

Customer Relationship Management (CRM) is about company philosophy, not just software.

There are a number of reasons that CRM projects fail, and all of these issues can be dealt with as part of a comprehensive customer relationship management initiative within your organisation.

Don't try to accomplish too much in the first phase

Microsoft Dynamics CRM can be implemented in a very evolutionary way. Often it is a good idea to replace existing systems and train users in the first phase before taking on more aggressive goals.

One method is to replicate the existing database of sales and marketing information within CRM; customise the screens to match the best of the old system; import all the data; training users and go live.

Once everyone gets new used to the new system, you have a much better frame of reference of knowing how to prioritise the next round of evolution. We found our customers get a better return on their investment this way, than trying to do everything at once. One reason for this is that there is a paradigm shift that occurs once you start using the system, so that things that seem important before the system goes in may not be so important later.

User acceptance and usability

The biggest problem experienced in all CRM implementations that we do revolves around user acceptance. Basically, if CRM software does not make it easier for the end user to do their job, they resent it and never fully accept the product, however well implemented.

We have seen this happen a number of times due to the fact that management decides that they want additional information more than they want to streamline process. In many cases, the additional information proved to have little value to the organisation. CRM software implementations should be centred on the business processes and the people that perform them. The goal is to streamline the process and make people's jobs easier, which makes them want to use the software.

Many CRM implementations completely forget usability, which is key to project success. Our recommended approach focuses on usability first, to drive user acceptance, then evolving the system to capture additional data after the initial learning curve.

Train your users

The second-largest issue we encounter is that companies don't include user training in the budget for the new system. We focus heavily on the importance of training, and believe it to be key to CRM success.

Your employees' time is too valuable to waste trying to figure out how to use the new system. This is also related to usability, because we usually find during training that certain issues may have been overlooked. In our training scenarios, we take note of anything that the end users point out doesn't work for their job and create a hit list of items that can be straightened out prior to go live. This actually accomplishes two things: first the easy issues are resolved immediately and the more difficult items are referred management for scheduling, but most importantly the end-users can see a direct result of their comments and feel better about the system even if the initial implementation doesn't match their expectations. Obviously, heavier user involvement at the beginning of the project will prevent much of this. The good news about this is it Microsoft dynamics CRM is very easy to tweak at this point of implementation because of its evolutionary versus revolutionary ability to be tailored and customised.

Demonstrate true management commitment

Another major issue to consider is management commitment. Many busy executives are interested in purchasing a solution. Unfortunately, CRM is not just something you can buy. It requires a commitment to defining key processes, which is no easy task if they're not documented well. You should recognise that there will be extra work required for everyone during the transition to the new system before the productivity benefits can be realised. Executive management must recognise the total impact on the organisation and appropriately allocate resources to ensure success. Finally, managers and executives must walk the walk not just talk the talk. Employees are very savvy to internal politics, and can sense when a manager is not truly committed to the project. Well-meaning executives can completely submarine their own project by not enlisting commitment from the sales manager, for example.

Define your goals and plan

CRM software is significantly more complex than ACT! or Microsoft Office. That means you plan if you want to get benefit from it. You must define specific goals that you want to accomplish with the implementation of the software. Vague generalities like make my salespeople more efficient will not get concrete solutions. On the other hand, "reduce the time it takes to get a lead in the sales person's hands" is more specific and now can be addressed with a defined process. If you know what you want, it's very easy to implement it in CRM. If you don't, plan on setting aside some hours with your CRM expert to come up with a specific list. This will make it easier on you and your CRM team. By the way, it also means you have something to have them accountable for.

Stable IT infrastructure

Microsoft Dynamics CRM requires a stable IT infrastructure to run upon. If you intend to run it on your own servers, you need to involve your IT group as well, whether internal or outside consultants. If you already have problems in your network or servers, you probably want to get them straightened out before you go live with CRM. On the other hand, Microsoft Dynamics CRM can also be run in hosted environments either on Microsoft's

own servers, on your dedicated servers in a hosted environment, or in a partner hosted model. Depending on your situation, there is a solution that's right for you.

Don't try and figure it out on your own

Make sure you use experienced staff or consultants to help you plan, install, customise & integrate your CRM solution. Once it's in place, it'll be much easier to take it over and continue reaping benefits if that's what you choose to do.

If you haven't done a CRM implementation before, be aware that it's very different from other types of software implementations because of all the customisation and process analysis. Microsoft Dynamics CRM software may be easy to install, but it takes much more to reap the benefits.

Forms should be customised, workflows written, data security configured, systems integrated and more. That's just the beginning of understanding the complexities of the product. Microsoft requires certification in three different areas for a partner to receive the CRM competency or specialisation. If you're using a consulting firm, be sure they truly do specialise in CRM and don't just offer it as another 'me too' service along with everything else they do.

Estimating costs

A good rule of thumb to use in estimating CRM projects is that you'll spend about one pound of services for every pound licencing. The more users you have, the more processes you're likely to automate and the more benefits you get from detailed customisations. If you want to integrate CRM to your ERP system, there will be additional costs.

If you have an extensive customised database that needs to be replicated or integrated into CRM that can also bring the cost up.

Conclusion

Successful CRM initiatives are not rocket science. The same principles are used to implement any serious business project. Take the time to understand exactly what you want out of the system, define all your processes, include your users from the beginning, and allocate appropriate resources.

The benefits are great, with proper planning from the beginning.



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