

How Innovation Squads Operate

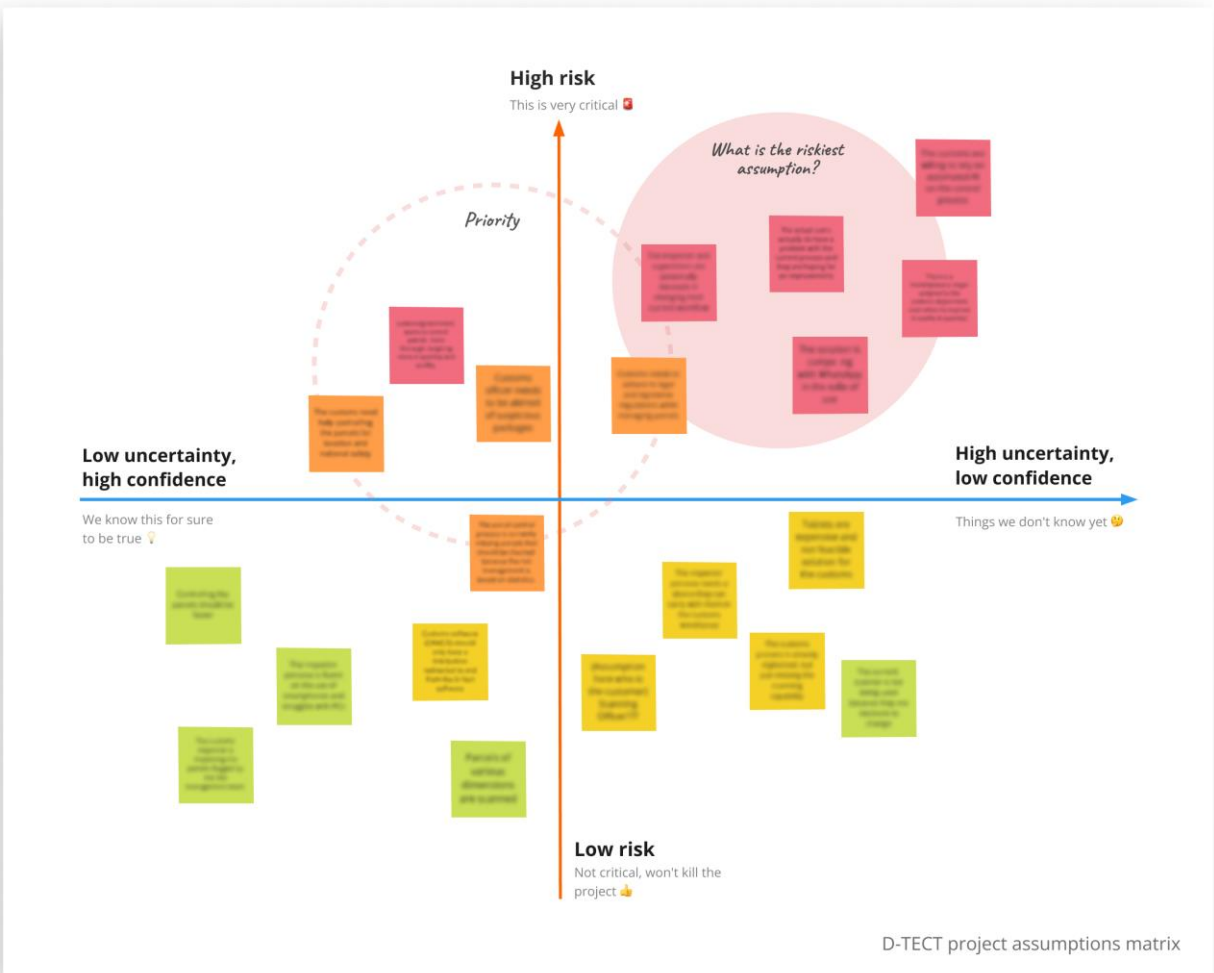
Jan 2022

The key to success in today’s increasingly connected world is the ability to build and release digital solutions that answer real-world needs. Actual innovation demands agility, technical know-how, and a complex understanding of the requirements of the market and the client. Our innovation engine enables us to quickly and efficiently deliver scalable solutions that answer these needs.

Innovation squads – where innovation and collaboration collide

Innovation squads are an integral part of the [innovation engine](#). They allow us to deliver more value in less time. Creating a close collaboration loop between the business and the customer is essential to providing the right solution at the right time. Our iterative development and validation approach effectively identifies the most significant value opportunities for the new products and services. Successfully bringing these innovations to market is accomplished through a combination of state-of-the-art digital technologies and methodologies, such as Design Thinking, Lean Startup, and Agile, with in-depth industry understanding.

The squads work in close collaboration with all SGS business divisions – Natural Resources, Industries and Environment, Health and Nutrition, Connectivity and Products, and Knowledge. Together they create and deliver Customer First solutions that seamlessly connect people with data and computational power.



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Innovation in action

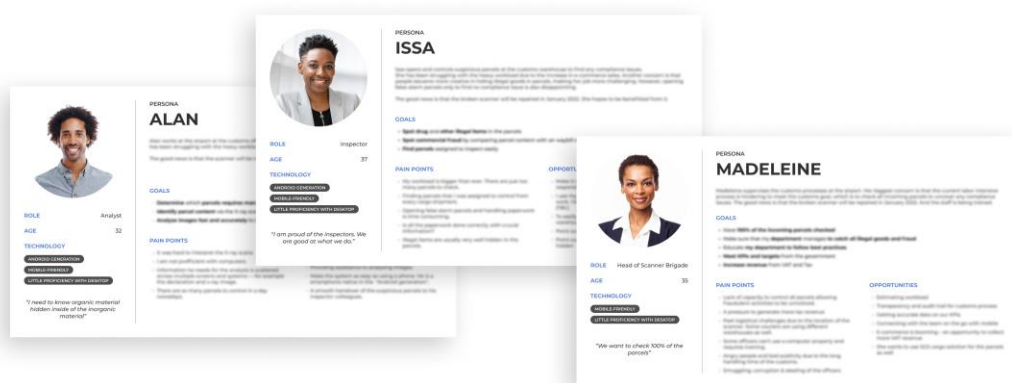
One of the first projects for the newly founded Lisbon Innovation Squad is D-TECT Parcel, which kicked off in late November 2021. Barbara Soto, Global Product Manager for Industries and Environment, leads the project in collaboration with the Product Team in Geneva, the Cameroon Customs Scanner Operations and the Lisbon Innovation Squad.

Customs operations currently use a largely manual, time-consuming and costly process for screening and detecting non-compliant goods. The D-TECT Parcel concept will assist customs authorities by fully automating the screening process and providing instant identification through AI-based algorithms.

The advanced AI technology behind the D-TECT Parcel has been in development by SGS Non-Intrusive Inspection Services since 2018. The original idea was to run a spin-off from the D-TECT Cargo solution. However, the concept has evolved due to advances in D-TECT's in-house capabilities and global market changes brought about by COVID-19 and e-commerce growth.

Following the SGS innovation methodology, the Squad set out to better understand the customer context, problems, needs, people involved and how they are affected by the current system and ways of working. Through interviews and workshops, the Squad quickly captured vital insights on how to shape the proposed solution to increase its value to the client.

We quickly reached a consensus on the crucial value drivers through rapid development and iteration of prototypes. This rapid iteration across time zones and geographic borders was only made possible by our use of innovative digital collaboration tools. Even at this early stage, the client could test the prototypes on both mobile and desktop.



User personas discovered during the research

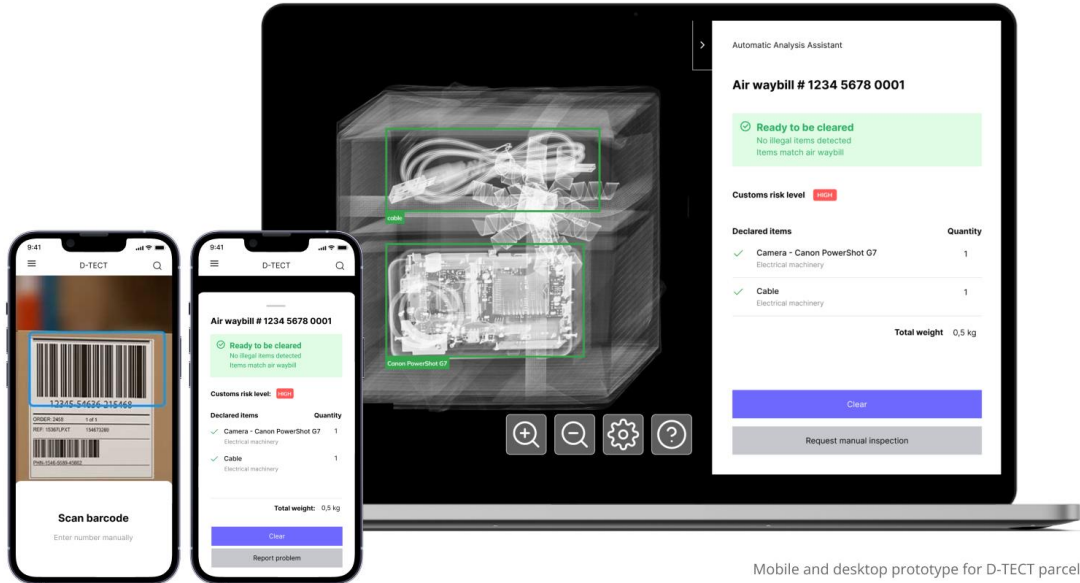
The concept seamlessly integrates advanced scanning and identification technology with airport systems. Operators could experience the added benefit of quickly identifying compliance and non-compliance while having all necessary related information available at their fingertips. Working in this way improves screening accuracy and reduces the unnecessary resource costs associated with opening compliant products.

As we understand it, there is currently no product on the market that incorporates AI technology to evaluate compliance by reviewing the content in the image and the data available through the clearance process.

Using the innovation squad approach, we were able to take the idea of incorporating AI into parcel compliance systems from D-TECT's Cargo Team, test its validity and deliver a user-centric prototype in five weeks. The prototype combines existing domain expertise with newly identified opportunities. Through the research, we learned that a downstream mobile application would add additional value and that a lack of understanding and trust in AI drove the need to build additional transparency into the solution.

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Mobile and desktop prototype for D-TECT parcel

Looking into the future

Digitalization is the future of many industries. To capitalize on this seismic shift in working practices, we need to work smart, validate with real users, create scalable solutions and enhance empathy for the needs of the market and the client.

The Innovation Squad approach provides us with different perspectives on the organization’s needs and how we engage with both clients and management to validate innovations. They also offer us the flexibility and short-term ‘ideation/validation’ cycles we need to ensure only viable projects continue through the innovation engine.

To start creating value through digital innovation together at SGS, we would very much like to hear your insights and ideas on this topic and invite you to an open discussion.



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