

## **Technology vs the Human touch in Fund Communication**

*By Zeldeen Müller, Director: inSite Innovative Education Solution (Pty) Ltd*

Pension Circular 130 transformed the way in which Board of Trustees applied their minds to member communication. This encompassed formalising communication strategies, utilising a wider range of media, broadening the messages communicated and increasing the frequency of member communication.

Technology is playing a much larger role in assisting Funds to reach members; with e-mail and sms communication drastically improving the accessibility of information. Even though it offers cost and other advantages, the utilisation of electronic media has its own challenges. For one, it offers a solution to information distribution, but does not necessarily improve the transfer of knowledge.

E-mail communication is also limited to those Funds where the bulk of members have electronic access. The challenge here is to ensure these messages do not get swallowed up amongst the barrage of e-mail communication received by Fund members on a continuous basis. Research has shown for example that utilising e-mail as communication medium has a 10% success rate when it comes to distributing information, with the bulk of these messages ending up in the recipients' deleted items folder - unopened.

SMS communication has a much higher success rate, but the limited characters allowed restricts what can be conveyed via this channel. With the literacy levels prevalent in South Africa as well as the rest of Africa, Boards of Trustees also have to apply their minds when drafting SMS messages to attain a balance between keeping the messages simple and understandable but also conveying enough detailed information to achieve the required understanding.

With the increased employee turnover encountered in the current job-market as well as the ease with which members can obtain new cell phone numbers, updating databases with correct member contact information can also become quite a challenge.

Utilising technology can however create greater visibility for the Fund. This is due to the increased frequency of communication interventions that can be achieved, which were not always possible when communication was strictly done in hard copy format; mainly because of the effort necessary to get the printed material to members as well as the increased cost aspect of producing this material.

Electronic communication can therefore provide an effective conduit for information sharing, given the demographics of your specific target market. However requesting assistance in the here-and-now is somewhat lacking, as the more electronic the communication, the less the human-to-human contact. In evaluations done on Funds and members' preferred method of communication, one aspect that was not necessarily surprising was that members longed for face-to-face interactions. This is especially relevant when it concerns difficult decisions such as member investment choices. The use of Fund call centers, where possible, can also assist with bridging this gap, as well as an approachable and informed HR representative. But interestingly, quite a number of members expressed the need to have the opportunity to hear from the Board of Trustees of their respective Funds.

Funds are offering members the option to attend member sessions, at least once a year, where members are given the opportunity to ask questions and interact with the presenter. A large contingent of Funds however uses Fund consultants or other experts to deliver these presentations. From a practical perspective, this makes a lot of sense, as members get the information from specialists in these fields and these presenters are usually also very efficient in conveying difficult information. It does however ignore members' need to meet the people behind their Fund – i.e. the Board of Trustees.

We have to recognize that it is not feasible for the Board of Trustees to physically be present at all induction- and other member sessions. A possible solution though, is for the Board of Trustees to schedule one session per annum where members can confer with board members. This can be done where the bulk of members reside, with a video recording of the session viewed at other smaller branches. In certain instances members of the Board of Trustees are based in certain of the other regions and where possible, those Trustees can be present at those viewing sessions for a question and answer opportunity.

This does not mean that electronic communication cannot be adjusted to meet some of the human touch needs. Adding photos and personal biographies of your Trustees in a Fund newsletter or on a Fund website will go a long way in introducing members to the people who have their best interests at heart. This can be extended to informal messages published via these media on issues facing the Board which might concern members. The aim is to create transparency and approachability. A personal message by the chairperson of the Fund together with a photo can also be included in the annual Trustee report. Members will invariably feel more secure in the knowledge that members of the Board of Trustees are accessible and have the necessary competencies.

As technology becomes more sophisticated and pervasive, it's more important than ever to stay connected to your members.