

THE

5

PRINCIPLES

FOR

CRM SUCCESS



CRM doesn't have to be risky, if you do your homework. As our customer stories show, the pieces of the CRM success puzzle fall into place when a clear CRM strategy is defined: one that fits your company's customer-centric vision. Adopting a strategic mindset from the beginning ensures smooth modernization of a CRM solution that meets both near- and long-term needs. And as each of our customer stories reflects, a flexible, adaptive CRM architecture, deployed with the following five principles in mind, is the foundation for your CRM success.



PRINCIPLE 1

CRM IS NOT A SOFTWARE PURCHASE. IT'S A STRATEGY

To ensure a revamped CRM solution meets stakeholder expectations, define how CRM plays a key supporting role in the corporate strategy, articulate the ultimate state of the customer relationship, and consider its effect on all business units and end-users from the start.

Key questions to consider:

- How will new, updated CRM support your corporate strategy?
- Which departments or functional groups need to be involved in system upgrade and who will use it?
- Which processes will be impacted or require change?
- Do you have a strategy and communications plan that includes employees and partners in the CRM modernization process?
- What are the training requirements to drive user adoption?



PRINCIPLE 2

CRM MUST FIT THE WAY YOU WORK—TODAY AND TOMORROW

Go with a CRM solution that includes a flexible architecture. This allows organizations to more cost-effectively tailor the system to their unique business process and to be adaptable and competitive as needs change. Growth and competitive changes can place a strain on some companies as they struggle to accommodate these changes within an inflexible technology structure. Forward-thinking enterprises are driven by flexible CRM systems that will enhance their business agility.

Key questions to consider:

- Are your market conditions stable or dynamic?
- Will you need to change the way you do business to keep pace with or outpace the competition?
- What is your plan to keep up with regulatory pressures in your industry?
- What technology infrastructure is needed to support new systems, new data sources, and new users?
- Can all important and relevant customer information be collected and combined within this technology infrastructure?
- How will you accommodate change and growth within the system?



PRINCIPLE 3

DEFINE MEASURABLE CRM BUSINESS BENEFITS

Consider the anticipated ROI of a CRM modernization project at the very beginning. By defining CRM success and identifying corresponding metrics up front, companies can help ensure their ability to demonstrate ROI when they need to. Management, business users, IT staff, and the CRM vendor must work together to pre-set the right targets and to tie the CRM technology to appropriate business processes and data requirements. This approach will validate a CRM investment in terms of business value executives and stakeholders can appreciate.

Key questions to consider:

- Have you established key business metrics? How will you report on them?
- Have you benchmarked current conditions and metrics for future comparison?
- If you choose not to revamp CRM, what might the long-term cost be to your business?



PRINCIPLE 4

CONSIDER TECHNOLOGY RATIONALIZATION

Clearly, enterprises need to rethink the role of CRM if they want to lead a successful digital transformation effort. Systems rationalization starts with cataloging the applications portfolio and establishing a pragmatic approach to eliminate outdated and redundant systems based on their business value and their overall cost to maintain. Business value should be assessed in alignment with key business stakeholders, and cost analysis should be as holistic as possible, including not only the IT costs associated with maintaining a system but also the organizational costs that a system might create. An important goal of technology rationalization is to free up future budgets for new business-critical work. Cloud technology has been the primary driver of CRM modernization over the last fifteen years. Many of the challenges that organizations face (high maintenance costs, complexity and lack of business agility) improve dramatically with increased cloud adoption.

Key questions to consider:

- Are you considering costs over a three-year period?
- Have you planned for change or growth? Could you outgrow a "quick fix" and wind up spending more money a few years down the road?
- Have you considered the costs of data security and the cost of potential security breaches?



PRINCIPLE 5

THINK BEYOND FEATURES: PICK THE RIGHT PARTNER

It's important to assess business objectives, technology strategy, IT budgets, opportunity costs, customization requirements before modernizing a CRM solution. But beyond that, it's important to ensure that you're picking a solid partner you can work with now and in the future.

Key questions to consider:

- Does the partner have experience in my industry?
- Does the partner have strong, current references from reputable customer companies?
- Has the partner worked with companies our size?
- What kinds of maintenance support can the partner provide?
- What kinds of training options are available, and how flexible are they?
- What kind of technical support options and resources are available post-modernization?
- What if we don't have the skills in-house to support or manage the system?