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Executive White Paper: The Evolution from News to Intelligence

The stakes have never been higher for news and content providers. Organizations that provide the right data with the right set of tools are guaranteed success. Those that get it wrong face certain extinction.

By Alex Viall



Change is good

The last decade has seen a dramatic change in information provision. The effect of the Internet on professional publishing has sparked a revolution. This has improved efficiency and reduced costs but has not been without some collateral 'pain'. Users and, more importantly, most traditional providers struggled initially to adapt to the new environment. New entrants managed to 'leapfrog' the incumbents as the barriers to entry were lowered by new technology.

This evolutionary process is still far from complete. The future will only be bright for those that adopt the latest standards and tools to maximize efficiency and performance. The efficiency with which organizations gather, analyze and use information is now such a differentiator in a competitive sense that it can have a direct impact on their bottom line.

In the beginning...

It was all about paper. Regulatory professionals clung to personal, dog eared, well-thumbed, coffee-stained print versions of regulator rulebooks; legal practitioners coveted weighty tracts of legislation. The margins of these antiques were tattooed with scribbled hieroglyphics, often only comprehensible to the author, that were designed to add color to opaque and gray areas lacking precedent and official guidance.

To some extent, the regulatory scope that applied to an individual or an entity could be easily defined by the printed materials held within the four walls of an office or library. All was right in the world and nothing could surprise the practitioner that could not be dealt with by the reference materials before his very eyes.

Librarians got through several pairs of shoes each year fetching dusty volumes for busy fee-earners. Compliance officers hid nervously behind stacks of endless updates from regulators, exchanges, trade associations, law firms and consultants. They sifted through them into the early hours, trying to assess which ones applied to their current business and which did not, stressing about how to update the right people in the organization, praying they had not missed something.

News for such specialists in these times was almost non-existent. The largest news providers, such as the Wall Street Journal and the Financial Times, have always targeted the business consumer and lack the expertise to cover regulatory issues in anything other than a skin-deep fashion. Monthly trade journals and newsletters were out of date by the time they reached the practitioner. Bloomberg and Reuters were concentrating on the business lines and the securities broking/dealing communities. Law firms and consultants produced 'client advisories' but these were not 'real-time' and could best be described as historic by the time they hit readers' desks.



How did the practitioner survive and manage to fill the information gap? Attendance at peer group meetings, conferences and trade shows was one way; having a large network of like-challenged practitioners on the telephone was another option, but in a nascent sector this was a luxury only available to a few.

A mighty meteor — the big, bad Web

And then it changed, almost overnight. The Internet arrived to add a different dimension to information provision, storage and retrieval. It empowered the individual's ability to work smartly and independently; it quickened the pace of workflow in an irreversible way and increased the potential for greater productivity. It released a veritable tsunami of content and opportunity that overwhelmed some and is still being tackled by others.

Those well placed to see it coming moved quickly into the new landscape to provide services that were previously the stuff of dreams: some practitioners seized the opportunity to work more efficiently and steal a march on their competitors by adapting to the changes and reveling in the ability to better service their stakeholders at a fraction of the cost. Some resisted the change and pined for the 'good old days'. They struggled with the new technology and the increased demands of the stakeholder.

New species

The web created the potential for multiple permutations to fit the demands of niche sectors and individuals. Smaller providers could enter the market and deliver content of a specialized nature to relevant users without the need for a large and expensive proprietary network that allowed providers like Reuters and Bloomberg to retain oligopoly status in the financial services market. The legacy providers in pole position in the print-dominated world resisted adapting to the changes. They lacked understanding of the new environment and were saddled with the fear and politics involved with cannibalizing their existing core business.

The user sat back and enjoyed the new environment, exploiting the multiplicity of providers, making demands that new and old competed to meet, and radiating in the glow of the new tools at his disposal such as personalization and online peer information exchange. The concept of the 'Daily Me' was a reality; never again could a regulatory professional feel out of touch with the latest news and market developments.



The change was well-timed as the increase in activity was preceded by developments in the markets themselves. Securities business went global, went online, diversified and grew in complexity. New opportunities fell in front of both institutional and private investors — some good, some bad. Volatility grew, individuals got greedy and investment firms got rich. Inevitably, some got hurt and the regulators got busy. A slew of regulatory change was to follow and has shown little sign of abatement since the late 90s. No one tasked with staying up-to-date with this change could have managed without the new information capabilities that the Internet delivered.

Tools – flint and wood

Progress was diverse and some adapted quicker and better than others. Some of the tools used in the early stages were very crude and inadequate for the task in hand. Print publishers reacted by transferring their paper content online while failing to understand the dynamism of the new environment. The online versions were flat and one-dimensional, adding little value and, in some cases, worsening the user experience (e.g., not appreciating that news needed to be concise to be consumed online).

The new era suffered an early and virulent plague: information overload. The deluge of content available was poorly indexed, organized and of indistinguishable quality (more providers entered the market posing as trusted sources but lacking the experience, processes and discipline that traditional providers had honed over the years).

This malaise was compounded by excessive email, which was once again poorly organized and created a numbing experience where users struggled to pinpoint quickly the content of direct relevance to them. Eventually many chose to ignore all content delivered in this way and developed extreme aversions to returning to such a medium.

The next cycle of development

As technology advanced and providers responded to market demand, information delivery started to improve. Aggregation was a clever addition that reduced the need for professionals to check multiple websites each day but it was a cosmetic improvement for the regulatory markets; the content gathered still required human analysis and interpretation, adding minimal overall value to the user's predicament.



Others went further and provided distillation and refinement processes, taking the raw data and breaking it down into a concise and digestible form, using industry experts to edit the news so that only the information that professionals needed was included. Not a word was wasted. The user could spend more time being proactive.

Information was also being arranged chronologically; users could determine time periods over which they wanted to view content. But inboxes were still congested and the many search engines were still too inaccurate to be used effectively at a business level.

Civilized community

Some providers quickly recognized the power and needs of their users; they created protected communities for them and asked them to participate in shaping those communities. At the same time they asked them to assist their peers who had less experience and knowledge or to contribute relevant content, paving the way for personal blogs at a later date.

The providers returned the favors by tailoring content to the needs of the user and ring-fencing searches so that the user was only looking across a finite universe of suitable sources. The user experience improved markedly and the community member felt safe and part of a group that was being personally pampered by a provider that understood the difficulties of their everyday role.

The robust DNA of the future — the connected user

Providers and users have, in some cases, developed at a phenomenal rate. Many have left the aggregators far behind, appreciating that their value is marginal in the modern and complex regulatory world where a seam of information that still requires interpretation and refinement from an expensive specialist is uneconomical.

Those at the top of the modern order are now adopting an approach where information and time are maximized, dissemination is targeted, data is tagged and organized for swift and relevant retrieval, and content is commoditized and recycled. This approach offers a significant competitive advantage, reduces cost and liberates precious human capital.



The quest is for a joined-up approach that is embedded in the systems and workflows of all personnel, offering guidance and training to all to an appropriate level and sourced from a blend of internal and external advisers. This ensures the organization can function with a level of automation not previously envisaged. The process also alerts users to traditional issues of concern in advance, allowing policymakers to adapt existing procedures ahead of future changes.

The user experience is one of connection, control and confidence. The shield created by this approach allows all parts of the organization to respond appropriately to each external force and event, however small or large, that might affect the entity.

The user sets the agenda by determining what information is most relevant to them and their organization. Feeds into the users are consistently taxonomized to aid efficient searching and filing across the enterprise; the alerts embedded in the news and data feeds act as an early warning system and drive the workflow that leads to policy update, distribution and then education of relevant interest groups. Links, created by the same taxonomies, are available at each stage of the workflow; these links access a blend of guidance from trusted advisers, adding color to the gray areas that require guidance and a contextual hue. The process empowers the individual and creates a level of freedom that allows the user to work proactively on the key objectives in their job description – the hunter can return to hunting rather than amateur-newsgathering.

This approach is only viable one for global organizations that face change on a regular basis and a requirement to meet regulatory expectations driven by updated policies and procedures, supervision and continuing education of personnel. Evidencing these requirements to stakeholders, auditors or regulators is no longer demonstrable by traditional methods; automation is the only feasible solution that will ensure that the organization is suitably informed and controlled.

The result is an enterprise that deals with growth and change, applying the relevant level of resource on a regular and consistent basis in a cost-effective way that exploits the wealth of advice and information that is available online and within internal networks. The alternative involves deploying scarce and expensive specialists to physically gather, interpret and apply change as and when they can.

The organizations that apply effective methodologies and the news and content providers that deliver the right data and tools will be the ones that survive, get stronger and lead their respective industries. Extinction awaits those media dinosaurs that do not.