

# Organizational Silos: Why They Happen and How to Break Them

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## Introduction

You've probably seen it before: one team has no idea what the other is doing, emails get lost in the void, and it feels like everyone's rowing in different directions. That's what we call **organizational silos**—when departments or teams in a company work in their own bubbles, often unintentionally.

And while it might not seem like a big deal at first, these silos can really slow things down, hurt innovation, and create a messy experience for customers. As businesses face more pressure to be fast, flexible, and collaborative, tackling silos is becoming more important than ever.

### What Are Organizational Silos, Really?

Think of a silo on a farm—it's used to store grain separately. Now picture that idea in a company, where information, ideas, and even people are kept apart by department or function. That's an organizational silo.

The silo effect—marked by poor communication and coordination between specialized departments—has long been a persistent challenge in organizations. Research consistently underscores its damaging impact: a Salesforce study found that 70% of customer experience professionals and executives identify silo mentality as the leading barrier to effective customer service. Similarly, a 2017 survey by Harvard Business Review Analytics Services revealed that 67% of collaboration failures stem from silos. This issue is far from new; as early as 2002, an American Management Association survey reported that 83% of executives acknowledged silos in their organizations, with 97% noting their negative effect on business performance. Together, these findings make it clear that breaking down silos is essential for improving collaboration and driving organizational success.

In simple terms, silos happen when teams or departments work mostly on their own, don't share information, and don't collaborate much with others. Instead of rowing in sync, everyone's paddling in different directions—and that's not great for business.

### Why Do Silos Form in the First Place?

Siloes within organizations makes it so that the organization has a difficult time learning new things. They have difficulty diagnoses and solving their own problems which often lead to repeating the same mistakes over and over again. Siloed organizations cannot act quickly on opportunities that arise in a fast-paced business landscape. They are also not able to make

productive decisions about how to change in order to seize these opportunities. There are three very serious consequences of silos. They destroy trust, they cut off communication, and they foster complacency.

Silos usually don't form because people want them to. They just sort of... happen. Here are some reasons why:

**Company Structure:** Many businesses are set up so departments run independently. That can be helpful for focus, but it also means teams often don't talk to each other.

- **Different Goals:** Leaders may be more focused on their team's success than on the bigger picture. This can make it harder to work across teams.
- **Bad Communication:** Without the right tools or processes in place, it's easy for important updates to stay stuck in one department.
- **Departmental Cultures:** Over time, different teams can develop their own way of doing things—sometimes even their own language—which makes cross-team collaboration tricky.
- **The Real Cost of Working in Silos**
- So, what's the big deal? Turns out, silos come with a pretty steep price:
- **Wasted Time and Effort:** Teams often end up doing the same work without realizing it, or they miss out on chances to work together efficiently.
- **Less Innovation:** New ideas thrive when people with different perspectives come together. Silos block that.
- **Bad Customer Experiences:** If your customer support team doesn't know what marketing is doing, or sales isn't aligned with product, the customer feels it.
- **Low Morale:** When people feel isolated or left out of bigger conversations, they get disengaged.

### How Do You Break Down Silos?

Good news: silos aren't permanent. Here are some ways to tear down those walls:

#### 1. Start with Leadership

Executives and managers need to set the tone. When leaders emphasize shared goals across teams—and reward collaboration—it helps the whole company move together.

#### 2. Build Cross-Functional Teams

Mix it up! Create teams with people from different departments who can work together on projects. This builds trust and understanding.

### **3. Use the Right Tools**

Platforms like Slack, Microsoft Teams, or tools like Trello and Asana can make it easier for teams to stay on the same page.

### **4. Encourage Open Communication**

Host regular meetings where teams share updates or challenges. Even informal “show and tell” sessions can do wonders for transparency.

### **5. Foster a Culture of Collaboration**

Train employees on collaboration skills, encourage empathy, and celebrate team wins—not just individual or departmental ones.

#### **Real-Life Example: GE’s “Boundaryless Organization”**

Back in the 1990s, General Electric’s CEO Jack Welch pushed to break down silos across the company. He called it the “boundaryless organization.” The idea was to open up communication, allow people to move between roles, and encourage teams to work together more naturally. The result? A more agile and innovative GE.

#### **The Digital Angle**

Technology can either help or hurt silos. If digital tools are only used within specific teams, they can actually make silos worse. But when used thoughtfully, they can break down barriers by making information more accessible and workflows more transparent.

#### **Wrapping It Up**

Organizational silos might be common, but they don’t have to be permanent. With the right leadership, tools, and culture, any company can break down walls and start working as one team. In today’s fast-paced world, collaboration isn’t just a nice-to-have—it’s a must.