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CRM Problems Come in Threes

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Some IT systems are designed and built without a lot of regard for the organizational structure of users. Of course you pay attention to users needs and preferences, but an accounting system is deployed pretty much the same no matter who's in charge of the accounting department. But CRM systems present a unique challenge because they need to be very tightly aligned with the user organizations. If you have a big reorg or bring on a whole bunch of new channel partners, you're likely going to go through major changes in the CRM system.

CRM Definition and Solutions

This is what makes CRM systems so much harder to get right, but also effective when they are done right. The CRM system is tightly bound to the way the organization works, and the twin goals of the system are to (1) improve leverage and collaboration, and (2) more closely understand and influence the customers' buying patterns.

So when you've discovered a problem with the way your CRM system is working, you need to look for corresponding (or compensating) problems in the organization that's using it. The problem troika to look for in CRM systems is:

- A technical issue, such as data quality or fragile integration.
- A business process issue, such as pipeline formation and nurturing.
- A policy issue, such as "we ignore disqualified leads."

As an IT leader, you'll probably notice the technical problem first. But users won't see that one: they'll be paying attention to the measurable business issue in the second category. Unfortunately, they'll likely be blind to the third problem, which was probably somebody's brilliant idea from a couple of reorgs ago.

Why do I bring this up? Because solving only one of the issues won't make the problem and its symptoms go away. You have to troubleshoot and resolve them as a set. If you don't, the system imbalance will continue. New variants of the original problems will soon grow to replace the "solved ones." Even if you think there's a pure IT problem, in the CRM world there will be corresponding elements outside your domain. Count on it.

These intertwined problems tend to cluster in the heart of the following business processes:

- Lead generation, processing, and nurturing
- Lead conversion and opportunity creation
- Trials and demos
- Pipeline development and forecasting
- Deal closing and order entry
- Order management and expediting
- Commissions and referral fees
- Fulfillment, distribution, and shipping
- Support entitlement and case creation
- RMA and reverse logistics

In some cases, the problem trio is almost entirely within the span of a single organization. These lucky situations don't involve a ton of politics. In contrast, the juiciest situations are those that span organizations. As these problems can be the embodiment of long-standing political feuds, unraveling them may involve more time in meetings than anything else.

Where to start when trying to resolve these issues? There's nothing wrong starting out by doing the spade-work that is internal to IT. Your team can be productive for a while without involvement of the user organizations. However, it's not uncommon to find lots of IT cruft — software and database tables and integrations surrounding the CRM system — that really aren't necessary any more. These elements were often constructed to compensate for an ill-conceived policy or a misaligned business process. So leaving these extra system elements in place — or worse, "repairing" them, will only reinforce the other two parts of the problem triad.

Consequently, the real work won't begin until you have a closed-door conversation with the VPs of the organizations involved, helping them realize that the only path to the solution will mean changes to things they measure and policies that they may have championed. The VPs themselves won't be the solution, but they can certainly stand in the way of one.

If the VPs are digging in their heels, ask them questions like:

- Does this policy or business process actually help you reach your goals faster and more predictably? Or was this just a "quick fix?"
- Do your team members genuinely prefer it this way, or is it causing them pain?
- Do our competitors do it this way?
- Is it creating an advantage for our company?
- Do our customers prefer it this way? Is this making us easier to do business with?

Once the VPs have given their blessing to solving all parts of the problem, make sure they've assigned a knowledgeable underling to help redesign the business process and refine the policies that need to be changed. With the right will and direction, troubleshooting and resolving the non-IT parts of the CRM problem can be resolved in just a few meetings.

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