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CRM PREACT®
exceeding customer expectations

Rules of the Road for **CRM**

When it comes to choosing the right Customer Relationship Management (CRM) or contact management system for your business, it's important to understand all the benefits before beginning your selection process.

When you launch a CRM implementation, your choices can impact nearly everyone in your company. That's why this guide has been created.

These 18 "Rules of the Road" for CRM were collected from executives, end-users and consultants who shared their experiences with Sage. The goal is to provide you with useful information as you choose a

The 18 Rules of the Road for CRM in this guide

- CRM is more than a product, it's a project
- Planning Pays
- Customers are everywhere
- Bigger is not always better
- CRM solutions are different for mid-sized companies
- Implement relevant technology
- Prepare for product demonstrations
- CRM is not a single department solution
- A delivery method right for your company
- Integrate with back-office systems for faster ROI
- Multi-channel access is the only way to go
- Experience in the wrong sector is very often the wrong experience
- CRM is not just for a single department - it's for the whole organisation
- Implementation method is as important as product choice
- Training can't be "on the job". Employee buy-in is the key to a successful CRM
- Test, or crash and burn
- Focus on CRM goals
- Minimise the impact on your cash-flow

Top Reasons for CRM Success

1. A methodical project plan
2. Active project management
3. Frequent, visible and verbal management sponsorship
4. Shared employee buy-in
5. Selecting software consistent with business needs

Top Reasons for CRM Failure

1. Lack of project management
2. Resistance to change
3. Failure to secure and promote management buy-in
4. Poor employee adoption caused by a lack of consultation &/or user training
5. Software deployed 'out of the box' with no or little customisation

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1. CRM is more than a product, it's a project

- The benefits of CRM come not only from the product you purchase, but also from the implementation plan you follow. The more thoroughly you embrace a company-wide CRM project, the more your company will benefit from the features your CRM software offers.

- Choosing a CRM system is often the simple part - the implementation is where the real work starts. That's why we always recommend working with a recognised expert, like Preact to achieve a successful project.

- Through the course of a widely scoped project it is common to uncover areas and functions that can be automated that were not considered before. In principle give the CRM project time; it will repay you many times in what it delivers to your organisation.

2. Planning Pays

To ensure a successful CRM project, planning is essential.

- Begin by defining the need for a CRM solution. Arm yourself with the background information to justify the investment costs and to demonstrate where the benefits, savings and return on investment will come from.

- Next, define the stakeholders in the project and use your benefits projections as a foundation for establishing a common, company-wide goal for CRM.

With this groundwork completed, you will have a better platform on which to establish a budget for the proposed implementation. A team should then be assembled to begin the drive towards completion of the project - a drive that begins with a clear description of your company's CRM objectives and any processes that will have to be modified to make the project successful. Make sure the head of this team is a true CRM champion - someone who completely believes that CRM will make a difference to your organisation.

Effective planning will involve discussions with internal and external customers. What are the best practices for your sales force, for your marketing team, for customer service? Data required by different groups of users, such as field sales representatives, may be different from those of customer service agents. Plan for the needs of each group by confirming your data requirements list is complete.

3. Customers are everywhere: clients, vendors, employees...

The definition of "customer" has widened to include a range of end-users of different kinds of corporate information. For example, employees are customers when they need self-service information on expenses, policy information and staff benefits. Shareholders are customers when they're looking for financial information. Vendors are customers when they need detailed specifications before they can proceed with a project. Finally, of course the buyer is always a customer whose experience is critical to your bottom line result.

With a CRM system, you can serve all of the groups who rely on your company for important, timely information.

4. Bigger is not always better

CRM covers a broad spectrum of needs. Solutions are built to deliver and match different levels of functionality, complexity, structures, methods of working and robustness. Just as you are unlikely to buy a tractor to mow your lawn you should avoid looking to buy an enterprise level system if your organisation's requirements are simple or modest.

The reverse is also true. One of the key areas of dissatisfaction in CRM is a mis-sold solution.

Our advice is simple - take a good look at your immediate and potential needs for organising customer interactions. Are your relationships long lasting or brief, do you re-sell or look to cross-sell? Do you need to link other departments and people together on a shared system? All of these requirements have tools that suit them. Sometimes contact management like ACT! is enough but for other requirements more of an investment may be needed where applications like Sage CRM are more appropriate. By working with an expert like Preact you can make sure you select the most suitable system for your requirements to save you money and hassle in the longer term.

5. CRM solutions are different for mid-sized companies

Some software companies selling CRM would have you believe that you need to buy what they call an enterprise solution that includes all the bells and whistles required for the largest of global enterprises. But for small to mid-size companies this may mean paying for more capacity than is required.

Other vendors have created CRM solutions with the mid-sized company in mind, offering applications which include virtually all of the features common in enterprise solutions, but at a cost that is reasonable for smaller scale users. Even better, many of these solutions can be scaled from a single user up to as many as you are likely to need in the future. With a CRM solution designed for mid-sized companies, you can start small and grow big without wasting your valuable cash on capacity you don't need.

Another benefit of CRM solutions designed from the ground up for mid-sized companies is that they are easier to implement and are fully functional right out of the box. Larger enterprises have the time and resources to spend tailoring a solution and integrating it into their enterprise. However, mid-sized companies need a CRM solution they can get up and running easily, quickly and at minimal cost - without the need for custom programming.

6. Implement relevant technology

When you choose a CRM system, make sure it's based on current technology. Don't let a salesperson talk you into product vapourware based on future promises. Insist on seeing a current version of the product as it can be deployed today. Equally important, don't accept old technology that's past its peak performance curve. You don't want to have to replace the system in the near future.

Take a view on its integration capabilities and plans and the relevance to your back office systems. Decide whether the interface and usability is suited to your user type - i.e. for a power user keyboard short cuts might be better, for ease of use a web-based interface might be more appropriate. A good business consultancy will be able to help you make the right decision.

7. Prepare for product demonstrations

Once possible products and vendors are identified, a demonstration will be a critical factor in determining which solution is best for your organisation. Before inviting vendors be sure you have told them exactly what you are looking for when you first contact them. Why waste time evaluating a product that may be very functional but simply doesn't do what you need?

Also be sure to find out what platform is required to run the demo. Again, don't waste time scheduling a demo only to find out you don't have the right hardware or the right operating system to support the product.

When comparing several products it is advisable to establish a scoring system that makes it easy to track the various benefits and shortcoming of each product being evaluated. By recording these scores, the decision process can be greatly simplified. You should also include qualitative information in these lists, such as a vendor's track record, customer satisfaction, professionalism and so on.

Make sure your CRM implementation team attends the meeting and encourage them to share their concerns and feedback. If the vendor or reseller cannot immediately answer any issues raised, ask for a commitment to check they will respond within a reasonable time frame. Responsiveness is often a key differentiator in the vendor selection process, so some planned tough questions may be critical to making a selection you can live with long into the future.

8. CRM is not a single department solution

CRM solutions should provide company-wide benefits. But many products that claim to be CRM applications only address a single functional area such as marketing, sales force automation or customer support, but what happens when your requirements broaden?

For instance, if you implement a dedicated sales force automation solution and later need to automate your marketing efforts, you are very likely going to need to repeat the selection process, looking for vendors, evaluating applications - and wasting time. As result you'll be faced with concerns over:

- Two separate products, two separate vendors and no single point of contact for support and problem resolution.
- Understanding how you will share information across your company.
- Using sales information for marketing campaign planning.
- Trying to determine if marketing campaign data finds its way to the customer support centre where cross-selling opportunities can be made, or lost.

So, if your needs require it, don't settle for anything less than a comprehensive solution that delivers on the true capability of CRM namely: **Marketing campaign management, Sales force automation, Customer care, Contact management, Task management/scheduling and Back office / accounting integration.**

9. A delivery method right for your company

An item of increasing relevance to many companies is whether they want to actually bring their CRM solution "in house"; the alternative being that they give their data to a provider to host and the company itself only accesses information through a browser.

Companies need to decide for themselves how comfortable they are with the data stored outside the company. It is difficult to provide guidance except to say that it is vital to check out the security and recovery arrangements of anyone that is hosting the data.

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10. Integration with back-office systems can speed Return On Investment

One area many companies overlook when evaluating CRM solutions is the fact that accounts payable and accounts receivable data can form an integral part of CRM. If a customer calls to order a product, for example, wouldn't it be beneficial to instantly know whether that customer's accounts are up to date?

Although some CRM solutions offer patches to link back to an accounting system, others offer this seamless integration out of the box. The cost benefits of this approach are so great that some companies report an immediate ROI because they were able to get their application up and running without incurring the high costs of custom integration.

11. Multi-channel access is the only way to go

To be truly effective, a CRM solution needs to support customers on their own terms. This means delivering the information into the hands of agents who respond to customer enquiries over the telephone, fax, e-mail or written letters. And, of course, the CRM solution should also support interactive Web chat with customers and make a wide range of information available to them over robust Web sites.

For internal staff, such as field service employees and sales staff, the solution should also support all standard wireless devices; solutions that are restricted to a single device or operating system will become too limiting as this technology evolves. With support for PDA's, for example, sales reps can get real time updates about the prospects or customers they are about to visit - before they walk through the door.

12. Experience in the wrong sector is very often the wrong experience

A recent trend in CRM is the movement of enterprise vendors into the middle market space as the larger sites are saturated or locked in with one CRM vendor or another. The solutions and experience of these vendors can often seem impressive, but the question needs to be asked as to how relevant working with a Top 5 consultancy on a multi-million pound project would be to your company?

The realities of the middle market are very different. Budgets are tight, projects are tightly aligned to ROI, products must deliver a large proportion out of the box and the project cycles are short. In essence they are in many ways the opposite of the project and product types we see at the enterprise level. By all means, particularly for larger projects, take time to assess enterprise products in their "mid-market" guises but take time to ask and understand:

- What has been delivered in the middle market by this company?
- What does a mid-market product mean; enterprise with features removed?
- Experience of their middle market partners of delivering on time and to budget.
- What works out of the box in these products and what needs to be "customised"?
- Look at the overall cost of sale in particular with a likely extended project cycle.

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13. CRM is not just for a single department - it's for the whole organisation

Often, the sales department will be motivated to implement CRM long before other groups get on board and it can be a great strategy to implement the new software one department at a time.

However, don't lose sight of your overall goal, which should be to implement CRM throughout the organisation. You'll get immediate results by putting CRM into Sales, Customer Service or Support departments. But it's when you have everyone in the company connected to CRM, when everyone has instant access to the critical information - that's when you'll see the most exciting benefits of CRM.

It's great to start your implementation with a departmental focus, but be sure to keep your larger goals in mind.

14. Implementation method is as important as product choice

Just as a chain is only as good as its weakest link, a CRM solution is only as good as its implementation. The best product in the world will not meet expectations unless it is implemented in a way that matches your requirements.

Once you've chosen a product, make sure it will work for your environment, describing your goals and expectations for the implementation before the implementation process begins. Preact supports its clients in this process by conducting a Needs Analysis consultancy, working with the product champion and CRM team to ensure all parties are clear on every aspect of the implementation to produce a documented blueprint of the project.

Beyond installing software and tailoring it to specific needs, a CRM implementation requires the involvement of all employees who will be using the system. Fail to obtain this support and you run the risk of failing to gain the buy-in of all users.

15. Training can't be "on the job". Employee buy-in is the key to a successful CRM implementation

Good training, tailored to the different skill levels of employees, is essential. Don't bore a technically adept sales manager with a beginner's level dissertation on using a computer-based scheduler. And don't intimidate a customer service agent with technical-speak about the ins and outs of back-end integration. Just as you tailor the product for your environment, tailor the training to the end-user.

Reassure staff they will receive all training required and that the system will make them more productive while making their jobs easier. Make the system even more attractive by letting all stakeholders and end users know how the implementation process is progressing. The result: they will become enthusiastic for the process to be completed and you will have their commitment to get up and running with the new system.

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16. Test, or crash and burn

Don't overlook the importance of testing the software implementation before rolling it out. A test that involves mock customer data can be invaluable in determining how well the system receives and processes information. Better to find a glitch pre-roll-out than to get stuck on one when talking to a customer.

As part of this testing process be sure that all back-office integration is working properly. Make a list of typical operations that end-users will engage in, and test each and every one. Try to access data from the accounting system, for example, before a customer service agent needs to actually do so. Try to update customer data in the centralised database and make sure those updates are available throughout the system.

17. Focus on CRM goals: improve customer satisfaction, shorten sales cycles and increase revenue

Never lose sight of the fact that the customer is the reason for your CRM implementation.

Get feedback from customers to see if their satisfaction levels are really increasing, or if there are improvements they would like to see. If you chose your CRM solution carefully, it should be flexible enough to adapt to evolving customer needs.

Don't overlook your end-user groups. Keep the communication channels open after rollout and keep your CRM solution rolling along.

Equally important, never overlook the power of CRM to self-monitor. Set up metrics that the system can track and always be sure that you are, in fact, increasing customer satisfaction, shortening sales cycles, improving efficiency, winning customers from the competition, increasing profitability per customer and boosting bottom-line sales.

18. Minimise the impact on your cash-flow

CRM can represent a significant investment and waiting for budget approval is frequently the main reason for delaying a new implementation – preventing your organisation from moving forward.

Specialist IT finance and leasing packages are available to spread the total cost of a CRM over its anticipated useful life. By breaking the amount down into smaller monthly repayments it may be quicker to achieve CRM sign-off instead of waiting to secure spare budget for one up front payment.

As well as avoiding the need to tie up cash-flow with an upfront payment, CRM finance lets you treat all your monthly repayments as fully tax deductible operating expenses and can be tailored to include capacity for future upgrades and additional licences.

Preact in partnership with UK's leading independent business systems finance provider, Syscap offer a range of finance and leasing arrangement for a more flexible way to acquire CRM to grow your business.

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ABOUT PREACT CRM

Preact is an independent Customer Relationship Management (CRM) consultancy working with businesses in the private sector as well as charities and educational organisations.

As multiple award winning CRM architects, we've been helping businesses achieve success from their CRM strategy since 1993. Our experienced team combine strong consultative skills with professional implementation skills and a commitment to customer service excellence.

By working with Sage ACT! and Microsoft Dynamics CRM we offer vendor-neutral advice to help organisations select the most effective solution for their unique requirements.

OUR APPROACH

We take a product agnostic approach to pre-sales to help you choose a CRM solution that will meet your immediate requirements and support business growth. Our consultants will discuss your plans in detail and help you test our recommendations.

Our efforts are focused on developing long term business relationships and we're committed to an on-going evaluation of our performance. We actively seek client feedback to ensure we're delivering on our brand promise of exceeding customer expectations. We were proud to receive the 2011 Sage Circle of Excellence award in recognition of the quality of our service based on independently collected feedback.

All of our implementation team hold the highest accreditations, including Microsoft CRM Implementation, Customisation and Developer Certifications, Microsoft Surestep Project Management, Prince2 accreditations & Scribe Certification ensuring that every requirement is expertly managed at each stage.

We offer a full range of pre-sales, technical consultancy, training and support services to cover every step of your CRM project.

Our recent projects have included implementations for John Lewis Plc, Toshiba Air Conditioning, East Berkshire College, Scottish & Southern Energy, Cranfield University & Europe's largest ACT! implementation for Oxford Instruments Plc.

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Microsoft Partner
Silver Customer Relationship Management

ACT! Certified Consultant

Sage Circle of Excellence Winner 2011