

CRM – Is it worth it?

09/28/09

We recently installed a CRM (customer relationship management) system and it's taking a lot of time and effort to get it where we need it to be. On top of that, I just found out one of my salespeople is not putting any notes into the system, which defeats the purpose of having it. Are we doing something wrong or is this typical?

In short, keep going - with a couple caveats. Busting through to have a great CRM system is worth the time, energy and money it takes. But it may not be a simple process, as our reader is finding out.

In some ways we've been spoiled working with applications that are off the shelf, simple to use, and meet a single, specific need. That's not the case with CRM. CRM systems meet wide ranging, long lasting, varying needs of customer, vendor, prospect and employee touches. You can't rush this stuff and expect to be completely happy down the road.

GETTING STARTED

Properly selecting and implementing a CRM system involves several stages. Define objectives, pick the right system, install, fix bugs and use the system religiously. Mistakes and problems in any stage can get magnified later on. It pays to be thorough and patient, in every stage.

Whether starting from scratch or fixing an existing system, involve people from throughout the company. Define who it will serve internally. What data must it capture? What kinds of reports are needed by staff, line and management? Are problems with the current system user or software based?

Look for systems that can handle 10 to 100 times the current volume. Your goal is to grow. You'll need to add and track a lot more prospects and customers to double or triple revenue.

Decide if you're going to have one person as system expert, or a team. I favor the team approach. More people overseeing the system means more people coming up with ideas, and working on solutions when problems crop up.

SHOP CAREFULLY

Pick a system for the long term. Changing systems every couple of years is disruptive and gets harder to implement as your company grows.

Evaluate the depth of each vendor and complexity of each system. How solid is the vendor's commitment to this program? What kind of programming support will you need? Will CRM interact with other systems, such as accounting? To what degree? Is it worth the time and effort to make the interaction happen? Keep in mind that promises in this area are often overblown and not worth the effort.

Check references. Check references. Check references. Go kick the tires at other companies where your top two or three candidate systems are in use. Ask everyone from the person in charge to end-users in customer service, sales and operations, how they like the system. Go well beyond a salesperson's promises when looking at system pros and cons.

NOW TO IMPLEMENT

Show people pictures of what each screen will look like. Mock up test reports and check with users. Get feedback before you finalize. Screens have to be user friendly, reports have to be meaningful.

Define a cutover date, when the new system goes live. You'll encounter resistance to change, and hear reasons why you should delay or stick with the old system. Press forward.

Train end-users and managers how to use the system. This is the time-consuming part. And most companies don't allow enough time to do this thoroughly, or get frustrated because it doesn't move as fast as expected.

Hands on keyboards, properly inputting data is crucial. Until this works, nothing else in the system will be right. Check that every department is familiar enough with the system, and that everyone uses it properly - before and after cutover. This could take months. Be patient.

As bugs come up, fix them. Publish and circulate notes on changes. Slow down the pace of change as the system goes into use. Treat changes as releases, done on a schedule.

Monitor use of the system - input and reporting. Identify people who aren't using the system and get them more training. Stay on it until they get with the program.

Patience and follow through will be rewarded with a system that delivers accurate, real-time information on prospects, customers, vendors and employees. In this economy, the game goes to the swiftest, most informed and most responsive company. Your CRM system, once it is up and running throughout the company, becomes a critical, competitive advantage.

Looking for a good book? Try "Total Relationship Marketing, Third Edition: Marketing management, relationship strategy, CRM, and a new dominant logic for the value-creating network economy," by Evert Gummesson.

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