has helped Karvy succeed. This was one of the reasons why US-based CBaySystems chose to outsource its medical transcription work to Karvy when some contacts mentioned that the work could be done by the latter. CBaySystems is a medical transcription firm that often uses multiple Indian vendors to offer low-cost medical transcription services to US healthcare providers. Contacts may help you get BPO work without a track record or proven expertise. But for a business relationship to continue you need to demonstrate the ability to deliver goods of proven quality within agreed timeframes.
And it goes to Karvy’s credit that it managed to consistently offer quality output even as other medical transcription vendors had to close shops because they could not offer acceptable quality in a very critical area of operation. Karvy’s recent attempts to imbibe technology to empower its Internet initiative in e-enabling its offering of financial services has certainly helped. Further, the huge manpower base and financial strength imparted Karvy with sustainability to be able to survive the gestation period and invest in the quality of services and sound training.

People and technology management skills have meant that Karvy offered 98.5% accuracy in medical transcription. Indeed, Karvy prides itself on NEST – No Edit Status of Transcription quality. This means that the work done by Karvy need not be edited again by CBay. This is due to multiple levels of operations – Maker, Checker and additional checking by a qualified medical doctor. This is as opposed to just two levels of testing at other medical transcription centres – maker and checker.

The investment in effort, technology and quality has paid off. Karvy has 225 people engaged in medical transcription as of September 2003. But it is on the verge of making a huge breakthrough and taking a mighty leap. Indeed, CBaySystems is so impressed with Karvy that it has set up Ckar Systems to carry out transaction work. Though it is owned by CBaySystems, Ckar Systems would be entirely managed by Karvy. This would entail an expansion from 225 transcribers to 1,000 in a short period of time. Karvy has already created a five-floor/50,000 square feet infrastructure to house the new set up.

Medical transcription is a highly specialised field that requires long intensive training. Karvy has set up its own training academy and recruits – usually science graduates - go through six months of training involving four months of classroom training and two months of on-the-job training. The classroom training involves training on computers, English language, transcription services and in-depth yet extensive medical knowledge.

Karvy is considering offering its core expertise to a global clientele following its successful foray into the medical transcription space. It may be rather too early in the day but Karvy may soon write another success story in a long string of successes. This could involve activities such as accounting, taxation, insurance, data processing, transcribing balance sheet data, mortgage banking and every other financial service. Negotiations with financial service providers are at an advanced stage and Karvy expects to have a 100-person financial services operation ready by January 2004.
Indeed, the potential for a scale-up in the financial services segment is tremendous and Karvy expects to rope in at least two clients with revenue possibilities up to a handsome Rs 50 crore within a short period of time. Knowing Karvy, they may succeed. Yet again.

Start-Up: September 2003  
Area of Operations: Medical transcription  
Location: Hyderabad  
Chairman of Karvy: Mr Parthasarthy  
Ownership and Funding Details: Entirely owned by CBaySystems, managed by Karvy Consultants  
Approximate Headcount: 300, likely to increase to 1,000  
Approximate Revenues: N A