

Getting results from your CRM system

This white paper is a primer for those preparing for the implementation of a CRM system. The advice from our Principal Consultant and Managing Director Ian Wallace is based on many years of practical experience implementing CRM systems with our clients who range from small SME 's to large corporations.



Every companies situation will be different, therefore some of the points may not apply to you, others you may need to adapt to your own circumstances. Either way the this paper is sure to challenge your assumptions and provide you with more than a few things to think about as you start to plan your project. We hope it will help you ensure your projects success!

To make your CRM project a success, it is important that you think about the project correctly from the start. CRM projects are most successful when you have fully considered what you want to achieve. Just 'getting in CRM software' can be quick to do (especially with some hosted solutions) and may give the appearance of progress. However, it will rarely deliver all the business improvements that were sought, or those that were potentially available. To gain the full benefit, there are the business objectives and organisational change to consider too.

This paper breaks down the process of CRM deployment into three key phases and offers things to consider at each stage.

- Before You Start
- The Implementation
- The system in Use — Getting Results

Phase 1 - Before You Start

Be clear about your aims

It sounds obvious but if you 're not clear from the start about the business objectives of your project, you may struggle to get your project off the ground. Ideally you 'll be able to show a direct link between your project aims and your business plan. A clear link to your business plan will also help you explain the value to your colleagues. Write down your business aims and objectives for the project before anything else.

Think of the future

As you define your aims and objectives think into the future, what will your organisation need to be like in a year or two's time? Try to take this opportunity to improve your business processes. Very many systems just make existing processes more efficient, this is usually relatively easy but may not move your organisation on very far. When compared to your competitors, think about how your CRM might provide the opportunity to change your organisation to be more effective or more competitive?

Keep it simple at the start

You may have grand visions for your CRM system, but the more you try to achieve on day one, the harder it gets and the longer your implementation project will become. Focus on the a core of 'm ust have ' improvements that are a part of the bigger picture and get these working first. Consider starting your project in one department or with one team. It 's much easier to build on early success than to try to do it all at once.

Gain commitment

To make your CRM project a success you 'll need to gain commitment at both ends of your organisation:

At the top because you need it to be clear that this is an important project and that you 'll have a senior management support for the changes that will follow in the way your organisation works. In my view, Successful CRM is 80% good management and 20% good technology. The technology is the enabler that makes possible new ways of working.

All the way to the bottom, because these are the staff who's jobs will be changed by the system, the sooner you can involve them in your project (even if it's just the occasional briefing) the better the buy in you will have. When all of the technologies is installed, it's the users of the system and their enthusiasm that will help ensure the success of your project.

Remember CRM is about Customers

It's very easy in the initial phases to spend most of the time looking inward at your organisation and the areas of your business you want to change. Don't forget to look at your project from the point of view of your customers. What might they want you to achieve with the project? Perhaps consider asking some of them for their views on how they would like to see you change and improve the way they are dealt with.

Consider the Operational Period from the Start

Once your CRM application is in use, you'll need to find people to undertake new jobs that perhaps you've not considered or previously needed. For example, who'll be the guardian of your data quality? This will be an important but potentially time-consuming job that will help ensure you always have complete confidence in the data in your system. The important point here is that there are on-going commitments that you will have in the future in order to run the CRM successfully - failing to think about this from the start will either lead to poor maintenance or surprises for a few staff later on when they find they have unplanned work to fit in.

Prepare to Review

Many of the benefits of CRM applications can be very intangible and can be hard to measure; you will know working in your organisation, that things are more efficient and working better but the improvements may be hard to quantify. If you want to be able to demonstrate the difference your CRM project has made in a tangible way, then before you start is the time to measure and record what it used to be like. The criteria you use will be entirely down to you, the way your business works and the things that you hope to improve.

Understand that CRM is about Management

Customer Relationship Management is just as its name suggests an exercise in management, it is not something like painting or drawing where the activity reaches a natural conclusion and change stops. It is therefore something that is an ongoing live process in your business.

You're investigating CRM now because you have a need to improve aspects of the way you manage your company's interaction with your customers. However, because you have competitors and because your business changes from day to day and year to year, the way your CRM system supports your business should be viewed as something that will need to change and develop over time too. Used strategically your CRM system has the potential to help your business achieve competitive advantage in your marketplace. To maintain this advantage you will need to keep the way the system supports your business a consideration in your longer term business plans.

To get the best from your CRM plan to make the way you use the system one of continuous improvement, avoiding as far as possible fits and starts of change as you react to new business pressures or changes in technology that require you to revisit the way you work.

Phase 2 - Implementing CRM - 'The Implementation'

This is the stage of many CRM projects that frequently has the most consideration given to it and as a result it is often the easiest to get right. Nevertheless, here are a few of my suggestions for things to consider when undertaking the actual implementation stage of your project.

Work in Phases

Your team may be very keen to have the system in and running as soon as possible. However a phased approach will often make it easier to deploy your system and allows you to build confidence as you expand its use. Phasing your project is not always necessary but will often make the project easier to manage both technically and as a cultural change in your organisation. If you plan to implement a pilot phase then I have a few more comments on these below.

Be Prepared!

To help ensure your project completes on budget make sure your internal team and other staff assigned to the project are fully prepared and really have the time they need to contribute properly to the delivery of the project. Your internal IT will be much more comfortable with the new software on their network if they are present when your system is configured and can help ensure that your internal policies are observed. Equipment which is not present and staff that do not turn up for training will all increase the time it will take to deploy your project.

Keep everyone informed

This may be a big change in your business and must be managed with due understanding of your staff's feelings and the impacts it will have on them. If you've never read about how different people react to change and ways to help carry them with you, this is an excellent time to look at one of the many books on the subject, my personal favourites include Belasco's 'Teaching the Elephant to Dance' and the (rather heavy) 'Managing Strategic Change'. I've actually already suggested some ways you can help your team prepare for change in the 'Before you Start' phase of your project.

Define Key Roles Early

It's important to define key project roles early on. On some larger projects some roles of these may derive from a project management framework such as PRINCE2. Others such as your future database administrator are good practice for a CRM system. Try to involve staff who will have the responsibility for day to day administration and management of the system once it is fully deployed as much as possible in the implementation. On smaller systems this may just be one key person but in larger deployments you may have to bring together staff from different departments to ensure a success. Coordination in this way helps to pick-up potential problems early and ensures that later team members will have a good understanding of why the system has been built in a specific way.

Have a change control process

Start a change control process that allows you to review and consider changes that are proposed after the implementation starts. This is an important way to control costs and keep control of the design of your system. It's a good idea to keep this going once your system is live.

Check Converted Data Samples Thoroughly

The conversion of data from previous data sources is a common part of many CRM projects and you will often be offered samples of converted data to check. It is vitally important that you take the time to do this thoroughly. Have someone who is familiar with the data in the old system do this task. The reason that this is so important, is that our consultants will have carefully converted your data and made many checks on the conversion. Unfortunately there are some conversion problems that can only be detected by a person who knows and is familiar with that data. Converted data can look perfect to an unfamiliar eye and still contain subtle flaws. The reason you should take care is that it is often very easy to correct a problem at the sample review stage. Once you approve the conversion and the system is deployed it may be very difficult if not impossible to make such a correction.

CRM Pilot Pitfalls

As a general rule I believe you should avoid stages of a project I describe as 'pilots' in particular it is important to avoid pilots that involve one person in each part of the business. There are lots of reasons why this is a poor way to start. It is in my opinion by far preferable to have a 'First or Evaluation Phase' during which one team or a small but complete part of the business will use the system.

If your project will have a milestone at which you will decide whether to proceed further – set a timeframe, clear evaluation criteria and phase objectives.

A First (or Evaluation) Phase: Requires sufficient analysis and design to be completed such that it is possible to build a unit of complete system. It is a foundation stone. It should incorporate the work of an entire team who can work together and demonstrate the benefits. Once proven, this can be extended in stages throughout a business, unit by unit, building success on success.

A Pilot/Prototype: should be used for only a limited time, it's usually a quick evaluation with specific evaluation criteria. Since pilots are often undertaken on a minimum budget to prove a point, at the end you should be prepared to throw it away and build the real thing. This invites two problems: If the system works well, there is a temptation to use something that was not built to last as the basis of something bigger. The second problem is you often need to implement most of the system to try it out in anger - hardly an inexpensive way to quickly try something!

Pilots that try out the system by enabling only one user in several departments are usually a bad thing. The users can not usually use the system in a real way since none of the colleagues in their department share information with them. All of the departments need to be online before you can start and what's more, the participants may need to maintain information in two systems in order to keep the business records complete for the remainder of the business for the duration of the evaluation.

Phase 3 - The system in use - Getting Results

OK, so your systems have been installed and everyone has been trained. What else can you do to help ensure that you get the results from the system that you were seeking? Here are a few things which in my view are the key to the long term success of your CRM project.

Insist on Adoption

CRM projects that fail often end up this way due to poor system adoption. If you've planned your project well, implemented processes that are easy to follow and involved your staff then you should be off to a good start. However, here are my suggestions of some do's and don'ts. Your entire system can be undermined by one person if you do not take a firm stand on adoption particularly at the start. For example, how useful will your sales forecast be with one of your sales person's figures missing or completely out of date?

Do encourage senior management to set a good example. Make it known that they are users and that they rely on the system too.

Don't let anyone get away with an excuse for not using the system, if they missed the original training get them trained on another date insist on it!

Do recognise good use of the system, make a point to highlight situations where correct use of the system has saved your company money/improved your reputation etc.

Don't leave the old systems in place, make and enforce strong rules about this. For example, remove card boxes and uninstall or make old applications read only. If only a few people continue to work the old way, confidence in the content of your system can be quickly undermined. Your systems reputation will be diminished if staff looking for information are not sure it will be there!

Do be prepared to discipline staff if the system is not used in accordance with your business policies. Don't accept the fact that your best sales person made his numbers anyway. They should be your best example and if they can get away with it, others will think so too. You have to take the long term view on this, even if in the short term it may be painful to implement.

Do monitor the systems general usage as well as your business KPIs, review reports of activity, know what normal and what's not. You will find that you can actually feel the pulse of your system and your business!

Don't let things slip. Keep your rules and make sure that your managers are doing this too.

You may think that this is all rather draconian but it takes very little to undermine confidence in an information system. The natural level of adoption of CRM systems varies and depends on the type of department using the system and the activity that it is being used to support.

In many pressured sales and service environments it is often possible to interact with a customer without making the necessary record of the event. When the priority is getting the job done, recording it can seem an overhead. You must ensure that everyone understands the value of an accurate and adequate client history.

Manage through your CRM

It never ceases to amaze me how many times I find people who have installed CRM systems that can and should be giving them the management information they need to control their business, but who rely on other (often new) external systems for key management information.

Management of your business through the information recorded in your CRM is also a valuable contributor to ensuring good adoption. Why would you ask your reps to report every month how many visits they've done on an excel worksheet? Recording visit reports in the system, and then reporting on these directly ensures adoption, reduces the effort of data collection and improves the records you keep for each client!

Review and revisit

Your CRM should hopefully be delivering the benefits you were anticipating. The system is still probably capable of helping you much more than it is. Take time to review regularly the new pressures in your business and consider if your CRM can help take the strain. Remember that the most effective way to get results, is through continuous improvement of the way you use the system. Its a good idea to keep the project team going long after the initial deployment.

Keep a lookout

Keep an eye out for new data sources that appear in your business, should they really be apart of your CRM database? Staff may not always have the 'company perspective' you took when you invested in your CRM, often they will start to create new islands of information just because they didn't think to use the CRM, or didn't appreciate what else it could do.

Keep your knowledge current

Often when we are invited to help clients who are having problems with their CRM we find that the root cause is a lack current knowledge about the tools they have available. After the initial project it is important to continue to ensure that as staff change, you maintain adequate knowledge about what your system can do. Ensure you have an education process for new staff. It's incredibly frustrating as a consultant to return to a client and find that their CRM system has become a relic and that staff are working around the system in inefficient ways building new islands of data. It is usually just because they either don't know how to use the system or have forgotten what their CRM can do. In the end this costs much more and often contributes to the undermining of the system.

Do you have questions?

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