

## Is it Time for CRM in No Time?

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Trend. Fad. Craze. Call it what you will, but there certainly has been a recent movement towards quick startup CRM systems. While the push seems to be coming from both the software vendors and, reluctantly, the Systems Integrators, the truth may be a tad different. That sucking sound may actually be more of a pull from the customers, pulling both software vendors and SI's into the vortex. Unlike a fad, however, this movement is likely here to stay. Why? Well, because, if done well, it's a good idea. The current state of most CRM implementation practices evolved from a similar, yet remarkably different industry. Unlike it's predecessor, the ERP system, the CRM system does not have to be done in one swell foop. A CRM package can start modest and evolve to meet changing user and customer needs. An HR or accounting package can be a phased effort, but they pretty much need to be fully functional from the outset.

The standard practice for CRM implementations was taken from the very profitable ERP model developed in the 1980's. The "Big Five" benefactors gladly lamented (if one can gladly lament) just how complex, sophisticated, multifaceted and convoluted such an undertaking was. It was not for mere mortals and very, very scary. Such an undertaking was not done lightly, and certainly not without a whole pile of money. The endeavor would require at least one old guy and ten teenagers to come in, assess your precarious situation, pause for effect, marvel that you are still breathing, type like hell, and then drop a document on the table. The document was so large that solid oak would buckle at the center as the document would careen through four floors, stopping only when it hit the greater mass of a previous design document. And this was just the scoping doc. I'm fairly certain Mike Myers modeled his evil guy in Austin Powers after these chaps. "That will be one miiiiillion dollars." And we've only just begun.

The customer was at the mercy of the implementation company. My laptop didn't let me type "mercy" and "Systems Integrator" in the same sentence, so I had to use "implementation company". This process was invented, packaged, sold, and delivered by the systems integration industry. The very frightened customer simply opened his wallet and prayed that he had chosen the right savior for the job. Well, Toto, it ain't the 80's no more. Customers are now third, fourth, fifth and sixth generation buyers. They are no longer helpless, ill-informed, or at anyone's mercy. In fact, more than anyone else, the smart ones are driving the boat. No more Ben-Hur, cast of thousands, years in the making projects. No more, "you will pay me while I learn what you do" sessions. Customers are demanding return on their investments in time increments more granular than the industry standard decade. They are constructing "skin in the game" contracts for SI's to sign. They will pay for value, but no longer respond to FUD. They're just too experienced, smart, and beat up.

Some software companies have begun to realize this and respond. While the effort is to be applauded, some have arrived there somewhat unwillingly. Others are responding to

customer needs, and have simply viewed it as good business. A number of software vendors that developed the bulk of their products several years ago are struggling to adapt their product to the customer's demand of a quick ROI and short initial implementation schedule. The products were simply architected in a different era when customizability was king. Not only are software companies under the gun to develop applications that adhere to the current standards and technology, but also, to implement their solutions under this new paradigm. It is a daunting task, but unlike the 80's, they will need to bend to the "will of the people", or lose market share. "The People" in this case, tend to be the mid-market. Most companies spending millions for a solution don't seem to clamor quite so much for a quickstart. A few years ago, software vendors and SI's started the ugly trend of thumbing their collective noses at any purchase below a million bucks. Now, with the tightening economy, the arrogance seems to be fading.

The first response was seen some time ago when some companies came out with artificially limited versions of their "real" products. These products were not re-engineered, but simply handcuffed. To meet the model of "low customization" and quick implementation, much of their flexibility was stripped so they simply couldn't be customized. Well, that's certainly one way to solve the problem. Wrong problem. Other companies have engaged in a frantic game of merger musical chairs in an effort to munge together a solution.

All the while, these beleaguered entities are trying to pull truly web based solution rabbits from their client server hats. Most of the top dogs still have different rules for their browser based clients than their LAN/WAN clients. Customizations aren't consistent, behaviors don't, uh, behave. One such company is facing the dreaded, and all-too-familiar "no upgrade path" path for it's customer base this summer.

The other side of the coin is a bit more pleasant. More recent entries into the fray will benefit from some technology and industry stabilization. CRM solutions that are developed on today's technology, web based from birth, integrated into an existing suite, and driven with industry based processes are emerging. Features such as these, lend themselves nicely to low cost, quick implementations. As in any well-engineered solution, a quickstart CRM system is optimal if engineered to be quick-starting from the drawing board, not ill-adapted during implementation.

Benefits of this approach are myriad. There will be no upgrade road block issues for the next revision since these systems are conceived on today's JAVA, xml, COM, and CORBA based web environment. No issues should arise from system tailorings transferring. The integration with the rest of a web based suite shaves loads of SI time. Interface work during these implementations has historically been the largest dollar and time sink. Interfaces to non-vendor supplied apps will, of course, still need to be built. There will likely always be controversy surrounding pre-packaged, industry based process flows, as the process is the heart of the solution. Can vendors really create generic flows that can serve as the genesis for clients who are striving to distinguish themselves with unique and innovative customer service and support? Depending on which jury you

subscribe to (Gartner, annual sales, successful reference accounts), and what evidence you trust, database giant, some vendors may be making headway in this area.

The heart of the fully customized CRM implementation is the process flow unique to each customer. Starting from a boilerplate with limited tailoring is controversial. It implies that the customer must tailor their process somewhat to the solution. Deep customizations imply longer implementation times, more complexity and more cost. It is the tradeoff every customer must weigh when buying into the quickstart mentality. If the processes are well thought out and somewhat flexible, this may prove to be a workable solution.

Some of the SI's are beginning to embrace this concept much as one would embrace their cheek-pinching, lipstick-laden Aunt Elsie. All smiles and smooches, but secretly hating every minute. These folks will have to first *learn* how to implement these tools quickly and efficiently, and then figure out how to make money doing it. They are smart guys ... they will adapt. Implementations of this nature are not big money makers for these companies, but, when done properly, can supply respectable margins. The big boys are in the process of learning the craft. Some software vendors are policing this effort with guaranteed fixed bid contracts for the implementation to safeguard their customers.

I did my first CRM quickstart (dubbed "Ascend") in 1997, with every third CRM engagement since being an Ascend. These projects average about \$100K a shot and take about five weeks to go live. The first one wasn't as tight as the fifth, or certainly, the twentieth ... and it takes a particular mindset. They have to be built with expansion in mind. The temptation when doing something "quicker" is to cut corners. If an SI hasn't done a few of these, they will likely run out of time and money when it's time to throw the switch. As with most efforts, it just takes some experience and practice.

The industry is changing in technology as well as expectations. Customers are demanding more from their solution providers, are more in control, and are not easily fooled. This is a good thing. Actually, it is good for everyone involved except those that do not adapt. At present, several of the industry software leaders are doing their darndest to swing their respective Titanics around. Newcomers may have a step on the others as they have started their ship pointing in the right direction from the beginning. The SI's are paddling like nuts to get ahead of the game. With all the rough seas in the industry today, (technology, acquisitions, etc) choose carefully, as your ship may have just come in, or may be about to hit some solid cold stuff.

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