

Roadmap to CRM program assurance to Ensure Success

Vamsi Krishna Paramjyothi,
Tata Consultancy Services Limited,
Plot No 1, Survey No. 64/2, Software Units Layout,
Serilingampally Mandal, Madhapur
Hyderabad - 500034, Andhra Pradesh
Vamsi.Paramjyothi@tcs.com

About the Author

Vamsi Krishna

Vamsi Krishna is an Assistant Business Analyst with Tata Consultancy Services with experience in Business Process Consulting and CRM implementations. Vamsi has done his Post Graduate Program in Management from Great Lakes and a Bachelor degree in Industrial & Production Engineering from S.V.University.

Index

Abstract	3
1. Introduction	4
1.1 CRM assurance roadmap.....	4
1.1.1 CRM strategy & program planning	5
1.1.2 Process Identification & Evaluation	6
1.1.3 Process owner identification	7
1.1.4 Product evaluation & selection.....	7
1.1.5 Implementation partner identification.....	8
1.1.6 Implementation & deployment phase testing	8
1.1.7 Change management	10
1.2 Building blocks of CRM program assurance	11
Conclusion.....	13

Abstract

Even after thorough testing of CRM application, industry has seen several failures in CRM implementations. This is because the root cause of failures lies elsewhere might be in CRM strategy, processes, product selected, etc. Hence organizations should look at assurance (assuring CRM program from strategy to user training) rather than testing software. The assurance of any CRM program primarily deals with identifying the critical areas of audit/testing. This paper outlines approach for testing CRM solution that focuses on achieving identified objectives. This approach is a framework based on two key questions; *Where to test & what to test?* The primary one talks about the roadmap of CRM testing, stages where testing should be done. The later talks about building blocks of CRM (Strategy, functional & technical), features that should be tested/audited to assure success. Answering these questions shall give a systematic approach to identify and test critical parameters that are to be evaluated at each stage of CRM program.

Keywords:

Building blocks

Roadmap

CRM

Assurance

Audit

1. Introduction

Global competition is driving companies to compete for the same customer. In such a scenario it is more important not only to acquire new customers but also to retain them by providing world class service and increase revenue per customer by cross-sell and up-sell. This is driving companies to improve their customer experience in all aspects by stressing on customer facing functions. To achieve this they are trying to leverage on CRM. Industry leaders are able to manage customer by implementing CRM solution with enhanced processes and latest technology. Unlike other standard software implementations, CRM solution is a business strategy, percolating right from the top management level. Most organizations have recognized the importance of CRM deployment programs and have tried to implement them. But the myth that CRM program is merely a technology implementation is leading to testing technology rather than assuring the functionality. This has led to failure of several CRM implementations worldwide. In such a scenario it is obvious that testing a CRM program has become mission critical for success of the CRM strategy.

This paper details out three areas of CRM assurance:

- CRM assurance Road Map
- Building Blocks of CRM assurance
- Implementation testing

When an organization goes for CRM implementation, a committee comprising of key personnel from various departments is formed to run the program. Another team should be formed to audit and assess at every stage of CRM program execution. Organizations should assess themselves for their preparedness to go for a CRM implementation. Assessment should not be limited to plain functional capabilities and technical capabilities but it should start from CRM strategy to end user's acceptance for change. This should start from doing self assessment on the following aspects:

1.1 CRM assurance roadmap

CRM program assurance road map shows the stages of CRM program where testing or audit or assurance should be done. These stages show in the road map are critical and testing/audit/assurance should be done to

identify if the process followed to arrive at decision at each juncture is appropriate

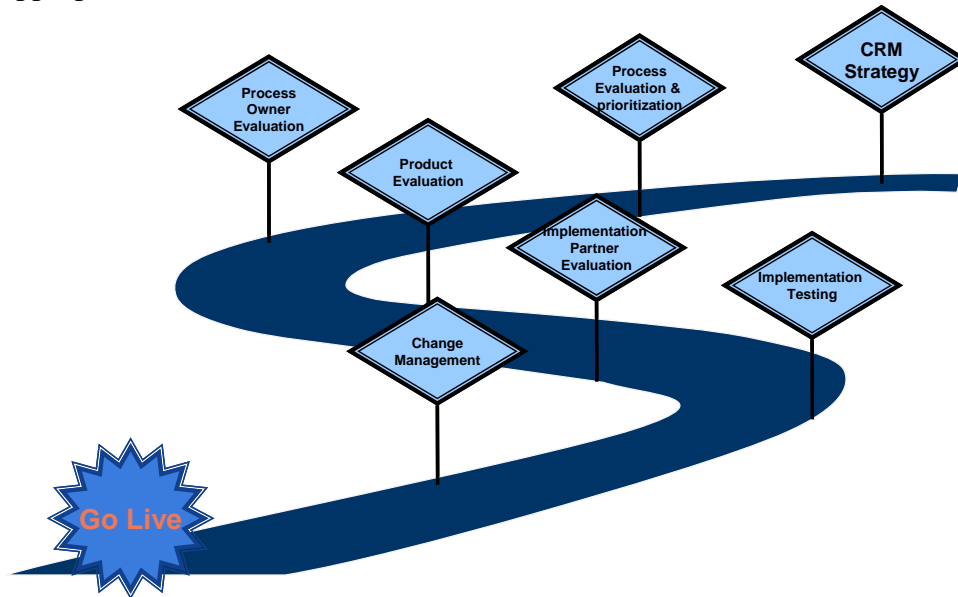


Figure 1. CRM program assurance road map

. Various stages of CRM program assurance are detailed out below:

1. CRM strategy & program planning
2. Process Identification & evaluation
3. Process owner identification
4. Product evaluation & selection
5. Implementation partner identification
6. Implementation testing
7. Change Management

1.1.1 CRM strategy & program planning

CRM strategy & planning should be audited to check if the strategy is in line with company objectives giving an edge over competitors in managing customers. Also the planning should be assessed based on the following to ensure if proper planning is done:

1. Have we identified reason for CRM implementation?

2. Where the end users of the application identified?
3. Did the estimation and capability assessment done properly for the following resources:
 - a. Employees
 - b. Budget
 - c. Knowledge
4. Were the business benefits identified from the implementation?
5. Where the metrics for measuring the success identified? If yes how well are the applicable?
6. Is there a group which will own the CRM program?
7. Do they have matching skill set for this program implementation?
8. Are the capabilities required in the CRM system identified?

An audit or validation test with such a question set shall ensure that self assessment of preparedness for CRM program has been done thoroughly. This will point out any gaps to be resolved before going with the CRM implementation or will show which areas to be improved.

1.1.2 Process Identification & Evaluation

Process identification for implementation is mission critical for any CRM program. Identification and implementation of wrong processes will lead to the failure of entire CRM program. Hence assurance plays a vital role in testifying if correct processes have been identified. Organization's strategy, industry, business model determine the processes in CRM implementation. Inappropriate process identification for CRM implementation results in mismatch of business requirements and technical capabilities and eventually leads to CRM program failure.

- Was a thorough study of the business model done?
- Were the business drivers for this program identified?
- Are business objectives that are to be achieved by this program in sync with business strategy and are measurable?
- Was a study done on the critical customer facing functions of the business, whether it is service, sales, marketing, Call center and so on.,

- Have the crucial client facing functions identified?
- How efficient was the identification process?
- Which processes are critical?
- Is the impact on business by implementing/not implementing these processes understood?

1.1.3 Process owner identification

An owner should be identified for each CRM process identified earlier. It is highly desirable that the process owner is well aware of the processes. This evaluation should be done to assess the process owners capabilities on understanding of the process, judge any new process change, suggesting new recommendation and in total bring about new enhanced process.

- Hence it is necessary to test if the process owner identified is well aware of the processes or not
- How much intricate details does the person know about the process
- Can the process owner own the responsibility of taking any critical decision for implementing an enhanced process
- Is the process owner capable of judging/ evaluating the new processes and see the benefit to the organization
- How comfortable is the process owner in interacting with other people involved in the process

BuildVsBuy is one important decision for any organization going for CRM implementation. Auditing this decision will ensure if the project is going to be cost effective and also prove beneficial in long term perspective. Build vs. Buy decision should be guided by money value of time, functionality, technical architecture and capabilities of in-house technical team.

1.1.4 Product evaluation & selection

Two important aspects of CRM project are the product & implementation partner. It is critical to identify the best suited product with all the required features, scalability and support from vendor. Audit team should check for the following:

- While evaluation did they studied the business model?
- Have they evaluated the money value of time for this project?
- Product has been selected based on the process owners' requirements
- Product has been implemented in that geography successfully earlier
- Product vendor has several clients in the same industry vertical
- Product vendor has good track record of giving continuous support
- Product is scalable for future requirements

1.1.5 Implementation partner identification

Implementation partner selection criteria should be assessed for assuring that the criteria will help in selecting the partner with all required capabilities and experience.

While validating the selection criteria, the following should be considered:

- Does these criteria, help in identifying partner with expertise in our industry?
- Do they ensure that the partner has ample experience in this geography, technology, etc?

A set of audit checklist should be created to audit the same.

1.1.6 Implementation & deployment phase testing

This phase is critical in the entire program life cycle. This should be done by a well experienced testing team monitored & guided by business analyst team for testing functionality. As CRM project implementation is not stand alone, it has to be integrated with other systems which provide information about customer like, billing which shows, customer bill and payment patterns, etc. System integration testing should be done to test the flow of the information to and from the external systems. User Acceptance Testing should be done by user team to validate the processes which should be supported and guided by functional and testing team. Entire testing can be divided into Plan, Equip, Execute and Deploy.

Planning stage objective is to determine what is to be tested i.e., functionality, business processes, technical capabilities, etc. Testing strategy defining objectives, scope, project management plan are outlined in this step.

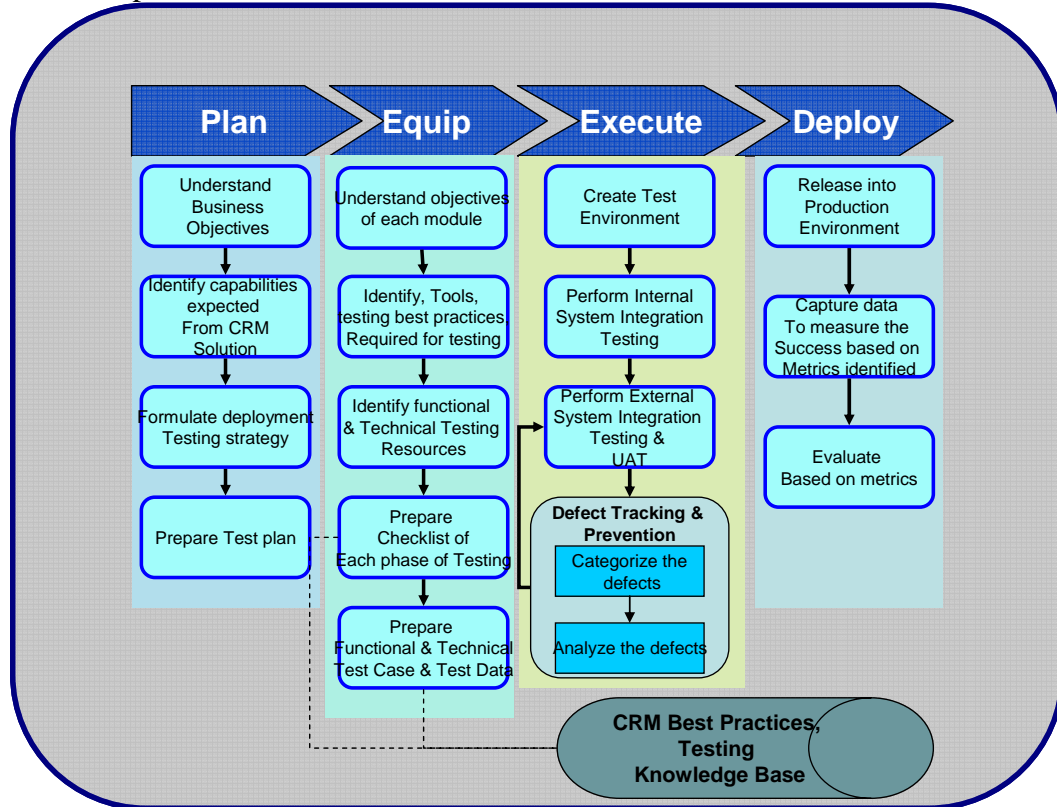


Figure 2: CRM Implementation testing process

Planning gives the scope, objectives and direction but to execute, testing team has to **equip** itself with appropriate tools, process documents and methodologies and more important experienced resources for executing the test cases. Test scenarios for testing have to be identified with the support of functional as well as technical teams and test cases have to be prepared. Rules to classify and prioritize defects identified should be prepared by discussing with technical team and functional team, so that there won't be

any mismatch of defect priority in the execute stage. Test data and test environment has to be set up for performing various tests.

During **execute** stage the testing is performed by executing the test cases and various types of defects identified are logged. Any process related defects identified should be assigned to functional team for validation.

Testing should not be constrained to just application; the following should be tested for assuring that the requirements have been mapped clearly. Key areas like, product management, process mapping, system architecture, etc have been made. Auditing should be done to check if appropriate resources have been identified for each functional area. See if business analyst team has relevant experience and can understand business requirement and translate them to technical requirements. After every phase of testing, all the defects are categorized into various categories like, performance defects, coding defects, etc and preventive measure is taken to avoid the similar types of defects in next phases.

The final stage is to **deploy**, CRM application is released into production environment once there are no critical defects as agreed by the business. In the production environment, the application will be measured based on some metrics to evaluate the success of implementation. Some of the metrics are as follows:

- Increase in process speed calculated based on parameters like, decrease in order placing time, etc

1.1.7 Change management

For any IT implementation it is very important that end users accept and adopt the new change in process as well as technology. User acceptance is very vital in CRM programs as, this is the system which helps employees to interact with customers and customers to interact with company as well. The change management should be smooth and should be well accepted by employees for project success. This should start right from the beginning of the CRM program, audit team should check if this activity is in place.

This should start from assessing the people groups and key resources identified for educating the new processes. Methodology/approach used for managing the change since all approaches wouldn't fit in all scenarios. The basic process of change management should be based on the following building blocks: [1]

1. **Awareness** – of why the change is needed
2. **Desire** – to support and participate in the change
3. **Knowledge** – of how to change
4. **Ability** – to implement new skills and behaviors
5. **Reinforcement** – to sustain the change

Successful deployment without user training shall lead to failure of the project since; users will not be in a position to perform the duties using the new system. Hence it is required to ensure that adequate user training is done. Assurance team should validate

- Appropriateness of the areas identified for training
- Quality of Training manuals
- Skills of trainers
- Quality & completeness of training

1.2 Building blocks of CRM program assurance

CRM is not mere technology it is people, process & technology bounded by organization strategy aligned towards the customer. Hence to assure such a program is being executed properly and is successful, testing should be done based on the three building blocks suggested below:

- Strategy
- Functionality
- Technology

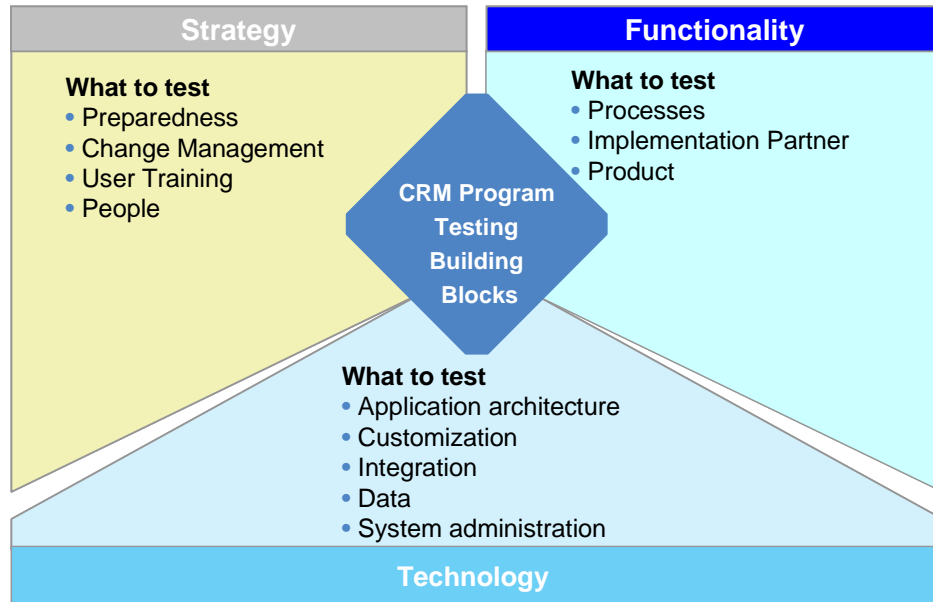


Figure 3. Building Blocks of CRM program assurance

Strategy forms the base on which the entire CRM program is built. The alignment of CRM strategy with organization strategy should be thoroughly examined. Change management should be initiated with the program kick off and should be handled through out the implementation phases. Audit committee should check the progress of the change management to avoid any delays due to non adoption of new processes by employees in later stages.

Testing at every stage should be guided by one or more of the elements in building block shown in Figure 3. Questioning should be done so as the check if the relevant elements of building block have been addressed? For e.g., while testing the functionality at implementation partner identification evaluation stage, the test should be, done to check the following:

- Does the implementation partner have enough experience in our geography?
- Does the implementation partner has experienced and enough technical and functional consultants?
- Is the implementation partner well aware of our industry line of business?

Such questions should help in evaluating the implementation partner. Audit team should evaluate these parameters identified for identifying an implementation partner.

Technology plays a critical role in the CRM program since it is the enabler or the tool which helps organization to interact with their customers in a better fashion. Hence it is very important that when selecting a technology it is important it has the following attributes:

- Application architecture
- Customization
- Integration
- Data
- System administration

Conclusion

Testing should not be looked as mere technical/application testing for a CRM program; it is “assurance” which should be done, assurance that CRM program started with all requirements identified and aligned with CRM strategy and business, assurance that processes, process owners have been identified based on business requirements, audit to assure that product has been selected based on process owner’s requirements & priorities, assurance that implementation partner selected has enough experience in successfully implementing CRM programs of this industry and size in this geography. Testing to check if product configured with industry best practices and processes. Finally check made to ensure necessary steps have taken to bring in the change in the organization so that users/employees can easily adopt the new process and system. Hence CRM program testing should have a proper strategy, audit and testing team with expertise in place to ensure CRM program implementation success.

References

[1] http://en.wikipedia.org/wiki/Change_management