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## Introduction

CRM aligns business processes with customer strategies to build [customer loyalty](#) and increase profits over time. Installing a [CRM system](#) before creating a customer focused organization is the most dangerous approach while attempting customer relationship transformation. CRM is not just about adding value for customers. It's also about creating value for the organizations' key stakeholders including consumers, employees, suppliers, partners, and investors. Most organizations that have undertaken the journey of enhancing their customer experience vouch for the fact that having an efficient, evolving and agile customer management philosophy is a pre-requisite.

### How does this philosophy translate into enhanced returns?

Customer proximity – you know what your customer is thinking and his challenges.

- Make adjustments to your customer engagement processes - you have more to offer the customer.
- Your product/service evolves more quickly to market feedback
- The agility culture developed in the organization helps very sensitive customer touch points which in-turn negates any chance of bureaucratic systems to develop.
- You sell more; you serve more all very efficiently.

With this ideal framework in mind, let us take a look at how an organization can approach to transform its Customer Relationship Management. Many a time a clear customer strategy can give clarity on the road map required from a technology standpoint to support it.

### Build a Customer strategy by asking some basic questions like:

- Is the salesforce empowered with sufficient data points at each stage of the sales cycle?
- Is my service force choked for want of data, guidance or process clarity?
- Is my marketing team able to identify changing customer needs and competitive landscape to customize their reach or provide product feedback?
- What measures will help us improve customer loyalty?
- Does my product team know how my customer is transforming?
- How are your products satisfying your customers vis-à-vis your competitor's offerings?
- Are we priced right to provide the best value to the customer?
- Are the action items identified above executable in a profitable way?

Consolidate the findings and measure the impact of each of the identified action items in transforming the customer relationship. This helps in arriving at the kind of investment which justifies the returns expected out of the transformation. What follows are some key aspects which can help operationalize the CRM strategy. While we initiate the journey of transforming the customer relationship, there are key stakeholders who come into the picture, apart from the business which are IT & Purchases/Finance.

## Build business case

- Consolidating the processes and customer touch points by systemizing, can have the highest impact. At this stage, analyzing Impact could be of multiple types; those which saves \$ or those which drive exponential efficiencies. In more mature organizations, even linear efficiency aggregation can deliver significant value to business profitability. A multi-channel vision of customer touch points is a good starting point before you modularize and prioritize your needs.
- ROI Analysis: A simple and efficient model for calculating ROI can be developed. In a gist, this gives the kind of clarity required to say what kind of investment could be justified with the expected efficiencies projected. Consider using a venture capital operating model for funding CRM investments. Start funding small proof of concepts and once the ROI is clear, increase the commitment based on business efficiency riders. The general practice is contrary. Most organizations go to OEMs and then work backward to justify the investment after obtaining the prices. Eventually, this ends up in a haggling match where all parties involved try to cut corners and the real value of the projects conceived in such manner go awry.
- Identify Lead business users who can champion their function, positively contribute towards defining business success and decide policy changes. If one tries to summarize his/her two key attributes – it should be an excellence orientation and commitment towards the business objectives. Some tacit skills which make a significant difference are their ability to act as a 'change agent' and interpersonal skills which help them build consensus.

## Set up Program Task Force

Now that there is a valid and approved business case and a lead business user team, it is time to set up a task force which works based on a plan and timelines. The best way to do this is to identify a lead from the set of business users, lead from the Information Technology (IT) stream who can work as the business partner, purchases department and possibly business finance to validate efficiencies. The business sponsor has to kick-off the project with clear objectives, agreed timelines, role definition and budgets. It is not always that the customer processes can be divided into 3 core modules provided by most product vendors like Sales, Service and Marketing. The ancillary processes which do the real fulfillment bit are the ones that require the most attention. It could be that those processes could be fulfilled by partners/ suppliers. Last but not the least, an IT architect internal to the organization who has the technical competence to evaluate and challenge technical proposals and approaches.

The business case needs to be then broken down into IT deliverables. Modularizing the deliverables with their interplay will help IT to come up with a plan for identifying the best possible solution/ products in the industry. Of course, documentation is a necessity especially in the organizational technology landscape, architecture and platform considerations and integration considerations. Many a time an initiative like Customer Management transformation ends up triggering an infrastructure overhaul/modernization to support the vision laid out. Inviting identified OEMs and conducting common briefing sessions about the transformation vision as well as functional and technical expectations help in communicating in an interactive manner before inviting responses. This will also help in collaboratively (with OEM & Service providers) charting a road map to achieve the vision. It could also mean that you go back to drawing board. A transformation partner can advise on the approach which helps maximize value.

## Fitment workshops and scoring to evaluate solutions/OEMs

Internally business/project taskforce should arrive at a fitment assessment method/model which summarizes needed functionality in the order of priority. The model can contain the enterprise business jargon with a description clearly articulating the functionality to begin with, and degree of fitment following a collective judgment of peer group. Summarizing a CRM operational blue print is a good starting point. Jointly with IT Business partner, there has to be a technical assessment and functional coverage matrix that need to provide necessary visibility. Having this approach helps fine tune the internal and external expectations at an early stage.

In some cases there might be a need for a dedicated effort to document process variables to arrive at functional parameters required; as the business grows the processes evolve with its own imperfections. It may be prudent at this stage to revisit efficacy of each of the processes and redefine if there are significant gains of doing it.

## Proof of Concept

To make the assessment more objective, the task force can provide a core assessment problem statement for solution providers. OEM combination to come up with a solution snippet or a demonstrable component which could be based on their past experiences. The specific component should be one that demonstrates significant value to the business in its fully implemented form. Providing business users to look and feel the solution aspect can act as a good leveler while evaluating the solution. This helps to clarify some of the misconceptions and assumptions that OEMs/Partners generally start with.

## Final response/ solution assessment and decision making

The scoring model developed earlier and fine-tuned over the course of the evaluation process will provide guidance to evaluate all the solutions submitted. It should ideally help arrive at an overall technical feasibility/ fitment as well as functional coverage. As there are more than one stakeholder and the team is cross-functional in nature, the decision making takes a more objective position than otherwise.

**There are multiple variables involved in the decision making like:**

**Platform compatibility** – Extensibility, modularity, security could be the basic evaluation parameters

**Product fitment** – The core product offered on the platform by the product vendor has to be evaluated for its fitment against your functional matrix.

**Product vendor road map**, innovation budgets and market standing – this gives a near term view of their vision and commitment for you to recommend/decide.

**Service provider evaluation** – experience of having executed similar projects, skill evaluation and proprietary methodologies and tools which accelerate implementation.

Here the involvement of purchases and contracting from project conceptualization days holds the key as their alignment to business objectives helps them extract the best commercial value.

## Project Governance model

There are some prevalent and most following governance mechanisms in the industry either developed by the OEM or by the service providers. Most of the time, a tailored approach which takes the best out of tried and tested ones and which can suit the organization culture works best. Now, how do you arrive at one?

**The answer is it depends on the scale of your initiative. One example of a model is as below:**

- Business Sponsor
- Comprising of : CIO, CMO, SVP Sales, CFO, CSO
- Establish strategic objectives
- Allocate and mobilize program
- Resolve objections
- Approve business case
- Program Oversight
- The cross-functional team who have decision making authority in their function. If a Transformation partner or an OEM value consultant can be part of this, it is ideal.
- Business success criterion definition
- Policy changes & direction
- Decide on data governance
- Act as change board
- Program Task Force
- Comprising of Identified business leaders, IT business partner, IT Architect, Purchase function representative, Finance representative. Empowered to take execution level decisions.
- Develop program scope to cover business success criteria
- Build business case
- Develop evaluation model in line
- Program Management
- Vendor management

## Execution Model & Roll-out Strategy

As experts would put it, the execution model assuming high complexity will need to be decided in conjunction with the **IT service provider** and project task force. An iterative approach bundling functions together can help get business users to start using the system in quick time as well as ROI can kick in faster. However, this has to be thought about in detail if there are roll-out costs involved. The roll out strategy needs to be tailored based on the geographic coverage and costs. Quicker time-to-market helps evolve grey areas and can provide real time feedback about usability challenges and possible change management issues to be addressed.

**Predominant approaches align to the below 3 models:**

- **Iterative:** – This approach is suggested where the requirements are evolving and there is a lot of uncertainty as far as adoption of the system is concerned. This approach brings in the ROI in quick time as planning becomes as real as the known horizon of features which are clear and must have. Quick course corrections are a possibility in this model to enhance adoption and incorporate business process changes.
- **Big-Bang approach** – Single engagement of plan, build, test and release followed by roll-out. This approach is particularly suggested if the roll-out costs are very high and involves multiple partners of the parent organization. A typical case is implementing a Dealer Management System which falls under the CRM realm of Sales & Service.

## Change Management

It is a major change management exercise for any organization to start using a **Customer Relationship Management** system. This has to be initiated before roll out begins. The following resources can probably help ease the pain of change.

**As soon as the project business case gets approved**, start sensitizing the end users about the expected changes and collate their views on how it is going to positively impact them. Note down their worries and have a strategy in place to address them in real. Assess the change in summary. There are advanced tools and methodologies which can be utilized for this. One example is <http://dice.bcg.com/>

**Create change agents:** Identify the resources that can influence change at an operational level, largely the supervisors of field level staff who can calibrate buy-in levels.

Proactive resistance management; “What is in it for me” stories to be prepared and buy-in of field personnel obtained in a progressive fashion.

**Culture re-adjustment and building a culture for change**

**Training strategy & plan** – a comprehensive train the trainer plan works better than an external training in certain cases. Having internal change effectiveness and adoption cycle monitoring teams can be more productive. Calibrating user tech-saviness and customizing the training module accordingly at the planning stage itself is found to be more effective in accelerating adoption. Training should be process centric and system usage should not be the only aim of it to begin with. An on-going training plan to familiarize new modules getting released as well as firming up usage effectiveness based on usage patterns is a must have.

Top management commitment, enabled by the reviews based on CRM data and dashboards, implementing a culture to record all interactions, plan follow-up, track competition tactics all add-up over a period of time to give significant intelligence to forecast sales, provide product feedback, customize pricing and enhance customer support processes. These are some of the direct benefits of knowing customer response at each touch point. The usage of the CRM system (Adoption cycle) needs to go up over the period of time and needs close monitoring. The CRM usage metric has to be owned by the individual business units assisted by the Project Task Force. There could be multiple ways of institutionalizing CRM data and processes to increase the usage. Collaboration, Idea management, Gamification and Usage Leaderboards are some of the areas which could be explored once the usage graph flattens.

As soon as the new Customer Relationship Management program rolls out, there should be a mechanism for collecting user feedback, analyzing the business impact of implementing the changes requested vis-à-vis the benefits and then a prioritized release management process which bundles/ unbundles functionalities to users. In short, simplification is the key to manage any change.

## Conclusion

In the fast paced hyper competitive market, the chance for businesses to stay relevant is by re-imagining processes. IDC predicts, 60% [digital transformation](#) initiatives will not be able to scale because of lack of strategic architecture. Implementing intelligent customer touch points have a far reaching impact while predicting, planning & pacing value delivery through your Products & Service Offerings.

## About the Author



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## About Happiest Minds Technologies

Happiest Minds, the Mindful IT Company, applies agile methodologies to enable **digital transformation** for enterprises and technology providers by delivering seamless customer experience, business efficiency and actionable insights. We leverage a spectrum of disruptive technologies such as: Big Data Analytics, AI & Cognitive Computing, Internet of Things, Cloud, Security, **SDN-NFV**, RPA, Blockchain, etc. Positioned as “Born Digital . Born Agile”, our capabilities spans across product engineering, **digital business solutions**, infrastructure management and security services. We deliver these services across industry sectors such as retail, consumer packaged goods, edutech, e-commerce, banking, insurance, hi-tech, engineering R&D, manufacturing, automotive and travel/transportation/hospitality.

Headquartered in Bangalore, India; Happiest Minds has operations in USA, UK, The Netherlands, Australia and Middle East.

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