"Silos: Not Just for Food and Missiles Anymore"
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As a background screening provider, it is likely that you have had to make a good number of decisions regarding the use of technology within your company. You've probably had to decide whether to maintain an in-house IT presence, outsource your IT to external vendors, or utilize some combination thereof. Perhaps you have noticed the ever-changing technology landscape developing on the world wide web. More and more web-based business applications are becoming available, allowing you many more opportunities to apply technology to your busines processes without major investments in IT infrastructure. It is an exciting time for applications running in what is now known as "The Cloud," but there are pitfalls to watch for.

Regardless of your implementation of in-house IT technology, web-based IT technology, or some combination of both, it seems all parties can agree that the underlying data coursing through all of these systems is what makes your business possible. Data makes your world revolve, but there are ways that data can become entangled in the very applications that use it. Data can be trapped such that it has to be needlessly duplicated and re-keyed, costing time and money. Data duplication can introduce potential errors and inefficiencies into your processes. You may not even be able to access your data in ways that would work best for your situation. Customer service can be negativley impacted, turn around times can lag, and accuracy of results can suffer. So what are the pitfalls and how can they be avoided?

We've all seen the majestic grain silos dotting the countryside, hearkening back to a simpler time. Most of us have seen television programs or pictures showcasing massive underground silos capable of launching ballistic missiles towards enemy countries at the touch of a button. While food and national security are certainly important to all of us, a different kind of silo may be of more immediate concern to your day-to-day business operations. It is known as the data silo.

The data, or information, silo is a term used in IT circles to describe a system that contains data, but is unable to share that data with any other system. The data is metaphorically, and perhaps quite literally, trapped in a silo-like system. For example, you may utilize a customer relationship system (CRM) to manage your client information, a screening platform to manage background orders and suppliers, an accounting system to manage invoicing, and a file server to hold your company's documents. In many cases, these four systems each contain data that duplicates data in the other systems. Perhaps the data in one system would be very useful to other systems, if they were able to share it. Therein lies the core problems caused by data silos – data entry duplication, inability to share useful data across systems, and the need to manually keep data synchronized across multiple systems.

Some would argue that background screening companies, by definition, are themselves information technology companies. Data is the life-blood of your business and making the right technology decisions to manage that data is crucial to maintaining your business processes and procedures. Avoiding the trap of data silos is a critical consideration in your technology decisions. Fortunately, avoiding data silos is no longer difficult and most software and system vendors recognize the need for a customer to have complete access to their own data.

Let's now take a look at some industry terms and buzzwords to watch for when evaluating potential software systems for your business. I will include footnotes to web links throughout the text to allow you to research a topic in more depth. An important trend that has developed in recent years is software being delivered via the internet. This type of software is known as Software as a Service (SaaS[1]). With SaaS, you don't need to invest any resources into hardware or in-house software installation/maintenance. The software is hosted and maintained by the vendor. Updates take place automatically and data backups are normally part of the contract. You, your employees, and even your customers (where appropriate) can access the software from anywhere an internet connection is available. Examples of SaaS in the CRM realm include Netsuite[2] and SugarCRM[3]. Microsoft delivers SaaS solutions via its SharePoint[4] system and Google has its Apps for Business[5], a powerful suite of communication and collaboration tools all delivered via the internet. Even your business documents can be managed via SaaS. An example of an excellent web-based document management tool is Knowledge Tree[6].

A critical consideration when evaluating software, whether in-house or SaaS, is if the software or system can integrate with other systems. Such an integration is generally achieved via an Application Programming Interface (API[7]), Software Development Kit (SDK[8]) or web services[9]. These are basically methods for external systems to access the data of the software under consideration. Ideally you'd like the software to allow appropriate external systems to not only access the data, but also add and edit it as well. Without a way for external systems to access the data in a software package, a data silo "red flag" should be waved. If a vendor does not offer an API or web services, make sure you can at least export your data into a useful form, perhaps through reporting tools that produce a comma-separated value (CSV[10]) file, which can be imported into other systems as needed. Examples of software with excellent system integration capabilities include Quickbooks[11] and eFax[12]. Remember, if you can't get at your data in a meaningful way, and you can't share that data with other systems in your business, it's probably best to consider other solutions.

By now I've hopefully convinced you that your data is yours, and any software system you consider for your business should abide by this basic principle by allowing you access to it. So you've got your software and it has APIs and web services. You are ready to integrate all your data across all your systems, improve your business processes, cut costs and be a shining beacon of light to your customers. What's the next step? For better or for worse, it's time to call in the nerds. If you have your own IT staff in-house, great, explain the business process and data requirements to them and (hopefully) off they go to make it all happen. If

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[1] http://en.wikipedia.org/wiki/Saas

[2] http://www.netsuite.com

[3] http://www.sugarcrm.com

[4] http://sharepoint.microsoft.com

[5] http://www.google.com/apps/intl/en/business/index.html

[6] http://www.knowledgetree.com

[7] http://en.wikipedia.org/wiki/API

[8] http://en.wikipedia.org/wiki/SDK

[9] http://en.wikipedia.org/wiki/Web_service

[10] http://en.wikipedia.org/wiki/Comma-separated_values

[11] http://qbsdk.developer.intuit.com/sdk/qb

[12] http://www.efax.com/products/corporate-fax-solutions?tab=tabImage_developer

you are short of in-house geeks, the software vendor may recommend an integration partner who can help you with whatever you need. Often times, any decent software contractor can wade through the inevitable mass of indecipherable documentation and produce a useful integration product. In this case, try to get references from companies for which the contractor did similar work to make sure they are up to the task. This type of custom software development is not cheap, and you want to get the best bang for your buck.

Sometimes a completely new software system needs to be developed to manage the data going into, and coming out, all the other systems in your business. A business analyst familiar with integration solutions geared towards the background screening industry can provide invaluable insight. At the end of the day, however, it is up to you, the business owner, to a) focus resources on the system integrations and interactions that will positively impact your bottom line and b) formulate the return on any investment made in doing so to benchmark your progress. All things considered, eliminating data silos is almost always a sure bet.

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