# How to Ensure a Successful CRM Implementation

Whitepaper

CRM failure rates have remained high during the last ten years, indicating that many organizations don't realise the full benefit from their CRM initiatives. Most often, a project delivers some expected benefit, but still leaves users unsatisfied and business sponsors wondering what went wrong.

This list describes three major pitfalls that can plague many CRM initiatives. While not a comprehensive inventory of potential problems, many projects succumb to these big causes of failure.

**Challenge 1: Avoid Installing technology without a business strategy.**

Many organizations fall into the trap of deploying tools and technology without creating a proper CRM-related business strategy.

For most organizations, customer relationships involve a range of interactions that together achieve (hopefully) positive results. Creating and executing a business strategy is difficult because CRM initiatives typically involve numerous components and moving parts.

**A Gartner research document describes the importance of strategy:**

*"A unified CRM strategy is critical to CRM success but developing and implementing such a strategy is a complex, difficult and sometimes political process."*

In other words, successful CRM initiatives focus on business objectives and use technology as a support to help reach those goals. These might include:

➢ Increase customer satisfaction
➢ Increase loyalty and retention
➢ Increase the number of opportunities
➢ Increase the speed in which opportunities are closed
➢ Measure marketing success more effectively
➢ Be easy to work with
➢ Create passionate customers

Think about CRM as a business strategy to help you organize plans and activities around better-serving customers; although technology can help, it's not the goal. Forget this lesson at your peril.

**Challenge 2: Don't forget to pay attention to specific user needs and benefits.**

Engaging users is critical to the success of any enterprise software deployment, but particularly so in the case of CRM, where users can sometimes sidestep the technology and still accomplish their job function.

A quick search reveals that many observers believe poor user adoption is a key driver of failed CRM projects. In a SearchCRM interview, SugarCRM's former CEO, John Roberts, links adoption to the end – users' perception of value:

*"In a lot of cases, companies deploy CRM, and there's a lot of euphoria over it for the first couple of months. Then, people stop using it. They look at it as 'Big Brother' watching them. CRM is sold as a tool to make an organization more effective and efficient, but the end-user doesn't see CRM as making them more efficient and effective."*

In my view, poor user adoption is not the direct cause of CRM project failure. Rather, it's a symptom the organization has not anticipated obstacles that may interfere with users willingly embracing the new system.

**Uptake of the solution may be affected for many reasons, including:**

- ➢ Software that is complicated or difficult to use
- ➢ Salespeople that don't see adequate value in the new system
- ➢ Poor communication of benefits to users
- ➢ Software that doesn't map with the customer journey
- ➢ KPI's and Tasks that don't add value

Get users to adopt a new CRM system by focusing on the WIFM (What's In It For Me) factor. Give the salespeople good reasons to log in and use the system. If the sales or the service person feels the system saves time, makes money, or helps 'keep score', he or she will be much more likely to use the system -- and enter customer data.

Engage users early and often during the system planning and implementation phases, so they understand what's in it for them. When users do not adopt a system as planned, seek their honest feedback on how to make it more usable, helpful, and valuable Remember staff are likely to use the system if it supports them, rather than hinders them.

**Challenge 3: Don't forget to measure project success!**

CRM Projects without concrete goals and a plan to measure both progress and results are distinct candidates for failure.

Longtime Gartner CRM analyst, Gareth Herschel, described this issue succinctly:

*"One of the most common reasons for CRM failure is starting a project without first establishing a clear definition of success."*

To solve the problem, articulate specific goals and create a targeted measurement plan designed around your organization's business objectives. Paying attention to the right metrics can help ensure your project produces the results you seek.

Specific KPI's and Metrics such as the quality of sales leads, the win/loss ratio, the average time to close, the time taken to resolve a case, the level of customer satisfaction can and should be measured within the CRM on an ongoing basis. This can also identify areas for further improvement.

Without measuring, how can you know whether the business case is used to sell the value proposition that actually achieves results?

In summary, before embarking on the CRM Journey take some time out with your management team to consider some of the above questions and challenges, it will make the expected Return on Investment much easier to achieve.

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