

The top five tips for CRM implementation

By **Matt Hines**

When CRM goes bad, second-guessers often point to poor execution during implementation. To find out just what CRM implementation plans are taking root and blossoming into projects that deliver returns on investment, SearchCRM tracked down a panel of industry experts to lend their views on how to do the job right. What follows is the second in a three-part series on analyst perspectives that we call "The top five tips to effective CRM."

Tip 1: Use a gradual approach

Almost every expert we interviewed made some mention of avoiding an all-encompassing implementation. It's clear that the far-reaching plans of the past are rapidly being cast aside for step-at-a-time strategies.

"Build the business case justification brick-by-brick," said Scott Nelson, analyst for Gartner Group, Stamford, Conn. "Enterprises need to set their sights on incremental successes, rather than on a major 'blockbuster.' Too many CRM projects are championed based on the huge impact that proponents hope to produce, but management may be unlikely to buy that."

Denis Pombriant, analyst at Boston-based Aberdeen Group offers similar advice.

"By delivering many small successes quickly a vendor and the internal sponsors can build momentum that simply would not be achievable in a big-bang project," he said. "The 'little bang' approach opens up the possibility that different departments could opt for various point solutions from different companies, which suggests that a modular architecture would be even more essential than in a single vendor, big-bang approach."

Tip 2: Involve the customer

It may be corny to say that customers put the 'C' in CRM, but it is an undeniable truth. With almost every aspect of implementing CRM, experts will tell you to keep the customer's needs in the foreground.

"Any CRM initiative should include a customer analytics project," said Bill Blundon, executive vice president and senior analyst at San Francisco-based CRM consultant Extraprise. "What is not measured, cannot be improved. Implement a process of continual improvement: Plan, do, assess and improve."

Pombriant suggests that a pilot program can help drive acceptance.

"Some organizations consider this a distraction, but involving users early enables important real-world feedback that can eliminate flaws and head off potential project disaster," Pombriant said. "Early users have great sway over their colleagues, and positive word of mouth can mean the difference between success and failure."

Tip 3: Set a realistic timeframe

Unrealistic goals aren't usually met, so allotting the proper amount of time to get an implementation done right is essential for avoiding disappointment. Our panel agreed that unnecessary scheduling parameters are only sure to harm an ongoing project.

The advice from David Bradshaw, an analyst at London-based researcher Ovum: "Allow plenty of time for the technical job cleaning and for reconciling customer data, even longer for the painful negotiation with the 'owners' of this data. If you are using existing data, also allow lots of time for building direct access. Estimate how long you think it will take, double this, and then allow even more time."

Gartner's Nelson wholeheartedly agrees.

"Use tactical returns to justify strategic investments over time," he said. "As incremental improvements are made, the CRM initiatives gain credibility, making the larger investments appear safer to management."

Tip 4: Keep a sharp focus on people

What is CRM without people? Each panelist made some mention of keeping the human factor in mind when implementing technology because tools that aren't easy to use probably will be ignored.

"Enterprises should use surveys, focus groups and concept testing to get customer and client feedback," observed Nelson. "This not only helps to put a human face on the projects, it allows management to see that these are not just the ideas of some internal staff people. In addition, it helps keep the overall project on track by making sure it solves the real needs of the customer."

Extraprise's Blundon follows a set methodology in meshing users with CRM technology.

"People and process are as important as any piece of technology," he said. "Focus on process first, people second and technology third."

Tip 5: Build flexibility into the architecture

If you've ever studied how bridges are built, you were most likely surprised at how flexible these seemingly rigid structures can be. The experts offer a similar approach to systems architecture during implementation.

"The primarycrippler of business applications has been change," offered Aberdeen's Pombriant. "An application delivered to solve one set of business issues can become useless overnight when the issues change and the application doesn't. That's why it's critical to implement an architecture that is modular and capable of accommodating rapid change."

Ovum's Bradshaw shares the opinion.

"Keep true to your business objectives but permit flexibility in the way they are met," said the analyst. "Remember your commitment is to make life better for your customers, not worse."