FIVE REASONS YOUR CONTACT MAN AGEMENT SYSTEM ISN'T WORKING

By Craig Klein, President, SalesNexus

To launch and implement a successful contact management system, whether your business has 5 end users or 50 users, you should have a **"best practices"** strategy. Each business faces specific challenges when they choose to acquire a Contact Management/CRM software application. The application, by itself, is not a solution. There is NO "off-the-shelf-solution".

The right application is an essential tool that, with customization and proper utilization, will help you better manage the whole marketing, sales and service process. However the selection of a vendor and a Contact Management/CRM software application is the greatest challenge. From several choices available, you'll have to choose wisely.

You'll want to feel that you made the right decision. The **"best practice"** will be to choose an experienced, certified vendor with a robust CRM application that is best suited to your business vision, budget and objectives. And, after customization of your database, installation and training, you'll want the application to effectively provide benefits that exceed the promise.

In a recent article, Erin Kinikin, Vice President of Forrester Research, Inc. suggests that it is a good practice for management to address four key internal aspects prior to making a Contact Management/CRM decision:

1. **Customer Focus -** What will be different or better for your customers? (Service? Quality? Delivery? Cost? Other?);

2. **Collaboration** - Who needs to be involved, and what incentives are needed? (Sales? Marketing? Call Center? Support? Management? Service? Other?);

3. **Consistency** - What key customer information needs to be captured and tracked? (Position? Buying Power? Attitude? Hobbies? Family? Other?); and

4. **Catalysts** - In which business situations can a Contact Management/CRM program have the greatest impact? (Clients? Post Sale? Vertical Markets? Niche Markets? Local Opportunities? Lead Generation? Campaign Tracking? Client Retention? Other?).

The honest and comprehensive responses to the above four questions will provide you with some of the basic information you will need to help you develop productive implementation strategies and to make sound CRM buying decisions. However, there is much more you will need to know.

Unfortunately, after buying what appears to be the right CRM application for their business, many CRM databases are under utilized and do not deliver the benefits promised.

The 5 main reasons why most contact management systems don't work as effectively as they should:

1. There aren't any written rules governing data input, data output and system utilization;

2. End users are not trained sufficiently and effectively;

3. The company database is difficult to access and update by onsite, remote and mobile users;

4. The database does not contain current, valuable, specific client/prospect information that supports the marketing, sales and service processes; and

5. Salespeople are not motivated to consistently utilize their company database.

Therefore, the "best practice" is to focus on the above 5 challenges and make sure that the vendor you select can and will responsibly provide superior, appropriate services and that the CRM application you select has the easy-to-use robust functionality your business requires.

Reason #1
There aren't any written rules surrounding data input, data output, and utilization.

User and management training is essential, however, it's not enough. In addition, end users need easy access to guidance and a "crutch". If your end user groups follow well written Rules for Utilization, then all of the end users are more productive and the company benefits. Rules for Utilization of the CRM application can prevent "ramp-up" problems from employee turnover.

Prior to writing Rules for Utilization you or your vendor will need to produce an "Application Utilization Plan" based on a thorough "Needs Assessment". After you have selected a vendor, the "best practice" will be to outsource the actual Needs Assessment evaluation to your vendor's experienced consultant that understands business processes and the capabilities of the CRM software application. The worth of the Rules will be totally dependent on the ability of the vendor's consultant to understand your marketing, sales and service processes.

Furthermore, by evaluating your responses to the first four business questions and reviewing vendor responses to your questions you will also have important information for a thorough Needs Assessment. By participating in the Assessment you will gain a better understanding of your marketing, sales and service process.

An experienced consultant should interview management and all prospective end users, review your database, document workflows and analyze your sales and marketing processes. An Application Utilization Plan defines:

- Roles, responsibilities and goals for management and each end user group;
- Database configuration options, customized fields and tabs designed to capture and track vital client/prospect and opportunity information; and then
- Produce the Rules of Utilization governing input, output and utilization of the database.

Questions To Ask When Selecting a Contact Management Solution

1. Do your CRM Software consultants have experience in our industry?

2. Are they experienced at producing a comprehensive “Sales Process” based on our need to support profitable marketing, sales and service processes?

3. After designing our database, for each user group, will your consultants produce electronic and written rules that guide data input, data output, reporting, activities and utilization of all customized fields and tabs?

4. Will the rules also govern utilization of valued functions such as: Mail Merge? Campaign Tracking? Email? Sales Pipeline? Activity Reporting? Etc?

5. Do you have examples of rules that you have written for clients?

Reason #2
End users are not trained sufficiently and effectively

Many businesses reject the offer of instructor-led training and some vendors do not provide comprehensive, instructor-led training. If you want your CRM application to perform successfully and your end user groups to enthusiastically embrace and utilize your CRM database, the users must be effectively trained to utilize the application’s basic and advanced functions. And they must have easy-to-access, ongoing live, electronic and paper based training resources.

Questions To Ask When Selecting a Contact Management Solution

1. Will you provide specific instructor-led training for marketing, sales, service and management end users?

2. Will you also train each user group on how to utilize functions designed to support their marketing, sales and service process?

3. Will you provide our end users with “Help Desk” support, a comprehensive Quick Start Guide; and easy-to-access Training Videos?

Reason #3
The company database is difficult to access and update by onsite, remote *and* mobile users.

The business world is changing rapidly - faster than we ever imagined. Many companies now have full time and part time employees, temporary staff and independent contractors. And they don’t all work in the same office.

Sales and service people are on-the-go and work, near or far, wherever the prospect or client offices. Some employees work at the corporate office and some at satellite offices. And some employees or contractors are virtual and work at home.

The company’s CRM database is the information repository where prospect and client knowledge is deposited, shared and utilized for the benefit of the organization. Therefore, onsite, mobile and remote users must be able to easily input data, view data, send emails, share calendars, download brochures and utilize various other functions whether at their desk, in a Starbucks, at home, in a hotel room, in a car or on a beach in Bermuda.

If the CRM database only resides on the corporate office server, then onsite, mobile and remote end users will have to sync periodically to update the database. It sounds easy, but most companies find it to be slow and prone to errors. Onsite, mobile and remote users usually sync only once a day. Therefore, the data is not current and it's difficult to share calendars. Also, syncing a large database is very slow. It can take 30 to 60 minutes or more.
For most companies, an easy solution is to host your CRM database on the web, onsite or off site. Then, all users will instantly update the CRM database as they input data. Their database can be available anywhere, anytime in real time on a desktop, laptop or PDA/Mobile Phone. If you host the database onsite you will need: a high quality server; redundant firewalls and power; backup systems; and onsite maintenance and monitoring.

If you host your CRM database with an experienced hosting company, they should provide the server, security, maintenance and 24/7 management.

Questions To Ask When Choosing a Contact Management Solution

1. If we have onsite as well as mobile and remote end users, can your CRM application be accessed over the web?

2. If yes, can the CRM web application be installed on our office server or will your company host our database?

3. Will we be able to access the CRM application on the web without installing the application on end user desktops and laptops?

4. If you host our database, will it be on a server at your office or at an independent hosting facility?

5. In either case, will a live person monitor the hardware and software 24/7 in order to prevent and manage potential problems?

6. Will our Blackberry, Palm OS or Pocket PC Mobile Phone users be able to access our CRM database over a wireless connection?

7. Will confidentiality of our database be guaranteed?

8. If we decide to cancel your hosting service, how and when will you return our database?

Reason #4 The database does not contain current, valuable, and specific client/prospect information that supports the marketing, sales, and service processes.

Small and midsize companies frequently purchase an off-the-shelf CRM application. And even though instructions and tools are provided to help the company customize fields and add tabs, usually, there is inadequate customization. For a CRM application to really succeed it must be much more than an electronic rolodex.

You've heard the expression "garbage in garbage out". The opposite can also be true. "Information in knowledge out." Your job is to select a CRM application that can be customized easily. Then, the database can easily store and track the information that will help your marketing, sales, service and management people to be much more successful.

For example, on the contact page you might add relational fields for spouse or partner's name, hobbies, sports, etc. And, you can add fields for specific opportunity information, such as: Number of employees; Annual Revenue; Competition; Other locations; etc. Also, you might add a "Sales" tab or an "Activity Series" tab or a "Marketing Library" tab, etc.

The more valuable information your end users enter, store and track the easier it will be to manage the marketing, sales and service processes and activities.

Questions To Ask When Selecting A Contact Management Solution

1. Does your company have marketing and sales consultants that can help us define our current marketing, sales and service process or create a better one?

2. Does your company have certified database design consultants that can automate our marketing, sales and service process, add the appropriate tabs and customize the fields in my database?

3. Do your marketing, sales and database design consultants have experience with marketing, sales and service processes in my industry?

4. Does your CRM application have easy to use do-it-yourself design tools and instructions that would allow us to customize our fields and add custom screens as needed?

5. What is your fee structure for marketing, sales and database design consultants?

Reason #5
The salespeople are not motivated to consistently utility the system.

"User adoption" is the most challenging problem facing the owners and management of SMBs. Many salespeople are electronically challenged or feel somewhat vulnerable with a CRM system. They might feel that the purpose of the system is to monitor and judge their performance. Therefore, if they don't want to be judged, they don't enter data or they don't enter data in a timely manner.

Furthermore, all a salesperson has is time. Often, management has the outside salespeople come in to the office Friday afternoon just to belatedly update the company database. This practice diminishes the CRM value of the database and reduces, by at least 10%, the amount of time each salesperson spends prospecting, closing sales or interacting with clients.

The solution is to prove to your salespeople that the CRM system you implement is designed to help them sell better, sell more and earn more. Using the system must be easy and convenient for all end users. An enthusiastic and efficient salesperson is usually a happier and more productive salesperson.

To be efficient and to enthusiastically embrace and utilize the CRM system, whether at their office, the prospect's office or on the road, the system should allow salespeople to:

- Instantly access thousands of contacts in their current database;
- Share and coordinate calendars with other end users and set appointments;
- Delegate activities and tasks to other end users;
- Enter data and update their database just after a sales call while the information is fresh in their mind; and
- Email and manage letters, contracts, proposals, forms, brochures, etc. through the CRM database.

Questions To Ask When Selecting a Contact Management Solution

1. Will my remote end users be able to access our CRM Database on their laptop or desktop from anywhere, 24/7 in real time?
2. Will they be able to access our CRM Database on their phone and wirelessly sync to the CRM host server?

3. Will my onsite and remote users be able to share calendars and set appointments for themselves and other users?

4. Will my onsite and remote users be able to schedule tasks for themselves and other users?

5. Will they be able to send and receive emails?

6. Will our onsite and remote users be able to email letters, contracts, proposals, forms, brochures, etc. from a library in their database while at their desktop, in a prospects office, in a car or while having coffee at Starbucks?

7. Will you provide instructor-led training for all of our end users?

8. Will you provide access to online training videos for all of our end users?

9. Will you provide “help desk” support for all of our end users?

salesnexus
MANAGE CONTACTS. ANYTIME. ANYWHERE.

SalesNexus provides web based contact management software and solutions to small and medium businesses. SalesNexus’ staff has a cumulative 150 years of sales and marketing experience. Our focus is to help our clients identify the key business processes that can be improved through automation and provide technology that fits those processes, thereby increasing user adoption, efficiency and our clients' success. Our mission is to ensure that each one of our clients is a satisfied customer over the long term.

For more information about SalesNexus visit www.salesnexus.com or call (800) 862-0134.