Chapter 8 – Partners, Vendors and Hosted Solutions

CRM does not need CRM software, you can actually build homegrown solutions and this may actually be better as functionality can be rolled out one piece at a time and integrated with other modules. IF your IT function is good at documenting and responding to change requests this can be a good solution.

Systems can be built slowly and impact of org. change does not have to be big bang so it’s much less costly and a shock to the company. However the company then becomes beholden to the programmers which they may have been for decades anyway.

The build vs. buy decision is still relevant.

An implementation partner is a consulting firm (trainers, systems developers, project managers) that specializes in implementing (system integrator) enterprise software such as CRM. These are referred to as MVP partners of Microsoft, etc. as they are value added resellers of Microsoft stack of technology. They should have good experience with the software (these are the firms self-promoting via webinars on Youtube showing how CRM works).

Who should take ultimate decision authority of the CRM implementation and usage? Marketing, IT, Accounting/Ops? External systems configurator under the sponsorship of top management?

1. Does it make sense in your company to modify existing IT systems to implement more customer centric operations? IS your IT function capable?
2. Implementing large expensive software from a vendor makes your IT staff beholden to an external entity and they then have less power and control and interest. However your IT staff becomes more expendable and in some cases this is desirable. Please reflect here on whether your firm would rather be beholden to internal IT or external IT.
3. Would your firm’s Marketing and internal IT departments actually work well together during system planning, implementation and maintenance? Is there trust and shared purpose?

Don’t be surprised if Marketing/Sales leadership do not trust or like working with internal IT and do not want them leading or doing major work on a CRM implementation. System integrators will have a PR/marketing person (typically female) that is the face and lead contact of the company. This person facilitates conversation and requirements elicitation. (Internal IT should have similar employees).
4. Any CRM implementation will need to be customized, what would your likely plan be to outsource any system configuration or let internal IT staff perform this work (after considerable training). The key question is how beholden do you want to become to an external vendor that implements the CRM software (expensive but efficient) vs. develop in-house staff (which might leave).

BTW better have your configuration modifications recorded so consultant/partners/system configurators expenses are limited (fewer meetings).

How should any firm choose an implementation partner (to whom they will become wed)? This should be an established company, not 4 guys from Rolla, right? Should this be a general consultant (KPMG, E&Y) or specialist? You will need to bring this firm into your company functioning as a partner. They support different customers, so they should be staffed up to concurrently support many clients.
5. Would your firm be comfortable with cloud based hosting of your CRM system? It’s cheaper, upgrades, security, and backups are handled for you. Software then becomes a service.
6. CRM solutions are advertised as *faster to implement*. Comparing this to custom programming is this true? Is it beneficial? The speed to market is impeded by system changeover activities (system configuration, extending, training, data migration, etc. Is faster a good idea here? If a firm has does their house cleaning and documentation, implementation can be aided but is going fast with a big-bang prudent?

**Assignment** – Please write a page assessment of your company. How much would you rely on a systems integrator (implementer) to help with a CRM projects? Given internal IT, and Sales concerns of job security, and the real transfer of power away from these functions, how would you build a partnership with your Sales/internal IT personnel with an external vendor?