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Laying the Foundation for Long-Term CRM Value

Following best practices and partnering with deployment experts who can provide valuable insight and guidance are sure steps on the road to CRM success.

After wrestling with first-generation customer relationship management (CRM) solutions that were difficult to use, customize, and integrate, organizations have learned the importance of having a CRM solution that is flexible enough to fit the way they do business—a solution that enables improved customer loyalty and profitability and supports innovation across the whole organization. This approach, coupled with best practices in planning, end-to-end solution design, and staged deployment, ensures success and a significant return on investment (ROI). As the lines of business throughout your organization gain better views to critical information and become tightly integrated by maximizing a complete set of end-to-end CRM capabilities, a richer and growing CRM solution will provide a substantial competitive advantage and power your organization toward greater levels of business transformation.

Organizations need to build a stronger foundation for success by making technology decisions that provide platforms for innovation while supporting overall business strategy and performance objectives. Avanade has created a six-step guide that will help you lay the foundation for long-term CRM value.

1. Know What Your Organization Needs and When

Not all CRM solutions can support the business processes of every organization, so it is important to know how your organization wants to manage its customer relationships. Then find the solution that fits your business and meets your unique requirements.

Know how your organization works from a high level down to a role level and what you want to achieve with a CRM solution. Take this holistic view of your business and determine the role your customers play within it. Then define the business problem and the desired benefits within this context. Create scenarios showing how the organization runs now and how it will run once the solution is implemented.

Once you can clearly articulate the big picture, break the project down into smaller steps with clear benefits at each stage and measure those benefits as you grow; you should not have to wait years to see an ROI. Make sure to identify all of the points at which the solution will integrate with other front- and back-end systems, as well as with those of suppliers and partners.

2. Secure Executive Support

A CRM strategy needs to be adopted, promoted, and executed across the entire organization, and executive support is critical. Select an executive sponsor who is eager to lead the charge. This leader must be able to make the hard decisions that will be necessary along the way, unite the various teams and departments that will be affected, and ensure everyone clearly understands and cooperates with the organization and what it is trying to achieve.

It is also recommended that a company leading a successful CRM strategy form a governance team that includes both the business owners and the technical implementation team. This team would be tasked with working together to closely monitor project deliverables, remove all roadblocks, and offer adequate support to everyone who is impacted.

3. Consider End-to-End Capabilities

An end-to-end CRM solution (Figure 1) spans the entire enterprise and includes operational, analytical, and collaborative aspects. Top-performing organizations address each of these three areas when looking to invest in CRM solutions.

- ⇒ Effective operational CRM builds the rich information foundation about every aspect of the customer and all the facets of how the relationship is established

and develops at a macro business level and, where applicable, down to the personal level. Success with operational CRM eliminates ambiguity through the creation of a single version of the truth and provides a “360-degree view” of the customer that is needed to analyze and understand business performance and make decisions based on quantifiable results.

- ⇒ Analytical CRM includes data mining, which uncovers insights, trends, and patterns about marketing, sales and service needs, and habits of customers. This information is invaluable in creating targeted campaigns, properly prioritizing sales leads, recognizing and acting on cross-selling opportunities, and optimizing sales and service processes.
- ⇒ Collaborative CRM connects the right information about the right customer at the right time for individuals and work teams across departments, divisions, and across the globe. Collaborative CRM offers the ability to reach out to customers and members of your organization through various touch points. As businesses and individuals continue to adopt mobile technology that keeps them connected while away from the office, this is increasingly important. Essentially, collaborative CRM connects the final touch points between your customers and their experiences with your business.

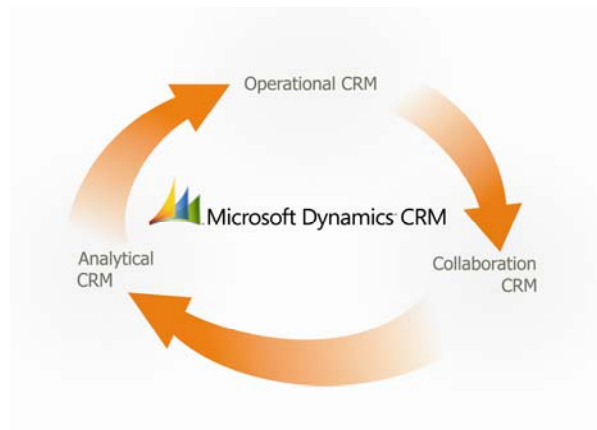


Figure 1 – End-to-end CRM solution

Organizations, which previously focused only on operational or analytical aspects of CRM, discovered that their user experience was too cumbersome and failed to capture and organize the information in such a way that users could find what they needed, make better business decisions, and act accordingly. In short, these partial solutions returned limited value to the organization over the long term.

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4. Choose a CRM Solution That Is Easy to Use

Analysts agree that user acceptance is the single most important success factor for a CRM application, so this should be top of mind when your organization's governance team is considering solutions.

A CRM solution should work in a way that is comfortable to the users and actually adds value and provides assistance in the way they need to do their jobs. Small and large businesses have been conditioned to think that they must change the way they work or do business to fit the application. Many are left believing that customization is out of their reach or will actually jeopardize ROI. However, times and technology have changed. Today growing organizations should expect a CRM solution that fits their unique needs, that grows with their business, and that is not only affordable but delivers a quick ROI.

One of the key aspects of a successful CRM solution is the user interface; it must be intuitive. A self-explanatory and easy-to-use interface with familiar terminology is critical, and yet it is often overlooked. If your organization deploys an application to your sales, marketing, and services professionals, and those users cannot rapidly figure out the system or if it fails to add value to what they already are doing, they will give up on it or only use it minimally. And if they don't use it, your organization will miss thousands of opportunities to improve business execution and knowledge building at critical customer touch points.

5. Choose a CRM Solution That Is Easy to Integrate

Your CRM solution should work with the other critical systems your business uses. Consider the front- and back-end technologies that you presently have, as well as systems you plan to implement in the future. In addition, take into account the various departments or lines of business you will include long term in your organization's ultimate end-to-end CRM solution as you seek to broadly expand the benefits of your solution.

It is not just about where your business is today but where it wants to be in the next few weeks, months, and even years. Your organization changes, your company challenges change, your customers' needs change, and your business priorities change. And you need a CRM system that will change with you and continue to enhance the way you do business rather than tie your hands and restrict your ability to grow. Your CRM solution should continue to provide you with the insight, metrics, and dashboards you need to get you where you want to go—no matter which direction you turn to capture additional business opportunities.

6. Build the Right Team

All the best intentions and efforts in the world will not lead to CRM success unless there is a highly skilled and experienced team involved. A CRM initiative can be complex, and your business needs a team that has in-depth CRM expertise and business knowledge as well as the creativity, focus, commitment, and drive to meet the expectations of the project.

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Having specialists guide your steps helps ensure real business transformation. Most organizations choose to have the installation and training performed by solution experts so business leaders can focus on their day-to-day responsibilities and keep the organization moving forward. However, finding the right CRM partner for your organization can be a daunting task. When you look at potential partners, consider the experience and viability of the vendor's CRM business, including its financial strength, market position, and leadership. The vendor's solution, industry and domain expertise, its partnerships and alliances with other vendors, and its client references should also help narrow the field. Once these factors are considered, finding the right CRM partner will seem much more straightforward.

An Enterprise-Ready Solution

Forward-thinking organizations look for a CRM solution that is easy to use, integrate, and access; that offers collaboration, discovery, and delivery tools; and that can seamlessly reach across the entire enterprise. The Avanade Enterprise CRM™ solutions, built on the Microsoft Dynamics™ CRM platform, offer exactly that. The technical strength of Microsoft along with the implementation expertise of Avanade provide a higher level of performance, which is integral to the success of any business—especially in today's competitive marketplace. Working together to promote successful CRM implementation, Avanade and Microsoft offer a “people-ready solution” with:

- ➔ Familiar application interfaces
- ➔ Substantial ROI
- ➔ Superior levels of integration

Familiar Application Interfaces

Most employees manage their tasks, collect information, and organize data in Microsoft Outlook, and there is nothing easier than working from your comfort zone. Because Microsoft uses a very visual and intuitive system that allows users to drag and drop within all its applications, users feel more comfortable and learn more quickly than in any other environment. The naturally tight integration with the Microsoft Office suite and Outlook enables employees to easily pull information from Microsoft Dynamics CRM into Office system applications, such as Microsoft Office Excel and Microsoft Office Word. Once Microsoft CRM solutions are implemented, many users say that they don't even realize they are working in a CRM application; they simply believe that they are working in a more robust version of Microsoft Outlook.

Substantial ROI

A flexible and easy-to-tailor CRM solution is essential to keep your organization ahead of the competition. Avanade Enterprise CRM presents key information about your company's customers, sales, and products on dashboards and balanced scorecards quickly and efficiently so that your employees can spend more time acting on business issues. With highly flexible and customizable reporting, ROI can be checked consistently and effectively, just like any other report—without any technical support required.

Superior Levels of Integration

Because Microsoft CRM was architected and built knowing that the Internet is an integral part of business today, it can integrate with your disparate software and hardware systems, thanks to proven connectivity solutions such as XML and the .NET platform. This enables Microsoft CRM to integrate easily with existing enterprise resource planning (ERP) systems and other legacy systems. Data can be easily shared with other departments, such as accounting and manufacturing, so customers' needs can be met on time and profitably.

Organizations with successful CRM solutions carefully choose applications that are easy to use, integrate and access across all of their business verticals, as well as select partners who have the expertise to help them. They invest in planning and processes before they even consider launching their CRM project. Knowing what their organization needs, securing executive support, and investing in the right partner keeps them on track and reduces the risk of project failure.

Implementing a successful CRM solution also requires careful execution and several checkpoints to measure progress along the way. Following best practices and partnering with deployment experts who can provide valuable insight and guidance are sure steps on the road to CRM success. A key point to remember is that CRM is not solely an initiative based on technology; rather, CRM is an initiative that encompasses business process analysis, change management, and an improved customer experience.

About the Author

Anthone Withers, Avanade global CRM solutions director, is responsible for driving the CRM strategy, as well as developing vertical solutions and the creation of reusable assets. He has more than 10 years of experience in solutions marketing, strategy, and product management. Before joining Avanade, Withers was at NCR Teradata as marketing director for Australia/New Zealand.