Tiina Varetsalo

Aligning Operations and Marketing Processes from the Information Flow Perspective

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This year was a hectic and inspiring journey. I want to thank my employer, the case company of this study. Special thanks to the company Operations Manager Minna Salin for giving her critical insight, encouragement and development ideas during the whole process. I want to also thank the company CEO, Finance Manager and special acknowledgements to the Marketing members who participated in the workshops and interviews. To all colleagues who supported me, thank you.

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This Thesis focuses on aligning the Operations and Marketing processes from the information flow perspective. Due to a recent change in ownership and a change in ERP, people and processes have changed and the information does not flow between departments as it should. This leads to errors in operational tasks.

This study is conducted as an action research by using qualitative research methods. The data was collected by first making the current state analysis of the case company Operations and Marketing processes by mapping the current processes and interviewing key stakeholders. Next, relevant theories and best practices are reviewed from literature in order to build a conceptual framework for designing processes, improving information flow between departments and breaking organizational silos to improve information flow. Based on these, an initial proposal is built. The proposal was then validated by the case company CEO into the final proposal for aligned processes from the information flow perspective.

The outcome of this Thesis is the aligned Operations and Marketing processes in the case company, designed to improve the information flow between the departments. The aligned processes developed in this Thesis result as a new process for Operations and Marketing to analyse campaign results together with Finance department. The analysis happens through Before Action Review (BAR) and After Action Review (AAR) forms, which are then reviewed quarterly. This not only increases the information flow but creates and environment of learning. In addition, to improve the process information flow between departments, Operations start to attend meetings in the campaign design phase to spot the possible errors and discuss the campaign structures in advance. To start breaking the organizational silos, sales plans are made available for all departments and product codes and names are standardized.

Having blocks in the information flow and errors in the process creates challenges in the case company daily operations, which need improvement. Marketing campaign implementations result in operative challenges due to insufficient information flow between Operations and Marketing. By standardizing process parts emphasizing on information flow and participant roles and responsibilities, these challenges are reduced. Additionally, with a systematic process design, role and responsibility and information flow improvement approach may yield important benefits also in other context within the case company. The improvements proposed in this Thesis are either already taken to use or are about to be implemented in the immediate near future.

Keywords	Aligning processes, Process development, Information flow, Knowledge management

Contents

Preface

Abstract

List of Figures

Metropolia

List of Figures

1 Introduction

Changes in company structures, for example, through mergers and acquisitions or organizations restructuring, usually lead to the change in processes and a discussion on how such change can be successfully implemented. Following a change in ownership, such is also the challenge faced by the Operations department in the organization that is the focus of this thesis.

1.1 Business Context

The case company of this Thesis is CIL Suomi Oy, a direct mail marketing company with products ranging from magazines to home equipment to vitamins. The company currently employs 40 people. Local warehouses are located in mainland Finland and Åland. Cil Suomi Oy was previously part of the Reader's Digest association but was bought in 2013 by Spanish family owned Club del Libro Marketing, one of the biggest direct marketing companies in Spain.

The product sourcing is mainly carried out by the Spanish purchasing department but the final product selection is carried out in the Helsinki office by the local Marketing department, which also does some product sourcing locally. The Spanish company owns branches in multiple European countries and holds a large central warehouse in Madrid and smaller warehouses around Spain. Most of the subsidiary companies also have warehouses of their own. Major part of the products is bought from China and some from European retailers.

The company operates through campaigns, where each campaign could be viewed as a project. The campaign process is quite long and can take from two months to up to eight months, starting from the designing of the promotional material until the orders start to come in. Campaign catalogs are mailed to customers and the products are ordered by filling forms and mailing them back via post. Compared to the current consumer behavior of buying from the internet and fast delivery times, this postal mailing system is a rather slow process stretching from the customer order to delivery. The customer base is the elderly Finish people and the company is trying to gain new customers from the middle aged people. In the company, the products are divided into two categories: products sold in bulk catalogs, such as spring catalogs and Christmas catalogs, and to higher value products sold in single product campaigns.

1.2   Business Challenge, Objective and Outcome

Since the change in ownership in 2013, the company processes have partly changed. Responsibilities within the company have changed and new people have been employed. The campaign and purchasing processes in their selves have remained mostly the same but the biggest changes have been to Operations, Lists, Finance and their interface between Marketing department. The changes in processes have been due to a change in the ERP system used.

Since fall of 2014 the company has made a gradual change from a commercial ERP system to one created and owned by the Spanish parent company. The first step was to migrate warehouse management and purchasing modules. In spring 2016 the rest of the functions were migrated, including processes such as order entry and order fulfilment. The system is built for single shot campaigns and does not support the catalog, magazine or series business to its fullest potential. Variation in campaign material product offering also creates structural difficulties within the system.

In addition, recent changes of processes within Finnish Posti affect the campaign materials appearance, size and weight. This means that there needs to be more precision and standard ways of working in Promotions, Marketing and Operations, since if the Posti criteria are not met, it can cause the company to lose significant price reductions and that the campaign material is not delivered on the customer on the day it was supposed. This has been tested to affect the results and order quantities significantly.

All the changes combined have resulted as information flow disruptions and miscommunication between departments. Due to this, marketing campaign implementations can result as operative challenges, such as problems in order processing, order fulfillment and warehouse management issues.

Thus, the objective of this thesis is *to align Operations and Marketing processes from the information point of view.*

The outcome of this study is the aligned processes for Operations and Marketing.

1.3 Thesis Outline

This report is written is seven sections. Section 1 is the introduction, Section 2 presents the methods used for the study. The case company current state is analyzed in Section 3 that ends with identifying the current process strengths and weaknesses. Section 4 explores theories and best practice related to process development, which is then be reflected against the challenges faced by the case company situation in Section 5 and the process alignment is proposed. Section 6 gives an outlook on the aligned process proposal with managerial comments and feedback. The study is concluded in Section 7 with recommendations for next steps and reflections on validity and reliability of the study.

2   Method and Material

This section introduces the research methods and design used in this thesis. First, it describes the research approach used and it is followed with a description of the research design. After this data collection and analysis methods are reviewed and the research quality plan is presented.

2.1   Research Approach

The purpose of any research is to find answers through the application of scientific procedures, aiming to find the truth (Kothari et al. 2007: 2-3). Applied research is suitable when finding a solution for an immediate problem within an industry or business, whereas fundamental research is concerned with generalizations and formulating theories. Applied science aims at finding concrete conclusions to pressing business problems. In comparison to applied research, fundamental research is more about finding information with a broad base of applications and an already existing body of scientific knowledge. According to Kothari et al. (2007: 3), there are two basic approaches to research; qualitative and quantative. In qualitative research, the techniques generally used are focus group interviews, projective techniques and depth interviews.

A case study based research can rely on various types on data, qualitative or quantative, allowing the combination of research methods to be used, such as observations, interviews, documents and questionnaires (Denscombe, 2014). Qualitative data is non-measurable, non-numeric data collected from either text, verbal, audio or visual material which does not focus on measurements but allows interpretations and descriptions (Eriksson and Kovalainen. 2008: 82-83).

One of the most popular data collection methods is the interview. A structured interview is a pre-designed script from which the interviewer asks only the pre-designed questions with little flexibility for variation. According to Eriksson and Kovalainen (2008) a structured and standardized qualitative interview aims to find the answer to the question *what*, when the responses can be given with an open-end. However, it is argued that due to the nature and standardization of structured interviews, they are too restrictive to be used as the main source of data. Instead, a semi-structured interview aims to answers the questions how, why and what. The questions are pre-designed with an outline of topics, issues or themes, and the resulting material is systematic and com-

prehensive. Challenges with semi-structured interviews are that all topics on the outline getting thoroughly covered and more in-depth questions are asked by the interviewer. Because there is more freedom with the interviewees, Erikson and Kovalainen (2008) state that analyzing results might be more difficult. Details of data collections used in this study are discussed in Section 2.3 below.

2.2   Research Design

Before a research project can start, a research plan needs to be made, in other words how to do things and in what order. According to Eriksson and Kovalainen (2008: 27), a research design includes the basic ideas and the viewpoints for the case study framework.

This study is carried out in five stages. First step focuses on establishing the business challenge, objective and outcome for this study. This first step gives the basis for this study upon which the research design is built. Second step is the current state analysis of the issue followed by a literature review of the available existing knowledge related to the topic of the study. Based on the exploration of the existing knowledge, a proposal is made how to align the processes and the last step focuses on the proposal validation.

Steps 2, 5 and 6 in the research design also include data input and outcome. In the second step, Data 1 collection consists of the analysis and mapping of the current state of the processes between Operations and Marketing departments. The outcome of this part will identify the strengths and weaknesses of the current processes. The qualitative data will be gathered through interviews and by analyzing internal documents, such as the company process charts.

The research design and its five steps are shown in Figure 1.

BUSINESS CHALLENGE	CSA	LITERATURE	PROCESS PROPOSAL	VALIDATION
	DATA 1 Interviews with stakeholders, company documents and old process charts		DATA 2 Stakeholder interviews and workshops	DATA 3 Discussions with management
To align operations and marketing processes	Description of current state of operations and marketing processes

Strengths of current processes

Weaknesses of current processes | Process development concepts

Tools for process development and alignment

Information flow in business

Value stream mapping theory | Establishing tools for aligning processes

Designing aligned processes

Embedding current key strengths into the process | Proposal validation with stakeholders

Adjustments to final proposal according to feedback

Further development ideas |
| OUTCOME: Business challenge, thesis objective and outcome | OUTCOME: Summary of processes, strenghts and weaknesses | OUTCOME: Conceptual framework | OUTCOME: Initial proposal for an aligned process | OUTCOME: Final proposal the aligned process |

Research design of this study.

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As seen from Figure 1, Data 2 relates to the proposal building step and will be collected through stakeholder interviews and workshops, where the initial proposal is introduced. The proposal will consist of establishing the tools and design for the aligned processes and embedding the key strengths to the aligned process.

Finally, the aligned process is validated in the validation step, by collecting Data 3 through stakeholder interviews and further development ideas leading to the final proposal.

2.3   Data Collection and Analysis

In this study, the data is collected through multiple sources, namely, semi-structured interviews and the internal documents from the case company archives. The data plan is shown in Table 1.

As shown in Table 1, in *Data 1* collection, the data is collected through three data sources: the interviews, internal documents, and participant observations of the researcher. The researcher has employed there since 2013 and is responsible for catalog order fulfillment, warehouse management, local purchasing and campaign mailing processes with Finnish Posti. These three data sources comprise Data 1 collection.

Data 2 collection round is conducted for the proposal building for the aligned processes. Data 2 is gathered through the workshops and stakeholder interviews.

Finally, Data 3 collection round is conducted for creating the final proposal for the aligned process. Data 3 will be gathered from interviews with the managers and CEO.

These participants were selected because they have the most knowledge about the specific parts of the processes. The interviews and workshops were held in the case company premises. The field notes were checked with the interviewees afterwards. The data collection plan is presented in Table 1.

Table 1. Data 1-3 collection plan.

	CONTENT	SOURCE	DATA TYPE	OUTCOME
DATA 1 CURRENT STATE ANALYSIS GATE 3	Description of current state of operations and marketing processes Strengths of current processes Weaknesses of current processes	Interviews and workshops with operations and marketing	Text documentations Process charts Company documents	Summary of current process and information flow **strengths and weaknesses**
DATA 2 BUILDING A PROPOSAL GATE 5	Designing aligned processes Establishing tools for aligning processes and improving information flow	Interviews and workshop with Operations and Marketing	Process flow charts Text documentations	**Initial** proposal of an improved process
DATA 3 VALIDATION AND FEEDBACK GATE 6	Proposal validation with stakeholders Adjustments to final proposal according to feedback	Operations Manager and CEO interviews	Process flow charts Text documentations	**Final** proposal of an aligned process

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As seen from Table 1, the data collection is carried out in the previously mentioned three sections. Table 2 describes data sources in more detail.

Table 2. Details of interviews, workshops and discussions, in Data1-3.

	Participants	Data type	Topic, description	Date, dur.	Document-ed as
Data 1, for the Current state analysis (Section 3)					
1	Respondent 1: Operations Manager	Workshop Face-to-face Interview	Mapping the current pro-cess, possible pain points	Dec, 2017 2 hours	Process chart outline
2	Respondent 2: Marketing manager	Workshop	Mapping the current pro-cess, possible pain points, improvement ideas	Jan, 2018 1 hour	Process chart outline
3	Respondent 3: Campaign Manager	Face-to-face Interview	Interview about current process based on the respondent's experiences. Strengths and weakness-es, improvement ideas	Jan, 2018 1 hour	Field notes and record-ing
4	Respondent 4: Person re-sponsible for adding cam-paigns to sys-tem	Face-to-face Interview	Interview about current process based on the respondent's experiences, going through process steps and where the pain points might be	Jan, 2018 1 hour	Field notes and record-ing
5	Respondent 5: Operations manager	Interview / call	Strengths and weakness-es of the process	Feb, 2018 52 min.	Field notes and record-ing
Data 2, for Proposal building (Section 5)					
6	Participants 6-10: Operations manager Marketing manager Campaign managers	Workshop/ discussion	Proposal building	April, 2018 2 hours 30 min.	Field notes and record-ing
Data 3, from Validation (Section 6)					
7	Respondent 11-12: CEO & Opera-tions Manager	Group inter-view/ Final presentation	Validation, evaluation of the Proposal		Field notes and record-ing

As described above, in this study interviews were the main source for data collection. The interviews were semi-structured and held in the company premises or via tele-phone. The questions were created in advance and interviews were held face-to-face,

or by phone, and recorded, while taking field notes. Interview questions and field notes can be found from Appendix 1. In addition to the interviews, internal documents were used. The documents are listed in Table 3 below.

Table 3. Internal documents for the current state analysis.

	Name of the document	Number of pages/other content	Description
A	A sales plan example	1 page	A sample of campaign managers personal tool for making sales plans
B	Mailboard	1 page	A list of campaigns.
C	A Campaign Helper	1 page	A personal tool of a Campaign Manager

As shown in Table 3, the main documents used in Data 1 collection were the campaign and sales plan charts and documents in order to view the existing tools used in Marketing for managing their processes. These documents were used in the analysis of the current state of the Operations and Marketing information flow.

The biggest data analysis was carried out in the following Section 3, the current state analysis, where the findings and data are discussed. The data gathered through interviews and process mapping was analyzed into key weaknesses and strengths in the Operations and Marketing processes from the information flow point of view.

3 Current State Analysis of the Operations and Marketing Processes

This section focuses on the current state of the processes between the case company Operations and Marketing departments, concentrating specifically on the information flow between them. After that, the section analyzes the strengths and weaknesses of the information flow and presents the summary of the key findings.

3.1 Overview of the Current State Analysis Stage

The current state analysis of Operations and Marketing processes and information flow was conducted in three steps. First, it investigates and creates the process map of the two current processes, Operations and Marketing process. Next, based on the stakeholder interviews, it identifies the strengths and weaknesses of the two processes. Finally, this analysis concentrates specifically on the information flow between these departments viewed through a campaign process.

The analysis results in identifying the current state of the processes and maps the Operations and Marketing processes of the case company. The analysis draws the data from conducting interviews with Operations Manager, Marketing Manager and Campaign Managers from Marketing. The departments related to the campaign process are Marketing, Finance, Promotions, Lists and Operations. Some of the tasks in the process are outsourced, such as warehouse and order processing.

In the process of making this current state analysis, it was noticed that there was no comprehensive mapping of the whole campaign process where both Operations and Marketing tasks were shown simultaneously. As a result of the current state analysis of the Operations and Marketing processes, an end-to-end process map was created. The results from the process mapping and interviews were analyzed and led to identifying the strengths and weaknesses of the processes.

3.2 Current State of the Campaign Process of Operations and Marketing

The case company is a direct mail marketing company with products ranging from magazines to home equipment to vitamins, which are sold to through campaigns. The company currently employs 40 people. Local warehouses are located in the mainland

of Finland and on the Ålands. The Operations and Marketing departments are both located in Helsinki. The company operates through campaigns, where each campaign could be viewed as a project.

The local Marketing department in Helsinki is responsible for designing and conducting campaigns, and also for the final product selection. The local Operations department in Helsinki is responsible for warehouse management, order processing, local purchases delivery, order fulfilment, return handling and coordinating the mailing with Finnish Posti. In practice, these two departments are both involved into the campaign process, with the Marketing department focusing primarily on the campaign design, and the Operations mainly on the delivery.

The campaign process is quite long and can take from two months to up to eight months, starting from the designing of the promotional material (carried out by the Marketing department) until the orders start to come in (from the customers placing these orders).

The campaign process is one of the processes where information should be actively exchanged between the Marketing and Operations departments. The campaign process starts from mailboard creation by the Marketing department and ends with Marketing making a wrap-up of the campaign. In-between the beginning and the end, the Operations department contributes by creating the campaign warehouse structure to the ERP, coordinating the mailing of the campaign, handling the orders, handling the order fulfillment and deliveries, and return handling.

So far, in spite of the importance of the campaign process for the case company, there was no process map in existence showing how these two departments mutually conduct the campaign process. As a result of the current state analysis the campaign process map was created, containing all departments related to the process from the beginning to the end. The whole process map for the campaign process is shown in Figure 2 below.

CAMPAIGN DESIGN PHASE

CAMPAIGN DELIVERY PHASE 6-8 MONTHS LATER

FINANCE

REGISTERING SALES AND HANDLING INVOICES

MARKETING

MAILBOARD DESIGN

BUDGETING

SOURCING

CIL PRODUCT FAIR

PRODUCT SELECTION

PRODUCT ORDER

DPM FILE

SPAIN

LOCAL

FILL IN POSTI FILE

MATERIAL BRIEF - MARKETING AND PROMOTIONS

LATEST DATA TO POSTI FILE

CAMPAIGN SHEET CREATION

FILL IN SHARED FILE

PACK PLAN FOR WH

DAILY INTAKE

REORDER

PRODUCT ORDER

SPAIN

LOCAL

CHECKING INVOICE DATA

SEND FILES TO WH PRINTHOUSE

OBSOLETE / SALES PLAN

RETURN REPORTS

ANALYSIS / WRAP-UP

PROMOTIONS

PROMOTION FLOW

CAMPAIGN MATERIAL

OPERATIONS LOCAL

PO FROM MARKETING

PO CREATION + SEND TO SUPPLIER

PRODUCT RECEIPT

FILL IN POSTI PREINFORMATION

CREATING WH STRUCTURES

WEEKLY ORDER STATUS MEETING WITH MARKETING, ON-GOING CAMPAIGNS, UPCOMING CAMPAIGNS

PO FROM MARKETING

PO CREATION + SEND TO SUPPLIER

PRODUCT RECEIPT

ORDER SELECTION

OBSOLETE / SALES PLAN / DESTRUCTION

PURCHASING SPAIN

SOURCING

CIL PRODUCT FAIR

PO FROM MARKETING

PO CREATION + SEND TO SUPPLIER

PO FROM MARKETING

PO CREATION + SEND TO SUPPLIER

LISTS

NAME SELECTION

SAAS

NAMEFILE TO POLAND

FRU OLSSON

INTAKE

ORDER FILE PROCESSING

ORDER FILTERS CHECKING

CHECKING WH DATA

SEND FILES TO WH

RETURN FILE FROM WAREHOUSE

RETURN HANDLING

ONCE PER MONTH IMPORT STOCK STATUS

CILAPP

PO CREATION

ORDER RECEIPT TO WH

CAMPAIGN SHEET TO CILAPP

NAME-FILE

OFFERS & WH STRCTURES

ORDER ENTRY

ORDER FILTERS

PO CREATION

ORDER RECEIPT TO WH

INVOICE & WH FILES FOR

SHIP CONFIRM FROM WH, INVOICING OPENED

RETURN FILE TO CILAPP

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As seen from Figure 2, the campaign process has a complex structure and consists of multiple steps. The Marketing tasks are colored with red and the Operations tasks with green. The parts of the process related to the ERP are marked with an orange lining. The campaign process has two main phases - *the Campaign design phase* and *the Campaign delivery phase*. The steps of the process are described below, followed by the analysis of the information flow of the process in Section 3.3.

A. *Campaign Design Phase*

The campaign process starts from the *Designing of the mailboard*. The mailboard design is created by Marketing and Promotions departments which together decide what campaigns are launched and when. The structure of the *mailboard* is designed almost a year in advance before the campaign is actually launched. Mailboard design and *budgeting* are carried out simultaneously; with budgeting having significant effects on the campaign design and bringing changes to the mailboard. It has been suggested that the mailboard is the main source of campaign information for all departments.

However, the mailboard contains only specific information about all forthcoming campaigns, and mainly shows only the raw data, with rough approximation of upcoming campaigns. Changes in the campaign schedule are not always updated to the mailboard, which as a result creates multiple problems. The mailboard is a visual tool only roughly outlining the most basic information about the forthcoming campaigns and only in regards to the production processes since it cannot show all vital information, such as mailing quantity or the type of the forthcoming campaign. In practice, the mailboard providing the very basic information is not a clear or in all parts applicable tool even to the Marketing department, which is responsible for producing it.

> *The challenge with the mailboard is that Operations do not receive sufficient information about all current and coming activities. The information does not flow within the organization and the mailboard is not the solution for it.* -Operations Manager

As seen from the interview results, the mailboard cannot serve as a timetable and cannot be used as a campaign guideline for all departments, since the information in it is vague and not up to date. From the Operations point of view, it is merely a plan for how to interlace campaigns. It is filled in the previous year and not updated afterwards and

at its current state does not serve either to the Operations or subsidiaries in the later stages of the campaign process.

Moreover, the mailboard has another significant challenge. It contains the so-called *electronic direct mail* (EDM) campaigns, which are launched very shortly before the actual delivery. These campaigns are more *ad-hoc* and the schedules are subject to multiple changes. The EDM campaigns run simultaneously to the traditional way of mailing campaigns, such as via mail sent to customers. However, in spite of its urgent nature, the basic mailing structure of the EDM campaigns is also designed and shown on the mailboard, as for the traditional long-running campaigns.

The Mailboard design step is followed by a series of subsequent steps (through Sourcing and CIL product fair with the entire product variety displayed physically) leading to the *Product selection* steps carried out by the Marketing department. Along these steps, the Promotion department holds the *Promotion flow* meeting twice a year with local Marketing and other Promotion departments from the other subsidiary companies, where they discuss on the contents ant the type of the campaign. The campaign material is designed for the campaigns going out during the next six months.

After the campaign listing is created in the Promotion Flow, the *product sourcing* starts based on the catalogs decided. The product sourcing is mainly executed by the Spanish purchasing department but the final product selection is decided in the Helsinki office by the local Marketing department, who also do some product sourcing locally. Before any final product selections are made, Marketing attends a *CIL product fair* held twice a year in Spain with other country representatives. The fair is held approximately eight months before campaign goes out, giving Marketing and Purchasing enough time for promotion material editorial work, production and delivery, since most products are delivered from Asia. Products are mainly sourced for the catalogs going out in roughly six months. The order quantities are decided based on previous campaigns with similar products. Lists team gives an estimated order quantity based on estimated campaign pulls which is a tool for Marketing to use when making the campaign wrap-up.

The locally sourced products are purchased by the local Operations. The impulse for making the purchase order comes to Operations vial email from Marketing. Marketing inserts the products to purchase into an Orders-file, where order quantities, prices

agreed with suppliers and requested order dates are marked by Marketing. Operations send purchase orders to the suppliers and monitor the deliveries.

After that, the next step by the Promotion department is designing the Campaign material. The Campaign material determines the campaign structure and everything included inside the promotion material, such as envelope sizes, action devices, how sweeps for lotteries is arranged and whether or not customers receive mystery gifts when they order. The material is then discussed and presented for the editorial team of Promotions department, who are responsible for the visuals of the campaign material. This part of the process is called *Material Brief*, which is a meeting for Marketing and Promotions.

Before the campaigns are due to be mailed to the customers, Operations need to *give Finnish Posti the campaign mailing information* seven weeks in advance. If not given within a required time frame, price reductions are lost resulting as increased campaign costs. In order to meet the Posti requirements a file has been created by Operations, where Marketing fills in the whole year campaign information in November previous year, when campaign schedule has been decided after budgeting and Promotion flow have been held. The final information is updated to the file roughly 3 months in advance, regarding mailing quantity and the weight of the campaign material. If the information is incorrect or delivered too late, it also causes for the price reduction to be lost. Therefore, the company has placed significant efforts in the creation and maintenance of the *Posti file*. It is used as a tool for budgeting and general schedule for campaigns in addition to the mailboard.

Campaign catalogs are mailed to customers and the products are ordered by filling forms and mailing them back via post. For creating the actual campaign material, Promotions need the product identification numbers created in the ERP *Campaign sheet* a few months prior to the campaign launch, which are then inserted into the barcodes. The barcodes determine what customers are ordering, including the campaign codes that determine the lottery sweeps when processing the orders. The campaign material is then delivered to the printhouse for production in Poland.

The campaign structures are finalized in the system by Marketing minimum 38 days prior to the campaign launch. The Lists select the customer who receives the campaign in question, by selecting names from the company database. The *name file* is sent at

the same time as the promotional material, as it generates the address carrier for the final envelopes. For the name file Lists need the *campaign codes* created in the campaign sheet from Marketing. The production schedule of the campaign promotion material is five weeks in the subsidiary printhouse before it is delivered to Posti and mailed to customers.

Starting from January 1st 2018, Finnish Posti started using a new sorting system in their production for more efficient mail handling. If Posti customers use the new sorting, a significant price reduction is given. However, if the envelope size, address font or additional parts do not match the sorting system requirements, it results as a major increase in the mailing price. For this reason, it is vitally important for the information about the campaign material to be available and accurate first of all for the Lists for the name selection, but also for Operations to make the correct advance notice for Posti.

After the campaign structure is finalized in the ERP, Marketing provides *a pack plan* in an Excel format for Operations. Operations then *create the warehouse structures to the ERP* accordingly. This is ideally created before the campaign is out but it is not always possible. The pack plan is then delivered to the warehouse to be used for checking pick release files received after order fulfilment. Especially due to the EDM campaign ad-hoc nature, the EDM campaigns are often opened even after the campaign has already been launched and orders are ready for processing. No order file can be processed, if the campaign or warehouse structures are missing or incorrect.

The customer orders are processed in as an outsourced service by a subsidiary company and processed into an *order file*. Sometimes there are challenges with processing the data if the barcodes identifying the product ordered are incorrect or the glue is bad in the material. The barcode errors come when Promotions make the campaign material based on the information they receive from Marketing. The information in the barcodes is based on information built to the campaign sheet. The processed order file is then uploaded into the ERP where it goes through an *order filter* in an overnight run. If the order file does not correspond to the campaign sheet or the warehouse structure in the ERP is incorrect, orders cannot be processed. At this point the person responsible for order processing contacts those in Marketing and Operations responsible for the campaign structures to correct the errors in campaign sheet or warehouse structures. Not all structural errors affect the order input; some errors are noticed in the system order filters. If there are no errors with ERP structures, the orders are able for order

fulfillment on the next day. Correcting order filter errors delays order fulfillment with at least one day extra.

The orders are then *fulfilled* according to campaign, order quantity and stock availability, in a way that most efficiently fills the packing criteria of the warehouse. File formation takes another nightly run, after which the pick release data is checked in Operations and *invoice data* in Marketing. The *pick release* is checked in order to verify that all quantities and products are correct and according to campaign. Marketing checks *the invoice files* and makes sure that prices and sweeps are correct before sending the invoice file to the print house. The print house then sends the printed invoices to warehouse and warehouse send the packed orders to customers. Usually this is the latest point where errors surface. Corrections are still possible but are more complex and take a longer time to fix due to the system having created the warehouse structures and order data to customer information.

Operations have *a weekly status meeting* about ongoing and future campaigns with Marketing. In this meeting the stock status is viewed, following the order status of each campaign and what are the near future campaigns. The campaign structures are also viewed.

When returns start to come back to the warehouse, warehouse divides them to *good and bad returns* and sends the quantities and customer information in a file to Operations. The file is processed in the ERP system from where the Spanish IT exports a report to marketing once a week. The Lists team gets another *return file*, which is on a campaign level. These two files are then matched on campaign level by each Campaign Manager. Each campaign manager follows returns for a period of time and at some point, some might make a campaign wrap-up but it is not a standard operation to make one.

Operations hold *a review of the warehouse obsolete stock status* to Marketing. The objective of this is to go through the idle stock, make new sales plans or sell the stock to another. If there is no sales plan, the product is considered as obsolete and destroyed or sold to another company. Currently, this is arranged through an excel file twice a year, but it has proven to be too tricky as sales plans overlap each other and no one is aware of what is supposed to go where in the end. As it is, the system is not

working for anyone, but it needs to be held to get rid of stock that is starting to gather stock days on hand. This process is in need of development.

All in all, the campaign process is rather stiff and changes are hard to make. And when changes are made, it takes a long time until they are visible in the process. And due to the manual labor of filling files, the information about changes is easily lost between departments.

3.3   Information Flow between Operations and Marketing

The departments related to the campaign process are Marketing, Finance, Promotions, Lists and Operations. Among these five departments, the analysis zooms into the interface and the information exchange between the Operations and Marketing departments, as the main actors in the campaign process.

Information flow makes an important part of the current Campaign process, however, it has many challenges, due to the complexity of the current campaign process, and multiple participating departments. Based on the results of the interviews, Figure 3 below summarizes the challenges identified in the information flow of the campaign process between the two departments, Marketing and Operations.

Campaign process flow diagram with swimlanes for FINANCE, MARKETING, PROMOTIONS, OPERATIONS LOCAL, PURCHASING SPAIN, LISTS, FRU OLSSON, and CILAPP across two phases: CAMPAIGN DESIGN PHASE and CAMPAIGN DELIVERY PHASE 6-8 MONTHS LATER.

Metropolia
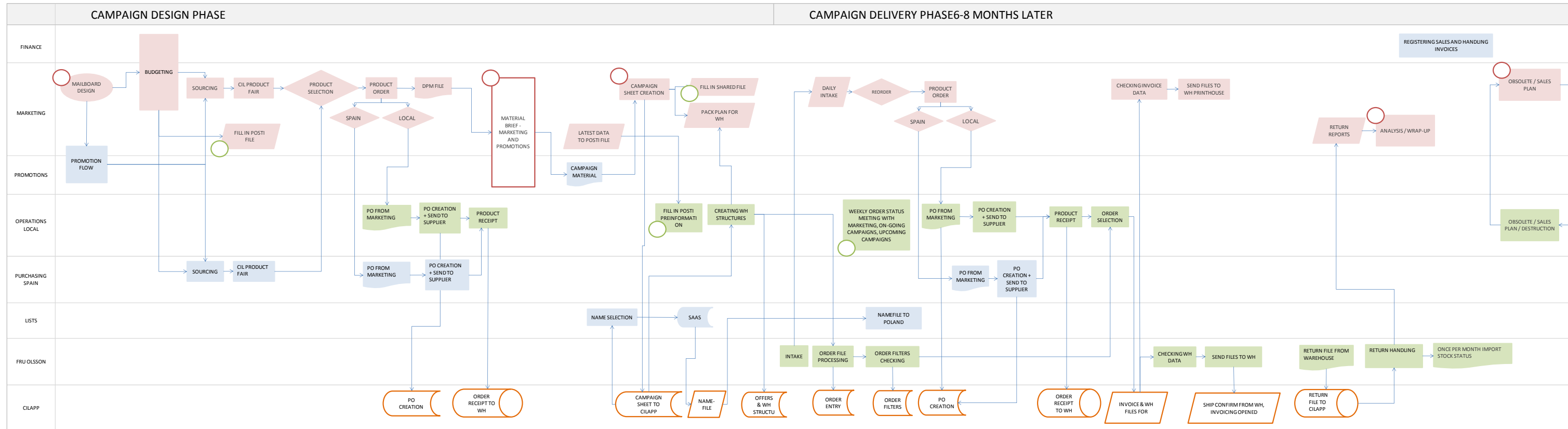
As seen from Figure 3, there are several challenges identified in the information flow between the marketing and Operations department during the Campaign process.

First, the mailboard design is not discussed with Operations and it is not an applicable tool to be used by everyone to follow all campaigns, for it does not have all the information that is needed for correct execution.

Second, the design and structure of each campaign are not discussed with Operations in the design phase. This stage has a significant influence on how the warehouse structures are applied in the system by Operations in the later stages of the campaign.

Third, there is no campaign analysis between departments. This causes errors made in previous campaigns to repeating themselves. Main reason for this the lack in proper documentation of processes, analysis and reflection to previous campaigns.

Fourth, the twice a year arranged stock status review where the current stock is viewed and new sales plans are set, has proven to be a spot in the process which is particularly tricky in regards to information flow between and within departments. Sales plan overlap with each other and with plans to destruct. This process has created some information block in Marketing, as sales plans tend to overlap and same products are sold in multiple channels and the information exchange regarding sales plans is not as efficient as it should be.

Depending on whether the products are sourced locally or in Spain, determine where the purchase order is given and made; Spanish sourced orders are purchased in Spain and locally sourced products are ordered locally. This applies to reorders too. The locally sourced and purchased orders are communicated to local purchaser in an excel file. When new orders are to be made the purchaser is informed vial email, instant messenger or by word of mouth. To signal the products to order, they are color marked red in the order file. The purchaser changes the color to black once the goods are ordered. This system is not risk free; the request might get lost in mail or the spoken request might be forgotten. There is no process for following the purchase order status.

Having two purchasing departments has created some confusion on who is responsible and for example where to get delivery information. It often happens that the local purchasing is expected to know order details, when in fact it has been purchased by the

Spanish team. Most often the information flow issues are most visible as challenges with campaign structures and campaign material. Upcoming and on-going campaigns are viewed once a week in a meeting held by Operations. Campaign managers and Operations go through the campaign status of each on-going campaign but also what is happening next and if all products have arrived.

Due to the previously mentioned changes in Finnish Posti regulations, more contact is needed between Operations and Marketing in order for Operations and Lists to use correct mailing measurements and to follow that the campaigns are according to budget. Currently, there is no established process for this. Previously Marketing filled in a follow up file created and managed by Operations, where all campaign information relevant to creating the Posti advance notice and to follow costs. The changes in Posti regulations mean that this file has become also a tool used by the Lists when they make the campaign address and mailing sorting. This process is a new addition to the campaign process and has started to affect the campaign process in the beginning of 2018. It has increased the need of information exchange not only between Operations and Marketing, but with Lists too.

Finally, if the pre-information does not match the campaign material arriving to Posti, significant price reductions are lost and it result as extensive effects on the final campaign result. Thus, it is important for all the departments mentioned to know what the campaign material is in terms of quantity, shape and weight. Not only in advance but also to check after the campaign is finished whether or not the budget was met and what went wrong. Currently, there is no process for the after analysis where all departments would be included; the analysis is currently carried out by each Campaign manager. The problem is that not all aspects that have an effect in the campaign results might not be taken into consideration or are interpreted in a way where errors are repeated in other campaigns.

3.4   Strengths of the Current Operations and Marketing Processes

Although the Campaign looks complex to the participants of this process, the results of the interviews also revealed some strengths in the current Campaign process, analyzed in relation to the information exchange.

First, the Campaign process is *clear and straightforward* to the participating departments. This is due to the long time this process has been in use and the established forms of making campaigns, which makes it familiar to all participants, although not properly documented. In addition, many interviewees considered it as a smart process.

Second, the process uses *handy tools,* such as the Mailboard, Campaign sheets, and Posti file. For example, Campaign sheet is a tool designed as a tool for Marketing to create campaigns to the ERP system. Before the change of ERP system in 2016, Marketing filled in a file containing all the marketing data which was then processed by an outsourced IT company. After the change in 2016 to this new Campaign sheets tool, maintained by Marketing itself, the amount of work handing the data has decreased, and also changed to introducing the data directly into the ERP system. This change was evaluated as positive by the Operations, however, it created the feeling of more work felt by the Marketing department, who complained of somewhat faded difference between the Operational and Marketing tasks.

Another handy tool is the Posti file. After Marketing has finished budgeting they fill in the Posti file, which is created and maintained by Operations. As Finnish Posti tightened the regulations for advance notice timeframe and the quality of pre-information for campaigns, the need for more specific tools was realized in Operations. As Finnish Posti has further increased the regulations since the beginning of 2018 for getting the price reductions, more development has been carried out on the file. The file is used widely in Marketing and Operations as an information source about campaigns. However, it does not contain the structural or product information.

Third, another strength revealed form the interview results was *the use of one ERP system*, in place of previously operating two different systems. As a result, currently in the Campaign process, all the production related tasks happen within one system instead of previously being in multiple systems. The processes have stabilized since the 2016 system change. Marketing tasks for creating the campaigns to the ERP have also decreased, together with the number of errors ending up in the Operations, since the Operations are to some extent able to spot mistakes in the ERP system at an early stage of the process.

Fourth, regarding the information flow, *the Weekly status meeting* is considered the biggest strength in the information flow between Operations and Marketing. On-going

and future campaigns are discussed every week; possible pitfalls are spotted and estimated, as well as the deviation from the normal Campaign process. Moreover, the Weekly status meeting also overview and discuss the time warehouse structures, stock and order situation. As noted by this interviewee:

> *All things are gone through and said out loud in the weekly meeting. Have all products arrived to warehouse or if there is something wrong in the campaign sheet.* -Campaign Manager B

Finally, the results of the CSA analysis also shown that, on a basic level, the communication and *information exchange between Operations and Marketing is functional*, with no question being labeled as bad or stupid, and no one being afraid to ask questions. Accordingly, Operations and Marketing feel they have basic understanding of what happens in the Campaign process and why.

> *If some part is unknown, it is considered as not important information to know.* -Campaign Managers A & B

However, it does not exclude *errors* from happening with the issues, even though they have been discussed and communicated between Marketing and with Operations. These errors, especially in *the errors in the campaign structure,* can be prevented by dealing with the challenges in the current information flow which are discussed in more detail below.

3.5   Weaknesses of the Current Operations and Marketing Processes

Even though the process is stable and straightforward, errors occur and result as errors in order processing, incorrect stock and multiple hours of extra manual labor. Multiple weaknesses were found during the analyzation of the current process.

First weakness discovered is *not knowing how some parts of the system work*, but also asking questions related to campaign structures incorrectly or accidentally misleading.

> *I only know how a few things are structured and need instructions every time I create something into the system. I only know the basic stuff, if it's something else, I don't necessarily know what it means, or what you want me to do because I don't understand the structure. And that's because I have not needed to know*

how it works. But then again, I don't know if that is relevant. Sometimes it feels that even Operations do not have the answer directly to a question because of the mystery aspect of the app. If you don't know how something works, I'm equally out. I learn simultaneously to you (Operations). -Campaign Manager A

Questions are asked vaguely which lead to similarly vague or incorrect answers, because either the question has been formed incorrectly without truly under-standing what they are asking and thus receive the answer to something totally different to what they meant to ask. Feels like the solutions/corrections are ex-pected to happen in Operations. Problems or new structures can be solved if they are thoroughly thought through beforehand, but nothing comes as a given. Marketing seems to think, to some extent, that after finishing with the promotion material and the campaign design, the rest is not any more relevant to them, it is not their responsibility anymore. What happens after the campaign sheet is done is not clear to everyone. When customers get the campaign material, we're only in the middle of the process. Making a shortcut on the campaign sheet can cause several hours of work somewhere else. This needs more communication. - Op-erations Manager

Second weakness is Operations and Marketing *differences in perceiving* what parts of the processes are considered *nice-to-know*, *should-know* and *must-know*. Related to the previous weakness, the third weakness is *not asking or checking from Operations if the campaign material product tests or changes are possible*. Whenever there is some-thing out of ordinary in the campaign material, some new campaign material is tested or campaign mailing is changed, Operations should be informed. This has somewhat improved but is currently not a part of the process.

Fourth, since the ERP change the interface between Operations and Marketing has become more faded and responsibilities more mixed in some parts of the process, *the information does not flow* between departments as it should, which is the fourth weak-ness of the campaign process. Marketing feels that creating and filling the campaign information to the ERP is more an operational task than of Marketing but on the other hand, it has increased knowledge on how the whole process works.

In addition, as a separate challenge in the current processes there is a considerable *number of errors*, that constitute a separate group of challenges. As was discovered from the interviews, errors occur when information does not flow or it has blocks. They are discussed in more detail below.

Fifth weakness - and one of the reasons for *errors and miscommunication* - is that *the processes are not documented.* Each Campaign manager has their own way of conducting the campaign wrap-up, therefor campaign analysis relies on how and if the campaign manager updates their own models which are in an excel format. There is no standardized format used in all campaigns. The results are analyzed from certain aspects but some errors are overlooked because they might not be directly linked to the Marketing processes. Thus, weakness six is *not having a standardized after analysis format*. Due to this weakness, the previously mentioned *recycling of errors* is repeated from time to time.

Seventh weakness relates to *not having a process for campaign analysis with Operations*. As was pointed out in the interviews, the errors in campaign sheet or customer mailing should be thoroughly analyzed after the campaign is over, which currently is not a part of the campaign process in a needed level. As stated by one of the stakeholders:

> *The design of the ERP system is built in a way that a small amount of errors has begun to be acceptable level locally as well, but the customer needs to get 100% what was promised (in the campaign). This causes challenges and extra work in Operations.* - Operations Manager

Currently, the errors are eliminated when errors occur; the current way of working is to give the feedback one error at a time, but half a year or a year later the same mistake is repeated. Following the weakness of not having a process for the comprehensive campaign analysis with Operations, a deeper knowledge is needed of where different aspects of the budget and actual costs come from. This is due to *not doing follow up thoroughly enough*; the follow up is focused on the issues that affect the campaign results from outside the company, rather than focusing on the issues that could be improved within the company. This statement illustrates the seventh weakness of the process:

> *The thing that is increasing the costs is for example a material from previous campaigns, which should not be used in any case, is used again even with bad results (as being too expensive, creating extra costs).* - Operations Manager

As seen from this example, errors have an effect to the company results and can change the way customers buy, their buying behavior. Errors in the campaign material,

campaign sheet or warehouse structures can result as errors visible to customers; long order processing, wrong products delivered, incorrect due dates.

> *We focus on (campaign) pulls and forget the individual customer. Good customer service is that we think the whole campaign through from the beginning to the end. It should not be taken for granted that the orders and money just come in.* -Operations Manager

Thus, the information flow between Operations and Marketing has not the only weakness in the processes; information flow between campaign managers within Marketing is sometimes in need of information process development.

Eighth weakness is that different sale channels of catalog business, webshop and selling excess stock to other companies *overlap* with each other from time to time.

> *There are weaknesses in knowledge transfer and information exchange between departments. It can happen even inside Marketing that one does not know what the other is doing.* -Campaign Manager B

Ninth weakness, as discovered during the interviews, relates to a *lack in documenting processes and guidelines for the whole campaign process*, thus being. The whole process has a significant amount of manual information filling to different forms and multiple screens in the app. Many parts of the process rely on one's memory, especially if changes occur; files, models, the ERP structures, promotion plan, packing plan, Operations and Customer service must be updated. The risk of human error is vast. Additionally, the *campaign process is rather stiff and the production times are long*. If something does not work or there is an error in the campaign material, the train is not easily stopped.

> *The campaigns are planned so much ahead, it's difficult to change campaign material if something is noticed not to work in some other campaign. The campaign material ready 2 months in advance and the purchasing is in Spain. There's not much that can be corrected. The digital marketing team can react easier and faster.* -Campaign Manager B

According to the stakeholders, the EDM campaigns are easier to change and the production is faster compared to other campaigns in the case company. However, the

campaigns are often *ad hoc* and require extra effort from the person creating the campaign sheets in Marketing and the person creating the warehouse structures in Operations. It sometimes happens that the warehouse structures are not ready when orders are already in for processing. This means that the order processing halts until the required structures are created. The reason for this is not is *not giving the campaign information early enough*.

Summing up the part related to errors, due to the fast pace and the *ad hoc* nature of these campaigns, the order files are often incomplete and have many errors. This process also needs improvements in information flow between Operations and Marketing.

3.6   Summary of Key CSA Findings and Selected Areas for Improvement

Even though the overall process has a good flow and is straight-forward, challenges in information flow between Operations and Marketing are evident. Table 4 summarizes the strengths and challenges in the alignment of the current Operations and Marketing processes and the information flow between the departments.

Table 4. Key strengths and weaknesses in Operations and Marketing processes.

STRENGHTS	
PROCESS GENERAL-LY STRAIGHTFOR-WARD	Campaign process is clear and straightforward to the participating departments.
HANDY TOOLS	Process uses handy tools, such as the Mailboard, Campaign sheets, and Posti file with detailed campaign information.
	All data in one ERP system.
OPERATIONS AND MARKETING STATUS MEETING	The Weekly status meeting is considered the biggest strength in the information flow between Operations and Marketing.
WEAKNESSES	
NO PROCESS FOR CAMPAIGN ANALY-SIS	There is no process for campaign analysis with Operations.
	Errors and miscommunication due to not documenting processes.
	Not having a standardized after analysis format.
	Follow up not carried out thoroughly enough.
INFORMATION FLOW IN THE PROCESS	Not checking from Operations if the campaign material, product tests or changes are possible.

	Not knowing how some parts of the system work and asking questions related to campaign structures incorrectly or accidentally misleading.
	The information does not flow between departments.
	Processes not documented and no guidelines for the whole campaign process.
	Campaign information not delivered early enough (EDM).
WORKING IS SILOS RESULTING AS IN-FORMATION BLOCKS	Operations and Marketing differences in perceiving what parts of the processes are considered nice-to-know, should-know and must-know.
	Over-lapping sales plans.

As seen from Table 4, the strengths and weaknesses can be divided into categories according to how they are connected through activities in the process. The strengths of the current processes are named *generally straightforward process*, *handy tools* and *status meeting*, from which the weekly meeting where all on-going and future campaigns are reviewed is considered as one of the main strengths of the processes. Other strengths are the Posti file and having all data and production in one ERP. Currently the biggest weakness in the information flow is that there are information blocks between and within departments.

The first weakness category is having *no common process for campaign analysis* between Operations and Marketing. Having no process for Marketing and Operations to analyze together how the campaigns are structured and what the possible errors in campaigns are results as circulating errors.

Second category of weaknesses is related to both *information flow* and *campaign analysis*, an improved process is needed for making the Posti sorting to meet their requirements. These weaknesses selected due to the errors derived from them causing extra working hours and significantly increasing operative costs in the case company.

These are also occurring errors which quite easily could be removed with aligned processes. To get these weaknesses in information processes aligned and to best break the department silos, Section 4 presents the existing knowledge and best practices for process development and a conceptual framework is presented.

# 4 Existing Knowledge on Aligning Processes and Improving Information Flow

This section discusses process development and improvement from the perspective of the information exchange. First, this section discusses basic concepts on how processes function and can be improved. After this, the section focuses on the improvements to the information flow in processes, and also breaking silos for better information flow between departments. This section ends with a conceptual framework for building the improvement proposal.

4.1 Process Design and Management

A business process is "a set of logically related tasks performed to achieve a defined business outcome" (Davenport and Short, 1990: 12). Further, it is a series of naturally connected activities, recurrent cross-functional or continuous, with the work flowing through them to reach an out-come or purpose (Bitici, et al. 2011: 853). A business process does not only focus on activities and how they are carried out, an emphasis is also placed on what the interconnectivity of the activities is and how efficient and effective results are produced when work flows through these activities.

According to Davenport and Short (1990:12) processes have two important characteristics; processes have customers, defined as business outcomes, and processes cross organizational boundaries. Martinsuo and Blomqvist (2010: 5) define process as customer value-adding chains of activities. The activities are utilized resources, such as raw materials, capacity, tools, knowledge or capital. The customer of the process can be either external or internal, but it always sets certain expectations and needs for the process.

Figure 4 presents a simplified process and what it consists of. It also shows the role of feedback in a process.
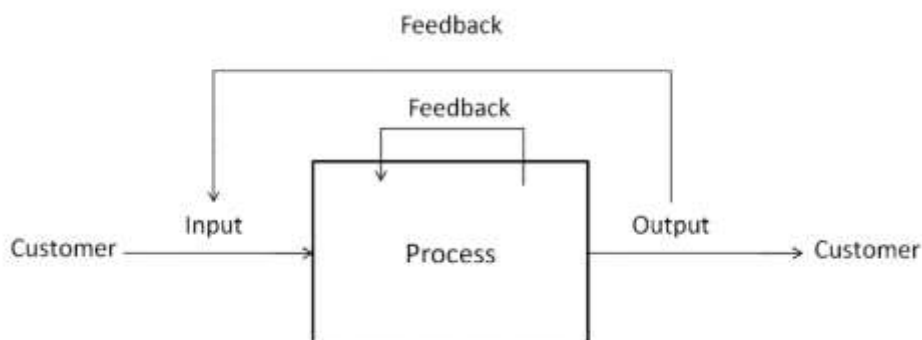
A simplified process view with feedback cycles. (Martinsuo and Blomqvist. 2010: 8)

As presented in Figure 4, processes need management and control to achieve the goals based on company objectives. In order to develop the process the feedback data acquired during the process needs to be tracked and understood to find out whether or not the process functions as it should. When managing processes, Martinsuo and Blomqvist (2010) state that it is important to first recognize how performance is perceived and defined within company objectives. Following this, process modeling and development promote goal-oriented performance improvement. Process management key characteristics according to Martinsuo and Blomqvist (2010: 4) are systems thinking, customer focus, goal orientation, focus on value-adding activities, effective use of feedback in modifying operations, and systematic and conscious process development for performance improvement.

According to Hammer (2010: 6) with process management companies can create high-performance processes which result as operating with lower costs, faster speeds, increased accuracy, reduced assets and enhanced flexibility. In addition, process management offers strategic benefits; for example companies have a better ability to respond to periods of rapid change.

Additionally, operative benefits according to Hammer (2007, 2010) are consistency, cost, speed, quality and service. Together these turn into lower operational costs and improved customer satisfaction, which on the other hand drives improved company performance. Process management helps companies assure their processes deliver what is promised and that the company consistently operates on the level of their capability. Process management also gives the company possibility to determine when

the process no longer meets the customer needs and thus needs improvement or to be replaced.

For a process to be high-performing five critical enablers are needed; process design, metrics, performers, infrastructure and process owner (Hammer, 2010: 8-9). Without these a process is not be able to operate on a sustainable level and having only some, but not all of these process enablers is of little or no value.

Process design is the most fundamental part of a process: it determines *what, whom, when, in what circumstances, the information* and so on. Having no process design can result as uncoordinated individual activities and organizational chaos. Process metrics come from customer needs and company goals, such as cost, speed and quality. These end-to-end metrics are a basis for setting targets to achieve the desired performance. Process performers have an understanding of the process from beginning to end and its goals, while having the ability to work in teams. Process performers need infrastructure, such as ERP systems and results-based compensation systems, to integrate the processes. Finally, a process needs a manager; someone to carry out the process management cycle. Generally the process owner is a senior manager from the company, who has authority and responsibility across the whole organization. The process management cycle is presented in Figure 5.
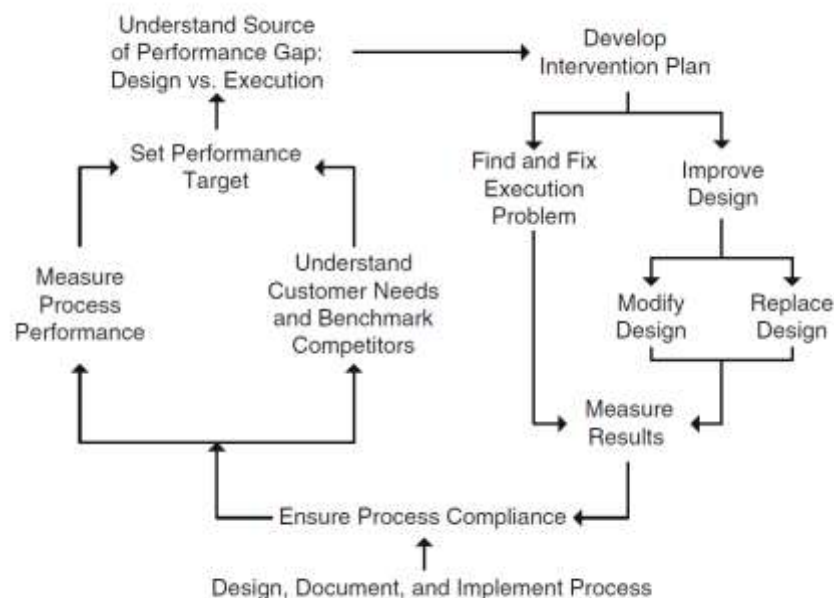
The process management cycle according to Hammer (2010: 5).

As seen from Figure 5, a process needs to be managed on an on-going basis, not as a one-off event. A process cannot sustain an improved performance level, if it is not designed to perform that way (Hammer, 2010). Understanding and developing activities as processes is an effective way to implement strategy, achieve customer satisfaction, promote efficiency, and enhance cross-functional and cross-organizational cooperation. Process management is often associated with productivity improvement and elimination of non-value-adding activities (Martinsuo and Blomqvist, 2010. Hammer, 2007). Hammer (2010: 6) states that non-value-adding activities accumulate on the organizational boundaries, which can be spotted by designing and focusing on end-to-end processes that exceed these organizational boundaries.

In addition, process management emphasizes the systematic use of tools, documentation and information systems that are integral to sharing good practices and standardizing and automatizing activities (Martinsuo and Blomqvist, 2010). The process should be described in consistent and straight forward manner and once a process is in place, everyone in the organization must follow it. Management takes care that the targets set in the beginning are not only measured but also achieved.

Standardizing processes facilitate communication and information exchange about business operations, enables smooth handoffs across process boundaries and make comparative measures of performance possible.

4.1.1 Process Development and Alignment

By reengineering processes that cross functional boundaries, fragmentation in the process can improve, thus getting rid of delays, nonvalue-adding overheads and errors. According to Hammer (2010:3-4), creating cross-functional end-to-end processes helps to step away from complexity of different organizations having different priorities, information sources and metrics. To design a cross-functional process its essential tasks need to be woven into a whole. Hence, cross-functional process effectiveness results as organizational performance (Novak et al. 2011: 33).

The biggest question in creating cross-functionality in processes is how knowledge can be leveraged to improve the process and transform it into tangible value. Mirghani et al. (2004) state that effective cross-functionality requires sharing knowledge among team members. Cross-functionality builds bridges between organizational units enhancing

performance and creating competence gains, while improving process efficiency and reducing multi-tasking lead-times. In a horizontal company, where the work is aligned with customer needs, same level of managerial control is not needed in the knowledge management of the process, as would be in a more hierarchical organization.

When designing a process for sharing information, Trussler (1998: 16-17) has named the key questions to ask when starting the design; what are the key areas of knowledge to work on and what are the benefits for the business? What concrete activities are involved and how is improved knowledge gathering and transfers affecting speed, quality and cost of the activities? Solutions are created according to the organization; it may be either technology or human resources driven, or both. Low cost approaches to improved information exchange in processes with knowledge management can include informal knowledge exchange sharing networks, supported by face-to-face meetings or emails. Additionally, these methods are easy for users to adopt and to understand, they help demonstrate the value and highlight where bigger investments could be made. To make the knowledge management process successful, it needs to be created in phases, as value is generated through the gained information flow.

One way of alignment could be standardization of processes. According to Davenport (2010) process standardization can help communication about business operations, enable smooth handoffs across process boundaries and give comparative performance measures. As defined by Bosua and Venkitachalam (2013: 333) alignment is a dynamic process achieved over time, where continuous improvement is required to achieve the specific alignment goals. It is further described as being difficult to achieve if achievement guidelines are vague, organizational processes are inter-related in nature or the progress of alignment efforts are difficult to measure.

Bosua and Venkitachalam (2013) have defined three alignment approaches; top-down personalization alignment, top-down codification alignment and horizontal workgroup alignment through replication of processes between workgroups. This study focuses only on the two latter alignment methods. The horizontal workgroup alignment is achieved through replication of effective practices between workgroups, which means that all parts of the process practices can be replicated to other workgroups in order to achieve similar outcomes, thus ultimately having a series of best practices. However, achieving this might be a combination of alignment methods; to some extent codification of key knowledge is also needed to standardize the processes.

To help with standardizing knowledge, storage/retrieval and reuse/application process-es are introduced (Bosua and Venkitachalam, 2013: 341). As stated by Hansen et al. (1999), reuse of knowledge saves work but also reduces communications costs. They divide knowledge into explicit and tacit; explicit knowledge is codified knowledge, such as software code or market data. Tacit knowledge on the other hand is acquired through personal experience and it includes for example scientific expertise and opera-tional know-how. Generally, companies use the combination of these both, but having a stronger emphasis on one of them.

Hendersson (1999) states that alignment is a journey, not an event. To sustain perfor-mance and to make processes more aligned and agile, Bitici et al. (2011: 853) suggest companies to continuously improve and evaluate processes; one method for this is with plan-do-act-check –cycle (PDCA). Reoccurring shortcomings in performance are gen-erally an indicator of design flaw in the process, occasional ones on the other hand are a result of difficulties in process execution. According to Hammer (2010: 3-4), execu-tional flaws of the process could be caused by inadequate training or insufficient re-sources. Once found and realized, these root causes are easy to fix, but if the cause is in the process design fixing it requires rethinking the whole process. Once a rede-signed process is in place, the PDCA-cycle is implemented into the process.

Another way to go towards standardized processes and sharing information is to intro-duce tools specifically designed for it. According to Kent (2006), the most effective methods for teams sharing and transferring knowledge are those enabling learning before, during and after the job. Processes designed for this are known as for example *Peer Assist* and *Action Reviews*. These are simple and fast processes that deliver im-mediate results, while simultaneously building understanding and trust. Darling et al. (2005) further define Action Reviews, or *After Action Reviews (AAR)*, as a method where lessons from previous events or projects are extracted and applied in the next project. It often happens that poor investments or scrapped projects end up repeating themselves, but with AAR more efficient shortcuts, smart solutions and sound strate-gies can be achieved (Darling, et al. 2005). AAR is a learning process and an organiza-tion that learns from experience can adapt more quickly and effectively to changes. Additionally, the organization is less likely to repeat the errors that decrease value.

A basic form of an AAR could consist of tasks (what actions must be taken), the pur-pose (why this task is important), intent (explain to others why goals must be pursued)

and the end state (what is the desired result). A basic concept of AAR illustrated in Figure 6.
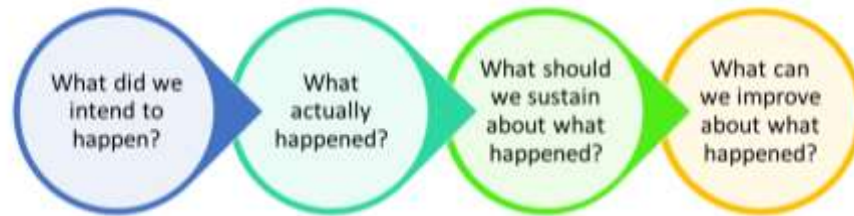
Questions to be asked in AAR simplistic model (Living Cities blog 2018).

As seen from Figure 6, the AAR meeting addresses four questions: What were the intended results? What were the actual results? What caused our results? What is sustained or improved? Answering these questions helps organizations to refine its ability predict what works and will not work in the future. AAR is aimed to help organizations to also learn correct the thinking, not only correct things.

Darling et al. (2005) continue that correcting the way of thinking, in other words a thought-process-correction, affects the organization ability to plan, adapt and succeed in future challenges. In order to plan properly ahead, a before-action review (BAR) should be held. BAR answers four questions before an important action is put in use: What are our intended results and measures? What challenges can we anticipate? What have we or others learned from similar situations? What makes us successful this time? According to Darling et al. (2005) there are five ways to implement AAR and make it work in an organization; resources must be selected carefully and determinations must be made on who is the most likely to learn the most from the process and how they benefit from it.

AAR is built slowly and beginning with activities where the payoff is the greatest. The AAR is executed in several cycles and must be customized to fit each project and project phase. Focus should be on the critical areas of the objective. Learning is key is AAR; lessons should benefit the team and link to future actions. Each AAR session starts at the beginning of each activity and leaders should hold everyone involved accountable for learning. As Darling et al. (2005) state, AAR is about building an organi-

zation's ability to succeed in a variety of conditions with tight feedback cycles between thinking and action. Further, AAR meetings improve the care and precision of before-action planning.

Information flow in processes in general, are further discussed in the next chapter.

4.2   Information Flow in Processes

> "*Communication is the process of transmitting information from one person to another.*" (Griffin, 1999: 553).

According to George and Jones (2002: 458), communication is one of the most important processes in an organization. Further, effective communication allows organizations to achieve their goals and perform at a higher level. Communication in an organization is sharing information to reach a common understanding. St.Ammant and Uljin (2009) continue that information is a central component of economic success and with effective communication practices organizations can manage information successfully.

Information is communicating specific facts, persons or events, and refers to managed and transferred data that is meaningful to receivers facilitating current or future decision-making. From the information point of view, Chiu (2006: 169-171) states that each activity within a business process must know the information required to support the operation. From the process point of view, information is supporting data or messages, communicated through text or documentation. Furthermore, a business process is an information flow for achieving a certain target.

Information flow on the other hand is described as involving a set of interconnected information systems, which uses information for communication while forming an information flow. In other words, information flow is the connection between the organization and its departments. As stated by Chiu (2006: 171) these activities can be divided into five parts: information source, knowledge required to carry out the activity, information flow following activity completion, operator of the process activity and media used for the information flow.

Improved information flow can improve the efficiency of the whole business process when the relevant information is rapidly delivered between activities. How the information is shared does have relevance on the information efficiency; operations methods, job allocations and experience sharing. Chiu (2006: 172) has defined three factors causing discontinuousness in the information flow; operational, time and space discontinuity. Operational discontinuity is caused by inefficient job allocation and consuming preparation, such as unbalanced workload, manual information searching or verification. Time discontinuity is when required information for a specific activity cannot be obtained on time. Delays in this case are caused by batch processes designed to enhance work efficiency. The third discontinuity is space, where information flow is slowed down due to process operators coming from different organizations, units or departments. These three discontinuities can be called business process bottlenecks and to understand where they come from, the work model of information flows within an organization requires discussion analyzing work models and operational challenges. The communication within an organization has three types: bottom-up, top-down and horizontal.

Organizational barriers can occur if companies have inappropriate goals, improper reward systems, dynamic and complex environment, reluctance to establish goals, resistance to change or constraints. To overcome these barriers Griffin (1999: 218) suggests aiming to understand the purposes of goals, communication and planning, consistency, revision and updating and to have an effective reward system.

Information flow complexity is increased by organization structure complexity (Chiu, 2006. Trussler, 1998). Heavy internal competition, rigid functional silos and undue compartmentalization in a traditional organization inhibit critical information flows, exhibiting as sub-optimal process performance. By building organizational connections across functional silos, or in other words by creating cross-functional teams, the process performance challenges could be solved. Cross et al. (2001: 100-101) states that people tend to turn to a person more often than a file or a database when searching for more information, which in turn makes the social connections and relationships in the organization critical to obtain.

For this reason, knowledge management is needed to capture and share information. Cross et al. (2001) continues that knowledge management allows the reuse of tools or work products employed in other parts of the organization, but also provide a way to

reduce organizational forgetting when employees change. To improve organization efficiency and effectiveness in problem solving requires organizations to attend the ways employees seek information, learn from it and solve problems with other people in the organization, which in turn requires more than sophisticated technologies. Organizational information flows can have bottlenecks, which mean that team members tend to turn to those, whom they know they get an answer from, thus over-crowding the person work load.

Creating tools for information exchange cannot solely rely on technological solutions; network-based communication and communication tools can help employees reach across organization boundaries and silos, share ideas and best practices (Nugent, 2011: 3). However, the tools used need the support of the people, processes and an organizational culture that supports for collaborative efforts. According to Nunamaker et al. (2009: 116), if the action is separate from the ordinary work processes, users avoid technology when it requires extra work. Nugent (2011) continues that in addition to technological solutions, information and knowledge flow are optimized by focusing on organization culture, people and processes within the organization. The tool selected should be measured through receptivity of the corporative culture in order to create a web of interconnectivity between people-to-people and people-to-information. This way the ability to work towards common organization goals is enhanced.

If employees are able to quickly and effectively collaborate, communicate and exchange information across the organization, productivity and growth improves (Nugent, 2011). Organizational memory is 44 interactions, which creates problems when the most common ways of organizational information flow is through long email threads, telephone calls or face-to-face meetings. This is especially common when traditional workplace software tools are in use; tools focusing on a single user to create a document and to share the information to others in the organization, most likely using email as the channel to distribute the information. Adaptation of new tools can be slow in organizations, especially if change fundamentally transforms the way of working. Tools to improve organizational information flow with shared files can be for example commercial applications, such as inSite and Sharepoint (Nugent, 2011: 125).

4.2.1   Information Flow between Departments, Breaking the Silos

> "*One of the biggest challenges of teams is developing patterns of effective communication.*" (Smart & Barnum, 2000).

People have a limited ability to absorb information and therefore it is important to avoid overloading information by managing the potentially high numbers of communication methods, such as messaging and artifacts. For not overloading personnel with information, Novak et al. (2011: 35-36) suggest companies to visualize the strategic relationships and critical interdependencies and analyze the economic value gained, the supporting structure and system. Based on these, appropriate contingencies and suggestion plans should be developed by modelling cross-silo thinking and building relationships across organizational boundaries since most of the organization information processing is carried out by people. Novak et al. (2011) continue that effective networks within an organization are intentional, built in advance and are based on alignment. It is also dependent on the leaders' ability to operate and lead within the network.

Critical information can be yielded by understanding how and where information between organizations boundaries flows and does not flow. These are the points where managers should target efforts to promote collaboration as having a strategic payoff for the whole organization (Cross et al. 2001: 119). Proelh (1996) states that having cross-functional teams help to build understanding, increase problem solving capabilities, coordination, communication and improve organization quality and productivity.

Having to gather information when data is not available is frustrating to an employee working in a functional silo organization (Engel, 2011). The silo organization is the most common organization structure especially in governments, utility and service business. The silo organization has its merits, but it also limits the ability to work as a team for greater profitability. The traditional organization is divided into series of departments each focused on their own functionality, driven by their own objectives and mission. In addition, Dell (2005) states that each department develop their own processes, information systems and databases, leading to the situation where cross-departmental communication is often restricted and travelling up and down the silo rather than spreading across it. Due to the silo structure and mentality, the cooperation is limited because each group takes only care of their own field, instead of considering the inter-

est of the whole organization. As a result, the focus is on fulfilling the functionality, not on achieving the process outcome.

According to Aaker (2009), organizational silos create inefficiency and lead to lost opportunities to develop products and marketing programs. Product offerings need to span across silos, since an independent silo cannot respond to or easily recognize opportunities for development. Therefore, competitive advantage is on those companies with the ability to recognize excellence and export it across their silo units. Additionally, silos lack scale for effective marketing, which involves sponsorships and loyalty programs. To brake the silos, a mass of talent is needed to achieve the scope and depth of competence that is not feasible when talent is dispersed in the silos.

When end-to-end processes across multiple departments, problems occur; efforts are duplicated effort when information does not flow, efficiency is limited, decision-making is difficult due to lack of information from other departments and performance is difficult to measure and improve. In order to break the silo structure, management efforts and employee reward systems should be built according to the performance of the end-to-end process. To help achieve this, Dell () states that process teams and communication systems are needed to enable the process. Further, companies need to establish and communicate the vision, identify the end-to-end processes, prioritize problem areas, establish process owners and teams, and finally reward and reinforce behavior with reward system, which should be tied to achieving the organization process performance goals. Silo mentality is not limited only to silo organizations; silo mentality is also discovered in matrix organizations (Sy and Cote, 2004).

Lepore et al. (2016) summarizes three faults in silo organization: no feedback mechanism, no visibility of the customer in the organization and no learning cycle based on feedback. Walls in organization structure result as disruptions of the natural flow of someone trying to achieve goals or improving performance. Symptoms of a silo organization are a slowed down or blocked communication, struggles in innovation, delays, declining quality, budget exceeding and reaction time to market changes is slow. In a silo organization, departments carry out their own work based on their own measurements, having no understanding of the implications of their decisions in regards to the big picture.

Working is a silo one has only sees a part of the picture. According to Alberg (2007), departments in a silo organization rarely share sufficient knowledge and agree on common standards to gain expertise when the other department informs the actions of another department, thus working out of sync with each other. Alberg (2007) further continues that good KPI's are designed around outcomes that are within an employee sphere of influence. However, if the person operates within a silo organization where the sharing information, outcome or process is not a part of the department structure, the KPI's will align to the department but not those of the whole organization. There-fore, KPI's related to information flow are required to reach throughout the organization.

As stated by Engle (2011), breaking down organizational silos begins at the top of the organization by ensuring that the goals are well-communicated and reinforced not only with reward, but also with recognition. To start breaking the silo mentality, two methods are introduced (Aarken, 2009); first, replace competition and department isolation with cooperation and communication. Some centralizing and standardizing might be a part of the solution, but the goal should not be to blow the silos up with them. All activities advancing the goal, such as common planning forms or enhancing the information sys-tem, are helpful. The second method is to have management support as the facilitator and consultant in reducing the silo barriers.

As mentioned before, having no communication between organization departments is not a good thing. However, the situation can also be reversed; Sy and Cote (2004: 447) state that even though communication might increase in frequency in matrix organiza-tions, the quality of the communication decreases. Lack of cohesion in collaboration tools and technologies related to it have created blocks to information sharing, thus causing organizational silos to remain (Nugent, 2011: 8). In order to break down the silos, tools are more likely to break the barriers among departments and functions, if the principles of the organization encourage collaboration. Internally competitive com-panies are likely to run to contrary to the collaboration model.

Cascella (2012) offers six key factors to help cross-functional teams to work; first, suffi-cient sponsorship and governance from key leaders of the company to reduce road-blocks, resolve functional disputes and build support in changes, select the right pro-cess owner and team members, define the process, focus on the critical process out-comes and their achievement with team alignment and meaningful process measures,

select right tools to be used at the right time and finally, match the scope of improvements with organizational influencing ability.

However, even though cross-functional teams have advantages of effectiveness, the knowledge diversity can constraint effective sharing; differences in perspective, priority, problem solving approaches and professional language can obstruct team collectable understanding (Ratcheva, 2009). According to Proelh (1996), successful cross-functional teams meet on a regular basis, have adequate communication systems, training and skill development through the organizational structure, but also have management support.

4.2.2   Information Flow within a Department

The benefits of information exchange within an organization or a department, which are defined as the interfirm relationships by Dekker et al. (2016), enable pursuing objectives and creating value which could not be independently realized. Interfirm collaboration has also been proven to enhance market position, access resources otherwise out of company reach and facilitate organization learning. By adding more communication and improving the information flow between and within departments, transparency in the communication is increased. This includes the transparency in communication to the customer (Prahalad and Ramaswamy, 2004).

The combination of information and expertise of the team members is the basis for the cross-functional team performance (Patrashkova et al., 2003). For everyone in within the department to understand each other, a common frame of reference and understanding is needed; a starting that requires explicitly articulating a process in use (Smart and Barnum, 2000). Open and explicit communication about tools and processes is a requirement within an organization for its employees to know what the other person is doing. Failures in communicating these aspects results as conflict and diminishes process output. According to Weiss and Highes (2005), right organizational collaboration is tremendously beneficial as it helps create a unified face to customers, makes internal decision-making faster, reduces costs through shared resources and helps develop more innovative products. Instead of being just strategy, some understanding of the customer experience is also needed to inspire, align and guide the organization to the conviction and shared aspiration between the departments (Boyarsky et al., 2016).

To some extent, knowledge sharing can only happen if people engage in it voluntarily Ståhle and Grönroos, 2000). To help in this, Dinsmore and Cabanis-Brewin (2014: 149) and Kuster et al. (2015: 190) introduce a communication matrix to be used to help find out what needs to be communicated and to whom. The matrix states the communications requirements, where definitions are made about communication receiver, delivered message, why is this matter communicated, which media is used for communication, when is the communicated and how often and finally, who are responsible for communicating.

Regarding the importance of setting collaboration targets Dekker et al. (2016: 26) state that the strategic importance is increased when single objectives become more important and the importance is then further increased and spread over multiple collaborative objectives. The strategic importance of collaboration is determined through objectives and in order to create value, incentives need alignment and coordination of interdependent activities. However, the activities require mechanisms that support bonding, coordination and communication and to manage interfirm relations, Dekker et al. (2016) suggest three practices; first, performance measurements are used to monitor results and evaluate progress to achieve the targets set. Second, performance information is exchanged to discuss prior results and coordinate and adjust actions and solve joint problems. Third, through face-to-face contact and meetings communication about goals, activities and results is engages to interaction across organization boarders. The link between these practices and shared performance targets is shown in Figure 7.
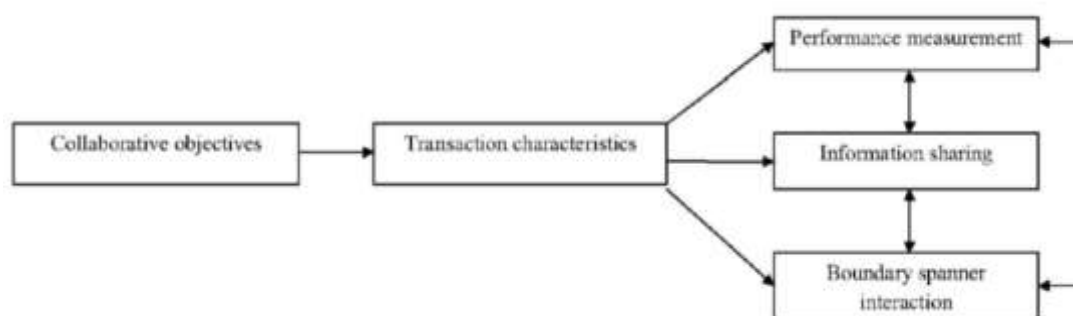
Interfirm communication practices through shared targets. (Dekker et al. 2016).

As seen from Figure 7, these performance management practices are associated with strategic importance of collaboration, as these circulating activities and interactions

support alignment of interest, coordination, trust building and shared performance information.

Nunamaker et al. (2009: 114-115) have created information sharing tools for virtual teams, which are also applicable in the more traditional face-to-face organizations. These methods are application sharing when a common document is worked on and a roll-call response protocol in meetings. The shared application is useful when many people work on the same document simultaneously; changes are shared instantaneously, attention stays in the current version and inconsistencies decrease. A roll-call response protocol on the other hand is where during a shared meeting each member of the team is asked to give an oral response to question or a problem. This method could be used in cross-functional meetings, where participants are from different departments to make sure everyone has a similar understanding. However, cross-functional teams can run into challenges with having variation in terms of work processes, metrics and how things are named; one word can have a totally different meaning in different departments. Thus, it is beneficial to create a common dictionary. Nunamaker et al. (2009: 116) also presents the use of a process facilitator with knowledge of both technology and the group dynamics, helping the team members apply technology in pursuit of their goals.

4.3   Conceptual Framework for Aligned Processes and Information Flow

This Section draws together the ideas previously mentioned and gathered from the literature, based on which the conceptual framework for this thesis is created. The conceptual framework provides tools and guidelines for how to design, manage and a process, how information can be shared in an organization and how to break the organizational silos. The conceptual framework is shown in Figure 8.

Weakness:

No process for campaign analysis with Operations.

Weakness:

Information does not flow within departments

Weakness:

No information and interaction about campaign details to and with Operations when designing campaigns + silos between departments

DESIGNING PROCESSES

INFORMATION FLOW
in the process

BREAKING SILOS TO IMPROVE
INFORMATION FLOW
between departments

- Creating a Value Chain (Martinsuo & Blomqvist, 2010)

- Standardization and setting process targets (Davenport, 2005)

- Design a collaboration structure with the process (Hansen 1999, Bousa 2013)

- Create cross-functionality (Martinsuo & Blomqvist 2010, Mirghani 2004)

- Aligned processes (Bosua 2013, Novak 2011)

- Introduce common tools for sharing information (Nunamaker, 2009, Nugent 2011)

- Incorporate knowledge Management to help improve information flow (Trussler 1998, Cross et al. 2001)

- Before Action Review (BAR) + After Action Review (AAR) (Darling 2005)

- Breaking organizational silos (Alberg 2007, Dell 2005, Engle 2001, Sy&Cote 2004)

- Shared targets to get rid of competition (Sy & Cote 2004, Bosua 2013, Dekker et al. 2016)

- How to get the cross-functional teams more efficient in communication (Dekker et al. 2016, Smart&Barnum 2000, Ratcheva 2009)

The conceptual framework for aligning Operations and Marketing information flow.

Metropolia

As seen from Figure 8, the section presents the conceptual framework which consists of three parts; *the process design*, *information flow in the process* and *breaking silos to improve information flow between departments*.

First, the process design begins with *creating a value chain* by mapping the value-adding tasks in the process. This is followed by *standardizing the processes* and *setting targets* to the process outcome. Thus, as a result for creating these processes steps *cross-functionality is created* and *processes become more aligned*.

Second, to improve information flow in the process *tools for sharing information* need to be introduced. One method for sharing information is to use the method of Before Action Review and After Action Review. These are also relevant as process steps and tools to use when designing a process for after analysis. In addition, *knowledge management needs to be introduced* and incorporated into the organization targets and performance measurements.

Third, *breaking the organizational silos* will further improve the information flow between departments. This is achieved through the use of *shared targets* in order to get rid of competition and making the *cross-functional teams more efficient in communication.*

The next Section is the initial proposal of the improvements to the information flow processes in the case company.

5 Building Proposal for Aligned Processes in the Case Company

In this section, the results of the current state analysis on the Operations and Marketing processes and the conceptual framework on aligned processes and increased information flow are combined and the proposal building for the improvements starts. This section provides the material for Data 2 collection, which was collected from fieldnotes gathered in a stakeholder workshop. In the workshop conceptual framework for aligning processes was presented and discussed by Operations and Marketing representatives.

5.1 Overview of the Proposal Building Stage

The proposal for the campaign process improvements consists of three building blocks: (a) the findings from the current state analysis of the Operations and Marketing processes and the map of the campaign process, (b) the ideas and suggestions from literature review merged into the conceptual framework on the aligned processes and increased information flow, and (c) Data 2 collection from the stakeholder workshop. In this Data 2 collection workshop the proposal for the information flow improvements were discussed with the participants from Marketing and Operations who were also interviewed for Data 1 collection to ensure that all parts of the process are covered and fit the workflow of each departments.

In Data 2 workshop, the participants were first introduced to the key findings of the current state analysis of the processes between the participating departments, to give a reminder of the topic of discussion. The weaknesses were pointed out, namely: no process for the campaign analysis with Operations, no information and interactions about campaign details to and with Operations in the campaign design phase, and working in silos resulting in information blocks between and within the departments.

Second, the conceptual framework for aligning the processes was presented to give topics for discussion and to develop ideas for improvement. Following this, the third part of the proposal building workshop was discussing the key weaknesses, conceptual framework of aligned processes and ideas for development from the stakeholders. The suggestions given by the stakeholders are presented in Section 5.2.

The initial proposal is presented in the following chapters, focusing on the three key weaknesses identified in the CSA. Fieldnotes of the workshop are gathered into Data 2. The areas of discussion were how Operations can give feedback to Marketing about campaign results in order to start designing the after-analysis process, how information flow about campaign design could be better discussed with Operations, and finally, how to break the silos between the company departments.

5.2   Proposal Draft and Suggestions for Alignment and Information Flow

The proposal draft is based on the Operations and Marketing processes and information flow current state analysis and the best practices of aligning processes and increasing information flow, collected from literature into a conceptual framework. The proposal draft is built on three elements that were defined as the main weaknesses in the current state analysis; having no process for campaign after analysis, information not flowing between departments in the campaign process and breaking organization silos to improve information flow. These topics form the platform where the proposal is built by utilizing the conceptual framework for aligned processes and increased information flow, which was gathered from literature.

Table 5 below shows the stakeholder suggestion for the previously mentioned proposal building steps. The suggestions are categorized in relation to key findings from Data 1 collection.

Table 5. Stakeholder suggestion for proposal building (Data 2).

	Key focus area from CSA (Data 1)	Suggestions from stake-holders (Data 2)	Description of the suggestion
1	A process needed for after analysis with Operations and Marketing.	a) A form to help with the analysis. b) A quarterly meeting to discuss results.	For the analysis form Operations Manager suggests having comparable figures and figures that are easily attained. The results should be viewed in a meeting held regularly, where the results and actual costs are discussed.
2	Improving infor-mation flow be-tween depart-ments.	a) Operations attending Material Brief.	Campaign Manager A suggests that to increase information flow in the campaign design phase, Operations attends Material Briefs. The part concerning Operations is discussed in the be-ginning of the meetings.
3	Improving Infor-mation flow to break the silos.	a) Sales plans once a month. b) Product references unified.	Sales plans are viewed once a month when the stock status is also updated. This requires standardization of product references and updat-ing the chart when new products come in.

As seen from Table 5, the topics and key focus areas were divided into three catego-ries, which were based on the findings from the current state analysis and the concep-tual framework.

First, having a process for campaign analysis between Operations and Marketing is proposed. The proposal consists of value-adding and standardized process steps, which increase efficiency of information flow between the departments and create an environment of learning through the analysis process. The proposed process for analy-sis contains an analysis tool which a form for each campaign, where the campaign is analyzed before, during and after the campaign.

Second, having common tools for information sharing, incorporating knowledge man-agement to help improve information flow and the campaign analysis forms were pro-posed to the stakeholders.

Third part of the proposal is to break the organizational silos to improve information flow between departments. The proposal presented in the stakeholder workshop is having shared targets between departments to get rid of competition between depart-ments. Another tool for breaking silos is to increase the efficiency of cross-functional communication and information flow.

5.3 Proposal for Operations and Marketing Campaign Analysis Process

As was gathered from literature, having *standardized* and *value-creating activities* with *clear targets for the process outcome* is important for organizations to gain increase in performance. From the case company Operations point of view, in order to create improved information flow, a channel in the processes is needed for giving feedback to Marketing about campaign results in a standardized manner. The feedback should include for example how the Posti requirements were met, was there extra cost caused by errors in the process or material and why it happened.

A. First Improvement

First, Operations and Marketing common campaign *analysis methods and tools* were discussed. For the analysis tool, the BAR & AAR analysis methods reviewed in the literature are applied and modified to fit the case company needs. The theoretical basis and starting point of the initial proposal for building the analysis tool is illustrated in Figure 9.

Before Action Review

What are our intended results and measures?

What challenges can we anticipate?

What have we or others learned from similar situations?

What will make us successful this time?

After Action Review

What were the intended results?

What were the actual results?

What caused our results?

What will we sustain or improve?
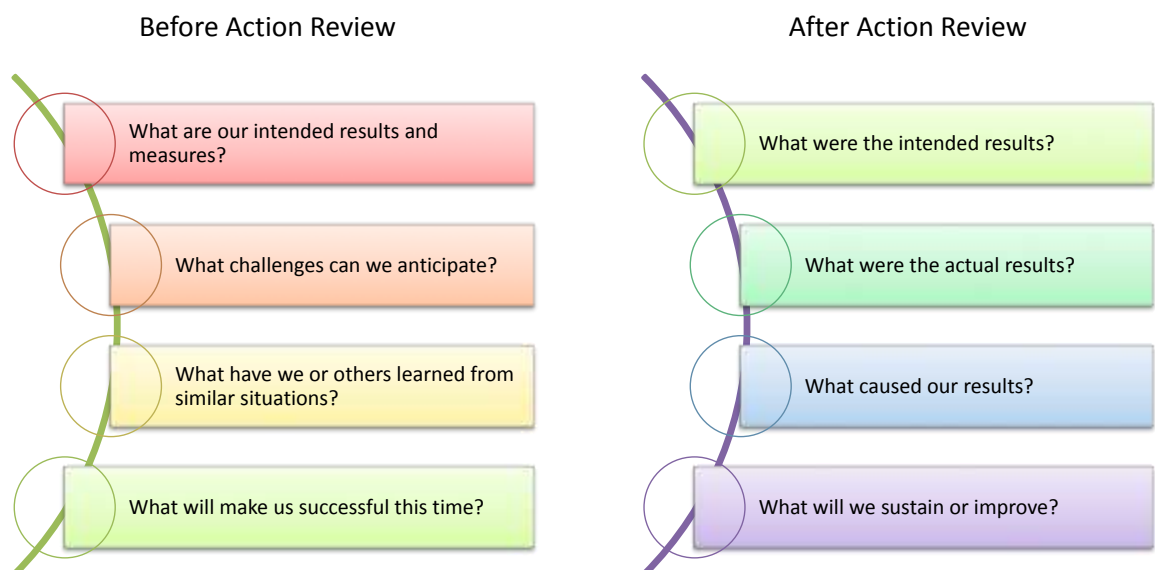
Proposal for Operations and Marketing analysis tool as applied from Darling (2005).

Second, the incorporation of *the common analysis process* was discussed and designed with the stakeholders. The BAR and AAR form proposal presented in Figure 9, received feedback from both Operation Manager and the Campaign Managers, and the

unified feedback was that if this type of tool is taken into use, it should *measure available and measurable data*. In order for the analysis to accurately and reliably measure the process performance, the data gathered and used should be relevant *to learning from the analyzation*.

> *The analysis tool needs to have measures we can easily acquire and then afterwards reflect on, based on how the campaign went.* – Operations Manager

With a standardized method for analyzing results, value is created through departments cross-functionally learning through the analyzing process while collaborating with each other. As a suggestion for the improved information flow, Operations participates in the Material brief, which is further discussed in Section 5.4. While attending the Material brief in the campaign design phase, Operations can fill in the BAR-section of the analysis tool.

Figure 10 below shows the improvement suggestions to the Campaign design phase based on the workshop discussions and key weaknesses from the CSA, visualizing the proposed involvement of the Operations in the Material Brief process steps. The proposed improvements are highlighted with a yellow box.

As seen from Figure 10, the proposed BAR and AAR tool answers to the weaknesses listed in the CSA related to questions of *not having a process for after analysis*. It also partly strengthens those parts of the processes where *information does not flow between departments.* Hence, it improves the communication regarding errors and even enhances risk management when Operations is involved in the campaign process from the early stages of the campaign design. It also helps set common targets and makes them clear to all participants in the campaign process. Additionally, Operations and Marketing processes become more aligned. By using an analysis tool such as is proposed, also helps standardize the process of campaign analysis, as there is variation between campaign managers on how the analysis is performed or not performed.

53

The proposed improvements for process in the campaign design phase using BAR model process steps.

Metropolia

B. Second Improvement

How the analysis tool is actually implemented, was also a topic of discussion. As a result of the workshop, it was proposed to that the BAR and AAR forms would be used as a part of the DPM file which Marketing fills in the beginning of the campaign. DPM file is another tool used by Marketing in the campaign design phase, which came up during the Data 2 collection but was not discussed when making the current state analysis of the campaign processes. However, according to the feedback received in the Data 2 workshop, the DPM file proved not to be the solution for the analysis tool, as Marketing rarely uses the file after the campaign is launched and the template is created and given to marketing to use by the Spanish Promotion Purchasing department. Therefore, it was decided that if such as tool is to be used, it would best serve the case company if it is a file or a form separate from other files, but made in such way that is easily repeated to all campaigns and easy to interpret by all stakeholders. It was decided that the DPM file is used as a source for additional information to Operations for acquiring more detail about the campaign structure when needed.

C. Third Improvement

Third, to ensure that the process is standardized, it was agreed with Marketing Manager, Operations Manager and the Campaign Managers, that *a quarterly meeting is held*, where the campaign analysis is viewed based on the file format that is the final validated version of the proposed model. As agreed in the workshop, the agenda of the analysis tool is not being another non-value-adding Excel file or document to fill in separately, which gradually is forgotten as time passes and there are no extra resources to fill it. One proposal to the way the collecting of analysis data of all campaigns is gathering it in one file in a specific place. For the standardization of the processes to be fulfilled, it also requires that the forms are filled in the material brief or right after it, during the campaign if errors occur and finalizing it when actual costs are known. In other words, the form needs to be filled when the specific activities occur, otherwise they are easily forgotten.

> *We should make the base for the wrap-up form in the beginning of the campaign where Operations could fill in the problems and issues as they occur.* – Marketing Manager

It was proposed by the marketing Manager that the Marketing wrap-up form would also be reviewed in the quarterly analysis meeting. The marketing wrap-up also shows the original budget of the campaign for each department to compare. The BAR and AAR would then be added to the Marketing wrap-up form.

Finally, the Finance Manager was also briefly interviewed after the workshop and gave a suggestion of having a representative from the Finance department in the quarterly meetings in additions to Operations and Marketing participants. The proposed campaign analysis process steps in the campaign design and delivery phases are presented in Figure 11.
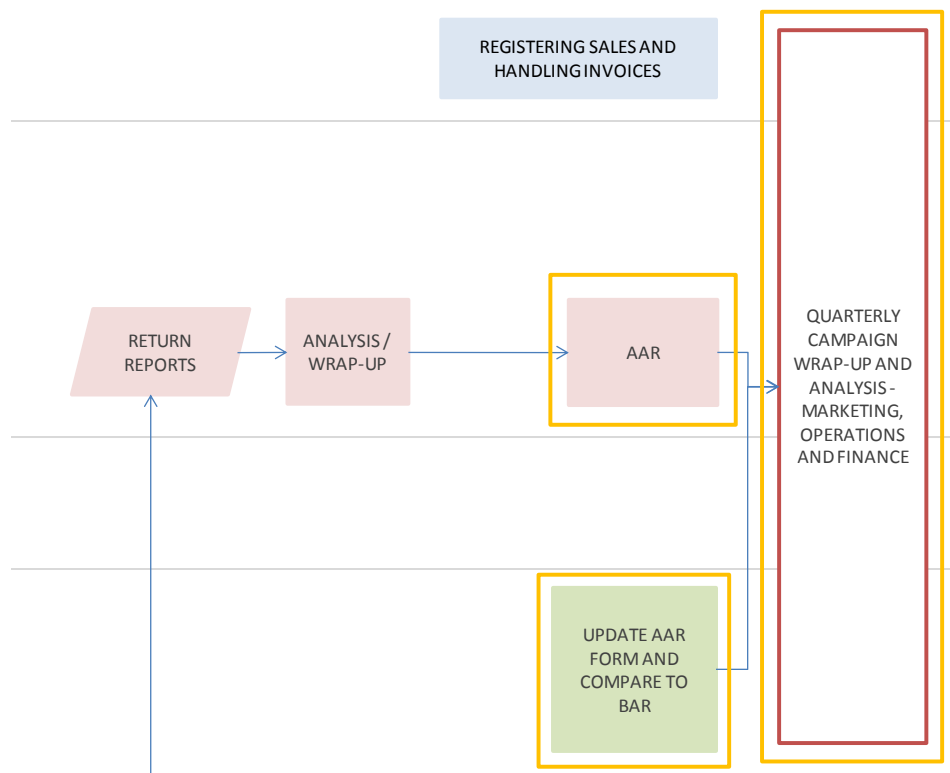
The proposed improvements for process in the campaign delivery phase using AAR model process steps.

In Figure 11, the proposed improvements are marked with a yellow box. They relate to aligning and improve the information flow by Operations and Marketing by combining efforts to do the campaign analysis

5.4   Proposal for Improved Information Flow in the Process

Based on the results of the current state analysis, the information flow between the Operations and Marketing processes was one of the main weaknesses identified, due to the Operations not being involved in *the Campaign design phase*.

   A. First Improvement

The first proposal for improvement was to answer the weaknesses in *the information flow between Operations and Marketing* during the campaign process, the solution being that *a person from the Operations attends Material Brief*.

> *Operations is not that interested in how many action devices et cetera there are in the campaign, we want to know the terms of the campaign in the design phase of the campaign.* - Operations manager

However, as there are multiple campaigns during the year, further development is needed for this step. It is not value-adding for one person from Operations sitting through all Material Briefs, considering the fact there might be several of them in a month each brief lasting at least an hour. During the Data 2 collection workshop a campaign manager suggested that the structure of the Material Brief meeting is changed so that the structural elements of the campaign design are discussed first and Operations would be present and take part only in that part of the meeting. As a result, the meeting structure and how often Operations attends is further developed.

> *Having the material brief more structured would also help me to see more clearly all the points where errors are possible. Having Operations present is also helpful to go through the practical aspects of the campaign structures against the visions Promotions.* – Campaign Manager A

With Operations attending the material brief, more time is given to everyone to adjust the campaign material so that the errors are avoided and corrected already in the earlier stages of the campaign process, instead of correcting them when customer orders are about to be shipped. Attending material brief is not only about correcting possible errors, it is also point where Operations can develop the campaign structures together with Marketing and Promotions due to having more time to react and prepare the structure creation of new combinations. In addition, Operations have more time to inform the

customer services and warehouse in order for them to also prepare for the *out of nor-mal*-processes.

The benefits of Operations attending the material brief are improved information flow and awareness of campaign structures. Operations can fill in the suggested BAR-form of the analysis while attending the brief. These proposed improvements are visualized as process steps in Figure 12.
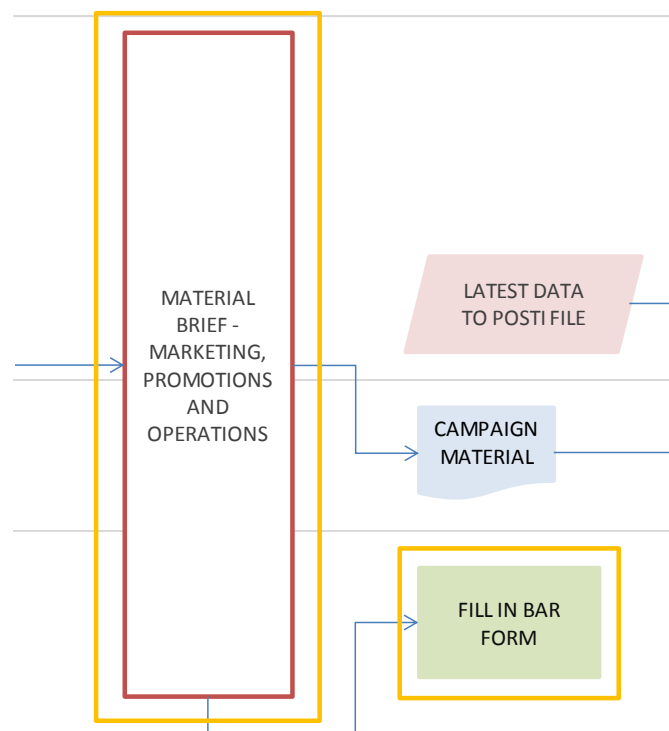
The proposed improvements for information flow process in the campaign design phase using BAR model process steps.

As seen from Figure 12, by attending the Material Brief would mean that Operations are involved in the campaign design phase. By doing so, Operations is able to spot the campaign structures, product combinations or other production related challenges that are not possible to execute in terms of the ERP or from the warehouse perspective. It was also mentioned during the proposal discussion, that during the meetings Operations gives support to Marketing about campaign structural matters; Operations and Marketing can point out if Promotion has created and designed a combination of products or a new way of testing a material, that is not possible to execute within the frames

given by the ERP system. This helps reducing the errors that occur in creating the campaign and warehouse structures, order processing and warehouse management.

> *Previously the feedback given by Operations has disappeared as time goes by and errors are repeated. For this reason Operations want to give Marketing feedback in a formal manner*. – Operations Manager

As was mentioned by the Operations Manager during the workshop, in addition to giving feedback to Marketing, Operations would also learn from receiving it. The feedback Operations gives to Marketing with the analysis tool gives the information of errors in order processing, if the campaign was delivered to Posti on time and so forth. One suggestion was to go through the mail dates and when campaigns need to be delivered to Posti together in the material briefs in order to avoid confusion about the correct dates. In addition to having the BAR and AAR forms, the Marketing Manager suggested having a summary of the analysis in the Marketing Wrap-up forms from the Marketing point of view.

In addition, another advantage of the proposed model is that the filling and review of the BAR and AAR forms create an environment of learning and development, when errors and success factors from previous campaigns are briefly discussed already in the early stages of each campaign. By doing so, each campaign is then documented for future gains and improved processes. Taking these steps help with the standardization of the analysis process. Filling and reviewing the forms also increases the information flow between departments. Additionally it makes giving and receiving feedback easier.

B. Second Improvement

Second suggestion for improving information flow between departments was the use of *information sharing tools*; the possibility of using SharePoint and Google documents to aid information flow between departments. These tools were shortly discussed, as both of these tools are file sharing formats where documents and templates can be modified simultaneously. However, these were not considered as being relevant for the current situation, but could be reconsidered in the future. Instead, suggestions were made to use the personal sales plan file Campaign Manager A updates, which came up in the

proposal building workshop. This file and the use of it are further discussed in the next chapter 5.5.

C. Third Improvement

Third suggestion was to have standardized ways for launching the EDM campaigns; the first proposal is to have a standardized timetable for opening the campaign structures into the ERP to reduce the *ad hoc* nature of these campaigns. The pre-information is at a good level, but more time is needed for the structure creation.

> *I need the information about the EDM campaigns and the timetables in advance instead of the campaign material just appearing to my desk. I do not actively follow the mailboard about these campaigns and the mailboard might not even be up to date.* – Campaign Manager B

As a result of the discussion, a more specific time frame is needed for the EDM campaigns; when the structures need to be delivered, when the structures need to be created and what is the cost structure of the campaigns. For this reason the EDM campaign structures need more standardization and follow up.

Finally, the topic of knowledge management was discussed. As was mentioned in the literature review, for efficient information flow knowledge management should become part of the organization strategy. Setting common targets is challenging, due to different departments currently having targets that are somewhat different or opposite to those in other departments.

> *It is hard to get some of the departments to follow some of the targets that would be common for everyone, as they would partly be so far from their individual ones.* - Campaign Manager A

However, this study was and the proposed improvements were considered as a good start with the previously mentioned steps of standardizing, shared targets and increasing information exchange. Fully incorporating knowledge management is a harder process, but incorporating knowledge management was considered to be a good long-term goal for the case company.

5.5   Proposal for Breaking the Silos for Improved Information Flow

Solving how to break the organizational silos was the trickiest weakness to crack in Data 2 collection. As incorporating knowledge management is a large organization wide change of culture, the proposals made in this section do not solve the whole weakness of silo-mentality in the company, but works as a base to start building the cooperation model. This weakness needs more development in the case company in the future. As was mentioned in the literature, changing from silos to an organization where information is easily exchanged and accessible requires a lot of management and employee commitment and effort in order for the aligning of processes to reach the full performance potential. This means creating common targets that are specifically related to improving the information flow between and within the departments.

However, even though the concept of incorporating knowledge management is vast, the first solution developed in Data 2 collection was the use of the stock status template Campaign Manager A has developed for his own use. It was mentioned during the current state analysis that Marketing having no common sales plan with current stock was causing challenges in the Marketing department. Sales plan were overlapping and same products were sold in multiple channels. Additionally, it was checked from the IT department that there is no way to provide the information through the ERP system.

A. First Improvement

Since there is no proper tool for Marketing to see where free stock is sold next, a proposed solution for this was mentioned in previous Section 5.4. It relates to the personal stock status and sales plan file created by Campaign Manager A, where current stock and sales plans are marked, would work as a platform for a companywide version of current stock status and providing the information on what is the next campaign where each product is sold. Campaign Manager A suggested that this personal file could be taken into wider use to improve the information flow within and between departments. As a result, a new tool would be created and would be called the *sales plan*.

For this company wide new tool, some standardization is required as product names and codes need to be unified. In addition, the file format needs some modification to serve all departments. A proposal was made that Operations and Marketing start the

standardization and file creation together. These proposed information flow process improvements would be in the campaign delivery phase and are presented in Figure 13.
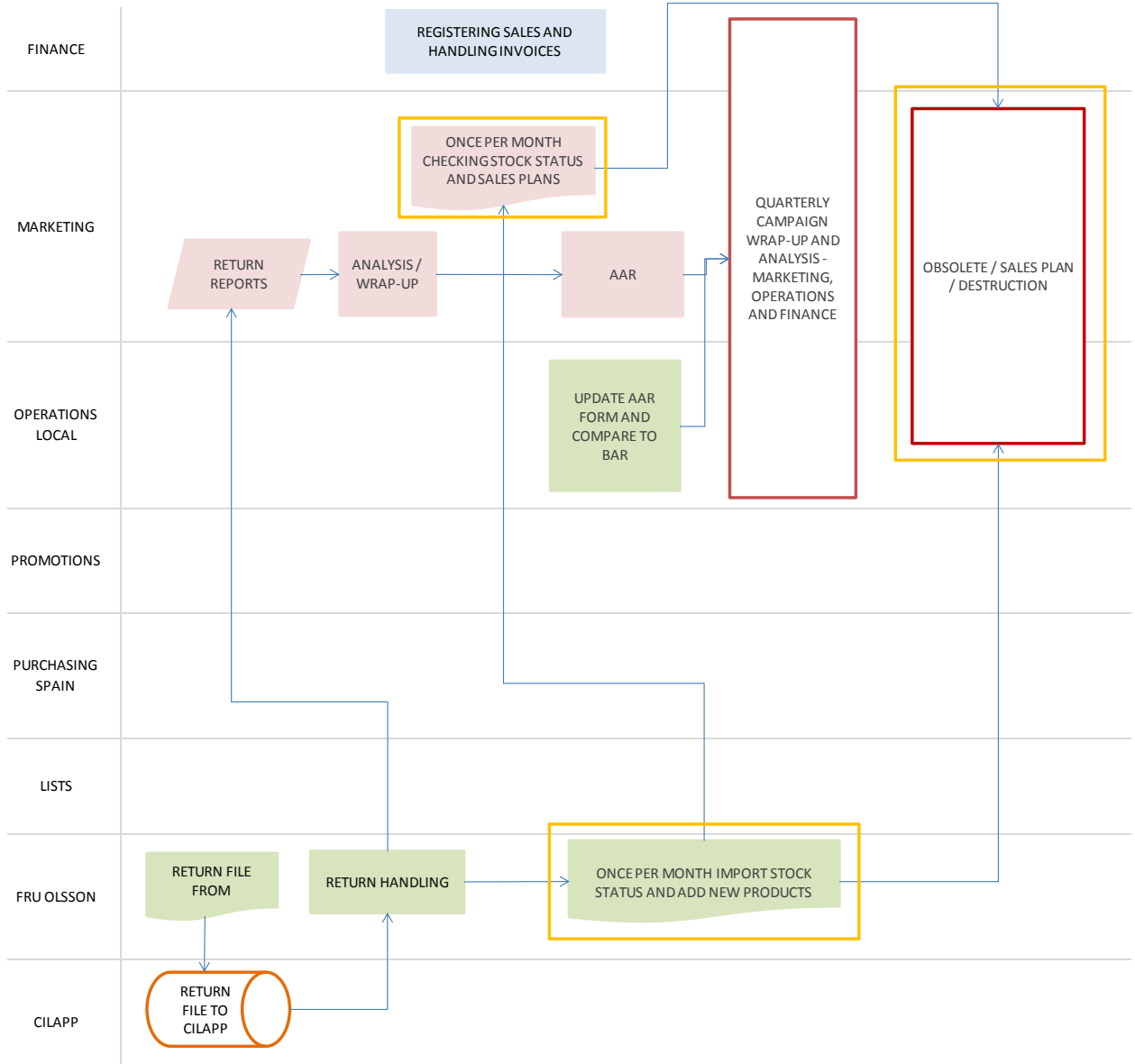
The proposed improvements for improved information flow between departments.

The process step presented in Figure 13 is updated in the beginning of each month after Operations has exported the current stock status from the ERP. The sales plan file has the gathered stock information from the updated stock file via Excel VLOOKUP formulas. New products are then added to the file by Operations. However, this process needs follow up in regards to how much products are sold in the webshop and what is the monthly need for new products.

Another proposal for standardization to improve information flow is to go through the shared document folders and to *remove those folders that are no longer valid* and out of date. The proposal is to unify the folder structure to make the information more accessible to all departments with clearly named folders and sub-folders. This requires dedicating specific resources to go through the files and folder names, but the benefits of doing are evident for the information flow to be improved and aligning the processes even further.

B. Second Improvement

Second, guidelines need to be established for how long a product needs after a catalog campaign before it can be sold in other sales channels and at what price. For creating these guidelines, more standardization is required and possibly some calculations in Marketing on what are the accurate figures in terms of profitability. These guidelines could be used as the key performance measurements when designing the shared targets between departments. Having these shared targets would not only increase the efficiency of the cross-functional information flow, but would increase the organizational efficiency and result as added customer value. Most importantly, all employees having these targets would help break the organizational silos as there would be a shared interest in getting rid of the competition between departments.

C. Third Improvement

Third proposal for improved information flow was to further develop the mailboard. As it is a tool mainly used by Marketing, it would be beneficial to include and define more clearly in the file, what are the actual mail dates, whether the campaign is a two-part campaign and the actual mailing quantities. It is also improved information flow towards the subsidiary companies, as they can better prepare for the workforce needed in that specific time period.

As mentioned in chapter 5.4. the EDM campaigns need a more structured and standardized way of producing in the process. The *ad hoc* and somewhat unpredictable nature of these campaigns partially create the silo mentality between the departments. Operations and Marketing need more structured information exchange about the campaign details in order to improve the overall performance of these campaigns. In addition to having a clear and standardized way of creating these campaigns, more

knowledge is needed in the operational cost structure of the campaigns and what the effect is to the end customers.

Finally, a communication matrix is constructed. The matrix contains the information about who is responsible of which task, whom to inform, in what timeframe and what is the deliverable. The communication matrix is constructed together by Operations and Marketing.

5.6   Proposal Draft for the Aligned Operations and Marketing Processes

As a result of merging the ideas and suggestions from literature with the input from Data 2 workshops, a proposal draft is built. The proposal consists of three parts: (a) designing a process for Operations and Marketing campaign analysis, (b) improving information flow in the process, and (c) breaking organization silos to improve information flow between departments. The proposal draft is presented in Figure 14.

Weakness:

No process for campaign analysis with Operations.

Weakness:

Information does not flow within departments

Weakness:

No information and interaction about campaign details to and with Operations when designing campaigns + silos between departments

DESIGNING PROCESSES

INFORMATION FLOW
in the process

BREAKING SILOS TO IMPROVE
INFORMATION FLOW
between departments

- Creating a Value Chain

- Standardization and setting process targets

- Design a collaboration structure with the process

- Create cross-functionality

- Aligned processes

- Introduce common tools for sharing information

- Incorporate knowledge Management to help improve information flow

- Before Action Review (BAR) + After Action Review (AAR)

- Breaking organizational silos

- Creating shared targets to get rid of competition

- How to get the cross-functional teams more efficient in communication

○ **BAR and AAR analysis forms**
○ **Ops. attends material brief**
○ **Quarterly analysis meeting**

○ **Ops. attends material brief**
○ **BAR & AAR-forms + Marketing wrap-ups**
○ **Standardizing product codes and process steps**

○ **Adding sales plan to stock situation**
○ **Regular Sales plan overview with Marketing in the Marketing meeting**
○ **Setting common targets for sharing information**

Proposal draft for the aligned Operations and Marketing processes.

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As presented in Figure 14, the proposal draft for aligned processes consists of three points.

First, to increase the information about campaign results, it is proposed that Operations and Marketing create a process for analyzing the campaign results together. Operations need a channel for providing campaign results from the operative perspective in order to reduce the errors and miscommunication in the processes. A tool is proposed to be used in the beginning and end of each campaign. For this purpose, Before Action Reviews and After Action Reviews were proposed. With these forms communication and information exchange between departments is enhanced, processes become more aligned when interfirm learning increase as errors are reduced through discussion. Standardization of process steps regarding campaign analysis is required and in order to achieve this, Operations and Marketing continue having regular common meetings where campaign structures are discussed. Thus, a collaboration model is built and Operations and Marketing processes are more aligned.

Second, to improve information flow with the new campaign analysis process, Operations attends the Material Brief in the campaign design phase. This increases the awareness in Operations regarding the campaign structures and product combinations, but also is a forum where Operations and Marketing can educate Promotions department of the limitations in regards to what is possible to execute within the terms of the ERP. Operations fills in the BAR form while attending the Material Brief, which is also an opportunity to discuss the results of similar previous campaigns; for example what worked and on the other hand, what caused extra work in the warehouse.

Third, a quarterly campaign analysis meeting is held. In this meeting the After Action Reviews are discussed with Operations, Marketing and Finance. The BAR and AAR forms are then compared to analyze whether the expectations for the campaign were met, where the possible pit falls were and what was the actual operational cost of the measured parts of the process. These figures are those easily attained and measurable.

Fourth, to improve the information flow in the process, standardization of product coding and naming is required. These also includes that the campaign structures are created within a specific timeframe according to the schedule of each campaign. Stand-

ardization is required in naming process steps and campaign coding. The previously mentioned tools for campaign analysis are also a part of the standardization of the processes. In addition, a communication matrix is created, containing the information of who should contact whom and in what timeframe, and what is the deliverable objective.

Finally, creating the sales plan improves the information flow between departments by breaking organizational silos as the plans are more visible and accessible for everyone. It is also a way to have shared targets between and within departments, which in turn will increase cross-functionality and help break the organizational silos. The sales are plans are viewed together with Operations and marketing in a regularly held review meeting.

As a summary to the proposal building, a new process for *after analysis* was created and information flow improvements are made by adding *the analysis steps*, *standardization to the campaign process* and *the tools to improve information flow*. However, only a partial solution was developed for incorporating knowledge management to improve information flow in the process and to break the organization silos. For the improved information flow between departments with fully incorporated knowledge management, bigger steps are needed. On the other hand, standardizing, communication matrix, increased presence of Operations in the campaign design phase and having the sales plans visible to all departments are a good start towards an improved information flow and aligned Operations and Marketing processes.

The next section is the validation to the proposal presented in this section. The next section provides Data 3 collection and is gathered through interviews of the case company CEO, Operations Manager and Marketing Manager.

6 Validation of the Proposal

This section is the validation of the proposed improvements from Section 5. As a result, this section comprises as Data 3. For this section feedback of the proposal was collected from the company CEO. The goal of this section is to sharpen the proposed improvements for aligned processes between Operations and Marketing from the information point of view. Finally, this section presents the final proposal for process improvements and further recommendations are given to improve the information flow and to move away from the department silos.

6.1 Overview of the Validation Stage

In the previous Section 5, the initial proposal for aligned Operations and Marketing processes from the information point of view was developed. This initial proposal was created based on (a) the key weaknesses and strengths discovered in the current state analysis of the Operations and Marketing processes, and (b) the ideas and suggestions from best practices and literature, and (c) input from the ley stakeholders of the company who discussed, gave feedback and recommendations for developing the proposal. These improvement suggestions created the proposal draft in order to provide more accurate improvements to the proposal.

The goal of the validation was to get approval and further develop the proposal draft. For creating the final proposal, the CEO of the case company was interviewed for validation and feedback of the proposal draft in order to get approval and support for the proposed improvements for process alignment and information flow. The validation was carried out two phases: first, the case company CEO validates the proposal draft for the improved information flow and the aligned process. Second, the study incorporated the CEO comments and recommendations to the proposal draft from Section 5, which then formed the final proposal of this thesis.

The main areas of focus were (a) creating a process for Operations and Marketing for campaign after analysis, (b) increasing information flow in the processes, and (c) breaking the organizational silos to improve the information flow between the departments.

The validation was conducted by first going through the *after analysis* process. Second, the proposal for *the information flow improvements* with the new sales plan, incorporating knowledge management, and shared targets were viewed.

6.2 Proposal Validation and Suggestion from the Management

The initial proposal was presented to the case company's CEO in order to get approval, feedback and recommendations to finalize the proposal. The final proposal validation structure is presented in Table 6 below.

Table 6. Comments for final proposal from the case company CEO (Data 3).

	Key focus area from CSA (Data 1)	Suggestions from stakeholders (Data 2)	Description of the suggestion
1	No process for after analysis with Operations and Marketing	a) A form to help with the analysis. b) A quarterly meeting to discuss results	The CEO suggests that the analysis meetings are arranged by Operations. Additionally, budget figures should be included in the analysis forms in order to compare to the actual campaign results and final costs. In addition, the Posti file should be reviewed quarterly with Marketing.
2	Improving information flow between departments	a) Operations attending Material Brief	In order to increase information flow in the campaign design phase, Operations attends Material Briefs regularly. The part of the campaign structure concerning Operations is discussed in the beginning of the meetings.
3	Improving Information flow to break the silos	a) Sales plans once a month b) Product references unified c.) Incorporating knowledge management	Sales plans are viewed once a month when the stock status is also updated. This requires standardization of product references and updating the chart when new products come in. Operations go through the sales plans with Marketing when attending Marketing meetings or in the weekly status meeting in the beginning of the month. Finance should also included in this specific meeting. Incorporating knowledge management is hard to do in reality.

Table 6 first points to the key weakness from the current state analysis in the Operations and Marketing processes. Second column presents the suggestions from the stakeholders when presenting the initial proposal which was based on both the current state analysis and the ideas and suggestions from best practice and literature on aligning processes and improving the information flow, which were gathered from literature.

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Third part presents the managerial suggestions to the initial proposal given in Data 2, stakeholder interviews.

6.3   Developments to the Initial Proposal

All in all, the proposal for aligning Operations and Marketing processes and the improved information flow received good feedback from the CEO. The proposal draft was seen as a good plan to start the improvements and the CEO validated the points where added value is generated.

General development suggestions were given for scheduling the proposed changes and how to add more gravity to the alignment process steps with small modifications to the proposal. To ensure the process alignment and improved information flow, Operations go through the changes together with the whole Marketing and Operations departments.

6.3.1   Process for After Analysis for Operations and Marketing

For the Operations and Marketing campaign analysis, the following suggestions were made. First, the BAR and AAR form figures are to be compared to the budget figures. The figures relevant to the analysis are to be added into the proposed forms.

Second, the quarterly campaign analysis meeting is to be arranged by Operations. Finance should also be involved and in the meeting the actual costs are compared to those in the budget.

Third, to further improve one of the biggest strengths in the company, the Posti file is also reviewed quarterly to increase awareness of campaign results to Marketing. The CEO suggested quarterly review of the Posti file by Operations attending Marketing weekly meeting or in the weekly campaign status meeting arranged by Operations.

6.3.2   Improving Information Flow in the Process and Breaking the Silos

For improving the information flow in the process and breaking the organizational silos, the feedback and suggestions contained only minor additions to the proposal draft.

First, the standardization of product coding and naming process steps should be viewed together with the whole Marketing and Operations departments to make sure the changes are registered and followed. To ensure this, Operations attends Marketing meetings to go through the upcoming changes and how they affect the processes. Alternatively, a separate meeting is held where these changes are viewed. Additionally, the changes and standardization needs a schedule, which is created and carried out by Operations.

Second, BAR and AAR forms are introduced to Marketing by attending the weekly Marketing department meeting. The CEO recommends Operations to attend material briefs regularly to improve the information flow between departments.

Third, having the sales plans available for everyone was considered as a positive result of Data 2 collection and bringing significant value to both Marketing and Operations departments. To further improve the information flow created with the sales plan, the CEO suggests going through the sales plans in the weekly campaign status meeting arranged by Operations in the beginning of each month.

Finally, incorporating knowledge management was discussed. According to the CEO, incorporating knowledge management is hard, since it is difficult to concretize into the company processes on a general level. Standardizing process steps and product coding was seen as a good start, but full incorporation would need bigger actions.

6.3.3   Final Proposal

The final proposal for aligned Operations and Marketing processes from the information flow point of view is built on three pillars: (a) designing a process for campaign analysis between Operations and Marketing, (b) increasing information flow in the process, and (c) breaking organizational silos to improve the information flow between departments. The final proposal is presented in Figure 15.
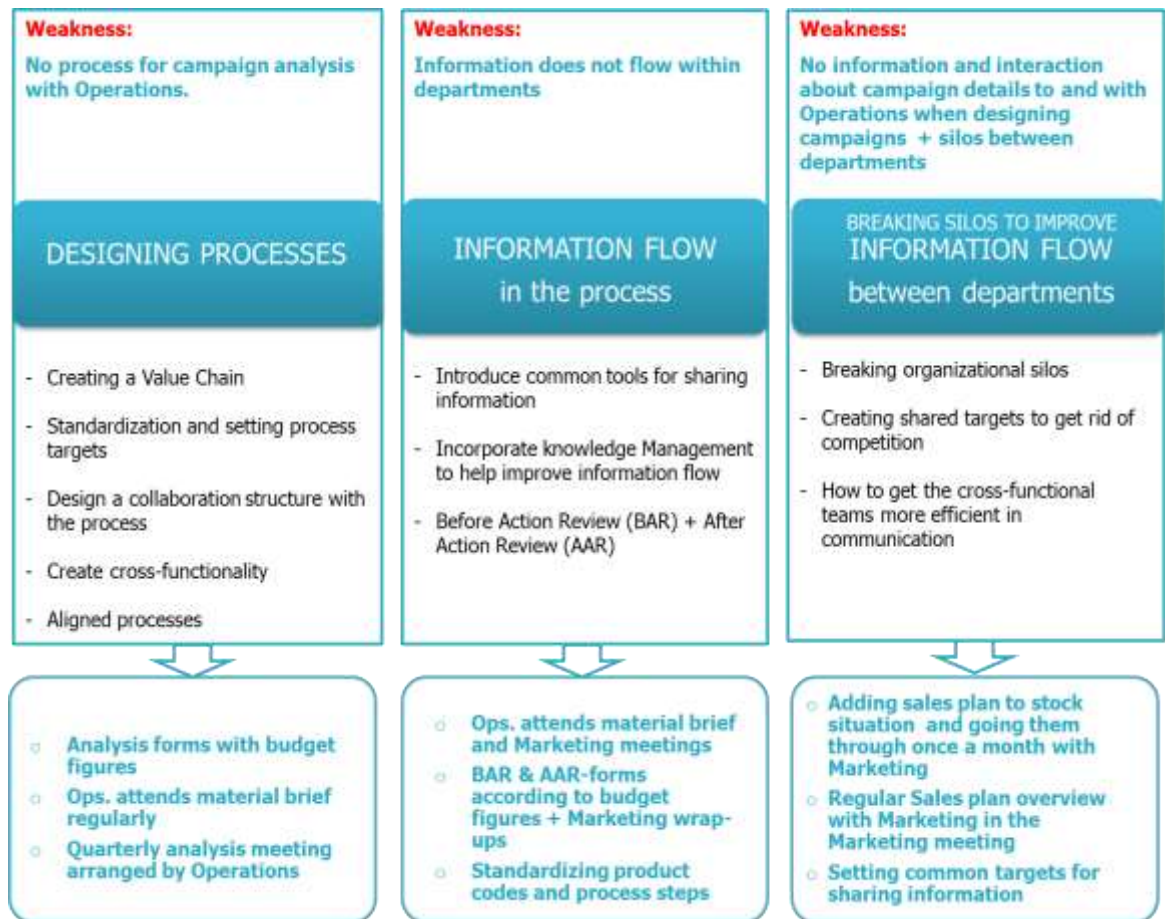
Final Proposal for aligned Operations and Marketing processes from the information point of view.

As seen from Figure 15, the final proposal consists of three major building blocks which were developed based on the findings from the current state analysis of Operations and Marketing and the conceptual framework of best practices collected from literature. The final proposal also takes into consideration how to integrate the key strengths identified in the current state analysis.

First, Operations and Marketing make the campaign analysis on a regular basis with a standardized process with clear and measurable process targets. These targets are defined in a form specially designed for Operations in order to a have means to give Marketing feedback on campaigns, which is compared and added to the Marketing campaign wrap-up forms. The analysis BAR and AAR forms with the budget figures and actual campaign costs targets the Operation's need for a channel to provide campaign results from the operative perspective in order to reduce the errors and miscommunication in the processes. The campaign results are reviewed quarterly in a meeting
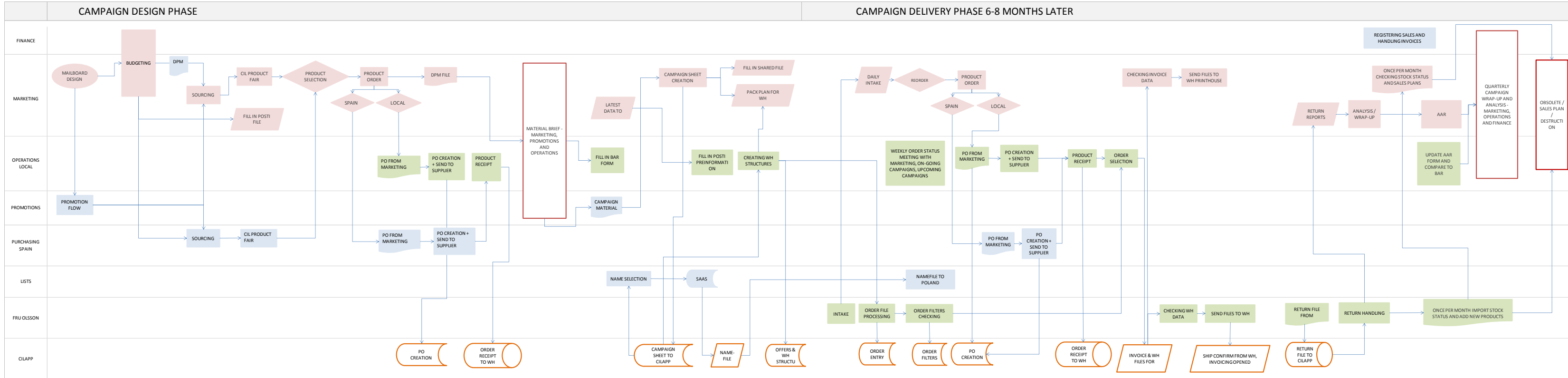
arranged by Operations, where Marketing and Finance departments attend. The BAR and AAR form is presented in Appendix 4.

Having the standardized analysis process with measurable targets not only creates alignment into the processes between the departments but it increases the information flow between the departments while creating a collaboration model and cross-functionality between the Operation, Marketing and Finance departments.

Second, to increase the information flow in the process, Operations attends material briefs regularly. To help with sharing information Bar and Aar forms are taken into use. Operations fill the BAR form in the beginning of the campaign, update it during the campaign if errors occur and finally fill in the AAR part after the campaign is finished actual costs are available. As these forms are added into the Marketing wrap-up form, it creates a shared tool for exchanging information. Standardization of product names, coding and scheduling process steps are used as the beginning of incorporating knowledge management to further improve the information flow.

Third, for improved information flow by breaking the organizational silos, sales plans are created and shared with all departments to reduce overlapping in department plans. The sales plans are viewed together with Operations and Marketing once a month. Having the sales plans visible and accessible for everyone helps to create shared targets and improves cross-functionality between and within departments.

As a summary, the three main focus areas were designing the analysis process, improving information flow in the process and breaking the organizational silos. With improvements of the final proposal, these three focus areas align the Operations and Marketing processes while improving the information flow with value creating process steps. The final proposal for the improved information flow incorporated into the campaign process map is presented in Figure 16.

	CAMPAIGN DESIGN PHASE	CAMPAIGN DELIVERY PHASE 6-8 MONTHS LATER

FINANCE
REGISTERING SALES AND HANDLING INVOICES

MARKETING
MAILBOARD DESIGN → BUDGETING → DPM → SOURCING → CIL PRODUCT FAIR → FILL IN POSTI FILE → PRODUCT SELECTION → SPAIN / LOCAL → PRODUCT ORDER → DPM FILE
MATERIAL BRIEF - MARKETING, PROMOTIONS AND OPERATIONS
LATEST DATA TO → CAMPAIGN SHEET CREATION → FILL IN SHARED FILE / PACK PLAN FOR WH
DAILY INTAKE → REORDER → PRODUCT ORDER → SPAIN / LOCAL
CHECKING INVOICE DATA → SEND FILES TO WH PRINTHOUSE
ONCE PER MONTH CHECKING STOCK STATUS AND SALES PLANS
RETURN REPORTS → ANALYSIS / WRAP-UP → AAR
QUARTERLY CAMPAIGN WRAP-UP AND ANALYSIS - MARKETING, OPERATIONS AND FINANCE
OBSOLETE / SALES PLAN / DESTRUCTION

OPERATIONS LOCAL
PO FROM MARKETING → PO CREATION + SEND TO SUPPLIER → PRODUCT RECEIPT
FILL IN BAR FORM
FILL IN POSTI PREINFORMATION → CREATING WH STRUCTURES
WEEKLY ORDER STATUS MEETING WITH MARKETING, ON-GOING CAMPAIGNS, UPCOMING CAMPAIGNS
PO FROM MARKETING → PO CREATION + SEND TO SUPPLIER → PRODUCT RECEIPT → ORDER SELECTION
UPDATE AAR FORM AND COMPARE TO BAR

PROMOTIONS
PROMOTION FLOW
CAMPAIGN MATERIAL

PURCHASING SPAIN
SOURCING → CIL PRODUCT FAIR
PO FROM MARKETING → PO CREATION + SEND TO SUPPLIER
PO FROM MARKETING → PO CREATION + SEND TO SUPPLIER

LISTS
NAME SELECTION → SAAS → NAMEFILE TO POLAND

FRU OLSSON
INTAKE → ORDER FILE PROCESSING → ORDER FILTERS CHECKING
CHECKING WH DATA → SEND FILES TO WH
RETURN FILE FROM → RETURN HANDLING → ONCE PER MONTH IMPORT STOCK STATUS AND ADD NEW PRODUCTS

CILAPP
PO CREATION · ORDER RECEIPT TO WH
CAMPAIGN SHEET TO CILAPP · NAME-FILE · OFFERS & WH STRUCTU
ORDER ENTRY · ORDER FILTERS · PO CREATION · ORDER RECEIPT TO WH · INVOICE & WH FILES FOR · SHIP CONFIRM FROM WH, INVOICING OPENED · RETURN FILE TO CILAPP

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7 Discussion and Conclusions

Section 7 contains the conclusion of the findings of this Thesis. In addition, the thesis evaluation is carried out through examining validity, logic, relevance and reliability of the study.

7.1 Executive Summary

This Thesis focuses on aligning the Operations and Marketing processes from the information point of view. The case company operates through direct mail campaigns, where customers make orders via mail or phone. Having noticed in the case company that similar errors tend to circulate in the campaigns, causing operative challenges in operative postal costs, order processing and sending of goods, changed in the campaign process are needed. The majority of them were caused by information not flowing sufficiently enough between the company departments. This was especially important in the interface between Operations and marketing departments.

The company had a change of owners in 2013, due to which some of the employees and responsibilities in the case company changed. During 2014-2016 there was a major change in the company ERP systems, as the case company implemented to the owner company ERP. This partly affected the challenges in the case company as new processes needed to be developed and the information flow between departments needed readjusting. Due to the ERP change, some of the parts in the campaign process are not standardized or missing, which in turn makes the information flow between departments even more difficult. Accordingly, the objective of this Thesis was to align Operations and Marketing processes from the information flow perspective. In turn, the outcome was the aligned processes.

This research was conducted as an applied research with qualitative research elements. The data was collected through qualitative research methods by having stakeholder interviews with a questionnaire, through workshops and by collecting field notes. In this study, the current state of the case company processes was analyzed. The findings of the current state analysis indicated that key weaknesses were not having a process for Operations and Marketing for campaign analysis and that information flow be-

tween departments needed improvement. The key strengths were the Posti file and the weekly campaign status meeting.

Next, based on the findings from the current state analysis, existing knowledge and relevant literature were reviewed to help build a proposal for aligning the processes and improving the information flow with the key strengths incorporated. A conceptual framework was built to be used as a basis for the initial proposal for aligning the processes and the improved information flow. The framework consisted on designing a new process, improving information flow in the process, and breaking organizational silos to improve information flow between departments.

The final proposal was built in three steps. First, the initial proposal was developed based on the key findings from the current state analysis of the Operations and Marketing processes, combined with the findings from the literature. Following that, the proposal presented to the stakeholders. The proposal was then further developed according to the stakeholder ideas and feedback. Third, the proposal draft was validated by the company CEO feedback, which was incorporated into the final proposal of this Thesis.

The final proposal is a three-part proposal. First, a process step for after analysis should be added into the campaign process. Having an analysis process step increases information flow between departments and aligns the Operations and Marketing processes. Additionally, it creates an environment of learning and increases cross-functionality. Together with this process step, standardization is needed in order for the process outcome to match the targets set for it. Standardizing also helps with inter-company information flow between the departments, as process steps, product codes and product names are standardized. The biggest gain from this proposal is the quarterly held analysis meeting between Operations, Marketing and Finance departments. The actual costs are compared to budgets and Marketing can add the analysis to their wrap-up forms for future use.

Second part of the final proposal is the improved information flow in the process. This is acquired through the use of shared tools. As the result of this Thesis, Before Action Review and After Action Review forms were incorporated as a part of the analysis process to increase the process information flow. By using these forms, Operations have knowledge of what happens in the campaign before, during and after the campaign. In

addition, Operations is to regularly attend the Marketing and Promotions material briefs.

Finally, the information flow is proposed to be improved by breaking the organizational silos. To improve the information flow and break the silos, shared targets are set between departments. In this proposal, the silo breaking starts by developing a tool for sharing the information about sales plans. Having such a tool decreases the amount of over lapping sales plans, as the file is available for everyone to use and gain information from. To further improve the information with the file, it is regularly reviewed together with Operations and Marketing in a shared meeting.

7.2   Next Steps and Recommendations

For the next steps recommended to the case company is to further develop the alignment of the processes and to increase the information flow.

First, in order to further continue the alignment of processes and improving the information flow between departments in the case company, an action plan should be created. The action plan should include timelines for the standardization of product names and coding, standardization of process steps, creating the communication matrix and the base for the sales plan form. The BAR and AAR forms are taken into use immediately and Operations has already started to attend the material briefs.

Second, to help with process standardization, the case company should assign a process designer and a process owner, especially for the after analysis process. It is also beneficial for the case company to start reducing non-value-adding tasks, for example by reducing the amount files to fill when it is not necessary for the process target or performance.

Third, In order for the process steps to be standardized, creating the warehouse structures need a given timeline for each campaign, for example, 3 weeks in advance before the campaign is launched. This gives Operations and Marketing more time to discover possible errors, act on them and inform the subsidiary companies. One option is to open the warehouse structure simultaneously to creating the campaign structures.

Fourth, one of the occurring weaknesses from the current state analysis of Operations and Marketing processes was the lack of proper tool for following customer returns. As this was out of scope of this thesis due to being solely related to the ERP system, no proposal was made for the improvement. However, it is highly beneficial for the case company to start actively develop this aspect as it improves the company wide knowledge of campaign results, improves the information flow and creates more cost awareness.

Fifth, it is desirable to have a separate workshop or interview involving the other personnel from Marketing who were not involved in making this Thesis, as they also need to participate these discussions to reduce the overlapping of targets and selling the same products.

Finally, as for the improvements in the information flow, knowledge management should be incorporated fully into the company wide targets. The case company should incorporate the communication and information flow factor into the KPI's and performance measurements to increase the amount of shared targets to reduce competition between departments. The project of incorporating knowledge management into performance targets is vast and takes major HR effort, but is guaranteed to bring value as departments efficiency improves when targets are more aligned.

7.3   Thesis Evaluation

The objective of this thesis was to align Operations and Marketing processes from the information point of view. The objective was reached as awareness of campaign structures and when to contact has already started to affect the way Operations and Marketing interact when matters are concerning the campaign structure. Therefore, the objective and the outcome are linked with each other.

Developing the processes further from the information flow point of view and for breaking the department silos, more work needs to be done with this part of the Marketing department. For the incorporation of knowledge management, to have gained more ideas into the final proposal would have required a more in-depth look into human re-

sources theory in order to have concrete suggestions to integrating it to the company KPI's.

Another addition to the original research plan could have been to arrange workshops with the whole Marketing department to improve the other weaknesses left out of the scope of this research. Adding another voice in the CSA stage would have given this research more input, which could have been created by interviewing those responsible of the EDM campaigns and webshop sales.

7.3.1   Validity

To improve research quality and trustworthiness, research validity need be ensured. For these to be achieved, Baxter et al. (2008: 555-556) state that the research design needs to be appropriate for the research questions, data is gathered and collected systematically and finally that the data is analyzed correctly.

In order to evaluate research quality, validity is used as one of the criteria. According to Eriksson and Kovalainen (2008: 305), validity is the extent to which conclusions are drawn in the research that give an accurate description or explanation of what is studied. In other words, validity is to say something is true and certain, meaning that the findings represent accurately the phenomenon referred to in the study, but are also backed up by evidence. Validity aims to provide the guarantee of correctness of the report, which is established through analytic induction, triangulation and member check. According to Quinton and Smallbone (2006) validity can be divided into internal and external validity; internal validity means measuring what was actually meant to be measured when designing the research method. In other words, does the result found in the study, match the original questions asked? Due to the nature of qualitative research approaching the research as openly as possible, when a quantitative research is more restrict in that sense in terms of internal validity, the research data might answer a slightly more different question than originally asked. Because of the vast amount of data collected in qualitative research, the internal validity is seen as strength. External validity on the other hand is the assessment whether the results are applicable in other situations and to what extent.

In this study, validity is ensured by asking the same questions from each interviewee with a pre-designed questionnaire. The interviews are recorded and documented. To support the validity and triangulation of this research, internal documents from the case

company are collected and the process is mapped also with other stakeholders. The stakeholders interviewed were selected from different points of the process in order to cover all aspects.

7.3.2 Reliability

According to Yin (2009: 40, 45) reliability is that the operations of the study, the procedures, can be repeated and later investigations will end up with the same results and conclusions. For this purpose of ensured consistency the procedures need to be properly documented. Reliability can be strengthened for example by using differing data sources, using different data collection tools or collecting data at different time points (Quinton and Smallbone, 2006: 130). By using more than one data collection tool to answer the same research question is called triangulation which provides a stronger body of evidence and reinforce the research findings. By ensuring research reliability, research quality and trustworthiness are ensured (Baxter, 2008).

In this Thesis, the reliability was ensured by using one more than one data collection tool; the data was collected through interviews, process mapping and by collecting tools, such as forms and charts from campaign managers, which are used in the campaign process to gather campaign information.

7.3.3 Logic

Eriksson and Kovalainen (2008:308) have given trustworthiness criteria to evaluate a research, which are measured as dependability, transferability, credibility and conformability. All of which aim for the research to be logical, traceable, documented, show similarity and connection between researches, data is sufficient to merit the claims and that the findings are linked to the data in an understandable way.

In this study, logic was ensured by creating internal validity with logically fitting together the business challenge, the objective and the outcome of this study. Logic was also grounded through the proposal validation, which was built on data collection and literature sources.

7.3.4 Relevance

As for the relevance of this study, it is related to how well the research objective matches the outcome of the study. Having blocks in the information flow and errors in the process creates challenges in the case company daily operations, which need improvement. To ensure relevance, these challenges are addressed.

First, as described in the business challenge, Marketing campaign implementations result in operative challenges due to insufficient information flow between Operations and Marketing. By standardizing process parts emphasizing on information flow and participant roles and responsibilities, these challenges are reduced.

Second, a systematic process design, role and responsibility and information flow improvement approach may yield important benefits also in other context within the case company.

7.4 Closing Words

The focus of this Thesis was to align the Operations and Marketing processes in order to improve the information flow in the interface. This Thesis proved to be important and beneficial to the case company as many development ideas arose during the current state analysis, which were out of the scope of this Thesis.

Following the results from this Thesis, the next practical step is an action plan created outside of the scope of this study. Following the action plan, process standardization will begin and the author of this study is enthusiastically waiting to further develop the processes for improved performance.

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Sales Plan by Campaign Manager A

Code	Description	SRD R	Stock	sales plan x	sales plan y
10500453	product name a		3281	campaign x	
10500454	product name b		801	campaign x	
10500798	product name c		799	campaign x	
10600780	product name a		400		KIT / EST?
110300072	product name b	42311	799	campaign x	SCAT FLYER / GB
110300075	product name c	42314	707	campaign x	
110300074	product name a	42313	704	campaign x	
8500658	product name b		692		
110300076	product name c	42315	691	campaign x	EST?
9000651	product name a	42157	665		SCAT
9300854	product name b	42205	612	campaign x fu	KIT
10200642	product name c	42268	602		SPA
110300077	product name a	42316	600	campaign x	
110300079	product name b	42310	600	campaign x	
110300078	product name c	42309	599	campaign x	soa flyer
110300073	product name a	42312	598	campaign x	FPA
10200488	product name b	42257	536	SWE campaign x	soa flyer
10200640	product name c	42267	534	FPA	KIT / EST?
10500558	product name a		529	campaign x	
10500385	product name b	42293	509	FOA	SPA flyer
9000653	product name c	42156	497	FPA	SPA
10300194	product name a	42290	481	FOA	
10200299	product name b	42263	479		alt.off
10200696	product name c	42258	479	campaign x BOB	
10200633	product name a	42266	470	SWE campaign x	KIT / EST?
9700056	product name b	42215	428	campaign x BOB	EST?
9700301	product name c	42218	416	SWE campaign x	
10200719	product name a	42262	411	SWE campaign x	soa flyer
10000035	product name b	42234	401	FPA	
10500065	product name c		400	FPA	
10200564	product name a	42272	399	FOA	
10200717	product name b	42270	388		SOA
966000598	product name c	42201	387		
10200718	product name a	42273	361	campaign x EDM	
110100421	product name b	42145	352	SWE campaign x	soa flyer
8700826	product name c	42131	331		
10200292	product name a	42255	323		
110100376	product name b	42096	308		EST?
9500044	product name c	42301	302	FPA	

DATE	28.1.2018
INFORMANT	**Campaign Manager A**
TYPE OF DATA COLLECTION	**Interview and data collection**
Strengths in the process	The weekly meeting is good. it Is good that all aspects of the campaigns are gone though. The communication between us is good; there are no stupid questions or fear of asking the wrong thing, which is good.
Weaknesses in the process	Not having proper tools to follow returns.
Campaign follow up and analysis	I follow returns from the files we get from the Lists and Finance departments. It is difficult since getting the files takes a long time. I don't do a campaign wrap-up.
Are there parts of the process that you don't understand or are not familiar with?	Not really. I only know how a few things are structured and need instructions every time I create something into the system. I only know the basic stuff, if it's something else, I don't necessarily know what it means, or what you want me to do because I don't understand the structure. And that's because I have not needed to know how it works. But then again, I don't know if that is relevant. Sometimes it feels that even Operations do not have the answer directly to a question because of the mystery aspect of the app. If you don't know how something works, I'm equally out. I learn simultaneously to you (Operations).
Development ideas	I would like to have a customer bonus system instead of mystery gifts. Also, having more time for product sourcing and creating the perfect product combinations would be more value-adding.

DATE	30.1.2018
INFORMANT	Campaign Manager B
TYPE OF DATA COLLECTION	Interview and data collection
Strengths in the process	Coworkers are the biggest strength in the company. And the weekly meeting is good. All things are gone through and said out loud. Have all products arrived to warehouse or if there is something wrong in the campaign sheet. The border between marketing and operations tasks has changed and become a bit more vague. The processes have stabilized since the beginning. Everything is under the same program. Makes you more inside the process.
Weaknesses in the process	Especially EDM's are inconsistent. The schedules are shorter and more ad hoc, not like the bulk campaigns, which affect all work in marketing and operations. Even though this is a small organization, sometimes it feels we have trouble with information flow. Information might not transfer even within our own team. It doesn't even need to be a big team for the information not to flow between the people and for information to get lost. If your own processes are not in control, if there are changes, the information might get lost in this point. The work so self-driven, relying on memory and so many files we need to fill, the whole personal work flow is so shattered, which is a bad thing. Especially since the files don't interact! How can you remember to notify all the related people when something changes, this affect operations and promotions… If you forget to do something, it reappears when it's already too late. And since the ERP is so diverse, it certainly does not help in this situation. The knowledge transfer is challenging when new people come in. Nothing is documented. Seems that no one has time to document the whole process. Plus, there are weaknesses in knowledge transfer and information exchange between departments. It can happen even inside marketing that one does not know what the other is doing. Challenges come from not documenting processes and there is not enough direction/guidelines for the entire process.
Campaign follow up and analysis	I follow returns for about six months. We check the pulls with lists and how the brochure was delivered. We also discuss with promotions if there was something in the material that went wrong. The campaigns are planned so much ahead, it's difficult to change campaign material if something is noticed not to work in some other campaign. The campaign material ready 2 months in advance and the purchasing is in Spain. There's not much that can be done. The digi-team can react easier and faster. Everybody needs to take care of their own field.
Are there parts of the process that you are not familiar with?	No. ERP makes thing more difficult because there is a lot of manual work and relying on memory.
Development ideas	The whole process is stiff and changes take a lot of time. The ideas need a directions and focus. Some guidelines are needed to where the business is going.

DATE	6.2.2018
INFORMANT	**Operations Manager**
TYPE OF DATA COLLECTION	**Interview and data collection**
Strengths in the process	All – in –all the process is clear and straight forward, a smart process but information does not flow. Though the basic flow of the process is good. It is good that marketing does the campaign sheets and they have to solve problems in advance, rather than operations doing all the error correcting. ERP is not the problem it just requires a certain structure we cannot get rid of.
Weaknesses in the process	The mailboard is not a relevant tool in regards to production since it does not show the mailing quantity, what kind of campaign it is, the date is not clearly defined; is the mailing date or the date when campaign should be at Posti? Each campaign manager/responsible knows their own campaigns, but the problems is that others do not know the whole picture. The challenge is that operations do not receive information about all activities; the information does not flow within the organization. Information does not flow and has blocks, which are where errors occur. There is no proper tool where all activities would be visible and updated regularly. Posti file is the only document with DM mailings, but does not show EDM or other type of ad hoc campaigns, which are not communicated to operations. It should be checked or ensured that the campaign material is suitable for Finnish Posti and estimate what the costs will be. There should also be some form of material check with the operations to understand the possible risks. The same information needs to be inserted several times to several locations, prices for example; I see this as a big risk and it creates many errors. The estimates on how much are we expecting orders, how many customers are mailed. Making a short cut on the campaign sheet can cause several hours of work somewhere else. This needs more communication. What happens after the campaign sheet is done is not clear to everyone. When customers get the campaign material, we are only in the middle of the process. We need to eliminate errors when errors occur. The current way of working Is to give the feedback one error at a time, but half a year/a year later the same mistake is made again, not learning anything from the previous. All new campaign approaches should always be handled in a separate meeting. Questions are asked vaguely which lead to similarly vague or incorrect answers, because either the question has been formed incorrectly without truly understanding what they are asking and thus receive the answer to something totally different to what they meant to ask. New structures can be solved if they are thoroughly thought through beforehand, but nothing comes as a given

Campaign follow up and analysis	The campaign results should be gone through with marketing, finance and operations; if there are any differences and where they come from, more analysis is needed afterwards on how well the budgeting succeeded. More cost awareness is needed, not seeing the big picture/relations between all campaigns. The marketing is thinking only about single campaigns.
	The campaign sheet is not the issue, but it's true that it creates a lot of manual work. The errors occur when the information is not given early enough. Campaign follow up would be very important. For better communication, it should be gone through one campaign at a time; was the material ok etc. A check list should be created: was the campaign machine sortable, were weight and quantity estimates correct, was the material delivered to Posti on the correct day, was there trouble when reading the orders at Fru Olsson, , where the codes correct, was there trouble in delivering products, how well did it fit with the budget, was there anything specific to notice regarding budget. The follow up is not done well enough currently; it is focused too much on what were the issues from outside but not thinking enough what could be improved inside the company.
Are there parts of the process that you don't understand or are not familiar with?	Order file for purchase orders- is it clear for everyone and risk free? We should have two ways to order; locally ordered and those done by Spanish. Marketing has a model for ordering from Spain, one should also be established for local orders. The order process needs to be clearer, that there is only one place where to check what needs to be ordered and if it's already been ordered.
Development ideas	Operations and lists should be included in the material brief.
	The warehouse structure information needs to be given within a certain timeframe from marketing to operations, they need a deadline.
	Fragmentation in order selection and sending of orders needs to be decreased, Currently the order shipping is too fragmented.
	We could make the warehouse circulation faster if we could make the sales plan processes more efficient. Make the reservations and actually use it, also warehouse would be aware of it. Also cancelling the reservation if the sale plan does not happen. It should be an on-going process.
	Warehouse: marketing does not have proper tools to follow stock, it should come from ERP. We need a one specific tool where to check campaign related issues to increase to aacuracy.
	Warehouse and campaign structures need to be done at the same time in the future.

Model of the BAR and AAR form

SPRING CATALOG Form filled latest. 20.4.18	BAR / BEFORE CAM- PAIGN RELEASE	AAR / AFTER ANALYSIS
Delivery to Posti ASM	xx.x.18	On time
Delivery to Posti PKG	xx.x.18	A day too early
Standards achieved?	ASM: Yes	Yes
	PKG: Yes	No, due to delivery too early. Claim X euro from forwarder.
MACHINE SORTABLE?	ASM: Yes	ASM: No, card material too light. Additional cost xxxx,xx euro.
	PKG: Yes	PKG: Yes
Expected number of orders	XX XXX	XX XXX
Number of premiums?	ASM x / change on xx.x.	Changed on time
	PKG x / multiorders y	ok
Premium change / problems?		Yes, fulfilment costs increased by xxx.xx euros.
Structures created on time	3 weeks before	Errors in structures – orders in filters for x days
Order entry / problems?		Yes, order recording delayed by two days.
Packing in warehouse /packing costs	Normal	Normal
Deferred	-	All delivered
Returns	X%	Y%
Other issues	-	-