



FSSI

Document Outsourcing Specialists



THE TRUTH ABOUT **CONVERSIONS**

And Its Impact on the Quality of Communication Documents

F S S I - C A . C O M



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INTRODUCTION



Converting an integral data platform or a core processing program from one system to another is a major undertaking. Converting from an outside processor to doing it in-house is even tougher. Converting all your in-house processes to an outsource processor can be intimidating at best and nightmarish at worst. There are positives and negatives to making all the above changes, and there are also tried and true techniques to see it through rationally and under control. This essay will examine the truth of some claims regarding painless conversions and offer the best practices

we've observed in the industry we participate in: outsource communications.

We will take a close look at conversions involved with the outsourcing of customer communications documents, for both electronically presented and printed documents. While many conversion issues are technical in nature, the vast majority are in fact organizational, and can be avoided with good planning and requirements gathering, process transparency, and by carefully defining the business rules that will guide your conversion.

LOGISTICS OF A CONVERSION



First, let's look at the logistics side and how the conversion is managed. It is important to develop a well-defined process to ensure a successful outcome.



SAMPLES! SAMPLES! SAMPLES!

An in-depth conversion partner should ask for samples of all data files along with hard copy samples of the documents your company currently sends to your customers. Ideally the data files include every type of account and transaction possible, so all variations can be planned for and tested. The hard copy samples are important, even if you're planning to redesign your document, and are infinitely more valuable than soft-copy PDF samples. At FSSI, we prefer to receive samples of returned mail because we can investigate how the Post Office is treating the mail piece, the composition of each envelope, how the content fits into the envelope and postage information.

APPROVED LAYOUT OF DOCUMENTS

In the case of a document redesign, it's best for all business owners (Marketing, IT, Compliance, Customer Service, Sales, etc.) to settle on the look and feel of each document before presenting the data mapping and document development begins. Typically graphic artists prepare mock samples for your review – and again, it's important to analyze the current design to incorporate all the data components needed. All the stakeholders need to approve the mock samples in advance – this will significantly speed up the development process.

DETAILED REQUIREMENTS GATHERING

Defining the business rules upfront ensures accurate development and production setups. For customers who are outsourcing financial statement files, we have developed a survey with over 300 questions, with subcategories that concentrate on the solutions being used. While it may seem overwhelming to answer all the questions,

meeting with representatives of the various business owners in your company to gather their business rules ensures that the resulting customer communication document will be distributed accurately and on time once the conversion is complete.

COMPREHENSIVE DATA MAPPING

As important as the requirements gathering process is, detailed data mapping is critical to accurate and compliant documents. While FSSI has data experts who can start with the basic data mapping, the key to accuracy is reviewing the data with the client's technical experts, including their data providers.

INFORMATIVE PROJECT PLAN/RACI

A detailed Project Schedule that defines all the critical milestones will be a great tool for keeping all parties informed of the progress and the timing for when requirements are due. It is helpful to keep the Schedule updated so everyone knows what's been accomplished and what remains to be done.





REGULAR CONVERSION MEETINGS

The success of any conversion is, in large part, based on solid communications. An established weekly meeting should be held to report open issues and the progress on each milestone. Having key people in the weekly meetings is crucial. Issues can be identified, discussed, and often resolved when all parties are on the call. There should be a clear leader in the meeting who holds participants accountable for their assigned tasks. If a checklist system is used, the leader will review the checklist and identify the next steps for staying on track. If a milestone list is being used, then assigning the action items to those responsible is very important. If the right people aren't in the meeting, uncertainty can develop, and the project may drift. Because we have so much experience, FSSI likes to take the lead in the Conversion Meetings. Our Account Representatives and IT Project Coordinators prepare the agenda and update the Issues Log and Project Plan in advance so all parties are informed about the status of the project. As the conversion nears completion, weekly meetings often become daily meetings, just to keep up with all of the activity.

TRAINING

The period when the developers are coding is a good time for the client to learn more about the vendor's production processes and the tools you will be using once the conversion is complete. For FSSI, this is when we train clients on our online tools such as *workStreamOne* (WSO). Then, when the developers are ready to deliver samples, the customers are ready to view and approve on their secure WSO portal.

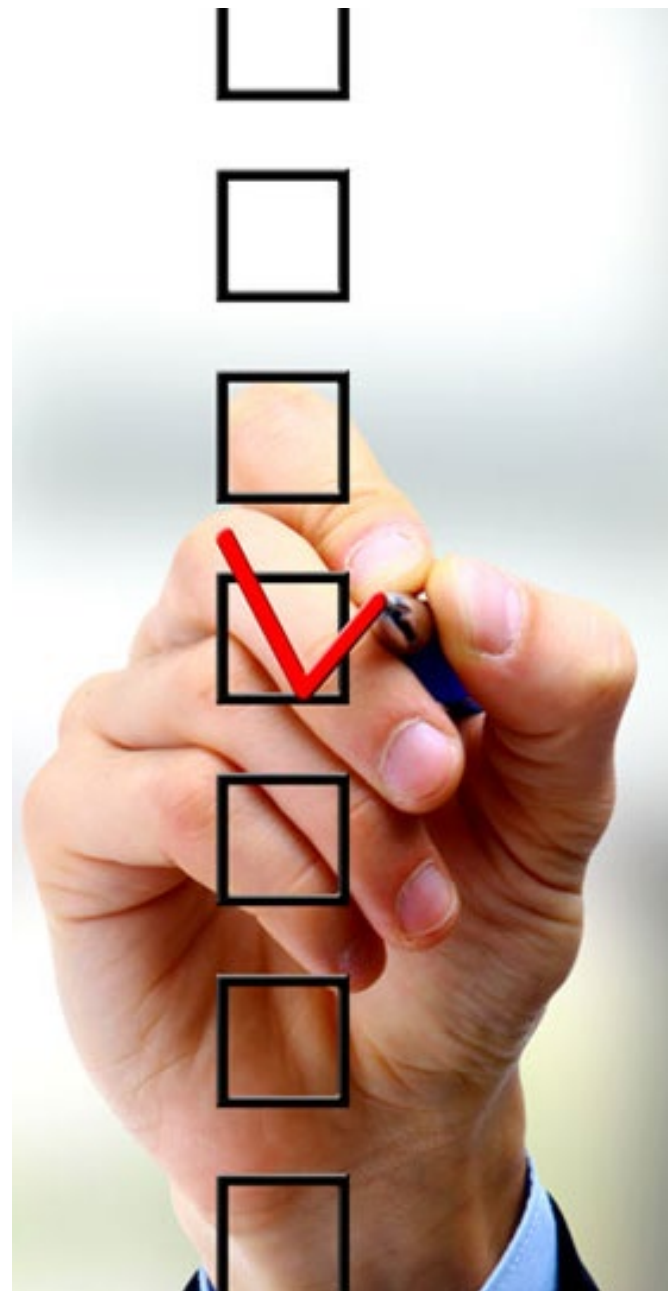
TESTING

Part of the requirements-gathering process should include defining in advance what testing will take place. Clients should send as many test/live files as possible to test the application program once it's completed. If payment/remittance coupons are included on the documents, remittance/lockbox testing should be part of the testing as well (some banks take 10 days to test this process), so advanced planning is important in order to keep the schedule on track. Client review of hard copy and PDF images, as well as comparing the data with their internal system, is integral to accuracy.

DEVELOPMENT AND PRODUCTION ENVIRONMENTS

To ensure compliance, security, and accuracy; your vendor's best practices should include separate development and production environments. It's important for you, as the client, to understand the differences and the process by which the new or updated application programs are transitioned from the development environment into the production

environment. This is a comprehensive, and sometimes slow, process at FSSI because every production department must manually review the process and output. Oftentimes this painstaking process uncovers minute details and the program is modified accordingly to ensure smooth and accurate production.



LESSONS LEARNED

Now, let's look at the lessons learned from our standpoint as a vendor. For this part, we've relied on our IT Project Coordinators and the Account Representatives - who work directly on conversions with clients - to give us feedback based on their experience.

1

“The smoothest conversions happen when there's a collaborative effort between the client and the vendor to ensure that all key technical parties are intimately involved.”



By far, the biggest part of the conversion process is the identification of the data elements and correct positioning of those elements on the documents. Today's sophisticated databases can have thousands of variables. While some variables are not needed for the statements, they may be essential for other communications. Data mapping is critical to consistently pull the correct data from the files in order to report it properly. Some of our biggest challenges have been working without a data map so we have to guess, sometimes by trial and error, what each variable represents. It's a lot easier if there's a record layout stating 'The nine characters from position 25 to 34 are the Social Security number', or 'The flag in field 15 is a 'no mail' flag', or a 'technical expert to assist.' While this is tiring detail work, it is absolutely necessary to ensure the success of all the steps that come after it.

We've found there are usually multiple business owners for every document, including Marketing, Compliance, Legal, IT, and Member/Customer Services. Oftentimes one business owner's requirements will conflict with another's - such as between Compliance and Customer Services - so it's important to create something that works for everyone. Getting everyone's buy-in on a mock document before the development composition phase begins, speeds up the development process. FSSI provides graphic artists to create mock-ups, and will change the mock-ups as many times as needed, in order to help all parties visualize and approve the design. The final, approved mock-up may not include every variation of data being reported, however it considerably shortens the development time and effort that occurs when a mock-up is not approved in advance.



2

“The most efficient conversions occur when the client's business owners all agree on the look and feel of the documents at the beginning of the conversion.”

3

“In order to ensure we have mapped all variations of each variable, we need samples of every type of input file and variations of data prior to going live.”



Sometimes different types of input files contain slightly different variables. For example, the difference between 3-line, 4-line, and 5-line addresses can considerably change the mapping of the final document. If the only samples sent to us are 3-line addresses, and the data actually has 4 and 5-line addresses, then development may not allocate the necessary space for the extra lines.

4

“A good test file will have every type of transaction and scenario that might show up in the live data.”



If possible, it's extremely helpful if you can create a file for all existing standard and nonstandard data records – long names, extra-long addresses, multiple account types within one file, including ‘power user’ customers who use all your services. This helps in answering questions such as “What’s the largest possible balance a statement can have?” “What if the invoice has a negative balance? Do they get mailed as well?” “If loans have been charged off, and that charge-off is indicated by a flag, should the information be suppressed?” “Is the disclaimer information different in California than it is in Wisconsin?” A comprehensive test file will capture every different variable and show examples of the different cases. Those approving the files should be aware of all the different variables they are looking for in order to confidently approve a file. When new variables/scenarios are discovered, they should be added to the test file.

5

“Defining the project scope in advance ensures a solid Project Plan and Level of Effort estimate.”



Once all business requirements and data mapping has been completed, the developers are able to estimate the Level of Effort to complete the development task. At FSSI we also create a Project Plan detailing critical milestones related to development of the application but also related to production requirements – such as ordering custom envelopes and training. The Project Plan also details which party is responsible for each step and the due date for each step. The more detailed the information going into these tasks, the more accurate the Project Plan. If the information is not available, the Project Plan For example, for a bank client conversion, we started with the statement data and then assumed the notice data would be in the same format. While the statement conversion went smoothly and was completed ahead of schedule, the notice data turned out to be different than the statement data and was unique from notice to notice. In reality, we learned that the notices were generated by several departments on different platforms, which resulted in a huge development effort. The conversion was successful, however we seriously underestimated the Level of Effort required to complete the project because we did not have all the parameters upfront. It’s best to survey all in-house business owners at the beginning of the conversion to see where the data resides, who is responsible, how they use it, and whether or not there is

any duplication. One of the positive aspects of conversions is that this can also be a great time to review and evaluate all your customer communications.



6

“Defining the business requirements, volumes, and timing of each application in advance will assist our planning in the development phase and the production environment, which can reduce the impact of Minimum Set up Fees.”



Again, getting all business owners involved at the beginning of the conversion cycle results in better planning and development, with the idea of consolidating as many of the like applications, or standardizing stock and envelopes to avoid many small jobs that could be subject to ‘minimum set up fees.’

7

“High quality images are critical for quality embedded graphics, both for electronic presentment and print.”



To ensure the best results for print and electronic presentment, paying attention to graphics quality of your logo and images will make a huge difference. Your vendor should be able to assist in color management to ensure that your brand colors look the same across multiple channels in which their communications are received, with the goal to optimize the image quality and color. FSSI’s Document Design and Color Specialist assists our clients in defining the exact Pantone colors for color management needs and brand colors. These Pantone colors are

often changed to CMYK for inkjet processing, then, CMYK is automatically converted to the agreed upon RGB colors for electronic presentment. The ability to shift from color space and color values is a key component of good color management. Clients often have branding guideline documents – style guides – that define this process. The Document Design and Color Specialist is an expert at color matching and can provide a range of colors that the client can choose from to most closely match their color “target.” Many companies do not realize that their brand colors are not consistent in day-to-day print jobs including business cards, letterhead, and marketing materials, because all these pieces are printed on different devices and on different materials. Once FSSI has the defined brand colors for all output, the colors will always be consistent. A little upfront work and flexibility goes a long way in ensuring brand consistency in the future.

Here is a quick overview of graphic guidelines:

WEB



Images: 72 dpi

PRINT



Logos: Vector .eps & Vector .ai

Other images: 300 dpi .jpgs

Most printers use CMYK ink colors so print artwork should be created in the CMYK color space so input colors will be matched correctly in print output. Most print vendors should also be able to work with PMS (Pantone) colors as many PMS colors can be closely matched in the CMYK color space. RGB is not recommended for print because there are many variables having to do with converting the requested colors to the CMYK color space. CMYK and PMS offer the highest quality print output, which RGB is the acceptable color space for anything digital that will not be printed.

CONVERSION PARTNER CRITERIA

Finally, let's look at the best kind of partnership to ensure a successful conversion.



FSSI has completed thousands of conversions over the past 35 years. Our company takes in all types of data from virtually every industry vertical then formats it for eDelivery or print on multiple printing and internet-based platforms. We've worked with clients who are well-versed in the conversion process and clients who depend on us to be their conversion experts. Let us help you save time, money, and avoid costly mistakes in your next data conversion project.

To learn more about FSSI and its 35+ years of data conversion experience, visit us online at fssi-ca.com.