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RESEARCH NOTE
A TALE OF TWO CRMS

THE BOTTOM LINE

CRM can be disappointment and drama, or it can meet your greatest expectations. A few basic strategies will help keep you on track.

When it comes to explaining the impact of CRM on business, Charles Dickens said it best:

- It was the best of times (*this pipeline reporting is great – now we'll know what sales is doing!*), it was the worst of times (*are you kidding? I'm not wasting my time entering all my precious leads so you can fire me and steal them!*)
- It was the age of wisdom (*we will know more about our customers*), it was the age of foolishness (*I'm sorry sir, can you please give me your account number again?*).
- It was the epoch of belief (*sales and marketing can now collaborate to drive greater business!*), it was the epoch of incredulity (*yeah, like anything marketing gives us ever works to close deals – and sales always tells the truth about their pipeline*.)
- It was the season of Light (*sales is more productive*), it was the season of Darkness (*the ones who don't "get it" will have to be let go*).
- It was the spring of hope (*I will be able to upgrade and add functionality without extra-strength Tylenol*), it was the winter of despair (*you mean none of my customizations work with the new version?*)…

The drama of CRM projects could often compete with Dickens, because just like any novel, the characters, plots, and hidden agendas are just as impactful and interesting as the events themselves. But your CRM plans don't have to end in revolution — provided you pay as much attention to your Marquis St. Evremondes and your Miss Havershams as you do your CPUs and workflows. In CRM, it's all about the people — and giving them the tools and motivation they need to do their job better. So let's take it from drama to deployment.

Dickens lesson number one: No hidden plots. State clearly the goals of your CRM project and get buy-in from key players — and anyone that may have a hidden agenda should be a part of the conversation as well. The goal: get your team to agree on the top five benefits you expect and where they'll come from.

This step is not about building a 500-page requirements document, it's nailing down the nuts and bolts of what you want to accomplish, and whether the goals are related to sales, marketing, customer service, or a combination of all three.

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Here's a tip: if you can't explain to your mother what you want to do with CRM, you need to do some more thinking! It's fine to have lofty goals, but your project will be more manageable and measurable if you have tactical ones in mind as well. Some successful companies we've studied had these kinds of objectives in mind:

- We need better visibility into the sales pipeline so managers can make decisions.
- We need to better understand how our marketing efforts deliver leads.
- We need salespeople to be more productive.
- We need to reduce IT and manual data entry costs.

Once you've defined your CRM goals in clear business terms, you can look for a solution with appropriate functionality and usability and plan a deployment with measurable goals.

Dickens lesson number two: Don't get taken in by promises. As you select a vendor and an implementation partner, check references and drill down on the technology.

Some CRM purchasers today assume that an on-demand solution with provide them with the quick fix that they need — but find that down the road pricing isn't as attractive as they expect, or the functionality for analytics, integration, order management, or other areas is painfully limited. If you envision using your on-demand solution for more than basic contact sharing and pipeline tracking, make sure the platform development will support your goals. If you plan to deploy to more than a few hundred users, you'll want to check both scalability and future pricing to ensure you won't be surprised.

Whether you're considering an on-premise or on-demand solution, make sure it can integrate easily with other technologies your users use today — and that the user interface is more user friendly than average. The more realistic you are about users' skills and behaviors, and the out-of-the-box usability of your solution, the better off you'll be.

You'll want to choose your implementation partner carefully as well. Now is not the time to trust that a project manager will rise to the occasion.

Dickens lesson number three: You have to look for the good as well as the bad in people. Plan your training and adoption efforts with both carrots and sticks to best motivate users.

Before you start a project, think about how your company treats and rewards individuals — and have a plan that accepts both the good and bad that you may find. For example:

- Make it easier for users. Many companies that were not able to successfully adopt a complex sales force automation solution found salespeople were more willing to use an on-demand solution such as Salesforce.com because it was intuitive — and because users could use personal reporting features to be more effective. In CRM, looking for solutions that easily integrate with technologies your users are comfortable with — like often-used e-mail and word processing applications — can accelerate adoption.

- Plan a "carrot strategy" for power users. One company identified key users in each user group that were brought in on the ground floor and given incentives to give their input on a project. Because they were able to identify ways to use the system that made their own jobs easier, they became evangelists for the group and the rest of their team wanted to adopt so they could keep up with the champion.
- Make management "blind" to slow adopters. Rather than putting technology use as a performance evaluation item, you can drive adoption by having key management let it be known that any work not reflected in the application "doesn't count." For example, one company with a challenged sales force automation deployment changed its incentive structure so that only 50% of commission was paid on sales that hadn't been reflected in the pipeline report for more than 30 days — making the assumption that if sales hadn't reported on it, it wasn't a deal they had worked to close.
- Make it fun. Who says adoption efforts have to always be serious? One very successful deployment used outbound marketing, prizes for random users, and treasure hunts to drive users to use the system. Another company deploying Palm Pilots to non-technical users first rolled out the devices with a hangman competition — requiring users to learn the scripting needed to quickly take notes before rolling out the work tracking application. A small budget item for fun incentives can go a long way to overcoming human barriers.

As you move your company toward improving customer relationship management, your business plan, technology choice, and adoption strategy will all determine the end of the tale. You may have some bumps on the way, but if you've developed each character before you start you'll know how they're likely to play out in the end — and will be on your way to delivering on your great CRM expectations.