

SOLUTIONS

D@ecipha

A business of Australia Post

STREAMLINING

Using cutting-edge document management technology, Decipha processes around 400,000 mail items and banks some \$8.5 million daily for its customers. *Priority* spoke with CEO Warren Hahnel about the business of information logistics.

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Q Decipha deals in the business of "information logistics". What does this mean?

Information logistics refers to the management of information that flows into or between organisations. We help businesses manage the information sources that are entering and circulating within their business, from membership and insurance applications to online police checks and money orders.

Q What are the advantages of having a third party handle a business's information processing requirements?

Business can benefit in a number of ways. Firstly, the mailroom function can be a time-consuming and labour-intensive process so outsourcing the function can free up valuable time and resources. Secondly, government regulations [around privacy and information archiving] require robust systems to ensure data integrity, and many organisations are simply not in a position to deliver this. And thirdly, it's often harder and more expensive than many businesses realise to get the required technology working properly and consistently, and delivering the required results. Outsourcing means that they don't

have to invest in this infrastructure or worry about testing, maintenance, training, and so on. Outsourcing enables businesses to allocate vital funds and resources to other important aspects of their operations.

Q Tell us about Decipha's core operations?

Our services fall into two broad categories – mailroom solutions and electronic services.

Mailroom solutions are the standard functionalities, such as mail X-ray screening, the delivery of inbound and outbound mail and return-to-sender services.

The electronic service involves converting incoming customer correspondence received by mail, fax, email or online forms, into electronic images and data that are then transferred into a client's business system, or an image archive or workflow. Decipha provides the potential for "straight-through processing" whereby, following our processing, transactions can be completed electronically without the need for re-keying or manual intervention by the client. Depending on a business's needs, we can process payments from money orders, cheques and credit cards; validate

certain content and perform identity checks; and process information on mail, such as applications, subscriptions, claim forms, redemptions and marketing responses.

Q You mentioned straight-through processing. Can you give an example of this?

One of our clients is an administrator of superannuation funds. We process for them the superannuation contribution statements they receive from employers, which list the contribution amount, employer and employee details. We take that information, capture the data, validate it, then pass it back to our client as a file. The client can accept that back into their core business system as finished work; there's no more physical intervention from them in this process. It saves them time, money and, because of the validation process, provides them with an assurance that the data is accurate.

Q What time savings can businesses achieve by using Decipha?

We've been able to cut two to three days off some of our clients' existing processing time – even more in some instances. Earlier receipt of information means reduced processing in-house and faster payment cycles, which has wide-ranging benefits, not only for our clients but also for their customers.

Q There are also significant cost savings. Tell us about the potential here.

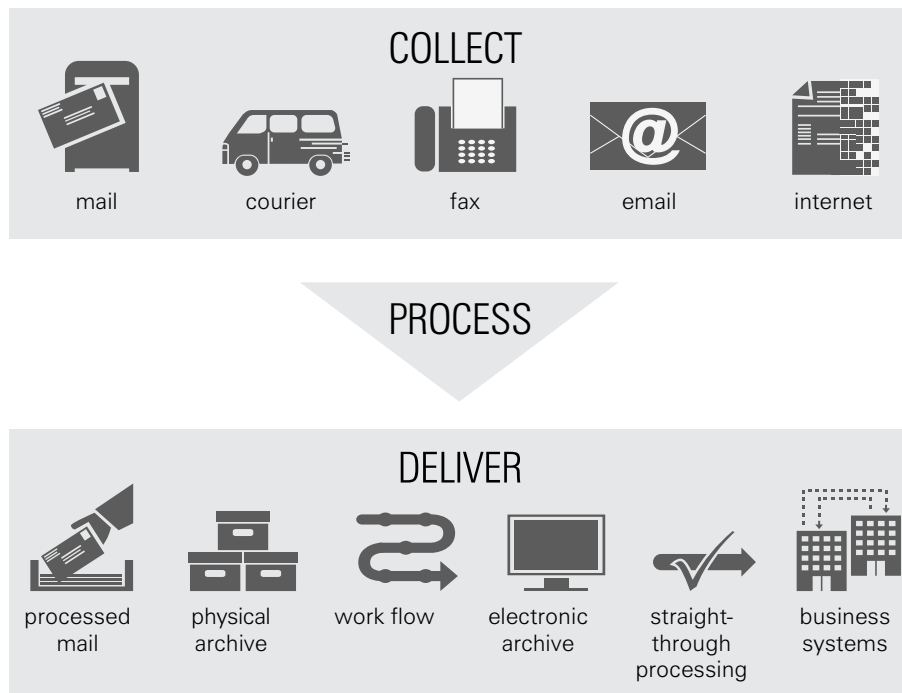
The cost to maintain a solution over time is significant and it's very difficult for our clients to retain the expertise to do that. Image and data capture and intelligent online forms require expert knowledge and there are not many people in Australia with those skills. We know that in some cases we've been able to take 25 to 30 per cent of their cost



THE PROCESS

HOW DOES IT WORK?

Decipha's cutting-edge technology enables fast and efficient information processing. The graph, below, illustrates the main functions of Decipha's mailroom solutions and electronic services – from collection of information to processing and then delivery back to businesses.



out of the process, but when you're talking about imaging and data capture, the cost benefits come from the total process, not just the piece of work.

Q Can you give us an example?

One of our clients had a problem with the amount of re-work they had to do, which was basically caused by multiple people handling information in sequence. Our solution was to deliver the information electronically and directly into their workflow systems. The result was a 50 per cent reduction in the number of phone calls that had to be referred from their call centre to internal

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assessors. Those are the aspects that make a real difference. The more efficiently you can help a business run, the more cost you can take out of its business operations.

Q What types of services do you foresee offering in the near future?

We've been looking for opportunities that will add value to the business process, as there is a general progression towards electronic mailroom solutions. In the next few years, we expect a greater move towards "hosted solutions" and "online image warehouses". This is where we provide a data warehouse and automatic retrieval system for businesses to access their processed information. In the area of data capture technology, one of the biggest issues is exceptions. This basically means that a business rule hasn't been met and the document becomes non-compliant. We are looking to offer the market the ability to do their corrections (when a non-compliant issue arises) by offering the client access to our system. It's a much cheaper option and simpler than our clients having to take back the information into their own workflow and fix it there.

Q What advice would you give to a business looking to automate or outsource their information logistics?

Companies exploring possible solutions, whether they are in-house or outsourced, need to take the time to understand what is on offer. There are a number of technologies and offerings on the market which, on first glimpse, look and sound great, but the practicalities of using them in a production environment can be quite different. I often hear stories of clients who have implemented capture solutions that have not met their expectations and have caused them considerable headaches. Take the time and do the research upfront to ensure you receive a properly scoped solution which delivers the results you require. ■