

SEFAS INNOVATION

SILOISATION AND CUSTOMER COMMUNICATION MANAGEMENT

JULY 2021 // WWW.SEFAS.CO.UK



SILOISATION. IT'S A WORD YOU PROBABLY DON'T COME ACROSS VERY OFTEN, BUT IT HAS PICKED UP MORE TRACTION IN I.T., BUSINESS AND TRADE MEDIA. IT IS OFTEN USED IN THE CONTEXT OF DATA STORAGE WHERE DATA IS STORED IN A NUMBER OF SEPARATE PLACES, RESULTING IN INEFFICIENCY AND INCONSISTENCY.

Siloisation in the context of CCM relates to the information that needs to be communicated to customers being held in a number of separate electronic places, by a number of different business owners. Each business owner has different information that needs to be conveyed to customers and all are governed by a variety of business processes and workflow schedules, as well as organisational structures.

As such, siloisation can be seen as the fragmentation of an organisation's ability to deal with the data it holds on its customers. This can be a real barrier to effective customer communications management.

SO WHERE DO SILOS EXIST IN YOUR ORGANISATION?

Silos of communication can crop up for many reasons. Legacy systems may generate bespoke letters or statements; mergers or acquisitions may lead to disparate CCM platforms for various products or brands; different business divisions – Marketing, Billing, Customer Care – may also have their own approaches to customer communications.

SILOISATION AND CUSTOMER COMMUNICATIONS MANAGEMENT

Across a typical organisation there may be various business owners, processes, users and strategies to manage the array of customer communications:

- Batch communications – typically high volume documents printed or published on a regular basis, the core of CCM because of their value and the complexity of embedded data.
- Marketing communications – a diverse range of communications from targeted, personalised campaigns, through to generic mass-marketing campaigns. Managed in-house or by agency.
- Interactive Communications – documents that are tailored for a specific customer, often as a result of direct business process interaction by either call centre staff, other front office staff, or in response to web interaction.
- Ad-hoc Communication – documents created on-demand, often in reaction to changes in external situations – such as legislative requirements, targeted marketing campaigns, or variations in business processes.
- Office correspondence – An enormous amount of customer communication is generated not through customer communication technology or process, but via simple Microsoft Office or other applications sent via a localised email server and/or local printer.

With such a variety of outbound customer communications, siloisation can become a real issue, which can be compounded if you outsource to specialists in the CCM process – such as Call Centres, Data Mining / Analytic specialists, marketing agencies, email service providers or print/mail bureaux. In these circumstances, silos of information may occur both internally and externally.

THE IMPACT OF SILOISATION ON YOUR BUSINESS

In some cases, siloisation is not a business critical issue. Many organisations operate best through a more devolved approach to customer care and risks may be countered by the advantages of being more agile, responsive and creative in the approach to CCM.

However, on the whole risks associated with having a siloed approach to CCM are:

- Economies of scale - you may lose out on taking advantage of consolidating mail volumes, and of removing duplicated costs of storage, design and other expenditures. With the costs of document management estimated to be up to 30% of organisational costs, there may be significant savings that can be found by addressing siloisation.
- Brand protection - clearly the more decentralised the control over communications and the more individuals make choices around design, the greater the risk that an organisation's brand may be compromised – a potentially damaging impact to a valuable asset particularly in the Business to Consumer (B2C) world.
- Content consistency - similarly, where editing and design rights are too devolved, organisations run the risk of sending miscommunication (inaccurate, incomplete or contradictory information) to a customer or prospect. This can confuse the recipient and damage an organisation's credibility, increase call centre volume (and associated costs) and compromise customer relationships.

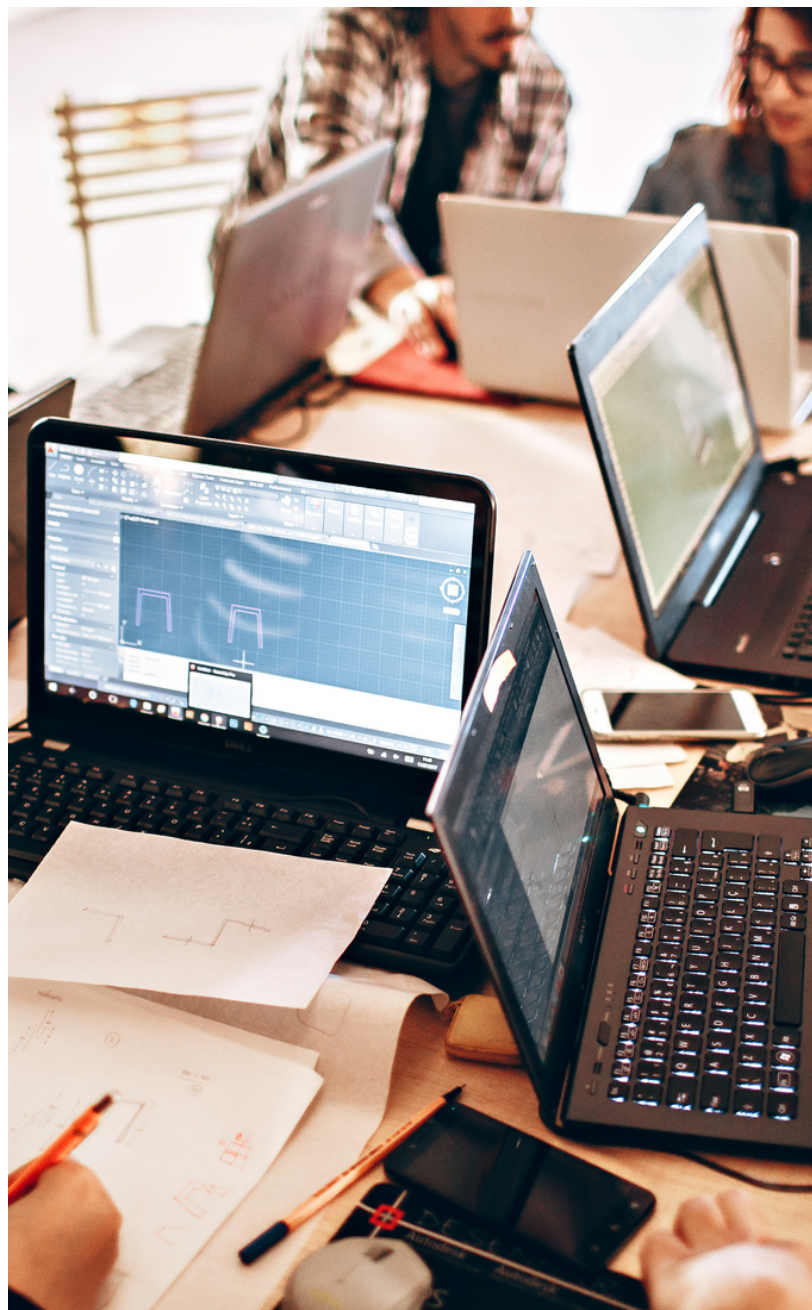
- **Adherence to regulatory drivers** - another risk of lost control of content through siloisation is the consequences of information being sent out that contravenes regulatory or compliance procedures. Quite apart from the risk of heavy fines being imposed, this can also debase your organisation's reputation.
- **Technology upkeep** - siloisation can lead to an organisation having multiple technical toolsets to replicate functionality. Not only is there a cost implication of upkeep, training and refresh of all technologies, but there is also a risk that one or more of the technologies isn't as efficient, effective or productive as others – a risk to gaining advantage in terms of communicating better and faster in competitive marketplaces.
- **Ownership of data** - data is at the heart of CCM. The ability to segment, target, personalise and deliver via customers' preferred channels to their preferred devices is all triggered by data held by your organisation. Such data can be from many sources, however the risk of siloisation is that the data is itself held in silos and the organisation is unable to gain access to get a true 360-degree view of the customer – further adding to the risk of miscommunication, and damaging your competitive advantage.

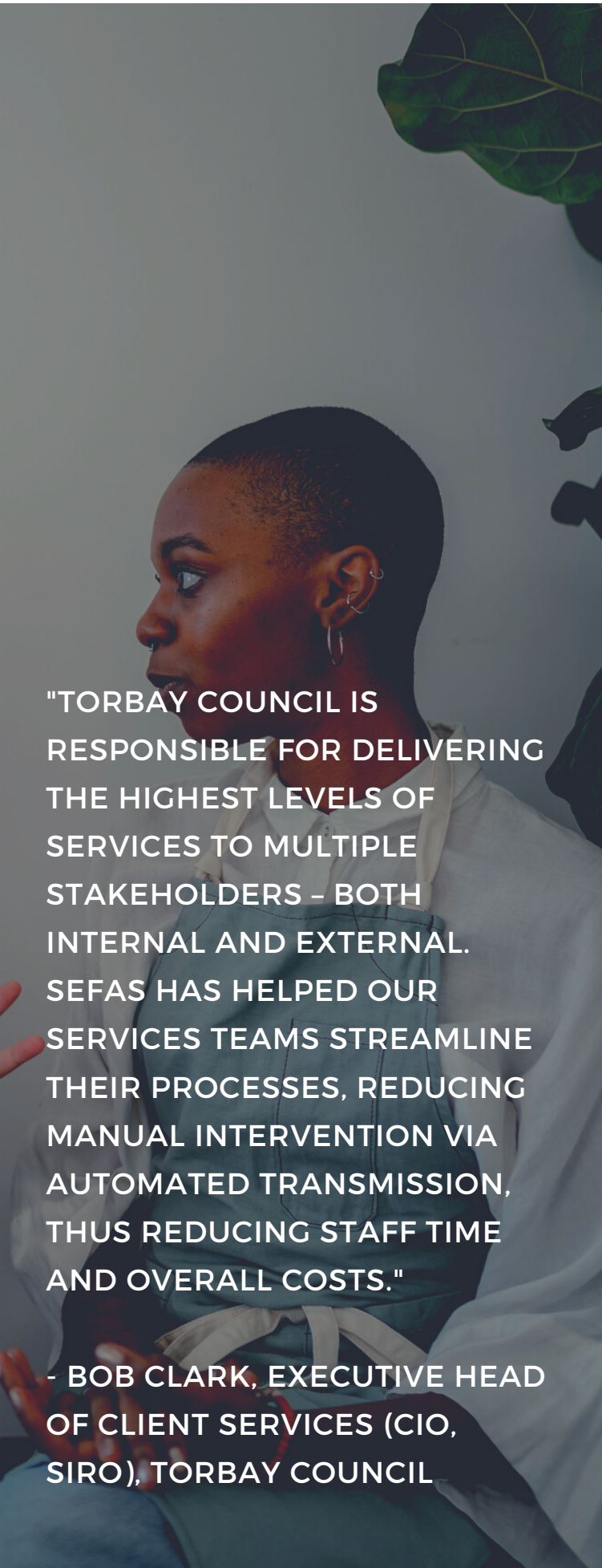
BREAKING DOWN SILOS AND THE BENEFITS OF A CCM STRATEGY

This isn't rocket science – the approach to siloisation is similar to the approach taken to any other issue in an organisation - i.e. gain high level sponsorship, ensure all stakeholders are fully engaged and follow a simple process. Even when an organisation has no silos within its CCM processes, reviewing the end-to-end process and interaction between different communication types may be advantageous.

SILOISATION CAN ADD CONSIDERABLE RISK TO ORGANISATIONAL CCM CAPABILITIES, AND BREAKING DOWN SILOS CAN IMPROVE YOUR ABILITY TO RETAIN AND BUILD THE CUSTOMER BASE.

- **"Kingdoms"** - finally – silos can lead to unhealthy competition with different parts of the organisation trying to outdo others. Whilst internal competition is not necessarily unhealthy, there is a risk that an organisation may focus less on its customers and more on internal rivalry.





"TORBAY COUNCIL IS RESPONSIBLE FOR DELIVERING THE HIGHEST LEVELS OF SERVICES TO MULTIPLE STAKEHOLDERS – BOTH INTERNAL AND EXTERNAL. SEFAS HAS HELPED OUR SERVICES TEAMS STREAMLINE THEIR PROCESSES, REDUCING MANUAL INTERVENTION VIA AUTOMATED TRANSMISSION, THUS REDUCING STAFF TIME AND OVERALL COSTS."

- BOB CLARK, EXECUTIVE HEAD OF CLIENT SERVICES (CIO, SIRO), TORBAY COUNCIL

1. ASSESSMENT

- A relatively quick and easy step to see whether or not your organisation has an issue with siloisation. Before embarking on a major project, it is sensible to assess whether or not you have an issue with CCM. A simple assessment can be undertaken by reviewing customer communication pieces. (In a larger organisation, this may mean looking at a representative sample in the first instance.)
- When reviewing the communication pieces, some may be better than others: more relevant, better laid out, or more compelling. There may also be other noticeable differences: colours may be inconsistent, branding not current, and/or electronic versions may not support paper versions – and vice-versa.
- Where there is lack of consistency, there may be issues arising from siloisation of CCM processes and a fuller review will be required.

2. SPONSORSHIP & STAKEHOLDERS

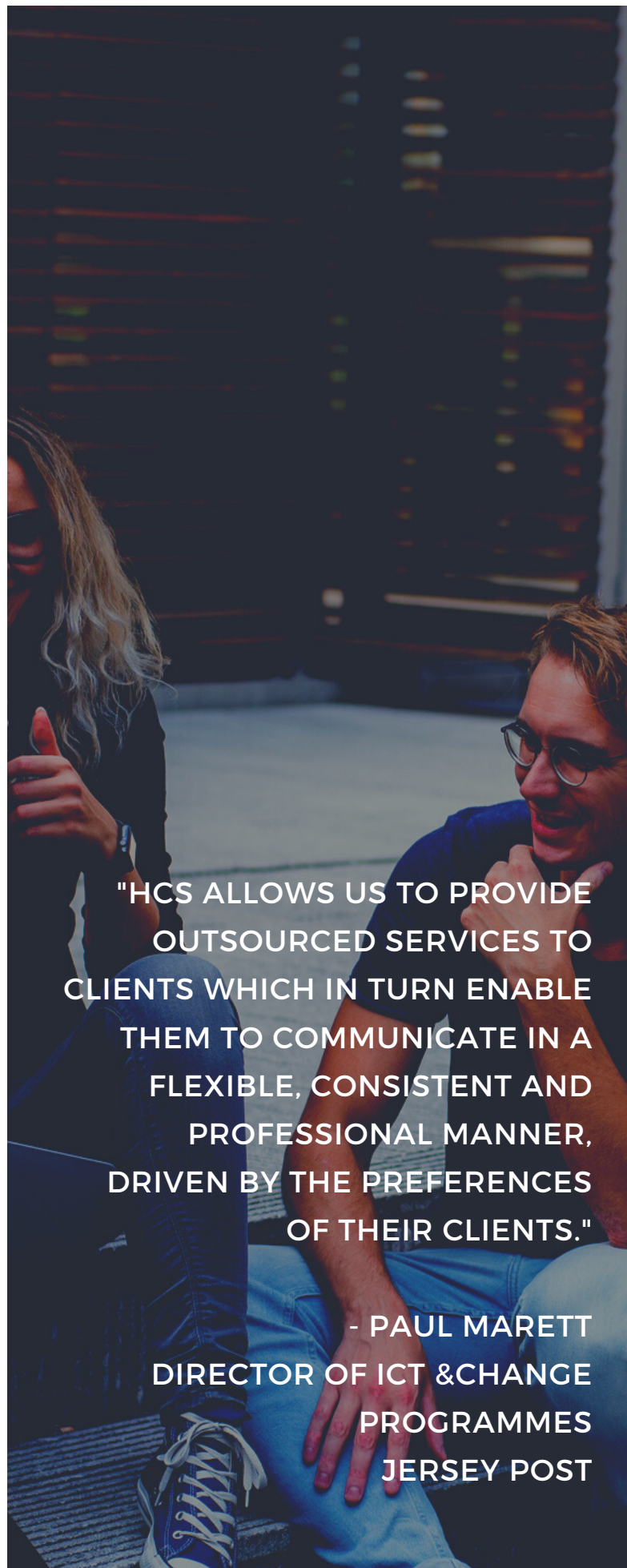
- A relatively quick and easy step to see whether or not your organisation has an issue with siloisation. Before embarking on a major project, it is sensible to assess whether or not you have an issue with CCM. A simple assessment can be undertaken by reviewing customer communication pieces. (In a larger organisation, this may mean looking at a representative sample in the first instance.)
- When reviewing the communication pieces, some may be better than others: more relevant, better laid out, or more compelling. There may also be other noticeable differences: colours may be inconsistent, branding not current, and/or electronic versions may not support paper versions – and vice-versa.
- Where there is lack of consistency, there may be issues arising from siloisation of CCM processes and a fuller review will be required.

3. REVIEW & ANALYSIS

- Where a potential issue with the CCM process is identified, it's important to look at all customer touch points and associated business processes, and conduct a more detailed review of each outbound and inbound communication.
- For each communication type, review aspects such as:
 - a. Frequency of communication
 - b. What process triggers the communication?
 - c. Relevance of communication types: paper / electronic / hybrid?
 - d. Is the organisation pushing information out to the customer, or is it being pulled by the customer?
- By analysing this data you can identify where processes are disjointed and where silos are located. Talking to stakeholders will give a greater understanding of the complexities and the severity of any issues. It is important to identify which issues can be addressed relatively easily and quickly and which will take longer to resolve.

4. RECOMMENDATIONS

- Based on this analysis, organisations will be able to evaluate potential benefits of fixing the issues. It makes most sense to prioritise any changes that are quick and easy, but offer a high return, and leave the complex fixes that offer marginal improvements till later.
- The long-term objective will be to harmonise CCM capabilities and resources under a single CCM strategy and the sponsor will want to evaluate the analysis and ensuing recommendations in order to free the necessary resource and expenditure to enable a change.



"HCS ALLOWS US TO PROVIDE
OUTSOURCED SERVICES TO
CLIENTS WHICH IN TURN ENABLE
THEM TO COMMUNICATE IN A
FLEXIBLE, CONSISTENT AND
PROFESSIONAL MANNER,
DRIVEN BY THE PREFERENCES
OF THEIR CLIENTS."

- PAUL MARETT
DIRECTOR OF ICT & CHANGE
PROGRAMMES
JERSEY POST

EXECUTING CHANGE

"They always say time changes things, but you actually have to change them yourself." (Andy Warhol)

- Whilst change isn't always welcomed, it is inevitable if an organisation seeks to continuously improve. The pace of change and the depth of change will depend upon corporate culture and the ability to manage change. Organisations need to look at human, operational and technological dimensions – and the challenge is to ensure that these dimensional changes all change in the same direction.
- Whilst most important, it is likely that change to personnel, to responsibilities and/or to training is going to be governed by any changes to process (operational) and/or change to technology. Personnel change and development is also likely to be the area where you have greatest expertise through HR policies and procedures, so focus needs to be on operational and technological changes, and there are three broad approaches:

A. Keep the technology variations and apply them to fit-for-purpose usage whilst focusing on process re-engineering to drive improvements. This may be a quick win, but may actually reinforce silo mentality and many of the issues will still apply. Additionally, it may be necessary to invest in a CCM solution to overlay across the existing technologies to harmonise the process.

B. Keep a single toolset that can be expanded to cover all, or most, of the business requirements, with changes to process to reinforce this. Whilst a single toolset will support removal of many siloisation issues, there may be significant investment, and very few toolsets offer a full gamut of CCM capability (though most claim to). Process change may be lengthy.

C. Reinvest in a new toolset which, whilst the lengthiest and possibly the most expensive option, may also drive the greatest advantages in terms of operational efficiency and allow an organisation to react better to future changes.

Most organisations will follow a process similar to the above to address the impact of siloisation by reviewing and improving their current CCM practices. However, most will have to engage CCM experts to fully understand the potential gains from initiating change.



SUMMARY

Siloisation affects an organisation's ability to deliver comprehensive, holistic customer communication and can result in many issues across all communication types. Resolution isn't always simple, although it is often simple things that can help to remove the barriers that siloisation builds. The key to bringing about effective change is to gain sponsorship and support from the stakeholders and to fully understand where there are issues and what your options are to address these issues.

SEFAS: MANAGING SILOISATION

Sefas has pioneered Customer Communication Management for over 25 years. We have evolved in the industry becoming market leaders in providing transactional printing, 'TransPromo' and Automated Document Factory (ADF) solutions to the marketplace and were the first to introduce multi-channel options by enabling email and web publishing distribution channels and this depth of experience has enabled Sefas to become expert in helping clients CCM strategies.

Sefas provides services and solutions that can help break down the barriers that siloisation brings about, including:

- Consultancy services to help with the analysis and review of existing CCM capabilities. Sefas can advise on an effective approach to addressing any issues that arise from siloisation.
- Sefas solutions can help in terms of providing the 'glue' to bring together disparate processes and technologies under a single platform. All Sefas technology is open architecture and vendor-agnostic, so that organisations can easily leverage existing investments and reduce any hardware dependencies.
- Sefas provides best-of-breed products in interactive composition, re-engineering or ADF control to help address specific problems that have been identified.
- Sefas can help you consolidate disparate communication channels and establish a true omni-channel CCM capability.
- Sefas provides world-class enterprise-wide solutions that can form the base of a new CCM strategy – managing design, preparation, approval, production, publishing, distribution and storage processes from a single technology platform.

