

## The Changing Perspectives of Instant Messaging - “HTH ☺”

*A look at an evolving “social” technology*

By Mark P. Dangelo

For many of us, our first introduction into the world of instant messaging (IM) was a strange occurrence - “FWIW DF ☺ as Y R NA” (**translation**, “for what it is worth don’t feel bad as you are not alone”). Yet this bewildering interpersonal protocol has begun taking hold within our enterprise communications and not just with the Generation X and Y folks. As evidence of this realization, IDC estimates that in 2005 there were on average **12 billion instant messages sent every day**. With increasing regularity in our expanding, unregulated, and high-speed communication world we are witnessing an explosion of off-the-shelf and custom applications surrounding the use of IM from within and behind the corporate firewalls and defenses. It’s even happening within the confines of our fragmented mortgage industry.

The good news is that the adoption of a “hip” symbol and acronym language has been enhanced and replaced with uniquely designed mortgage applications for notifications, broker interactions, rate information, and as an extension of the contact center (or media centers) for customer interactions. At the start of this decade, the enterprise solution to IM was to block all traffic thereby keeping it outside the corporate networks. This exclusion was meant to safeguard the network’s integrity and operational SLA’s, while ensuring that an “untested” technology did not interfere with increasingly pervasive regulatory and compliance requirements.

In spite of this, **Charles T. Russell**, a Partner with Computer Sciences Corporation (**CSC**) states, “With **80,000 people in 80 countries**, IM has become as critical as telephones and email at CSC. We have seen an exponential growth of IM usage driven in part by mega-trends like outsourcing, off-shoring, home-based workforces and internationalization of the value chain. Eventually, we’ll reach what **Malcolm Gladwell** refers to as a Tipping Point, where it will be a key part of most business processes.”

Indeed, much of the business rationale and IT attitudes have changed within the last several years driven by pioneers with a goal to bring IM into the enterprise with secure solutions. You see, as the market begins to transform into a low-cost, low-margin operation, the effective use of IM could play a valuable contribution to reach mobile employees, time-starved customers, and to promote improved information usage beyond those siloed databases available to only a select few.

### The Challenges

“Between AOL and MSN alone, there are nearly a half billion IM users worldwide,” claims **Joe Mazzarella**, CEO of **IM Interactive Corp**. “In terms of market opportunity, I like to pose the question of public IM to enterprises in this way. ‘What if I could get you access to a new marketing and communications channel of 500 million potential customers in real time, and what if I could tell you when they tune in and when they are available. Are you interested?’”

With the rapid advancement of IM adoption and the business value recognized by progressive enterprises, the availability of robust off-the-shelf solution sets has become more commonplace. Leading vendors and integrators in this space include **Akonix**, **Conversant**, **Face Time**, **IM Interactive**, **IM Logic** (now a subsidiary of **Symantec**), and many others (yes there are also the IM “client” vendors that include **AOL**, **Yahoo** and **Microsoft** as well).

Moreover, there is a certain psychology within those adopting organizations who have implemented IM to remain silent or downplay its usage for fear of losing a competitive advantage with their unique messaging solutions. Thus, the lessons learned within enterprise IM are not easily discerned, but the essential hurdles encompass:

- **Security:** The operational and financial impact of security breaches are increasing and IM is no exception. IM web attacks are becoming more common place and frequent with an ever-increasing degree of sophistication. Within IM, the dynamic nature of the dialogues and messaging allows threats to spread faster and with greater potency than traditional attacks thereby impacting networks, resources, and systems. Are you implementing policy and enforcement based solutions via software, hardware, or an amalgamation of techniques?
- **Compliance:** As we've witnessed from several CFR and state regulations, the need to record and track IM dialogue cannot be left to chance. IM applications must be integrated into the compliance fabric and validated by stringent audit and governance guidelines. Whereas there are sound technical solutions available, the real challenge and risk resides with the definition of rules and sub-process integration to ensure conformance under due diligence and regulatory reporting. Does your solution have this built-in, available by means of partner products, or it is a system integration issue?
- **Integration:** Porting and extracting information even with advancements from the various implementations of XML has remained a challenge for designers and program managers due to the privacy of information sources, channel security, and the exponential rise in IM worms and viruses. The consequence has been to develop only niche based solutions that interface with extracted or restricted segments of the enterprise's information, which normally would be widely available if connected via a computer. Who is the person or group responsible to guarantee this is accomplished and maintained?
- **Customer needs:** In today's market this is an interesting dilemma. With the disparity of demographics within the borrowers, partners, and alliance members, it is difficult to arrive at the usage frequency, patterns, and volumes that will be required. Layered within this challenge is the handling and format of the information itself and how it will be presented, dispatched, or interfaced (i.e., system, network agent, live person, or a combination depending upon the transaction type.) How will these needs transform and what is the schedule of "releases" that we will be required to adopt with continuous changes in technology and social acceptance?

Some of the critical questions that must be answered include:

1. Do we **quantitatively** understand the business results desired and how will we measure their success once the solution set has been implemented?
2. Do we have the required internal skills needed to support the applications and integrations and if not what should we **expect in costs, SLA's, and BAU**?
3. How will we streamline or remove process inefficiencies before deployment rather than just add another technology to an **unwieldy and fragmented** environment driven by informational-challenged processes?
4. How can we **audit the transactions** while rapidly implementing business, policy, and legal changes at the same time as supporting backward compatibility?

### Key Concepts

From Mr. Mazzarella's insight, "Competitive organizations should be embracing IM as a technology tool to help reduce costs, expand marketing opportunities and improve customer service. On the customer service and self help side, IM enabled applications make it possible to provide automated routine customer care functions through a structured text interface which is much quicker and more accessible than visiting a web page. Customers can access information and services in one click through simple text requests, and businesses are providing faster service and lowering costs. Like any technology phenomena, there will be those that win big by recognizing the potential of IM and put it to use."

As we all realize, sometimes technical solutions however compelling, cannot just be supported by the existing enterprise organizational culture or silos of operational constraints - the result is a

slow and sometimes painful failure. For IM to be successful within the organization, vital concepts must be recognized and addressed before a single dollar is spent on the solutions:

- **Business case:** Sounds traditionally simple enough? In the IM world for the enterprise, it requires a great deal of research, understanding of organizational risks, education and dialogue with key stakeholders, and leveraging the lessons learned from those who have succeeded or failed in similar efforts.
- **Personnel:** In today's tight labor markets, this area presents a significant challenge for timely market offerings. While international markets have greater acceptance and usage of IM, there is still a void of quality personnel. While vendors and system integrators can fill in the team needs, an organization that relies solely on outside solutions may inadvertently release influence and long-term cost control to a third-party who may be servicing you, other industries, and your competitors.
- **"Evergreening":** As mentioned, IM is rapidly changing driven by daily modifications in technology, integration, and social acceptance. Therefore, investments must account for the transient reality of technological, educational, and operational changes as a constant norm and not a periodic or yearly refresh of competencies.
- **Business Process Compartmentalization:** From experience, we now know that due to the ever increasing organization dynamics and limited tolerance for mega-projects, changes must be tackled in segments or compartments. Coupled with the wide-spread use of outsourcing and BPO vendors, the adoption of IM must be designed holistically but implemented in stages not solely from a technology mindset, but also from a sub-process program efficiency and improvement.

The prominent concerns from business sponsors who must justify the expense of delivery and IM's immediate and on-going impact on top line revenue or bottom line profits include:

1. What **differentiable and defensible application or extension** will provide an advantage when measured against our competitors, customer demands, and cost propositions?
2. What impact will this have on the integrity of information and will it negatively impact our brand, customer standings, or operations if something goes wrong? How will this impact our **contingency planning and recovery**?
3. With the rapid advancement and popularity of various IM clients, which one should we concentrate on and **what are the risks**?

\*\*\*\*\*

While the above discussion is only the simplified tip of the "iceberg," it is useful to take away these key points. **1)** IM is going to be a business-driven solution within the overall mortgage technology solutions for the next several years, **2)** Only with a proven solution provider can you be ensured that the solutions and requirements today will survive 12 to 18 months from now as a result of business and technological changes, and **3)** Careful planning, quick adoption and a mindset of "think BIG but start small" will be required to understand the true impact and efficiencies within the vast processes of the enterprise.

Finally, look for and seek out those enterprise solutions which have been designed for encapsulation with IM - typically via plug-ins or the use of API's. There are some very familiar software vendors who already have set the stage for IM growth and expansion. Even though some of us may question the real use of this technology, we cannot deny its reality of expansion. In closing, I was once sent this by a business contact who actually thought I knew what it meant -- "IMO DYJHIW IRL PPL R ☺? B2W" (**translation:** In my opinion, don't you just hate it when in real life people are expressionless? Back to work..."). Needless to say, I am truly thankful for the new IM enterprise applications...