A SIMPLE ROADMAP TO

CRM SUCCESS

BY CHRIS REINKING

WHERE CRM SOLUTIONS GO WRONG (AND HOW TO MAKE SURE YOURS DOESN'T)

C RM HAS BEEN an industry buzzword for years now. Sales and service organizations are promised that, if they can only get the right CRM technology, customer utopia will be just around the corner. They envision a world of greater customer satisfaction at lesser cost, higher value sales that need less sales support, and a substantial new boost to the bottom line.

It's a wonderful picture, and it can happen. But, in the real world, too many companies find that their CRM solutions dramatically under deliver on all these great expectations. After 10 years of consulting on CRM, I've discovered that when a CRM initiative underperforms, the problem usually isn't the technology. It's that the organization has neglected three key milestones on the road to CRM success.

KEY MILESTONE #1

YOU NEED TO CREATE A CUSTOMER-CENTRIC STRATEGY

To derive any significant value from your CRM solution, you must first develop a more customer-focused strategy. This means getting your people, processes, and overall culture to align with your new CRM goals. You can't just plug a CRM system into your old way of doing things and expect great results. To drive this kind of organizational change, you have to develop a long-term, customer-centric strategy.

Your customer-centric strategy must provide a clear vision for how your organization will optimize customer relationships. It should address customer needs, business objectives, supporting business processes, and supporting technologies. You'll use your strategy to guide the organization through key decision making. And, it should have full executive support before your organization invests in detailed plans for moving forward with your new CRM implementation.

MILESTONE #1: CRITICAL SUCCESS FACTORS

- Stakeholders must develop a customer-centric CRM strategy outlining the organization's CRM strategy and goals.
- Program executives must document guiding principles for use during key decision making and project scoping.
- Organizations must create and execute a channel enablement strategy in line with the overall customer strategy.
- Program delivery must be driven by business and not by technology.

KEY MILESTONE #2

EXECUTIVE MANAGEMENT HAS TO CHAMPION THE STRATEGY

Commitment to a customer-centric strategy must be led by executive management. Active executive participation is the best way to motivate your teams and reaffirm organizational commitment to CRM success. This helps all levels of your organization understand the projected benefits and know where and how to focus their efforts. What are the success factors associated with this?

MILESTONE #2: CRITICAL SUCCESS FACTORS

- Executive support and leadership are critical to the success of a CRM program.
- Stakeholders must be committed to the CRM strategy and maintain organizational focus, even during a multi-year implementation.
- Program Management must apply early focus to training and operational alignment to ensure organizational readiness.
- Program Management should involve end users early in the delivery process to help foster proper advocacy and collect valuable insight for the CRM program.

KEY MILESTONE #3

YOU NEED A WAY TO MEASURE YOUR SUCCESS

Although everyone says, "you get what you measure", it is all too common for organizations to overlook the importance of measuring their CRM success. Reporting and metrics often become an afterthought instead of a solution driver. In practice, project measurement should be driven directly from the project Guiding Principles and Business Case objectives. CRM project stakeholders should define Key Performance Indicators (KPIs) by asking themselves "how will we know we have met our project objectives?"

MILESTONE #3: CRITICAL SUCCESS FACTORS

- Stakeholders must define realistic KPI measures used to track program success.
- Teams should align work components to KPIs and focus on the scope elements that will make the biggest impact to project metrics.
- Work plans should account for the creation of project metrics and report planning.
- Leadership must develop a compensation model that emphasizes continual improvement measures that reward customers, not punish employees.

HERE'S WHERE IT ALL COMES TOGETHER

Bottom line? The right CRM technology can deliver on its promise and add incredible value to your organization. But it cannot do it alone. A customer-centric strategy, executive commitment to change, and creating the ability to measure success are as essential to your CRM success as the application itself. Sure, CRM takes patience, but upfront planning and a program focused on the critical success factors outlined here will lead you to CRM success. I know this roadmap leads to success, because I've seen it produce outstanding results in organization after organization over the last 10 years … and I know it can do the same for yours.

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