



## **SRD Group Ltd**

### **Auckland and Sydney Breakfast Workshop Review**

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## Objective of Workshop

The aim of the workshop was to provide a networking opportunity and to explore solutions to commonly encountered non-technical issues surrounding Customer Relationship Management (CRM). A survey was conducted in order to rank the issues and provide a topic to be work shopped. The highest ranked issue was - "Managers are the key to success of any CRM strategy. If they do not use the CRM system to manage their team and their customers then they provide no good reason for their team to use it."

The idea was to harness the experiences and learning of the entire group and to come up with some solutions or ideas that the attendees can take back to their organisations and implement in order to get more value out of their CRM.

### Workshop attendance

The Auckland workshop had 26 attendees and the Sydney workshop had 20 attendees.

The attendees were from various industries and included a cross-section of roles including CEOs, Managing Directors, Sales and Marketing Directors, IT Directors/Managers, CRM Managers and others.

Anecdotally and via email the workshops were viewed as good and worthwhile attending. Most attendees when asked said they would want to attend future workshops.

## Summary of Workshops

All attendees were asked to write down their interpretation of CRM and the outcome was many iterations of a similar understanding. SRD Group then provided the following;

*"Customer Relationship Management (CRM) is a business strategy to select and manage the most valuable customer relationships. CRM requires a customer-centric business philosophy and culture to support effective marketing, sales, and service processes. CRM applications can enable effective customer relationship management, provided that an enterprise has the right leadership, strategy, and culture."*

Then, as a group we brainstormed what would be required to make CRM a success. All of the thoughts are summarised in the 'Results' section but it was encouraging to see the group talking about and agreeing with 'CRM being a journey' and that it requires complete understanding and buy-in throughout the organisation and most importantly from Senior Management. Change management, nimbleness, measurement, skills and ongoing support were other areas that were discussed at length.

Post the discussion on what would be required to make it a success we then got the group to generically identify various managers (e.g. sales managers) and to provide some specific feedback on what they should be able to get out of CRM. We then asked the group to provide some reasons as to why the various managers do not subscribe to CRM.

At the completion of that exercise we split into groups and each group was provided with a selection of 'managers'. Their brief was to discuss and come up with some solutions to the reasons why these managers were not using CRM and then present back to the main group.

Consistent themes for all managers evolved. There was the need to get them involved early on in the introduction of CRM, ensure they have bought into the benefits and that they can see and measure quick wins. It was also identified that the organisation needs to provide

them with the skills and knowledge required to both sell and demonstrate these benefits to their team.

Empathy and support for managers is also required as they may feel threatened by the 'loss of face' of not being as 'technically literate' as their sub-ordinates. Ensuring that their role description, role process and KPIs have the CRM strategy appropriately weighted was also identified as important. Manage the change for them and get them to help manage the change for the organisation and their team.

Subsequent to this we asked all the attendees to rate the solutions put forward across all the managers.

The highest rated cumulative total solution across all managers was the need to 'manage the change' that they would encounter. The series of suggested solutions included:

- Involvement early on.
- Sell benefits.
- Demonstrate up sides for them (achieving targets etc), also benefits for the organisation.
- Provide Information.
- Provide encouragement, support, training.
- Explain benefits and payback.
- People need to understand other roles across the organisation.
- Change culture, awareness of 'big picture' buy addressing all barriers.

The highest individual rating was for Sales Managers. The reason for non-use was "Conflict of time for information management vs the perceived benefit, or value of this information". The series of suggested solutions included:

- You can and must find a way to measure and show benefits.
- Provide case studies, examples of benefits.
- Demonstrate quick wins.
- Alter KPI's and personal objectives.

The next highest rated solution was for Marketers. The reason for non-use was that "CRM was launched and viewed as a sales tool, not as a marketing tool". The series of suggested solutions included:

- Get marketers and product managers involved at the beginning from the initial design onwards ensure understanding of ALL benefits including marketing.
- Need a champion on the marketing side.
- The business has to own the project.
- Make it relevant.
- System to suit business first.
- Responsibility to use CRM & report (KPI's).
- Understand and build business processes and continue to review and refine.

## Results

### What is CRM?

“Customer Relationship Management (CRM) is a business strategy to select and manage the most valuable customer relationships. CRM requires a customer-centric business philosophy and culture to support effective marketing, sales, and service processes. CRM applications can enable effective customer relationship management, provided that an enterprise has the right leadership, strategy, and culture.”

### What does CRM Require?

- Positive Attitude
- Plan
- Measurement
- Milestones
- Commitment – Executive
- Access to it
- Management Buy In
- Involvement
- Direction
- ROI
- Champions
- Accuracy
- Understanding of what your customers want
- Skills
- Willing to change
- Understanding of staff, issues
- “It’s a journey”
- Flexibility
- Benefits to customer, users and organisation
- Ongoing support
- Reliability of the technology
- Easy to use
- Start from the top
- Understanding of why
- Nimbleness

## Sales Managers

Problem	Solution	Points Total
Conflict of time for information management vs the perceived benefit or value	<ul style="list-style-type: none"> <li>• You can and must find a way to measure and show benefits</li> <li>• Provide case studies, examples of benefits</li> <li>• Demonstrate quick wins</li> <li>• Alter KPI's and personal objectives</li> </ul>	1180
Fear of Change	<ul style="list-style-type: none"> <li>• Change Management</li> <li>• Involvement early on</li> <li>• Sell benefits</li> <li>• Demonstrate up sides for them (achieving targets etc), also benefits for the organisation</li> </ul>	800
Negative Comments <ul style="list-style-type: none"> <li>• Information about CRM</li> <li>• Risk personal job</li> <li>• Design of systems</li> </ul>	<ul style="list-style-type: none"> <li>• Communication</li> <li>• Address concerns</li> <li>• Consultation, planning internally/externally</li> </ul>	300
Fear of accountability and visibility	<ul style="list-style-type: none"> <li>• Senior management involvement and leadership</li> <li>• Senior management using the system "hands on"</li> </ul>	300
Skill level – lack of training <ul style="list-style-type: none"> <li>• Emotive – save face by just not doing it at they do not have the skills.</li> </ul>	<ul style="list-style-type: none"> <li>• Trained well ahead of their teams</li> <li>• Personalise the training</li> <li>• One on one</li> <li>• Empathise with the possibility of 'loss of face' and provide all necessary support.</li> <li>• Follow up training</li> <li>• Ongoing support</li> </ul>	155
Often a poor experience and lack of knowledge of what it takes to succeed	<ul style="list-style-type: none"> <li>• Provide open, honest knowledge of pitfalls and provide the knowledge and budget to overcome these.</li> </ul>	60
Knowledge is power (losing exclusivity)	<ul style="list-style-type: none"> <li>• Sell on need for succession planning and 'hit by bus theory' i.e. if you were no longer here we would have nothing and we need to protect the company.</li> </ul>	30
Upsetting key sales people	<ul style="list-style-type: none"> <li>• Linked to sales compensation and expense management</li> <li>• Also 'hit by bus theory'</li> </ul>	30

## Marketing Managers

Problem	Solution	Points Total
CRM was launched and viewed as a sales tool, not as a marketing tool	<ul style="list-style-type: none"> <li>• Get marketers and product managers involved at the beginning from the initial design onwards ensure understanding of ALL benefits including marketing</li> <li>• Need a champion on the marketing side</li> <li>• The business has to own the project</li> <li>• Make it relevant</li> <li>• System to suit business first</li> <li>• Responsibility to use CRM &amp; report (KPI's).</li> <li>• Understand and build business processes and continue to review and refine</li> </ul>	770
Time - Priority	<ul style="list-style-type: none"> <li>• Build in time and allow time in job – HR and Senior Management to design and endorse</li> <li>• Build into KPI's</li> </ul>	690
Fear of change	<ul style="list-style-type: none"> <li>• Change Management</li> <li>• Give the responsibility of CRM to each person eg; market update change or campaign based on info etc.</li> <li>• People need to understand other roles across the organisation</li> <li>• Change culture, awareness of 'big picture' by addressing all barriers</li> </ul>	285
Skills/ability	<ul style="list-style-type: none"> <li>• Start simple then build</li> <li>• Test P.C literacy</li> <li>• Do a GAP analysis</li> </ul>	285
"But there are other tools and methods of gathering information"	<ul style="list-style-type: none"> <li>• Make the CRM system meet their needs where possible and provide training/ knowledge to use it!</li> <li>• Develop confidence</li> <li>• Process driven</li> <li>• Build into KPI's</li> </ul>	210
Confidence in Technology Data	<ul style="list-style-type: none"> <li>• Need stable system</li> <li>• Set expectations of both sales and marketing</li> <li>• Provide practical examples ie; new product launch info</li> </ul>	70

## IT Manager

Problem	Solution	Points Total
Lack of communication with sales & marketing	<ul style="list-style-type: none"> <li>• More communication</li> <li>• Get conduit to facilitate the desired business outcome</li> <li>• Threaten to turn it off if a clear CRM strategy is not presented and reviewed regularly and system adoption is not high</li> </ul>	200
Managed on Cost of implementing and supporting CRM and no tie to benefits/revenues/savings that are being achieved.	<ul style="list-style-type: none"> <li>• The business – sales and marketing should own the budgets.</li> <li>• The CRM strategy - where should it sit?</li> <li>• Quantify business benefits</li> <li>• Continuously measure tangible and intangible benefits</li> <li>• Implement a Balanced Scorecard approach to CRM measurement</li> </ul>	90
IT are too distant from benefits	<ul style="list-style-type: none"> <li>• Measure tangible and intangible benefits and communicate these regularly throughout the organisation – success breeds success.</li> <li>• Organisation wide reviews on CRM (system and strategy)</li> <li>• Show positives from CRM</li> <li>• Feedback should change the way people report</li> </ul>	60
Internal/external management of the system argument	<ul style="list-style-type: none"> <li>• Review and make decision based on all the facts.</li> </ul>	
Did IT Mgrs choose the system? If not will not necessarily support it.	<ul style="list-style-type: none"> <li>• Senior Management need to drive the resolution here</li> </ul>	

## CFO/CEO

Problem	Solution	Points Total
Do not 'walk the talk'	<ul style="list-style-type: none"> <li>• Include in KPIs</li> <li>• CRM workshops to provide clear understanding of what they need to do to make it a success</li> <li>• Include in stakeholder team and make it an agenda item on board/SMT meetings</li> </ul>	300
IT Manager often reports into CFO and justification is very difficult as it is all done on numbers – hard returns.	<ul style="list-style-type: none"> <li>• Develop a very strong review business case</li> <li>• Communicate benefits to them</li> <li>• Comprehensive understanding of actual return</li> <li>• Information asset has a value</li> <li>• Measure steps in process to show a valid ROI in 3 years</li> <li>• It is a part of the strategy and CFO/CEOs should understand the whole concept</li> <li>• Metrics – quantify every step of the process – you will need more money</li> </ul>	255
Lack of Vision of what CRM can do for the organisation	<ul style="list-style-type: none"> <li>• CRM workshops prior to technology being looked at.</li> </ul>	210

## Customer Service Managers

Problem	Solution	Points Total
Lack of Knowledge, do not realise the opportunities, fear of loss of face	<ul style="list-style-type: none"> <li>• Get them in early</li> <li>• CRM workshops</li> <li>• Positive incentives</li> <li>• Make them a champion</li> </ul>	800
People do not want to change	<ul style="list-style-type: none"> <li>• Change Management</li> </ul>	400
Fear of change	<ul style="list-style-type: none"> <li>• Provide Information</li> <li>• Provide encouragement, support, training</li> <li>• Explain benefits and payback</li> </ul>	330
Don't realise the opportunities. Lack of confidence and training. Incompetence.	<ul style="list-style-type: none"> <li>• Up skill training well before team</li> <li>• They create the change</li> <li>• Ongoing support</li> </ul>	60
Culture (corporate ethos = not allowed to make mistakes)	<ul style="list-style-type: none"> <li>• Communicate to them that they are allowed to make mistakes</li> <li>• Ensure support from their managers.</li> </ul>	