



Creating the conditions for
CRM SUCCESS

Making the difference between CRM SUCCESS AND FAILURE

CRM software is integral to the day-to-day running of most organisations, but for many, CRM has failed to deliver. In a recent survey of UK SMEs, half of respondents had already switched CRM at least once¹.

According to the survey, the leading cause of CRM failure was a poor fit for organisations' needs. Yet for most, features and functionality remained the most important factor in choosing CRM software.

CRM software has long since become a commodity, with few real differences in features and functionality between applications.

But when it comes to organisations, each has its own unique challenges and needs.

THE CHANGING ROLE OF CRM

As more and more organisations have invested in CRM software, the growth in its adoption has led to a steady increase in its importance to organisations over time. As a result, its scope has broadened beyond the sales function to include marketing, customer service and finance.

This means that the CRM is fed by other areas of the organisation, which rely on the data to inform and influence their decisions.

And with more of the organisation relying on CRM software and its data, choosing a CRM needs to involve stakeholders from across the organisation.

At Workbooks, we believe that organisations can only succeed with CRM by identifying the business outcomes they want to achieve before they invest in software.

1 [*The State of the CRM Market: an SME Perspective*](#)





The conditions for CRM FAILURE

The way the SaaS market is currently structured – and CRM software in particular – is that software vendors sell licences and then third-party partners sell services to implement the software.

There are a few issues with this.

1. PRODUCT-LED VS. OUTCOME-LED

The first issue is that this structure supports a product-led approach to CRM, which puts a substantial burden on the buyer in terms of both cost and risk.

No organisation sets out just to buy software – they set out to achieve one or more business outcomes that they then buy software to support. But it's easy to get lost in the process of buying software, particularly when it's a significant investment in a complex product like CRM. As a result, it's all too easy to lose focus on the business outcomes that they're investing in CRM to support.

A product-led approach by the vendor encourages a product-led approach by the buyer, which makes it more likely that the buyer shifts their focus to features and functionality instead of why they're investing in CRM, how it's going to help achieve their outcomes and what capabilities they need to support those outcomes.



This increases the risk that the CRM will fail to support those business outcomes, which leads to a wasted investment. This also makes it more likely that, over time, either the CRM will act as an anchor on the business instead of an engine, or it will need to be replaced a few years from the date of implementation – at which point the cycle begins again.

2. FRONT-LOADED VS. RIGHT-SIZED

The second issue is the way in which buyers have been trained to buy software by both the market and their organisation. In terms of software, buyers tend to have budget for a CRM project in a single year and either don't want to or can't go back to Finance to ask for more money the following year or the year after that.

Part of what makes CRM software so effective – but also so complex and expensive – is its ability to support virtually any aspect of an organisation's processes. But that flexibility can work against what organisations are trying to achieve, both in terms of cost and risk.

In terms of cost, buyers can end up paying for software that they then only use a part of. This is often compared to using a Ferrari to go to the supermarket, but it's more like paying for a mansion and only living in one room – the software isn't right-sized for their organisation because that's what the buyer thinks they need or what the vendor has sold to organisations like theirs.

In terms of risk, if buyers don't know what they want to achieve with the software, then it may seem easier just to implement everything. Also, if they have a deadline by which they need to do everything, or a budget into which everything must fit, then just implementing everything that the vendor has to offer may seem like the easiest choice at the time.

As a result, many organisations front-load their software implementation with everything they think they might need in the next couple of years and then they try to implement it all in the first year, which significantly increases the cost of the project, together with the risk of failure.



3. MULTIPLE SUPPLIERS VS. A SINGLE SUPPLIER

The third issue is that, where software and services are provided by two different suppliers, neither the software vendor nor the implementation partner is sufficiently invested in making sure that the CRM project is a success.

Each has a different objective to the other, as well as to those of the buyer – the vendor's objective is to maintain and increase licensing revenue, while the partner's objective is to maximise service revenue.

Because each has a different objective, the vendor and partner lack a shared understanding of the outcomes that the buyer is trying to achieve, which makes an outcome-led approach difficult, if not impossible.

Buying from both the software vendor and the service provider increases the cost of the CRM project and, with two separate relationships to manage, also increases the time and effort needed to manage the project.

Not only that, but they must do all of this while still running the business day-to-day, all the while putting a significant change management process in place.





The conditions for CRM SUCCESS

To succeed with CRM, organisations need to take a different approach – one that starts with agreement on the business outcomes they want to achieve and, once these outcomes have been prioritised, applies this insight to identify functional goals.

It's only when organisations have defined and prioritised business outcomes that they can really understand their requirements for CRM and be able to set clear expectations for implementing it.

Ultimately, organisations that take an outcome-led approach to investing in CRM will see the highest return from their investment.

There are a few conditions that can help create CRM success.

1. OUTCOME-LED – NOT PRODUCT-LED

Start by treating CRM like a process – a journey – rather than a project or a destination. This means that you first need to identify the high-level business outcomes that you want to achieve with CRM – why you are implementing the software in the first place. This sets the speed, the direction of travel and the milestones for the journey that follows, so it's vitally important to get this right.

And with diverse stakeholders, each with different objectives, you need to bring everyone together and agree what the most important outcomes are – before you invest in software. This ensures that everyone involved is on board and has a shared vision of what success looks like before you set off.



This gives you a clear focus on what you're trying to achieve and why you're trying to achieve it, which gives you a throughline for the subsequent stages. This makes it far more likely that your CRM implementation will be successful in helping you to achieve your outcomes.

Defining your outcomes also help you identify measurables that you can check along the way to make sure you're heading in the right direction and at the right speed. This is what makes the difference between a project and a process and is what helps you course-correct over time to make sure you can keep hitting your milestones – no matter what changes in your business.

2. A SINGLE SUPPLIER – NOT MULTIPLE SUPPLIERS

Next, choose who you travel with carefully. Instead of buying software from a vendor and services from a third-party provider, buy from a vendor who can provide both.

This gives you a one-to-one relationship with your supplier for both licensing and implementation. A single-source supplier is also more invested in making sure that your CRM project is a success, because their objective is to help you achieve success and to continue that success in the long term, rather than increase licensing or service revenue.

Working closely with the same supplier at every step along your CRM journey also lets you take an outcome-led approach to your CRM project. This makes it more likely that your implementation can successfully support your business outcomes, which then makes it more likely that you can achieve your outcomes and see a return on investment in your CRM project.

Why stop there? Go further and buy software and services from a single supplier who can also offer co-funded implementation. With the cost of implementation shared between you and your supplier, you can lower the cost of your CRM project and, with the risk shared between you, you can lower the risk of failure.



3. RIGHT-SIZED – NOT FRONT-LOADED

Lastly, your outcomes give you a throughline that can help right-size your implementation for your business. As well as lowering the risk of failure, a clear focus on outcomes can lower the cost of your implementation by making sure that you only buy what you need to support your outcomes, rather than front-loading your implementation with everything that you think you might need, or worse still everything that a vendor says you might need.

If you know what you're setting out to achieve, then you can work with your supplier to identify what parts of their solution can help to support them. Right-sizing your implementation also makes it more likely that you won't need to implement everything right away. This lets you identify the milestones you need to hit in your implementation and the order in which you need to hit them.

This way, you can implement the software first in those areas that need its support first. Then, while those areas are getting familiar with the software, you can implement it in those areas of your business that need its support next.

In those areas that need its support first, you can implement the software to support those activities that help achieve your most important outcomes first. This way, you can deprioritise those activities that can be carried out later, those that depend on earlier stages being completed first, and those that support outcomes that are less important.

This means that what you're trying to achieve and what you need to support it can guide the pace at which you implement the software, as well as what capabilities you implement, rather than the scope or cost of your implementation.

This makes sure that from identifying your outcomes to investing in software to help achieve them, and from implementing the software in your organisation to adopting it, at every stage you have a clear focus on what you're trying to achieve and why.



TRAVEL WITH CONFIDENCE with Workbooks

CRM is a journey, and it's important to choose your company well.

At Workbooks, we're with you every step of the way, with CRM software and services from a single supplier. When you invest in Workbooks, we invest in you by co-funding your CRM project throughout your journey.

We call our approach **Shared Success** – your success is our success.

Shared Success lowers the cost of your CRM project and lowers the risk of failure with a simple three-step process:

1. Before you invest in software, we help you understand what you need to achieve your business goals with a co-funded workshop
2. When you invest in Workbooks, we co-fund your implementation to give you a made-to-measure CRM for an off-the-shelf price
3. And with a co-funded customer success programme, you can future-proof your business processes with a CRM that grows with you

That's why, on average, our customers stay with us for 10 years and more than 1000 businesses around the world already trust Workbooks to help them work better, work together, and work in the right way.

CRM is a journey. Travel well with Workbooks.