AlfaPeople

E-book: Your guide to tackling the silo mentality

Break down silos to grow your events and media business.

Introduction: Understanding silos and why they form

What is a silo?

In any organization – especially those which are growing rapidly – it can be hard to avoid falling victim to the 'silo mentality'; a situation whereby individual departments, functions or even offices become unwilling to share information or resources and are operating according to their own priorities and objectives, in complete disconnect with the goals of the organization as a whole.

This can be especially true for global events and media organizations with their various brands, divisions and specialist teams.

How does a silo form?

Silos are a by-product of our 'knowledge economy'; in order to further their careers, professionals are incentivized to follow a set career path within a specific function – whether that be sales, marketing, logistics, production/editorial, finance or HR - and become increasingly specialized in order to progress. Not much emphasis is placed on general capabilities or experience – the kind which would come in handy for any senior manager or executive who is tasked with leading multiple specialist functions to achieve one common set of goals.

"If everyone is moving forward together, then success takes care of itself."

Henry Ford

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# 01: How to recognize the signs and quantify the impact

86%

of corporate executives, employees and educators cite lack of collaboration or ineffective communication for workplace failures

Often silos develop unintentionally and as a result of good intentions: people are (quite rightly) focused on improving processes and optimizing efficiency within their own functions, but not necessarily too concerned about how these changes will affect their colleagues in other departments. The result can be incompatible or even overlapping systems, processes and targets across multiple functions.

Large events and media organizations are particularly vulnerable to data silos, given many can grow rapidly through acquisitions with each company bringing their own set of systems, processes and ways of working. And that's before even considering variables related to markets, geographies and cultures.

Whatever the reasons behind the silo mentality, the result is the same: multiple divisions of the same organisation working towards different goals, with different priorities, information, systems, tools and resources. Put simply, everyone is on a different page when they should be 'singing from the same hymn sheet'.
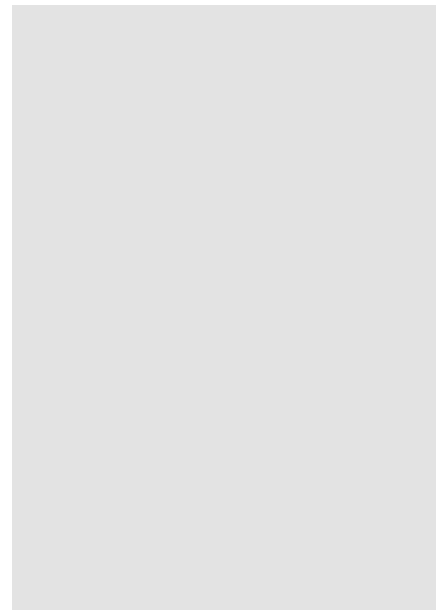
Spot silos in all shapes and sizes

So, how do you recognize silos in your organization? As we are essentially addressing a mindset or mentality (to begin with, at least) the signs can be sometimes difficult to spot. But pin-pointing which employees – or teams – operate with a sense of 'ownership' or 'guardianship' over certain resources or information can be a good start.

If one team is working hard on a significant project, and you realize that another department has no idea this is even happening, then you can bet that the silo mentality has taken root. Let's be more specific: let's say the product team are working on a new exhibition or a new publication and the marketing team are given a surprise briefing a week before launch. If that's you, then yes – you guessed it – you've got a silo issue on your hands.

Some more, perhaps subtler signs, include great top to bottom communication, but little bottom to top feedback or input; silos can operate vertically or horizontally and there can even be silos within silos (get your head around that!). It may even take the form of developing social 'cliques'; whilst its normal to want to socialize with those colleagues you spend most of your time with, if you've got certain 'tribes' developing with an unwillingness to integrate or communicate, it could indicate that there is a lack of empathy between colleagues in other departments and signal poor working relationships between teams.

There are, of course, more practical manifestations of the 'silo mentality'. For everyone to be successful in their own individual roles or functions, the flow of information and resources should be free and unhindered (within reason, of course); if you're finding that the marketing team are the only ones who can see campaign performance analytics when the sales and customer service teams could also benefit from using this information, you're experiencing the impact of data silos. Similarly, if you have one division 'ringfencing' certain data lists or use of certain resources such as software, it's a sign that they may be working to their own priorities, rather than the greater good of the company.

Whatever manifestation silos take, you'll get a definite sense of 'us versus them' sentiment – think the classic sales versus marketing rivalry, with certain teams seeking to gain advantage over others for their own gain.

Why are silos so destructive?

The impact of silos can be felt in every corner of the business, but the main headaches caused can include:

Poor employee morale

According to a recent survey, 27% of employees who leave within their first year say it's because they felt "disconnected" to the organization[1]. In close knit industries like events and media, word spreads fast amongst potential candidates while Glassdoor is filled with complaints such as 'serious lack of collaboration', and 'senior management completely disconnected from staff' from past employees. Not to mention the internal power struggles and politics that silos can breed!

Project failure

86% of corporate executives, employees and educators cite lack of collaboration or ineffective communication for workplace failures, a recent report claimed[2]. So if your new event launch failed or you missed this month's publishing deadline, it's worth assessing whether lack of cross functional collaboration could have been a contributing factor.

Inefficiencies

If departments aren't sharing information and resources with each other, chances are they're repeating some of the same processes and tasks and aren't learning from each other's mistakes or successes. If one team develops a new, more efficient process which saves them time (and ultimately saves the company money) but doesn't share this, then 90% of the company could still be operating inefficiently. Fortune 500 companies lose an estimated $31.5 billion per year by failing to share the knowledge across teams[3]. Furthermore, with disparate finance systems and data, reporting is slow and laborious and can often lead to inaccuracies and inconsistencies.

Missed opportunity

People who have worked in one speciality for a long time can often benefit from the varied perspective and fresh input of colleagues who have little to no experience in their field. Whether it's to offer an alternative way of tackling a problem, or to bring an idea to the table, a fresh new outlook on a project, product or process can spark innovation and add real value as well as being rewarding for team members.

Often in an events or media organization, there may be a lack of feedback– for example – from customer service to sales, marketing and production teams. This is a missed opportunity to make tactical changes to campaigns, agendas or messaging, and done on a wider scale, this type of intelligence could even result in the development of a new product or feature.

Poor customer experience

41% of customer experience professionals say that silos pose a significant barrier to providing a seamless customer service experience[4]. Without the tools and information they need to deliver personalized, high quality service, customers will potentially be disappointed and turn to other providers who can better meet their high expectations.

The question is not so much the cost of tackling the issue, but the cost to your organization should you fail to do so: indeed, high performance organizations are 5.5 times more likely than lower performers to encourage collaboration[5] and 94% of organizations say agility and collaboration are essential to their success.[6]

02: Addressing silos and using technology to ensure long-lasting results

5.5

High performance organizations are 5.5 times more likely than lower performers to encourage collaboration

Top 10 tips for tackling silos

So, you've identified that the silo mentality has taken hold in your organisation – now how do you go about tackling it? Here are our 10 tips:

1. **Don't delay, start today.** The larger the organization, the harder the problem will be to tackle. So, don't wait six months to get started – by then, the problem will be even bigger.

2. **Lead by example.** Senior managers and executives need to be the living, breathing advocates of your new collaboration strategy and that means practicing what they preach. If you haven't got their buy-in, then you can bet that those they are leading won't be engaged.

3. **Align objectives and compensation structures.** One good tip is to conduct your annual reviews with senior management first – that way their objectives can be aligned with the overall strategic vision of the organization, and in turn they can align those of individuals so there is synchronicity from bottom to top. People need to understand how what they are doing fits into the bigger picture, and how they are contributing to the overall success of the business. This way, they can recognize ideas which may be useful to colleagues in other departments.

4. **Make sure everyone in your organization repeats the same clear message.** Is everyone from senior managers to sales and customer service – even those who are running the events on the day, sure of company values, vision and objectives? Enlist the help of your communications professionals to create a tailored communications plan for your strategy. Make it interesting – perhaps you can run events, cross-functional workshops or get colleagues to present themselves. The message should be clear from the day employees join to the day they leave.

5. **Be honest.** It's OK to say that you've recognized an issue within the organization and that you're proactively tackling it. People appreciate honesty and it can help instill a culture of honesty throughout the organization which further helps to break down silos.

Lessons from other industries: *Lego and John Lewis*

At Lego, everyone's bonus is linked to NPS scores (net promoter scores) the company receives, from the CEO to customer service associates. And John Lewis ensures that employee satisfaction and customer satisfaction are inextricably linked. Last year all its 91,000 staff reaped an additional 15% bonus, worth eight weeks' pay – from the CEO to the man who washes dishes in the café.[B]

6. **Create cross functional working teams.** Perhaps you have team catch ups within your department, or with colleagues who you work closely with every day. For example, you may be having a marketing catch up and discussing a particular event and how a campaign is progressing. At the same time, the production team may be having a meeting about the same event, and again, the sales team are also having their own. Why not create a cross functional team that involves colleagues from production, marketing, sales and customer service and even logistics. Customer service executives may have vital feedback from customers regarding the agenda, pricing or the messaging around the event that could prove vital to the other functions.

7. **Use IT to facilitate better sharing of information and data.** By unifying and simplifying your IT infrastructure and implementing one single CRM and ERP system across the business you are breaking down data silos and giving all the divisions, offices and departments access to one single data source which they can all benefit from. Imagine having one single 360 degree of an account that allows you to view details of all the purchases they have made from various divisions, offices and countries. This is extremely valuable insight which could prove vital for everyone from marketing, sales and customer service as well as ultimately providing a better customer experience to the client.

Lessons from other industries: *IKEA*

The IKEA effect states that people who put creative effort into the beginning stages of a process will be more invested in it down the line. For that reason, it's helpful to get input from individuals across departments on every major project. That way, every team will have an emotional stake in the project, making them more likely to share resources to make it successful.[A]

8. **Share progress.** Instead of waiting for quarterly meetings to review performance, why not utilize a tool like Power BI to provide teams with a dashboard of real time performance? Again, not only will this prioritize the 'bigger picture', it will also allow employees to see the impact they are having and instill a sense of accountability.

9. **Cross functional training and department swaps.** If you normally conduct training specifically for one function or team, why not mix things up by sending cross functional teams along to training together? The experience will ultimately be much more valuable with the benefit of different perspectives and skills. Or perhaps you can conduct a 'job swap' or 'job shadowing' scheme which allows colleagues to experience the business from another perspective whilst learning new skills and fostering a sense of empathy between colleagues.

10. **Arm your teams with the best modern tools for collaboration.** Bring teams together and break down the barriers to communication by investing in technology which facilitates video conferencing, instant messaging, screen sharing and much more. Put simply, make it easier for your teams to work together and they are much more likely to do so!

03: How does Dynamics 365 remedy the silo mentality?

83% of knowledge workers depend on technology to collaborate.[7]

Of course, there are processes and strategies that you can put in place quickly and fairly easily to tackle this but in order to make real, long-term improvements you will need a solid software strategy to support this whole new way of working. **This type of cultural and behavioral change is perfectly supported by the Microsoft Dynamics 365 stack.**

Front-office functionality

At the core, you need a **robust Customer Relationship Management (CRM) system** which supports your sales, marketing and customer service teams to work together and provide a personalized, high-value service to your customers. Among Microsoft's CRM tools, Dynamics 365 Customer Service and Dynamics 365 Sales are ideal for the events, media and publishing industry.

With one single 360-degree view of customers and prospects, marketing can provide quality leads to sales, offering better insight to give them the best chance of success when it comes to closing the sale. Similarly, customer service teams have the information they need – provided by their colleagues in sales and marketing, to offer a more informed, smoother service to customers and even to recognize sales opportunities and pass these back to the

sales or marketing teams. And without data hidden away behind 'walls' or hoarded by a particular team or office, everyone has access to the bigger picture. After all, knowledge is power (or increased sales, in this case).

A note on licensing: With the new Dynamics 365 licensing model, businesses can select one module as a base purchase and add other Dynamics 365 modules as "attach" licenses. This facilitates scalability and flexibility with licensing and ensure you pay for precisely what your end users across departments need.

Case Study 1: *Dynamics 365 for Media and Publishing*

Academic publishers Sage increase sales efficiency and boost morale across 4 very different sales teams, using a single system: Dynamics 365

Independently owned academic publisher SAGE Publishing thrives by innovating and supporting its staff with world-class solutions. Since SAGE Publishing adopted Microsoft Dynamics 365, sales and sales team morale are at the top of the curve — and the company even receives compliments from people at other publishing houses.

"Sales managers may worry that their staff will adopt CRM systems slowly, that the learning curve will be high. But the year we rolled out Dynamics 365 was our best year ever."

Diane Nabrzeski: VP of Textbook Sales, SAGE Publishing

With a sales team of about 200 professionals, split between inside and outside ("field") sales, efficiency is key. What's more, both sales teams have strikingly different CRM requirements. "We wanted a solution that we could use to bring everyone onto one platform, yet be customizable for each of our four sales groups."

Source: Microsoft

Back-office functionality

For an **Enterprise Relationship Planning (ERP) tool that provides you with compliant, out-of-the-box functionality** that can be customized to your organization's needs, meet Microsoft Dynamics Finance! In an industry such as events and media where companies operate a high volume of payments from multiple customers across a variety of complex revenue channels, it can be difficult to get an understanding of financial performance across the board (without having to manipulate multiple data sets from different systems).

But data is not the only element that an integrated CRM and ERP system can unify and streamline – having one single, best practice set of business process across the business is the easiest way to create efficiency gains. Imagine one simple process such as contracts – from creating them, to getting the customer to sign, to ensuring the correct financial arrangements that have been agreed upon are put in place, keeping all the relevant departments informed and ensuring documents are being managed appropriately.

If each division or department has their own processes - each riddled with inefficiencies - and this problem is multiplied across locations, then the cost of this inefficiency is huge. With the Dynamics 365 application stack you can design one single business process, using automation and third-party apps such as DocuSign for even greater efficiency, and roll this out across the entire business.

One other key element to consider is how technology can be used to support the human resources function by promoting a culture of collaboration from the very beginning of the employee experience. With Microsoft Dynamics 365 Talent, you can design and optimize the on-boarding experience to help new employees understand better their position in the organization, who their colleagues are, which teams they are in and what the general values and objectives of the company are. Dynamics 365 Talent helps create different pathways for different roles and allows colleagues to input new information which may be helpful for the new starter.

Case Study 2: *Dynamics 365 for Events*

Global exhibition organizers Hyve Group use Dynamics 365 to get a 360-degree view of their customers

Hyve Group *(formerly ITE Group)* is a world leading organizer of international trade exhibitions and conferences, holding over 240 events and turning over £175m+ annually. In 2017 CEO Mark Shashua announced the launch of his 'Transformation and Growth' program and as part of this, they partnered with AlfaPeople to implement Microsoft Dynamics for Customer Engagement across 20 countries worldwide, with the aim of creating one 'centralized best practice model' across the business and breaking down silos in order to improve customer experience, generate operational efficiencies and increase revenue.

AlfaPeople customized the solution with several bits of IP including automated discount approval, FX calculation, local VAT calculation and contract creation and the results have been impressive:

- 360 degree view of customers for all users across the globe
- Better quality, more efficient real-time reporting
- Reduction in manual tasks for greater productivity
- Better visibility of sales pipeline and generation of performance based culture

Analytics & Reporting

Once you have everyone working on the same systems, working with one single set of information, it then becomes much easier to share performance with employees on the front line. Using tools such as Power BI you can create and share dashboards – either with individuals or even perhaps via live screens, to ensure that the big picture objectives are being reinforced consistently.

A Dynamics 365 implementation: The best place to start

Of course, there is a whole host of additional collaboration software – the likes of Teams or Sharepoint – to facilitate better cross-functional collaboration. These integrate seamlessly with the Microsoft Dynamics 365 stack, but for a solid, long term, successful collaboration strategy you must start at the very heart of the issue with an integrated and scalable ERP and CRM system and build upwards from there. Collaboration and process tools alone can improve productivity by 20-30%.[8]

At AlfaPeople we have worked with some of the largest events and media organizations to help them break down the silos in their organizations. We understand the challenges of operating in such a fast-paced industry and we spend time getting to know our clients, their organizational objectives and business processes as well as their IT infrastructure. This way we can ensure you get the right solution to support your business needs both now and well into the future. If you are ready to take the next steps in breaking down the silos, get in touch with our experts today.

Get in touch to discuss how AlfaPeople could help you tackle silos in your business

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