

2008

Choosing the right CRM



Getting Your company on the move...



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How to set about choosing the right CRM

Companies that want to increase efficiency, improve customer relations and target efforts on critical areas are finding themselves looking more and more at customer relationship management software to help them. Unfortunately, selecting the right software to meet a company's unique needs is not always easy. There are some key things that businesses can do to ensure they know how to choose the right CRM solution.

Hiring a consultant is sometimes the best answer however; companies that have skilled IT support and responsive supervisors can often get away without this extra expense. When going it alone there are ways to help select the right software package or packages. The things to consider include:

Desired capabilities.

Many business managers do not realize that CRM is not always a single program or software package. CRM programming to create an interactive online experience, for example, might be completely different than a package that creates a customer database, tracks orders and so on. These two components or modules might work together if purchased from the same company, but they are sometimes different products all together. To ensure the right pieces of the puzzle are purchased, it is wise to brainstorm the possibilities. If a company wants a system that can take orders online, notify a sales agent of the purchase, log information into a customer database and ensure that shipment tracking takes place, these specifications need to be clear. CRM can do a lot of things, but a company needs to be clear on exactly what is required to match up the correct programming options.

Existing programs.

A full inventory of existing programs, how they work and whether they can or should be replaced is also vital. This can help a company further determine what is needed. If integration with certain programs is ultimately desired, this knowledge can help guide purchase selection, as well.

Employee training.

While some CRM solutions require very little employee training, completely new software packages might. It is wise to weigh the benefits versus the potential downtime in regard to making a selection. Programs that integrate with existing software and even function in a similar manner might serve companies that cannot afford much down time a lot better.

Careful selection.

With a detailed list of what is hoped for, what is truly needed and how things should work, it is time to start reviewing the options. All the above information can go into an RFP to help streamline the process or a business can start going directly to software companies to find a match.

Review of the options.

When requests for prices come back or a few companies have been selected, it is a very good idea to see the software solutions in action. Live demonstrations, detailed summaries of what the programs can and cannot do in comparison to the initial requests and so on can all help ensure a solid decision is made.

Learning how to choose the right CRM solution often hinges on the business at hand. Having a detailed understanding of what is needed, what is desired and what different companies can and cannot provide can help guide knowledgeable purchases. If concerns about selection run high, a consultant is often a smart consideration. Good consultants know exactly what to do to ensure the right CRM solution is selected for a business.

Preparing to adopt CRM

A customer relationship management (CRM) endeavour requires thorough planning, an extensive amount of time and resources, and a strong commitment to success.

The following check list is not exhaustive, but it will help you determine your company's CRM readiness level, and provide some valuable tips to help you prepare for your upcoming CRM project.

Identify the key stakeholders.

The first step in any CRM readiness strategy is to identify all those who will be affected in some way by the implementation of a CRM solution. This includes not only executives and managers, but all employees in customer-facing roles, as well as other end users. Make sure everyone involved understands what CRM really is, is well aware of its potential impact, and has an opportunity to provide input into the project.

Define your business objectives.

Do you know exactly what you're trying to accomplish with your CRM project? Or are you just hoping to see some level of improvement in customer satisfaction or productivity? Vague goals like enhancing service delivery, reducing marketing costs, or increasing sales are not enough. Make sure you've set objectives that are SMART (specific, measurable, attainable, realistic, and tangible) as part of your CRM readiness plan.

Secure executive sponsorship.

A customer relationship management initiative is most successful when it is blessed by those at the top. If you want to ensure CRM readiness, you'll need to obtain executive input and approval before you begin your project. This will make it easier to acquire the needed budgetary funds, implement required process changes, and encourage end users to get on board.

Appoint a project leader.

True CRM readiness requires strong and effective leadership. Put a person or small group of people in charge of your entire initiative from start to finish. All project managers should have a vested interest in the project's success, as well as the authority and accountability needed to make important decisions, facilitate change, and overcome roadblocks and obstacles.

Formalize your process workflows.

A customer relationship management application will enhance your existing processes - but it won't fix the broken ones. Identify those customer-facing activities that need to be restructured, and make any needed corrections to the way they are coordinated and executed as early in the planning cycle as possible. Map out and test your new workflows before you purchase and deploy your new CRM solution.

Set aside the needed funds.

A CRM solution is not a one-time expense. You'll need to structure your budget to account for not only the initial purchase price, but ongoing costs for maintenance and system improvements. If you've chosen a Web-based or on-demand CRM package, you'll need to plan for the recurring monthly fees.

Determine how return on investment will be measured.

The final gauge of CRM readiness is a clear performance measurement strategy. Create a plan that outlines what your key metrics and performance indicators will be, and who will be responsible for tracking them. This will enable you to can clearly assess how successful your CRM initiative is, and take immediate corrective action if you aren't reaching your goals.