



WEB Based CRM

Tutorial

Part 3: Getting beyond the CRM Model

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Introduction

Back in the mid 90s in one of my other companies (PROSYS Business Solutions) we looked hard for a CRM product that would link our business together seamlessly. Such integration was a near impossible task back then and we inevitably compromised, eventually buying a product called ONYX Software as it was the only CRM product we could find that supported service and sales management on the same platform. What a novelty it was to be able to do that!

However our vision was for more than that and we strove constantly to push for what we wanted. It seemed so simple to us: a single, unified interface where we could access **ALL** the information and transactions relating to customers, staff, products and services within our business. We're not claiming prescience: it just seemed to make so much common sense. Why input essentially the same data into several different systems – why not capture it once and update the underlying systems? Why go into CRM for sales and service information and then into Finance software for accounting information? Why chase around the various file servers looking for a letter you sent months ago – why not have all the files mapped onto the customer they related to and have a search function go get it for you?

CRM though, at that time, was a long way away from that Holy Grail being in most cases little more than glorified contact management and sales lead tracking...both the topics of the first two white papers in this series.

Jump ahead ten years and how has the landscape changed? Well, CRM software has come of age in that it is now very function-rich in an application sense and, now that we now see the really big players in the general software marketplace such as Microsoft and Sage joining the fray, it might just be possible that the technology will deliver on its promises.

But will it, indeed can it, ever address that fundamental functionality gap by offering a true integration platform for business?

The answer is more complex than a straight yes or no of course. If you were it go down the all-Microsoft route or all-Sage route and married their CRM offerings to their finance offerings then arguably you would begin to come close. But not, it has to be admitted (even by these software behemoths) without a huge amount of development resource. Out of the box CRM enterprise integration is not an option at present and is unlikely to be one anytime soon.



The rise and rise of the hosted CRM solution is also muddying the waters.

To quote AMR Research, the market for web based CRM is expected to continue to grow strongly. In an informal end-user survey a few years back, AMR analyst Rob Bois found that small and midsize businesses were a large part of the market, but he also found that bigger enterprises also were exploring software as a service.

"Larger companies are now seeing hosted CRM as a way to put the application in a single department to try it out, and then roll it out to the rest of the enterprise later," he said.

Also compelling is that hosted CRM can be put in place quickly, and requires fewer I.T. governance mechanisms, Bois added.

This rapid application deployment for niche departmental functions is welcome in many organisations as it allows a huge amount of autonomy for the specific project team yet frees the IT staff to deal with their more strategic objectives. CRM and project management are two applications that are benefiting from this emerging trend.

Yet it still does not plug the fundamental gap in CRM software and in the approach to CRM as an enterprise-wide software solution.

We solved our problem in the mid 90s ourselves. Our first pass was to develop middleware that we could run on client PCs. This was clunky though and difficult to deploy and manage (client-side software is always fraught with difficulty). The advent of the browser changed that however. Browsers were essentially "free" clients and so the concept of using the browser to act as the common interface took hold. We rapidly converted our code to ASP and grasped the concept firmly of an Enterprise Portal. This early development has become our own iport portal software product, now in its fourth iteration as version 4.

Delivering Integration

If it was easy everyone would be doing it! But just because something is challenging and difficult does not mean that it is impossible to deliver or achieve.

The building blocks of any CRM solution are contained in the previous white papers on Contact management and Sales Opportunity management. Most CRM projects start there and with good reason: they are functions that can often be isolated and monitored therefore ROI can arguably be measured. The problem is that most CRM projects end there too and so deliver far less than they could to the organisation.

However there are a raft of other things that happen after contact is made and a "sale" concluded. Every organisation is different but these other processes could include:

- Order processing
- Accounts
- Memberships
- Warranty
- Contracts
- Project Management
- Customer help-desk
- Subscription
- Cash payments
- Leasing/Finance agreements
- Bookings
- Attendance

In fact...anything that happens to a customer after the order is signed needs to be factored in to these processes and handled or, at the very least, some form of mapping and handover between the CRM system and the next process needs to take place.

You can break any CRM integration project down into several main components:

Technical challenges

Integration is very often not a technical challenge at all in these days of ODBC, XML and all the other acronyms that help obscure IT from users. Most legacy systems will support some form of import/export routine at the very least and finding commonality of platform (e.g. SQL) is much less of a problem than it was a decade ago. That doesn't mean that you can't run into snags of course but when our worst case scenario of integrating



COBOL files to SQL databases was achieved successfully we began to think that most things are possible!

Functionality challenges

Where the real challenges lie are in the functional integration between different software platforms operating in different ways. Even at the most basic level, it is not uncommon to have customer account numbers in an alphanumeric format in the finance system but in a numeric format in the CRM or other operational system. This requires careful mapping.

Of course there will be crossovers of data where exactly the same information resides in multiple systems. This is the sweet spot for integration: if you can eliminate the duplication of this data you will save space, save time and cut down on errors. This is where much of the ROI is to be found in our experience.

So the differences between systems need to be mapped as well as their commonality to ensure that there is a smooth handover between them.

Data availability challenges

When you start to look closely at the systems in place and the connection points you can also pretty quickly evaluate what information needs to be integrated in real time and what can be updated in batches. The former will usually be in the minority which is good: lots of real-time updates across a variety of operational systems is a performance nightmare. In addition to this, sometimes data just doesn't make sense when viewed in isolation and so additional information has to be made available either from other systems or created to order to *describe* to the user what they are seeing. For example – there is no point in looking at 4 columns of figures unless there is a suitable legend to each of them to tell you what it is you are looking at and what to do with the information. Similarly, there is no point in allowing order entry through your CRM if you first don't check if the customer is within their credit limit: that takes additional data and also some processing logic.

From the above it is easy to see why most CRM software products out there are not necessarily the best environments within which to deliver true integration projects. And indeed they were not designed for the job: it would be like using Excel as a Database or Access as a spreadsheet – they are simply not the right tool; even though in the hands of a skilled enthusiast they can be stretched to breaking point often just to prove that they can be made to work!

So what is beyond CRM?

We believe firmly that the true Enterprise Portal is what is beyond CRM. A highly functional, customisable, low-cost, high ROI interface through which the organisation can transact with the world. Enterprise portals require different thinking however from the software in a box concept. The edges between packages become blurred and there is a need to focus on what people do and need to do within the organisation rather than on what the software they currently use allows them to do. The starting point for any enterprise portal project is to redefine the word "Customer" – in essence to reclaim it from the Customer Relationship Management acronym of CRM. You see, a customer of an enterprise portal is anyone who uses it: staff, management, executives, existing customers, new customers, stakeholders, suppliers...it can be a long list. And for each customer there needs to be a secure role and permissions based access mechanism. These roles and permissions need to extend into the heart of the enterprise software systems so that a supplier accessing the portal gains a completely different experience from a member of staff.

This is where the portal approach scores: the problem with CRM software in general and with hosted CRM applications in particular is that their usefulness to the organisation diminishes through the lifecycles of the data being processed. In a system such as salesforce.com, the customers are stored in isolation: to tie that through to the ERP (Enterprise Resource Planning) systems of the organisation is a major challenge and requires more software and expertise...all of which comes at a price. When you get right down to it, as far as processes go, the sale effectively stops for most CRM packages when the customer signs the order...but it is only just starting for the customer and the rest of the organisation at that point!

The industry agrees it seems. Here's Robert Bois again: "CRM isn't necessarily going away," said Bois. "We still see a lot of spending happening around customer management processes in terms of applications and technology that can support various processes that address customer management." CRM implementations failed in the past because implementations were difficult and traditional CRM ended at the point of capture of customer data, he said. "Obviously that's not where a customer experience ends," said Bois. "The customer has to go through an order fulfilment process."

There is no doubt of course that there is an important place for the hosted CRM model and products like our very own iportinstant CRM solutions do deliver benefits and do produce a return on investment. However it is only by tying all the processes together, by unifying the experience, that true Relationship Management can happen for all Customers of the systems. Our direct experience is that organisations will use our hosted solution, iportinstant, to test the waters or pilot the solutions before committing to a fully blown enterprise portal.



Conclusion

Portal software is strongly placed to help enterprise and small businesses alike exploit the processes and systems inherent in their business model. Buying CRM, either on demand as in the iportinstant model or as an application purchase from the likes of Microsoft or Sage is a “keep-up-with-the-Joneses” decision.

Buying into the portal model brings back the key business differentiator of **innovation**. The chance to develop innovative approaches to how you deal with your customers, all customers of your portal, and letting you set the bar so high to entry that suppliers can't compete and customers simply will not want to go elsewhere.

Innovation in software products has a very short shelf-life – innovative use of enterprise portal software however produces dramatic changes in business performance and even culture leading to new strategies for exploiting opportunity. The bottom line is that CRM stores customer data – the enterprise portal turns that data into knowledge.



About iport4business and the Author

The author of this series is Chic McSherry, CEO of iport4business. Chic started his first IT company 20 years ago – a reseller business most recently involved with Sage and Microsoft Dynamics - and he has been deploying CRM solutions since 1994. In 1999 he developed an Enterprise Information Portal with CRM at its heart. That software is called iportprofessional and has been sold successfully, winning several innovation awards, both here in the UK and in the USA. In 2004 he created a separate company to market the product called iport4business and established a US office in Houston, Texas. In 2005 he launched iportinstant – a web-based CRM product based on iportprofessional which has a growing user base due to its simplicity and low cost (\$10 per user per month). A fully functioning 14 day free trial CRM system is available from the iportinstant web site. In addition, he runs a Sales Training company called AchieveMore.

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