There's no such thing as a CRM Project!

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"Instead of embedding outdated processes in silicon and software, we should obliterate them and start over". [Michael Hammer]

Achieve vs. Implement

It's sometimes said that there's no such thing as an IT Project, only business improvement projects that have an IT dimension. The same principle clearly applies to Customer Relationship Management (CRM) projects, whether or not they make use of cloud technology such as Salesforce.com.

The challenge for organisations therefore is to stand back from the "whizzy technology" and "agile implementations" promised by CRM Vendors and IT Consultants and start by answering the question "what do we want to achieve?". You need to separate "achieve" from "implement".

For organisations with mature performance management systems, for example based on a Balanced Scorecard approach, answering the "achieve" question will be much easier. A Balanced Scorecard will map out their strategic objectives, typically into four areas:

Financial Perspective

Customer Perspective

Process Perspective

Learning and Growth Perspective

- **What do they want to achieve for their financial stakeholders?**
  - o Profit, ROI, EPS
  - o Cashflow
  - o Revenue Growth
  - o Cost Reduction
- **What do they want to achieve for their customers?**
  - o Improved Satisfaction
  - o Increased Loyalty
  - o Market Share

- **What are the processes at which they must excel?**
  - o Product/Service Development
  - o Winning Business (Marketing/Sales)
  - o Order Fulfilment/ Manufacturing/ Distribution
  - o Service Provision/ Delivery
  - o After-care/ Maintenance/ Support
- **How do they grow their organisational capabilities?**
  - o Employee Knowledge/ Skill
  - o Employee Motivation/ Empowerment
  - o Systems Capability/ Reliability/ Capacity
  - o Innovation/ Continuous Improvement

The decision to implement a CRM system addresses issues of capability (bottom right quadrant) and is applied to automate one or more processes (bottom left quadrant). But, it is only relevant if it is focused on making an impact on customers or financial performance (the two top quadrants).

Cloud-based solutions such as Saleforce.com originated in the automation of sales and marketing processes; i.e. a sub-set of the processes where an organisation might need to excel if it is to succeed in its business strategy. Increasingly, Salesforce.com, through its AppExchange and partner products, can provide capability across a broad range of business processes (in virtually any business sector – private, public and not-for-profit).

Starting from business objectives naturally leads to a focus on which processes impact on achieving those objectives.

You may have noticed that the example processes in the Balanced Scorecard "Process Perspective" are all customer-facing. These are the processes that identify customer/market requirements and then deliver products/services to meet them. That's not to say Support and Enabling processes (e.g. Manage People, Manage Finance etc.) aren't important, it's just that, for most organisations, the value-chain processes are the ones where they need to excel. Also, don't forget the implicit cause and effect chain in the Balanced Scorecard: capable people/systems lead to effective/efficient processes which deliver excellent products/services that result in successful financial/stakeholder performance.

We find it very helpful in preparing to help implement a solution such as Salesforce.com to review existing processes and, if necessary, the lower-level operating procedures.

Understanding today's processes is clearly important if organisations are to be able to make effective use of IT to deliver their business requirements. While it is often feasible simply to automate today's processes, Hammer and Champy (authors of the best-selling "BPR: Reengineering the Corporation"), described this approach to automation as "paving the cow-paths". This approach misses out on many additional potential improvements to be gained from taking a "clean-sheet" approach. Our team's expertise includes significant organisational re-design work, which we believe enables us to help clients to create streamlined and faster processes, enabled by IT (Cloud-based, or otherwise).

In order to understand a client's current processes more fully, we capture their "As Is" process maps in "live mapping workshops" using Nimbus Control Process management software.
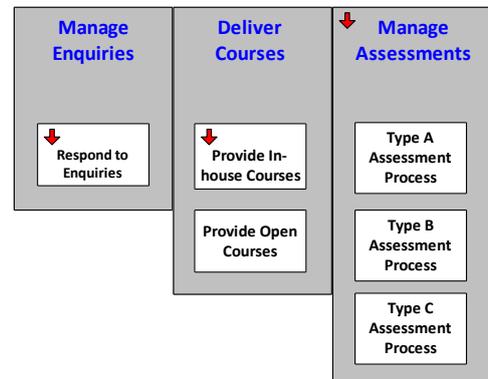
Some examples of the High-level processes of an organisation providing training and an accreditation service are shown here…

Each of these High-level processes can be "drilled down" (the red arrows) to lower levels to help identify how the current processes operate at a day-to-day level (with operating procedures, if necessary). These lower level maps then begin to highlight re-design opportunities, including parts of the process that would benefit from implementation of Salesforce.com (or any other Cloud solution).

In the example below, you can see a process that was heavily paper-based and involved several hand-offs between the supplier and customer (and also to other departments in the supplier's organisation).
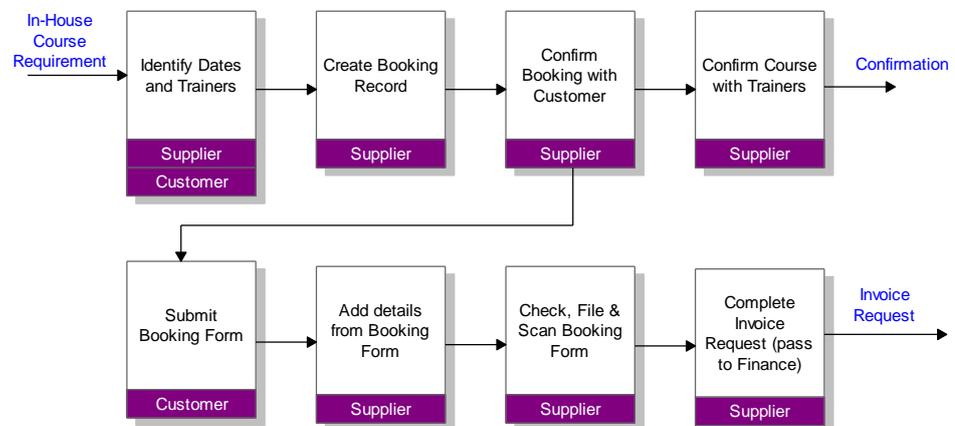

How much change do you want?

One of the most valuable aspects of being able to discuss the client's vision and ambitions for their new process(es) is that it unearths how much they are "up for change". We can use Nimbus Control to model a number of different "To Be" process scenarios and walk these through with the client to gauge their reactions. These walk-through exercises reveal some of the practical implications of each potential re-design. For example, how willing would customers be to engage with a

particular approach, how easy would it be to integrate this process with existing support processes (e.g. Accounts processes), how capable would staff be and what training issues would it raise?

The example below is a "To Be" process scenario with Salesforce.com-enabled steps highlighted.
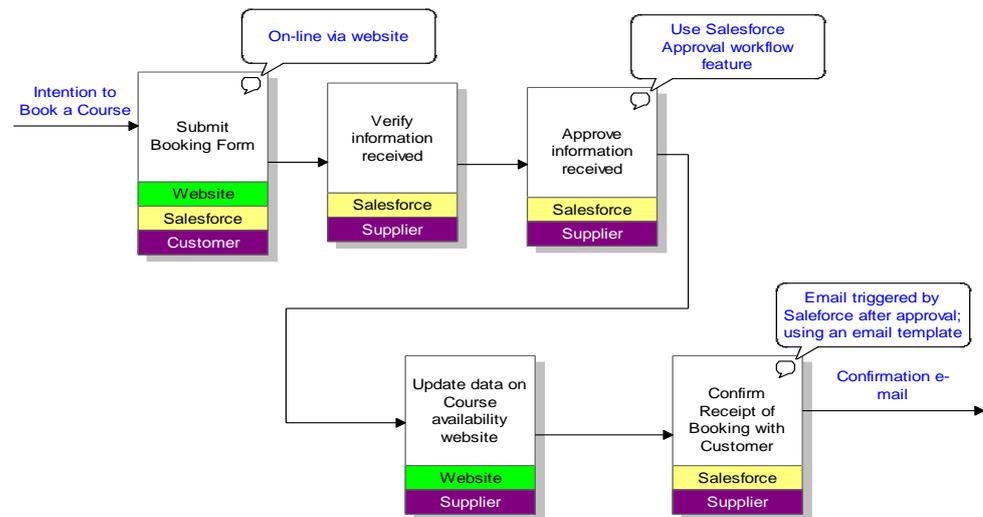
As well as testing the client's reactions to the range of possible re-designs, this also begins to scope the design of the Salesforce.com solution that will be needed. It should also help to identify where some quick wins might be achieved, using appropriate Agile methods for early solution implementation.
The process review work is also likely to highlight processes that can be improved even without automation. For example, by conducting a process walk-through to identify Value and Waste, there may be steps that can be eliminated completely (and avoid "paving the cow-paths").

Change Management and Business Improvement

It's probably also worth remembering the useful "4-box change model" that identifies four factors that have to be in place for transformational change to succeed.

| Pressure for change |
| Vision for change |
| Capacity for change |
| Actionable first steps |

"Pressure for change" identifies the reasons for making a change; if they're not clear enough, or important enough, nobody will bother making time to create the change.

"Vision for change" describes the end-game and without it, people will go off in haphazard directions. This has clear links to the earlier points about defining what you want to achieve.

"Capacity for change" defines the knowledge, skill and resources (including time) required to make the change happen. Without it, people will be frustrated in their attempts to create a change.

"Actionable first steps" is the immediate plan for implementing a change; it could include the use of Agile approaches for software implementation to ensure quick wins are delivered.

Starting with Strategy, then working through As Is and To Be processes in a collaborative way with the client organisation can be really helpful in positioning what might originally have started as a "CRM Project". The involvement of senior managers (who set the direction) and staff (who operate the processes) are key elements of change management that will help ensure the success of any project.

The project is then about Business Improvement rather than CRM Implementation, which is (presumably) what every organisation really wants.

Our track record

Our consultants have been helping organisations in the private, public and voluntary sectors to manage and improve their performance and processes for over two decades.

We are not wedded to a particular methodology, or to specific technology solutions. We help clients identify their improvement goals and then develop an approach to achieve these; invariably ensuring their people develop the skills to make further improvements themselves.

Our three areas of expertise are:

-   Performance Management

-   Process Improvement

-   Project Management

Please contact us for more information about how we can help you to manage and improve performance.

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