CHAPTER 5: MULTIPLE CASE STUDIES - DATA COLLECTION AND ANALYSIS

In this chapter, a brief overview of the selected firms followed by the empirical data collected during the research is presented. Data collection was conducted from three companies in an effort to evaluate the CRM practices in these companies. Data collection process followed the sequence of the frame of reference outlined in chapter 3. Also, data was collected on the company's background in terms of their services and operations.

5.1 CASE STUDY ANALYSIS: CORP 1

Corp 1 (name changed) is a Multicultural Global Technology & IT Services Company. Over the years it has grown organically as well as by mergers and acquisitions. Though it came into existence in 1999, their legacy goes back to mid 1980s. It was a pioneer industry organisation that helped other companies merge together to form Corp 1. Funded by an investment bank headquartered in NY, USA, they have a SEI CMMi Level 5 and ISO 9001:2000 certification on quality, along with an ISO 13485:2003 certification by KPMG. In security compliance they have upgraded from BS7799 to ISO 27001:2005 Standard. The company specialises in embedded systems and solutions with exclusive focus on every client in their horizon and this has been the Top Management mandate to every functionality in the organisation. What set them apart from competition is that they
followed the client’s quality process rather than imposing their quality process on the clients. They have been successful in delivering the projects on time, with delivery slippage at less than 10 per cent. They can execute both High Level as well as Low Level designs and have the most meticulous records for project processes and documentation for the same. This is probably why their customers include Fortune 500 companies, multinationals and successful small and medium enterprises across several industry verticals. Their work force is around 1200+ globally and revenue is between US$ 50-100 million (FY2010-11). It is a public limited company and listed on Bombay Stock Exchange (BSE).

*Organisation Structure:*

![Organisation Structure at Corp 1](image)

*Area of Operations:* Corp 1 delivers business and technology solutions to a wide range of Fortune 500 companies and Small and Medium Enterprises (SME) globally. It is present in eight countries. It has one development centre in USA, three development centres in India, one development centre in Singapore and a support centre in Malaysia. Apart from this, it has eleven sales offices distributed
across USA, UK, Germany, Netherlands, India, Singapore, Malaysia and Bahrain.

**Services:** Corp 1's services portfolio has evolved over the years to best suit their clients' needs. Known for their client centric project execution approach, they are committed to providing maximum returns for every dollar spent. Every time they mastered a technology or got accredited to a certification, it helped them to infuse more value to their clients’ businesses. Their services portfolio included Enterprise Business Services, Product Engineering and R&D Services and Enterprise Information Security Services. Corp 1 is considered a trusted partner for its domain expertise in Public Sector (Government), High Technology (e.g. Semi, Storage, Computing, Wireless), Manufacturing (e.g. Analytical Instruments, Industrial Systems, Medical Systems) and Higher Education.

**Customer Data:** Corp 1 is a medium sized organisation with optimal client-employee ratio and a healthy mix of clientele across all customer segments. Around 25 per cent of their clients are Fortune 500 companies and another 25 per cent are large global multinationals. The remaining clients represent small and medium enterprises across various industry verticals. Among other verticals that they operate in, Corp 1’s strong presence in the Hi-Tech and Manufacturing vertical highlights a unique ability to apply high technology for non-linear business results. Its strength lies in the more than 10 years of experience garnered in providing cutting-edge technology solutions to Semiconductor, Storage, Computing, Software Products and Wireless domains. The company has a significant presence in the Manufacturing vertical with over a decade of an excellent track record of delivering high ROI (Return on Investments) to a number of manufacturing industries. These include Analytical Instruments, Industrial Systems and Medical Systems by providing innovative Product Engineering and IT. A combination of industry knowledge, technical strength and in-house domain expertise helped them address their clients’ business issues and competitions and support them to garner a bigger pie of the market, even be market leaders. Another domain Corp 1 specialised is in executing large sized turnkey projects for the
Public Sector (Government) and they have some acknowledged projects in the public sector in the United States. Their long-standing relationships and credibility with a number of State Government departments often makes them a preferred vendor for the Public Sector. Their service models allow them to work effectively with customers from several industries and verticals with varied business focus, on projects of all sizes.

Client management model: Corp 1 is focused on creating a better customer experience through a client specific relationship cycle, thus delivering better returns on their clients’ investments. One of their key strengths is to read a business situation quickly and come up with smart solutions. This is possible due to their in-depth knowledge and understanding about their clients' businesses and industries. The company’s customer management model is based on their commitment to partner and align themselves to their clients’ business and organisational goals. The company engages industry practices SMEs (Subject Matter Experts and Analysts), technology practice experts, Centres of Excellence and Best Shore delivery model. This engagement fabric provides them an opportunity to partner with their clients to help them achieve scale and cost benefits in areas that fall under the purview of the services being provided. At the same time, the focus is on challenging the engagement systems, question the services and derive best practices that can again be ploughed back into the service – to help the client innovate and apply the knowledge back to clients’ businesses. One big advantage with the Corp 1’s commitment is that a lot of time and effort is put in learning and understanding their clients’ industries, markets and competitors and then aligns their own investments to build greater technical and business competencies in those industry verticals. This approach is designed for building long-term relationships with their clients irrespective to their size.

Future strategies: The future strategies of Corp 1 include:

1) Farming of Existing Customers of Corp 1- There are 20 Fortune 500 large US$ 5 Billion plus companies that are customers of Corp 1 and 17 that are
large US$ 1 Billion plus. As of today the primary verticals that they operate in are Hi-Tech, Manufacturing and Government. With a completely Customer centric approach, they plan to have an unprecedented focus on Customer(s). This essentially means that each Key Account is an individual entity or a group of similar kind of accounts that form a vertical. In the long run, this Current Service Practice led model will be complemented by Key Verticals expertise and this will require them to start investing and acquiring vertical domain knowledge, assets, experience and expertise. Then they will be able to improve on the value of services - adding to the Quality of Revenue with their customers and not just the Quantity of Revenue alone.

2) New Customers Acquisition- In this case, the top 10 per cent of their customers contribute approximately 70 per cent of their revenues. But the alarming fact is the top 5 per cent contribute less than 62 per cent of the revenue, (which means 6-10 per cent make only 8 per cent). So, despite the fact that they acquired some good logos such as Sony, Intel, Schlumberger, etc which they will obviously farm, they also ended up with less than 43 per cent customer in the lower mid-market segment. For this group with annual revenues less than US$ 100 million, the new customer acquisition process will be a function of a Go-To- Market (GTM). For the universe of clients that they want to build, this GTM strategy will be prepared and carefully qualified jointly by Marketing, Business Development teams and Practice teams.

3) Innovation Labs- This is an investment in incubating new business models and innovating within their business (services, verticals) as well as across and also new verticals. This will also include expanding their focus on new horizontal services and scaling those businesses to a much larger levels.

5.1.1 Key Drivers for CRM Implementation
According to inputs from the company, the following were the main internal reasons that drove the company to adopt and implement CRM:

1) With the growth of the sales team, it was becoming difficult to manage sales
contacts using traditional methods - like spread sheets. Although they stored all their databases on a common server, it was not accessible to members who were in other locations, so they needed a simple contact management system to manage the growing database.

2) In order to provide a clearer view of the customer, an efficient database that could be accessible across geographies was required, so CRM was one great way to do it.

3) There was a need for a more professional way to communicate with the customer base in a manner that was more personalised and offer services that were customised to their needs.

4) They wanted to create a metric to establish performance measurement guidelines for the entire customer facing functions and use this framework to set appropriate goals.

5.1.2 Choice of a CRM system
This company earlier had an unfortunate experience with an installed CRM and data stored on their on-premise server. They felt that the data was manipulated to generate a favourable sales report for the employees. For this reason, the company decided to go for a hosted CRM. They also opted for 'pay-as-you-go' Application Service Provider (ASP) where cost is determined by the number of users or licenses. This made sense, because even though they had management approval for the budget, the resources that were available to meet their very aggressive growth plans were limited. Vendor capabilities and training support were also critical factors while choosing their CRM system. They also needed to integrate their CRM with their ERP system, but did not want to opt for the same ERP vendor due to cost issues.

5.1.3 CRM Implementation
Pre-implementation Phase: Corp 1’s previous CRM implementation failed to accomplish its targets. The major reason for the failure was an unsuccessful assessment of the company’s readiness for implementing CRM. In addition, the
inadequate monitoring of the performance by the end-users also added to the problems. A narrow view of CRM as a software tool alone also contributed to the limited success of the CRM implementation in the company. However, the second attempt to implement the CRM project started in 2008 and to ensure the issues were not repeated, the company conducted an assessment phase before engaging in the actual implementation process. The assessment process was comprehensive and included the evaluation of human, organisational and technological capabilities. The company identified two leading vendors for evaluating the organisation’s business structure, IT infrastructure, processes and assessing their readiness to implement CRM. The result of these engagements was the development of a new structure for the company that enabled its transformation into a customer-centric organisation, ensuring it would fit the requirements for CRM implementation. In addition, a series of training programmes were started for the employees to provide the required skills for changes in the organisation’s culture.

As already reviewed in the literature, Top Management support is identified as a crucial factor in CRM success. Corp 1 learnt from its experience of the earlier attempt at CRM implementation, that the involvement of Top Management and its support to implementing CRM is an essential requirement for CRM success. Hence, in the new CRM strategy, a CRM committee was created and headed by the CEO of the company. The CEO, as the head of the Top Management, was required to directly supervise the committee and was also required to lead its meetings and approve of all decisions taken by the committee. Another stakeholder in the CRM implementation, the Director of Sales was given the responsibility for managing and monitoring the development and execution of CRM strategy, and ensured it aligned with the organisation’s general business strategy. The effective and strong support by Top Management to the CRM project was displayed by the substantial budget that was sanctioned for the project. The decisions related to CRM implementation- design and resource management- were also supported by the Top Management.
After careful assessment of the company’s capabilities and structure, the need to change the organisation’s strategy was realised and a new strategy was developed to achieve the shift in its focus to becoming a customer-centric organisation. This was the initiative of the strategic planning sector which is directly linked to the company’s CEO. However, in respect to CRM, the general business strategy is divided into two main categories that embedded the CRM strategy as a way to aligning both strategies to achieve the company’s objectives:

a. Structural planning for business processes: This part of the strategy focused on assessing the organisational structure and its processes to implement CRM. For this, an evaluation of the readiness of company to implement CRM was done. This was followed by changes in the organisation’s structure and culture that would make it ready to adopt the implementation of the CRM project. Thereafter, during the actual implementation which was set up in the modified CRM supported organisation was continually monitored and evaluated for any lapses in the settings.

b. Information technology systems planning: Modification of computer systems and IT infrastructure within the presales, sales and marketing functions were done. To set the ball rolling, the objectives of the company’s general business strategy and consequently CRM strategy were identified and then work teams were formed. These teams consisted of representatives from different sectors of the company, to have a clear view of changes required for achieving the defined objectives. Based on this view, a study analysing work requirements and flow was conducted. This helped to prepare work procedures for achieving the defined objectives, which was then aligned to the strategy.

Learning from the failure of the last attempt at a CRM implementation, the company decided to hold serious readiness evaluations before taking any further steps this time around. Though there was no document created that discussed in detail the outcome of the readiness assessment that was conducted by an external consultant organisation, the main results of the assessment were as follows:
• Technology: The Company’s technological infrastructure was adequate and strong enough, since it already ran an ERP system, so there was no doubt about its ability to implement the CRM project. However, some additional requirements that were thrown up would add value to the implementation on the ground. It would require a dedicated internet bandwidth and integration of the major systems and applications of the company - customer support system, human resources system, financial and billing system, phone enquiry system and the webmail system.

• Structure: A postpartum assessment of the past failures clearly showed that one big reason for the failure was that the organisational structure did not have the ability to support the shift to the customer-centric approach, much required as the base of the implementation of CRM. Hence this assessment stressed on the strong need to redesign the business approach of the organisation, focusing more on customers. New departments and functions were created and others were merged to meet this objective.

• Human resources: The assessment of the human resources orientation discovered a need for increasing the awareness of the company’s staff about CRM, its utility and its usage. Among other things, it also revealed that there was resistance by the employees to the new changes required for CRM implementation, so development and use of training programs on the aspects of the CRM projects, was recommended. The need for change at the Managerial levels of human resources was stressed as well. The assessment recommended acquiring skilful and experienced managers. Another action point, according to this assessment, was the laying off managers who resisted changes in work flows, organisational structure and the use of new technologies.

**Implementation Phase**: The process of implementation started with the buy-in of the Top Management, facilitating the transformation of the company into a customer-centric organisation. This was not only an implementation need but also a business need – in the face of severe industry competition and a strategy to retain
good customers. The biggest contribution and involvement in the CRM implementation process of the senior management was in terms of securing adequate financial and human resources. As mentioned earlier, the CRM implementation was kicked off with a thorough assessment of its readiness to successfully implement CRM. By developing a differentiated CRM strategy and aligning it with the company’s new business strategy, plans were developed to implement a CRM project that broke down the CRM activity into smaller sub-projects. In order to start its actual implementation, the company focused on the following activities and aspects that were sub-parts of the whole CRM implementation.

New business plans were put in place to carry out the technological part of the CRM project. These plans aimed at providing advanced communication channels to the company’s customers as well as to its employees. It also aimed at providing fast and differentiated software services and helping leverage the level of performance and productivity for the company’s employees. The overall implementation plan also took steps to improve the infrastructure and provide better customer support services. Corp 1 signed a five-year contract with their CRM vendor to provide a consultancy service for CRM implementation. The contract also included technical support, since the project is strategic and involved a significant amount of investment.

Since the assessment had identified poor human resource skill levels as one of the bigger reasons for failure of the last attempt, one of the big aspects this time was proper training and buy-in from the employees. The strong resistance by the employees to adapt to the new changes in the work system was avoided this time. The learning process from past mistakes ensured that the employees understood that such resistance, alongside poor orientation and training programs for staff, contributed to the failure of the last CRM launch. This time, the entire resource structure was redesigned according to the assessment of its current capabilities. The vendor contract included developing training programs for the employees.
These were aimed at leveraging their skills to the required level, so they there would be no problems in coping with the company’s new customer-centric strategy. A series of training programs were launched at the company headquarters while other programs were organised outside the company, but they all focused on the following objectives:

1. Establishing the new company culture which is more oriented to a customer-centric perspective, placing the client at the focus of all activities.

2. Disseminating the knowledge about CRM as a strategic concept that strengthens the company’s relationships with its customers adding value to the brand image, enhancing the company’s competitive advantages. The knowledge distribution also included the fundamental linkages and alignments between the CRM strategy and the company’s new strategy.

3. Training the employees on the new work tasks and systems, fitting them into relevant roles of responsibility under the new paradigm emerging from the new structure. The trainings also include explanations on the new technologies associated with the implementation of CRM.

The people requirement of a successful CRM implementation included the requirement of an industry best sales head, who could spearhead the implementation. This person also helped in positioning qualified skilled personnel especially in upper-level positions. To fight resistance to change by the personnel, the company applied a two pronged approach. Firstly, the staff was educated at all levels in planned training programs on different aspects of the new strategy. Thereafter the company offered a substantial redundancy for employees who did not make an effort to become a part of the new paradigm, or were unable to do so for any reason - either due to their lack of sufficient skills or due to their role in resistance to the new changes in the company’s structure and culture.

Based on operational front-line functions (Sales & Marketing) and service delivery without a clear vision of focusing on the customer, the old structure would not have been able to support a CRM. For the CRM strategy to succeed this time
around, it was mandatory to have a new organisational structure. Creating new departments and re-engaging some older functions within new departments was really required. So, in the new attempt, the CRM committee headed by the Chief Executive Officer (CEO) of the company controlled the force that supervised the implementation of CRM.

In addition, each CRM project was owned by a certain department which had the responsibility for the technical implementation of the CRM project. The shared service department then had the responsibility for unifying the process of implementing CRM by the different departments. It was the shared services department that created the strategy for redesigning processes and procedures.

5.1.4 Integration of ERP and CRM
For Corp 1, integration of ERP and CRM made business sense, since after that, the company could streamline operations, ensuring accountability of all departments for customer retention and loyalty. This process was carried out in 2010 (after almost 2 years of CRM implementation). By getting all the business facing teams – sales, marketing and software delivery team– on the same page the company became more customer focused and hence, more profitable. The integration helped the sales team be more efficient, since it allowed them to match customer needs with company offerings and also made it viable to identify the right project team and provide customised proposals and services for every lead generated and customer's inquiry. This significantly added to team collaboration and reduced the time spent on manual follow ups with internal teams and departments. The finance team now have an automated system for raising invoices while the HR department got specific requirements in their systems with accurate specification in real time as and when there were requests to hire new consultants as per customer's needs. Other support departments such as Administration could, after the integration, co-ordinate with the field Sales personnel by taking care of travel and accommodation while the sales teams were now freed up to concentrate more on customer relationship.
5.1.5 CRM Success factors
The company viewed success factors as implicit in the implementation process, though it does not officially integrate the approach of success factors in the implementation process in the form of documentation and reports. They were aware of the importance of considering all success factors in CRM implementation. The most important factor that influenced the success of the company’s CRM implementation was the strong commitment by the Top Management to the project. For the company’s sales operations, the most crucial factor in the success of the CRM implementation is data management. The value of data is significantly high for Corp 1 as they target a highly niche market and their customer data was built right from its inception, making it invaluable to them since it was manually created by the market research team. Process change was considered as another very important factor in CRM success, as the drawbacks of the company’s legacy processes were a major barrier to the CRM implementation. For the current CRM implementation, staff motivation and training added big volumes to the success of their CRM.

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<tr>
<th>Factor</th>
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<tr>
<td>Top Management Commitment</td>
<td>5</td>
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<tr>
<td>Clear CRM strategy</td>
<td>2</td>
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<tr>
<td>Data management</td>
<td>5</td>
</tr>
<tr>
<td>Process Change</td>
<td>5</td>
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<tr>
<td>IT Systems</td>
<td>2</td>
</tr>
<tr>
<td>Staff motivation &amp; Training</td>
<td>5</td>
</tr>
<tr>
<td>Monitoring and feed backs</td>
<td>4</td>
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<tr>
<td>Inter- departmental integration</td>
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</tr>
</tbody>
</table>

**Table 5.1: CRM success factors at Corp 1**

The evaluation of the CRM success factors is shown in Table 5.1 (5= most important, 0 least important). The Table was filled by the Sales Director in Corp 1 after providing a description of the table by the researcher. The evaluation was
based on the importance of these success factors to the implementation of CRM project for Corp 1.

5.1.6 Measuring the effectiveness of CRM

Five aspects of the performance measurement of the three companies were examined so as to analyse the CRM measurement practices and related gap:

1) Examination of the evaluation of the monetary benefits in the form of investment appraisals,
2) Customer knowledge,
3) Customer interaction,
4) Customer satisfaction and
5) Customer value

The last four aspects are in-line with the four perspectives of the modified CRM specific Balance Score Card (BSC) framework developed by Kim et al. (2003).

Return on Investment Calculation: This Company did not do a comprehensive calculation to determine the financial returns on their investment on CRM since it was tedious to determine the cause and impact of CRM and the disproportionate Cost-Value ratio of this calculation. Consequently, Corp 1 regarded the recognition of qualitative paybacks as adequate and ballpark quantitative outcomes.

Customer Value: Corp 1 only considers the returns on customer relationships and ignores costs, which is justified by the cost-value-ratio. Customers are classified according to their profitability and loyalty and are systematically migrated to more profitable segments through up- and cross-selling activities.

Customer Satisfaction: Corp 1 does a frequent and systematic measure of customer satisfaction. These surveys and feedbacks are collected mostly by the software development team Manager. They improved their customer satisfaction through CRM.
Customer Interaction: With their campaign management and sales management processes, this company measured the response and conversion rates. Additionally, the Top Management regularly receives reports on the overall region and employee performance.

Customer Knowledge: This Company scarcely measured the BSC perspective 'Customer Knowledge'. Their meticulous collection and storage of customer information in their database allows employees to access customer knowledge easily, yet there exists quality issues with soft customer information which immobilise efficient analysis of customer data.

5.1.7 Benefits of CRM
According to the Sales manager for the company, they have already seen some benefits since the implementation of the hosted CRM. Firstly, the entire customer database and the analysis report were available on a remote hosted server, accessible through a web interface by all stakeholders, irrespective of geography. Secondly, since data was archived on their hosted servers, business was protected against any service or hardware breakdown. Maintenance was thus not an issue and hence there were no costs to worry about.

After the initial benefits that the company saw just after the CRM implementation was completed, it was time for business benefits to flow from the actual process of usage. Several other tangible benefits that were extracted from the CRM process included:

1. Emergence of a new culture of accountability, since every member of the team needed to update data in the CRM system and could also draw reports from it. All actual usage was recorded and no one had the option of not using it, or not updating the data.

2. The new system gave a boost to process efficiency too, since anyone who had access to the system could get the complete status of an account. With
remote access to contact management data, processes were more efficient and so was decision making, hence cutting back on time on sales cycle. This gave them a competitive edge.

3. The new system gave the company and the sales organisation several new functionalities, they now have data at their fingertips and they could now prioritise tasks and keep their schedule handy. These would also give them a better market reputation and visibility, in itself an effective advertisement.

4. In terms of customer communication, the new system allowed the sales team to control, track and follow up with customers more effectively and efficiently. It gave them the ability to keep track of customer’s history and preferences.

5. This new efficiency enabled much higher lead generation and sales.

The key metrics from Company show that the sales team reached out to 20 new prospects and took them to a proposal stage. After submitting the proposal, on an average 2 sales were closed every month. Today the team generates approximately 70 per cent of the new business at around 80 per cent less reduced costs and in just one quarter of the time as compared to conventional field sales approach. These business impacts can be summed up as:

- Cost per customer acquisition came down drastically
- Sales cycle time reduced significantly
- Overall sales performance improved

5.1.8 Issues and Challenges in CRM

Despite several benefits, there were some very real challenges and issues that the three companies faced during the implementation and also during the set up of operations. The issues faced by Corp 1 are as below:

- Un-informed Leadership: It was learnt that Corp 1 applied more of its resources in the planning and analysis phase than in the purchase of the CRM software package itself. When choosing a CRM vendor, the purchase cost was more important factor than the vendor's services such as
availability, support and staff-training programs which affected the company's decision on choosing the CRM vendor. The CRM purchase was not evaluated to suit the business need, rather it was a compromise to suit their budget.

- System specifications from wrong people: One of the biggest challenges surfaced because the information flow for requirement was not focused on the right people. During the evaluation for choosing a CRM vendor, system requirements and specifications were defined more by the Sales departments than by the IT department solely. The management did not even take into consideration the IT fluency of the sales department in the areas of CRM or IT. The sales department may have given the requirement so that the CRM system would ease their work but not in the interest of the entire company’s performance, largely because they were not educated on how having a CRM system could help them achieve their revenue targets.

- CRM integration with ERP from different vendor: Another decision error was that of identifying a different vendor for the integration of CRM with ERP and not going with the vendor that helped implement the ERP system. The CRM system at Corp 1 has not been seamlessly integrated with their front-office applications and often has issues including with their email system. This limits the CRM tool and prevents it from being utilised completely.

- Reluctant end-users: At Corp 1, the sales team was complacent and initially resented the efforts to include the hosted CRM system into their daily work routine, making it a complicated / tedious procedure to store data and retrieve information. With Hosted CRM system, the performance of the tool depends on the speed of the internet and therefore whenever the internet speed decreased, working on the CRM system was not easy, consuming time and bringing down performance.
5.2 CASE STUDY ANALYSIS: CORP 2

Corp 2 (name changed) is an IT services company based in Bangalore, India. Corp 2 is certified with ISO 9001:2008, BS 7799 and is assessed at CMMI Level 5. Corp 2 is ranked among the top ten in India IT companies and overall in the top 200 by Fortune India 500 in 2011 with more than 50,000 employees as of 2012. Corp 2 is a public company listed on both Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). It recently crossed the billion dollar mark in terms of revenue. It was established in 2000 after the merger of the US-based IT consulting company and an Indian IT services company. Marking over US$ 1 billion in revenues for the year ended October 31, 2010, put it in the top ten Indian IT companies club.

Organisation Structure:

![Organisation Structure of Corp 2](image)

Figure 5.2: Organisation Structure of Corp 2
Area of Operations: Corp 2 has around 40 offices in about 15 countries with delivery centres in India, China, USA and Europe. It has about 12 offshore development centres that cater to applications, Business Process Outsourcing (BPO) and IT services groups. With such centres opened in places like Poland and New Zealand, this has been a strategic move, garnering clients in countries where outsourcing is the strength.

Services: The Company is engaged in providing IT services to its customers around the globe- services that include BPO, IT infrastructure services and software application services. The application services offered by the company include application development as well as applications maintenance and support services. The markets served by the company are financial services & insurance, healthcare, manufacturing, government, transportation and logistics, communications and consumer & retail industries.

Customer Data: The Company had over 500 clients at the end of the financial year 2011-12. The BPO services group has 40 global clients while the application business unit gets more than 65 per cent of all the revenue and more than 100 clients and the ITO list of clients run over 70+, globally. In terms of horizontals, it has over 250 customers where the services are focussed on application development and maintenance and this segment rakes in more than half the revenues – over 60 per cent of the global revenue of the company, to be precise.

Client management model: Corp 2 is a performance based company, dedicated to outstanding customer service building long-term relationships with their clients. Their flexible customer focused and performance driven engagement models enable them to provide ground breaking solutions for better business performance and cost savings. The customer differentiation for this company is – integrated solutions that are aligned with the customer’s growth. In its segment, it has a presence that means a solutions and service provider that will go that extra mile to add to the value of a product, if a customer needs it.
Future strategies: Until recently, this company was a part of a global IT giant, with a presence that overpowered most other companies. The marketing strategy that Corp 2 followed was lead by the mother brand and it has helped in great stead. Despite a majority ownership, there is a strategy in place that will allow a phased withdrawal from the brand umbrella of the mother company, not in financial terms, but definitely in terms of hunting for clients. This is creating some obstacles in farming its oldest client groups, but the way forward is very clear. Internal restructuring that is aligning the sales teams to the client’s requirements and throwing the entire organisation’s might behind this farming activity. Another sharp strategy is strategic acquisitions and alliances to grab a bigger share of the services market. Corp 2 has made 7 strategic acquisitions over the last decade. Alliances with software and services brands are also a part of the hunting and farming strategy. Corp 2 is looking forward to creating integrated models that offer complete solutions platforms to its clients. All Farming is aimed at this objective. The environment of customer acquisition and farming is based totally on value addition, since IT is not a unique offering. The company focuses on its deep domain knowledge combined with its wide vertical exposure. It aims to provide services and solutions that are aimed at lowering operational cost over a period of time, thus allowing the clients to incorporate the company advantage into their business and market strategy.

5.2.1 Key Drivers for CRM Implementation
For the mid tier IT Services Provider Corp 2, several factors have acted as motivators for a CRM implementation. First, the company wanted to add to its revenues by farming on existing accounts, building on customer relationships that have existed over several years. The CRM implementation would help in enhancing the relationship with the current customers and acquiring new customers by providing better-customised services. Second, the increasing competition had motivated the company to implement CRM as a tool to face the new competitors in the market. Expansion across geographies added the need to have a real time database and communication system with the customers globally.
and that would also help their sales teams, starting from the Managers to the field sales personnel to be on the same page. The united front they presented to the customer activities and requirements, the better market standing they had and giving them a notch above rivals. The Business Development Director revealed that the CRM implementation in the company was a vital decision made by the Top Management of the company to strengthen the relationships with new and potential customers and it would serve as a tool to face a new competitor which started its operations recently targeting the same market. In order to satisfy these motivations and accomplish their sales objectives, the company developed a new strategy that focuses on relationships with customers and meeting their domain expertise expectations.

5.2.2 Choice of a CRM system

They wanted to leverage the web and create opportunities to engage people. However, they were not able to identify a suitable vendor with web functionality in the CRM application, though they were willing to pay for it. The logic was that there was no dearth of budget for this activity and also that there would then be the ability to enable integrations with multiple systems. The financial liberty empowered the company to choose such a CRM without having to justify the purchasing cost. Their large legacy systems and IT infrastructure left them with no choice other than an installed CRM system. Since ongoing vendor support would be critical, along with their training services, it was important that the vendor identification took care of these modalities too. They also needed to integrate their CRM with their ERP. And for this reason, they had to make sure that this integration would be seamless and compatible and therefore they identified the same ERP vendor for purchasing their CRM.

5.2.3 CRM Implementation

Pre-Implementation Phase: Corp 2 took into consideration the characteristics of the competition in its target market and customers’ characteristics. Since it operates in a global playing field, the infrastructure needed to be geographically
coordinated. Besides, the mother brand which was the actual implementer of the CRM for Corp 2 also, was encouraging ownership individually. Therefore, based on an assessment of the status of the market, the company developed a strategy which focused on customers’ needs by providing creative and proactive services. The focus of all communications was to provide integrated services to clients, making Corp 2 a preferred partner to their growth across technology horizontals. This was the strategy for CRM across all verticals they were operating in. For this company, a CRM application was an important tool for operating in an increasingly competitive market.

Higher level of management at Corp 2 supported the implementation of CRM. At this Company, CRM is a separate functional department but the team is an integral part of the Top Management responsibility. The structure of the company is lean and divided into relevant market units, further subdivided into groups and verticals under each group. The result is that a very fine matrix was created around the client offerings and there was always a whole team to take care of existing customer requirements and the top level sales team managers were at a constant supervisory mode. The CEO of the company was organisationally linked to the CRM project owners through the organisational structure, since the project owners reported to the CEO through the Business Development Director.

The company developed a business environment in which employees operate transparently to transform their values into actions by sharing knowledge, adopting creative thinking and carefully listening to the customers. Internally, processes have been incorporated in the fabric of the organisation to ensure proper utilisation of customer data. The company treats its customers with great respect and this has helped develop profitable partnerships with its clients. In addition, the company practices its social responsibility by being committed to provide a variety of services as a way to reflect the company’s respect to the industry and the society in which it operates. With global performance parameters in place to measure its performance, this company focused on constant revision and
reworking of sales strategy according to market conditions and customer circumstances. Being on the toes has helped Corp 2 meet many objectives and not let them pass up too many opportunities for growth. There was no defined strategy for the CRM project, but the general business strategy of the company supported CRM implementation. The implementation plan was developed jointly by the IT teams and the sales and marketing team, since it was considered to be a strategic tool for sales.

The company focused its readiness assessment process on fulfilling the requirements of implementing the CRM project. With a robust IT infrastructure able to support any kind of complex applications or tools, the company’s bigger concern was trained and capable resources to run the project. During the procurement of CRM, the company also took care to include training programs in the contract to educate the employees.

**Implementation Phase:** Due to the new trend of the competitive software services market, the company conducted a brief assessment to its market and the requirements of the new market to reflect these characteristics in its CRM project. In other words, the company launched its CRM applications by fine tuning its CRM to achieve its sales objectives as a competitive tool. The implementation process, carried out module by module over a few years, started with the application of CRM for existing customers, the main focus being streamlining of sales and marketing activities. Thereafter the rich data that was gained in the initial usage was utilised to make new market units, based on customer segmentation derived from this data. Then the application was used to hunt for new customer segments and new logos. Utilising the rich data through the use of the CRM project and its application, the company developed a new segmentation for its customers based on their values. The first stage started in 2003 with the company’s entrance in the market. Thereafter, the CRM project was applied to cover the new segments of the customers. In this stage, the company integrated the CRM project with their in-house built system that helped in the evaluation of each
customer’s value based on average potential revenue. In the second stage, after segmenting customers in this manner, the company went all out in implementing its CRM for sales strategy. In the final stage, the full application of CRM was done for marketing, services and support activities. This involved the integration of the different parts of the company that were associated with CRM implementation and integrating CRM with the ERP. Needless to say, from this phased implementation, it is clear that the company emphasised largely on customer’s segmentation and marketing activities, stage by stage.

Corp 2 considered technology as the mainstay of any CRM project implementation. The technological factor included the IT infrastructure of the company that facilitated the use of CRM as well as the CRM systems. It relied heavily on its technological expertise, acquired from implementing CRM to the North American market. In the face of shaky global economic condition, competition was intense and at that point, the company used advanced technology, to help identify and communicate with customers through creative services and products. The CRM system was customised to support marketing activities and integrated with another in-house system to help categorise customers based on their potential revenue value. It also helped identify specific customer segments. The company used CRM technology to determine the effectiveness of marketing campaigns and predict future customer trends, which could be approached with up-selling and cross selling opportunities, and customers who could be called unprofitable and those likely to defect. The application also supported the sales team in measuring the health of the sales pipeline, the effectiveness of the programs in meeting sales goals and internally, tracking the performance of the sales team. With the CRM in place, the pre sales and sales support teams could now analyse customer interactions, determine the cost-to-service, ratio per customer segment and deliver the most appropriate levels of service. The company has developed some applications in-house, and these are provided to customers as well as used in-house, to take care of customer data, its analysis and strategising processes. The technology team takes care of the application but it is available for
the entire sales and pre-sales group to nurture, use and utilise for sales activities.

The most significant goals for a CRM implementation for the company were - targeting and segmenting customers to build strong relations and deep communication channels with these customers. To achieve these goals, the company invested heavily in hiring experienced and qualified personnel in the field of CRM applications. This was followed up by training programs for end users, through its senior CRM users and Business Development Director in the company. In addition, the company organised training program with co-ordination from its CRM vendor as a part of its maintenance and user contract. However, the company limited the CRM training programs only to technical issues and no training programs or seminars were developed to communicate and educate employees on the project’s plan and objectives.

The organisational structure of the company is designed to support customer-centric orientation. The structure consists of the following teams: Sales, Pre-Sales, IT, Finance, Marketing. Within the organisational structure, the CRM project is the responsibility of the Business Development Directors across various market units and geographies.

5.2.4 Integration of ERP and CRM

Corp 2 wanted to have centralised systems where employees could access information stored both on CRM and ERP at the same time with one application. Not having such a system meant reduced productivity as employees needed to switch between two applications and learn the use of both the systems. Additionally, licenses would have to be bought for each user for each of these systems. From the sales point of view, they wanted to equip the sales force to provide fast and precise responses to customers by having customer's prior activity information at their fingertips. By integrating CRM and ERP, the sales personnel could easily access the relevant information in real time and also had the ability to identify the right resources for the project and provide customised proposals and
services to different customer segments. It also aided satisfactory responses to customer inquiries, as well as improved team collaboration between the sales and technical members. For the Finance team, the benefits included automation that helped avoid the manual effort of adding new customers from CRM to ERP with appropriate finance review before insertion into ERP. This enabled invoice automation and hence, timely payments to vendors and from customers. Other reasons which were favourable for integrating ERP and CRM were to eliminate manual/duplicated processes and reduction in time spent on administrative tasks by the sales team. All administration systems were automated, any request for travel or monetary need could be raised as a request on their system and the concerned manager had to act immediately thus streamlining the process.

5.2.5 CRM Success factors

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<thead>
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<th>Factor</th>
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<tr>
<td>Top Management Commitment</td>
<td>5</td>
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<tr>
<td>Clear CRM strategy</td>
<td>3</td>
</tr>
<tr>
<td>Data management</td>
<td>5</td>
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<td>IT Systems</td>
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<td>Staff motivation &amp; Training</td>
<td>4</td>
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<tr>
<td>Monitoring and feed backs</td>
<td>4</td>
</tr>
<tr>
<td>Inter-departmental integration</td>
<td>5</td>
</tr>
</tbody>
</table>

Table 5.2: CRM success factors at Corp 2

Corp 2 perceived success factors as those attributes that strengthen the implementation process and contribute to its success. Top Management Commitment is considered one of the critical factors and close on its heels; this company has identified inter-departmental integration as another crucial factor in the success of their CRM implementation. When the company implemented the ERP programme prior to implementing CRM, the biggest driver for the CRM was
that it would help in connecting the different parts of the company’s structure, though technical up gradation was also a priority. Another factor that was identified by the company as an important source for success was data management for the same reasons that were mentioned earlier with Corp 1. The evaluation of the proposed success factors for the purpose of this research by the Corp 2 Business Development Director is illustrated in Table 5.2. Similar to Corp 1, the researcher explained the table ranking for CRM success factors (5= most important, 0 least important).

**5.2.6 Measuring the effectiveness of CRM**

_Return on Investment Calculation:_ Corp 2 failed to take into account the ROI factor for the investment in a CRM system. The reason was that they felt that it is not easy to put a cost/price to each benefit derived. Similar to Corp 1, Corp 2 also regarded the recognition of qualitative benefits as adequate and calculated quantitative results accordingly.

_Customer Value:_ Corp 2 possessed a state of the art IT infrastructure with sophisticated systems for data analysis. Nevertheless, the value of customers is seldom measured. The returns on customer relationships are considered and costs are usually ignored, which is justified by the cost-value-ratio.

_Customer Satisfaction:_ Corp 2 specifically evaluates customers’ satisfaction after having the Delivery/ Project Management team contact the client in order to measure the overall quality and effect of software engineers and the new services offered. The company benchmarks its results against other Project teams within the same company and against similar companies in order to compare its performance achievements.

_Customer Interaction:_ Corp 2 defines campaigns as investments in customer relationships. It calculates the Net Present Value (NPV) of each campaign and then decides on the execution of the marketing activities. With the service
management process, Service Level Agreements (SLA) are used to measure and manage performance. The measurement is, however, less aimed at assessing the performance of CRM than at measuring employees and business units’ performance.

**Customer Knowledge:** Corp 2 had imperfect or outdated soft facts about their customers and these were barely useful to draw quality results using data analysis techniques. Data quality is a challenge for all CRM initiatives in Corp 2, there are hardly any performance measurements in this field.

### 5.2.7 Benefits of CRM

For this company, the CRM implementation provided some significant business benefits. Some of these are as listed below:

1. The new system helped to generate some predictive analysis data like the effectiveness of sales and marketing campaigns and future customer trends. It also helped identify specific customer segments including up-sell opportunities, unprofitable customers and customers likely to defect.

2. It facilitated the measuring process for the effectiveness of initiatives and incentive programs in meeting overall sales goals, understand the health of the pipeline, track the performance of the sales team and allocating resources based on customer value and needs.

3. The CRM system provided a new and efficient interactive dashboard that helped the sales team manage and action all their activities. This intuitive and interactive workspace enabled the sales personnel to screen their sales pipeline & opportunities, identify opportunities for networking with customers from social networking websites and manage their schedules & responsibilities.

4. The integration of CRM and ERP gave the sales & marketing personnel a 360 degree view of their customers across front-office and back-office functions. This added value to the analysis and helped immensely in creating effective offerings and sales strategies.
5. CRM system aided in adding value to each customer interaction by making sure that all customer interactions were consistent with relevant real-time information about the context, profitability and value of each customer.

6. Integrating CRM with their ERP also helped in customer account management, responding to customer's requirements and delivering services more effectively and efficiently.

5.2.8 Issues and Challenges in CRM
At Corp 2, the CRM system was not taken as a strategic tool for business but rather as yet another IT implementation that the non-IT teams needed to have nothing to do with. In order to start the process of learning CRM usage and utility, a small project team, including strategic manager and personnel from sales, marketing and IT was formed. They were given the task of getting themselves acquainted with the CRM system and additional training was also provided. However, many of the members from this team were seldom active during the CRM selection process.

At this organisation, the user group was trained on how to derive the best benefits from a CRM, but they still were short of knowledge of the complete effectiveness of CRM in relation to their business requirements. The point of disconnect was that the sales and business team considered the CRM implementation as an 'IT Exercise'. They did not understand the business process that would be affected by it, or would be profited by the implementation. The IT manager and the team would not be able to assess the systems business viability and so they focused on the technical aspect of the implementation.

For Corp 2, the CRM systems migration became a complex operation because the migration exercise needed extensive inputs from the key employees of the business focused teams, but this was not communicated down the line and was not enforced internally. Instead, the process relied heavily on the commitment of the technology teams to work on issues like effective sanitation and codification of
customer data. This delay in enlisting the support of key staff significantly affected the process of migration of the legacy system to the new CRM installed; taking much more time than planned.

Despite the outward appearance of excellent co-operation between departments, front-office employees actually were reprimanded because they did not seem to understand the resource capabilities and limitations of the company and made unrealistic promises to clients. Back-office employees were also criticised for complacency but since they were not front liners in the customer communication and competitor demands, there was no way the company could judge their efficacy in using the CRM and this often lead to unclear situations.

5.3 CASE STUDY ANALYSIS: CORP 3

Corp 3 (name changed) was formed in 2008, from a spin off from a leading quality testing services provider in information technology. The top Management of the new identity is highly rated in the healthcare vertical. Funded by local investors and with the Top Management as the stakeholders in the organisation, it has today hit revenues of between US$ 5-10 millions. This is a solutions design firm that offers Product realisation services from concept to end-product for the life sciences vertical, with products that speak of quality. The core team boasts of more than 70 person years of combined experience that gives it a very strong foundation. This, apparently, is the whole foundation of its rapid growth and market acceptance. Its superior product realisation experience speaks of strong project management capabilities, mature quality framework and most importantly, sharp response to the customer needs. Corp 3’s strong point is its strong R&D facilities, with a development centre that is at once modern in technology and traditional in its quest for excellence. With sales offices in U.S., Germany and Singapore, the access of the global industry to these Centres of Excellence (CoE), is easy. An in-house CoE also ensures that the client has a crunched time-to-market, adding to the bottom-line in the most efficient manner.
Organisation Structure:

![Organisation Structure of Corp 3](image)

Area of Operations: Corp 3 delivers business and technology solutions to a specific niche industry vertical and serves global companies which are Small and Medium Enterprises (SME). They have a development centre along with R&D lab facility in Bangalore. Apart from this, their presence in U.S, Germany and Singapore is mostly to support the business development activities targeting global clients.

Services: Corp 3 has a comprehensive industry experience in instrumentation domain and has developed a deep understanding of the market needs. The expertise areas for Corp 3 include - test and measurement instruments, analytical and medical instruments, used in industries such as drug discovery, medical, environmental sciences, etc. They specialise in end-to-end product development and their services include embedded software development, firmware and hardware design and product testing. The company’s strong technology expertise coupled with domain knowledge makes it a preferred brand in the vertical. Their expertise and experience supports the development, maintenance and value
addition to lab products which facilitate the management of samples, workloads, resources and assets.

*Customer Data:* Corp 3 has about 10 global clients, all of them belonging to life sciences industry sector and they provide the total revenue. Most of them are located in North America and Europe and are small or medium sized companies. Revenue size of a customer is inconsequential for Corp 3 as they have a couple of North American start-ups as their customers too. They believe that it is not revenue or client size that is important but, it is the value what they can add to make a difference to the life sciences industry.

*Client management model:* Corp 3 firmly believes in well engineered solutions delivered on time with quality, with the objective to exceed client expectations. The company is also ISO-9001:2008 certified, employing domain specific quality and regulatory standards e.g. ISO 13485 standard for medical devices. The company’s hardware design capabilities are developed to meet international quality requirements and standards. Innovation being the backbone of the rapidly developing life sciences vertical, the engineering team at this company is continuously trained on new technologies and necessary skills in in-house and external training programs. The product development model is an iterative one that allows products to evolve during the development lifecycle. The deterministic development processes used by this company springs from the top of the line project management processes that include estimation, planning, scheduling, analysing & planning for risks, tracking & monitoring, proactive corrective actions, constant communication, defined escalation procedures and regular management reviews.

*Future strategies:* Corp 3’s strategy for the future is not merely sales driven. Their objective is also focused at the value they can add to the life sciences industry, by way of research and development, partnering with bigger names to create Centres of Excellence (CoE). That is where they are looking at deriving business values.
The company is guided in this endeavour by strong domain knowledge of industry segments and understanding of business and technical needs, coupled with in-depth experience in product engineering. They also plan to have in place a multi-disciplinary team that specialises in ensuring that the customer’s products have quick time-to-market. Their strength lies in end-to-end product realisation and hence they always deliver quality even against aggressive timelines. The company’s biggest point of achievement in the arena of customer satisfaction is its CoE tradition that helps customers to launch products ahead of competition and gain the first-mover advantage.

5.3.1 Key Drivers for CRM Implementation

The Company had implemented its CRM as a part of a project that was launched to create a strategy focusing on customers. This strategy emerged after a market analysis conducted by the company on software services market, state of competition and deriving a heat map. This created a roadmap in terms of having a proper CRM system in place to meet their market and business objectives. The heat map showed that many of the competing brands had much more experience and a more advanced technological infrastructure. The way forward seemed to be, adding functionality to their sales expertise that would help outdo the competing brands – if not in length of experience or size, then in the relationship built with customers and offering them customised services. A CRM system would help them distinguish themselves in a cut throat competitive market. CRM, hence, for them, became a tool that provided a better understanding of its customers and therefore aimed to fulfil their needs with customised strategy and solutions. By implementing CRM project, the Top Management of Corp 3 aimed to serve better in their target market as stated by the Head of Sales. Top Management having previous experience in CRM and in its benefits was also another driver for Corp 3 to adopt CRM.

5.3.2 Choice of a CRM system

Since Corp 3 was new to CRM and new entrant in the market, they wanted to
build a CRM around their company’s objective – pure customer acquisition - hunting. They needed a package that was customised to the company size and one that had a basic level contact management tool. This would then be integrated with a shared database. The system was also required to perform sales tracking or opportunity tracking and customer service functionality. The company had invested heavily on market research and also since they were targeting a niche market vertical, they wanted to house their data on their on-premise server. This would give them control over their data, provide the highest level of security and allow the highest level of customisation. In addition, it would allow easier integration with other business applications – and could be maintained by their IT department. Hence, vendor capabilities and training support were very critical factors while choosing their CRM system.

5.3.3 CRM Implementation

Pre-Implementation Phase: Though Corp 3 was recently established, CRM implementation had already been a part of their business plan. The advantage for Corp 3 was that since everything had to be set up from scratch, their IT infrastructure and organisational structure were all included in the incubation business plan and there was no need for any kind of re-structuring. Their business strategy, right from inception, included a customer centric approach. They evaluated two well known vendors who were consulted for outlining the CRM readiness strategy while penning their business plan.

The Top Management at Corp 3 has several years of experience and was aware that their commitment was necessary for the success of the CRM program. The CEO was the main decision maker and was involved in all CRM project related meetings. The IT manager headed the CRM implementation project and he directly reported to the CEO. During the business planning, the Top Management had allotted a pragmatic budget amount for procuring and implementing CRM.

Corp 3 is a small organisation but has a clear vision in targeting their customers.
Their focus is just one niche industry vertical and they want to specialise in that area. Their objective is to be customer centric and to be able to provide high quality service in the selected market space making their marketing strategies very focused. Though there was no blue print of their CRM strategy, the intent and the plan was well communicated to the employees of the organisation. In terms of CRM implementation, they depended on the vendor’s expertise for assistance although the IT department executed the implementation of CRM.

Even before Corp 3 was established, its business plan already included intentions for CRM implementation. They had considered CRM readiness and aligned their IT infrastructure to support CRM, even before the infrastructures were up. The Top Management clearly knew what was necessary and made sure everything was in place before they started implementing CRM. They knew what to expect from the CRM vendor and also included training programs while procuring and implementing their CRM, so as to educate employees on CRM process and features.

**Implementation Phase:** Corp 3 implemented a new CRM system in July 2010. Their implementation was completed in just one phase, a one-time full-scale implementation of its CRM system. It took just six months for the entire CRM system to be customised and to be up and running. Prior to implementing CRM, all sales and customer data was maintained using spreadsheet in a meaningful and clear format. The practice of maintaining data on spreadsheets continues even after implementing CRM. It did not change its practices to fit the vendor’s CRM system but instead the CRM system was customised to suit their process. Since inception, the company had a clear cut goal in-terms of their target and what they need to chase and built their CRM system around it. Corp 3 chose installed CRM as against Hosted CRM. Also, the company had short listed two vendors who offered very similar CRM system having almost the similar features and decided on a CRM system purely on cost aspect.
The technical dimension for CRM implementation was included in the business plan prior to the company's inception. The IT infrastructure was built to support a CRM system and also to be compatible for CRM and ERP integration in the future. They also have a secure network and storage system as the company decided for an installed CRM system and to store all customer data on their on-premise servers. This data is not accessible outside the company's IT network. The company signed a one-time deal with a well-known vendor to implement the CRM system and provide training and also a monthly contract for providing technical support. This gave the flexibility to have their own resource or capability to handle technical issue within the CRM system as they gained more experience.

The Company organised training program with co-ordination from its CRM vendor as a part of its contract. The contract maintained that both functional and technical trainings would be provided. The vendor provided training to both, the end-users and the systems engineers/technical engineers of the IT department. Training was also given to customise the CRM system if need arises. The management also developed training programs on CRM to be included in orientation programs for new joiners/hires. The orientation training programs aimed to educate new joiners on the CRM objectives and issues. The management also made sure that all end-users participated and were involved during CRM implementation planning so that there wouldn't be complaints and resistance post implementation. The company also hired a technical engineer from the vendor organisation to be a dedicated CRM technical engineer available to support the entire organisation.

Corp 3 has a clearly focused approach of targeting customers. They want to be experts in one particular industry vertical. Their organisational structure is designed to support customer-centric policies with each department reporting directly to the CEO, with the back-end support functions such as Finance and Legal outsourced to local vendors to reduce operation overheads. They have three front-line departments
1. Software Delivery - dealing with technical aspects and responsible for building Centre of Excellence, respond to customer queries and the delivery of projects,
2. Sales teams - the face of the company having revenue targets and
3. Human Resource - which takes care of hiring (both internal and staff augmentation service) and employee compensation and appraisal.

These three teams communicate directly with customers to take care of customer requirements and serve daily reports to the CEO. A small CRM committee that included the CEO and Head of different departments along with the IT manager and Sales manager was formed to decide on the CRM strategy. But the CRM implementation and support was taken care by the IT department. The CRM project is considered as a critical function where every log activity and update is monitored by the CEO.

5.3.4 Integration of ERP and CRM
Corp 3 definitely favoured integration but currently did not integrate their CRM with ERP due to various reasons. Since they were a new entrant to the industry, their main priority was to increase revenue and acquire customers. They did not want to incur the additional cost for integration at this stage. Also, although the company's infrastructure was built for supporting a robust CRM system, the integration required adjustments that their team was not ready for. Since Corp 3 was comparatively small in size in terms of revenue and number of employees, most of the operations and processes were transparent although all requests from internal and external customers were considered and acted up on manually. Another big justification for the integration of CRM and ERP is usually to reduce manual co-ordination between backend and front end offices, in most companies. But in case of Corp 3, the manual work involved was not voluminous enough to pose a challenge, at least as yet. They had a smaller customer base to begin with and it was not very difficult to manage manually. Given all of these, Corp 3 believed that not integrating their CRM with ERP at this point may not cause
5.3.5 CRM Success factors

Just like Corp 1, this company did not apply the success factors approach when implementing CRM although it was aware of some factors considered as strength points for the CRM project. Here again, Top Management commitment is considered as one of the important factors for the success of CRM as it was for the other two companies. Though the company was a new entrant in the market, a huge investment has been made for gathering the data and understandably they consider data management as another critical factor. Monitoring and feedback is another important factor along with staff motivation so as to make sure all concerned personnel utilise the CRM functionalities to the maximum, to achieve the business goals of the company. Use of CRM is one of the important Key Responsibility Areas (KRA) for many of the sales personnel in Corp 3.

Table 5.3: CRM success factors at Corp 3

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<th>Factor</th>
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<tr>
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<tr>
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<td>5</td>
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<td>Inter-departmental integration</td>
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Table 5.3 provides the evaluation of Corp 3's CRM success factors. The table was filled by the Head of Sales at Corp 3. Again, the researcher explained the table ranking for CRM success factors (5= most important, 0 least important).
5.3.6 Measuring the effectiveness of CRM

*Return on Investment Calculation:* This Company did a detailed calculation to measure the monetary returns on CRM investment. The reason for this could be the narrow profit margin and cost saving strategy, since it was a new entrant in the market.

*Customer Value:* Corp 3 considers the returns on customer relationships and calculates costs to see if it justifies the cost of sales or customer retention. The reason is, again, the revenue size and narrow profit margin. Since the company is a new entrant into the market, all cost expenditures are accountable.

*Customer Satisfaction:* Corp 3 specifically evaluates customers’ satisfaction after each project, to get feedback on the project and the communications, to measure the overall quality and effect of the products. The new services offered feedback forms were sent to customers after the services had been delivered, asking for rating on every aspects of the service provided and for recommendations.

*Customer Interaction:* Corp 3 measures the response and conversion rates, based on customer interaction and it gets incorporated in the process, since the sales activities are at the initial stages. Additionally, the Top Management regularly receives reports on the overall region and employee performance.

*Customer Knowledge:* Soft facts about their customers are not available as they started their operation in 2009. The information that was available was latest but mostly incomplete and hence not very useful for automatic data analysis. Data availability was a challenge for all CRM initiatives for this company, since there is hardly any performance measurement in this field, which is common in new companies with smaller customer accounts.

5.3.7 Benefits of CRM

Being a smaller and newer company, the CRM implementation added proportionately higher value to the business development process of Corp 3.
1. CRM allowed the sales folks to communicate effectively with their contacts, since this system had an online presence and was compatible with the email system so as to send promos and updates in professional looking emails and letters.

2. The new processes were now streamlined to allow effortless recording and movement of information from phone calls and meetings in one easy to access location.

3. Targeted customer communication could now be more effective since under this system, the entire customer data was kept in one place and related contacts were grouped together.

4. The accurate analysis allowed for better sales forecast and management of sales pipeline. The interactive dashboard helped to track sales opportunities, generating sales orders and invoices easily.

5. The implementation and adoption of a new CRM system with its new processes contributed largely to the efficiency of the sales operations of the organisation.

Despite being a new entrant into the market, Corp 3 managed to acquire 6 new customer deals in a span of one year post the CRM implementation. They also put a tele-sales team in place, where each executive generated more than 4 leads and responded to at least 1 proposal every month. They also provided support to frontline sales folk for major trade-show and conference visits.

### 5.3.8 Issues and Challenges in CRM

Though Top Management had previous experience with CRM, they lacked the knowledge pertaining to its implementation. Strategic managers had a basic understanding of CRM. The IT department which had the implementation responsibility had limited time to delve into CRM. On the other hand, the sales and marketing personnel were busy trying to meet their sales target and satisfying customer requirements with an ineffective communication system and hence could not devote much time to familiarise with CRM.
Advice from external consultants was taken to acquire knowledge of CRM. Though some of internal team members like the sales engineers had high levels of pertinent knowledge, due to the vendor consulting exercise they did not feel engaged or involved. This made the teams distrust the CRM implementation, giving them the idea that it was about efficiency or a cost-cutting exercises. The team also felt that CRM would result in staff redundancies, which led to staff dissatisfaction. This unfortunate perception was created due to the lack of clear communication from the project management, about the utility of CRM and their failing to explain that it would help the team, not replace it. For this organisation, only after the purchasing of the CRM system, the employees learnt that they could use it to increase customer volumes.

Besides, since the new package was not integrated with the ERP, there was no connection of the CRM system with the backend operations. So there were general inefficiencies like duplication of tasks and maintenance of multiple systems that resulted in data inconsistencies. Due to these situations, despite the fact the CRM implementation in Corp 3 was quite efficient for customer responses; its utility was not up to the mark and its achievements failed to reach the desired mark.

5.4 CONCLUSION

This chapter surveyed the collected data from the three case companies as planned in the research methodology chapter. The collected data was presented in the sequence mentioned in the 'frame of reference' depicted in chapter three. The three companies implemented their CRM projects with different approaches with different priorities. However, there were certain similarities between the three companies in various aspects such as their motivation for implementing CRM and challenges faced, which will be discussed in the following chapter.