The Critical Success Factors in Customer Relationship Management (CRM) (ERP) Implementation

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Large corporations invest huge amounts of money, time, and resources in ERP and CRM solutions. These are systems that have the capability of automating core business processes, like manufacturing, finance, and sales operations. They also enable companies to manage critical master data on products, customers, and transactions. This review paper attempts to shed light on the Critical Success Factors (CSFs) in the context of CSFs in ERP implementation.

Introduction

Customer Relationship Management (CRM) is fast emerging as a top priority initiative for businesses. According to Gartner, “Worldwide customer relationship management (CRM) software revenue totaled $8.1 billion in 2007, a 23.1 percent increase from 2006 revenue of $6.6 billion…” (gartner.com). In its 2007 press release, Gartner ranked vendors in worldwide CRM software revenue accounting for 25.4 percent of the market;

Companies, on both their tactical and strategic planning horizons, are in the process of identifying and prioritizing CRM projects. The stakes are high in this arena. The winners will claim market dominance, by virtue of their ability to fully satisfy their customers. It provides bottom-line business resulting in increased purchased volumes, repetitive purchases, and generation of new business in the form of references and prospect identification.

Businesses, which consistently recognize customers as having individual preferences, provide personal service, meet and even anticipate customers’ needs and ensure flexibility in the conduct of the business transactions, would be able to score high, marks and get acknowledgements for providing excellent customer service, thereby resulting in fully satisfied customers. In order to do so, business environments require companies to have access to key information about customers and the future prospects. The process of personalization, individualization, anticipation, and even prediction of the successful outcome of the customers’ interactions with the business require companies to have as much up-to-date information as possible. Being the focal point and primary enabler of competitive differentiation,
customer information must be created, maintained and protected as a valuable corporate asset. Completeness, accuracy, currency, and accessibility of customer knowledge base to all organizations and functions throughout the company are mandatory.

However, if this competitive scenario forces companies to rush into implementing CRM, there will be a fragmented infrastructure of many CRM-flavored applications along with their application specific data stores. CRM application optimized for a specific customer touch-point and interaction can become disastrous, since none of these will be providing the latest and complete knowledge of the integrated, enterprise view of the customer.

When it is compared with the ERP, it can be said that both offer ways to automate processes and run the businesses more efficiently. However, these two systems are designed to streamline different functions. While CRM is used to manage contacts, accounts, opportunities, activities, marketing, etc., ERP is designed to manage operations and business functions, such as product planning, purchasing, inventory, customer service, order tracking and other back-end business processes.

However, after ERP vendors incorporated CRM functions into their software, and CRM vendors included ERP capabilities in their offerings, the difference between them started to blur. As a result, in the effort to streamline internal operations and customer activities, both industries are working to develop all-in-one applications. Therefore, any discussion on the implementation of CSFs of CRM has to be done in the context of ERP implementation. As such, the paper will begin with a review of CRM and then look at CSFs in ERP implementation before concluding with a discussion on CSFs in CRM implementation.

Customer Relationship Management; origins and perspective

Though the literature is replete with definitions of CRM, it is quite new to the field of Marketing and IT. Buttle (2003) believes that CRM can stand for different things for different people and used in different situations. While it is mostly referred by people as Customer Relationship Management some refer to

### Table 1; Worldwide Vendor Revenue Estimates for Total CRM Software, 2006-2007 (Millions of U.S. Dollars) Source: Gartner (July 2008)

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<tr>
<td>SAP</td>
<td>2,050.8</td>
<td>25.4</td>
<td>1,681.7</td>
<td>25.6</td>
<td>22.0</td>
</tr>
<tr>
<td>Oracle</td>
<td>1,319.8</td>
<td>16.3</td>
<td>1,016.8</td>
<td>15.5</td>
<td>29.8</td>
</tr>
<tr>
<td>SalesForce.com</td>
<td>676.5</td>
<td>8.4</td>
<td>451.7</td>
<td>6.9</td>
<td>49.8</td>
</tr>
<tr>
<td>Amdocs</td>
<td>421.0</td>
<td>5.2</td>
<td>365.9</td>
<td>5.6</td>
<td>15.1</td>
</tr>
<tr>
<td>Microsoft</td>
<td>332.1</td>
<td>4.1</td>
<td>176.1</td>
<td>2.7</td>
<td>88.6</td>
</tr>
<tr>
<td>Others</td>
<td>3289.1</td>
<td>40.6</td>
<td>2,881.6</td>
<td>43.7</td>
<td>14.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8,089.3</strong></td>
<td><strong>100.0</strong></td>
<td><strong>6,573.8</strong></td>
<td><strong>100.0</strong></td>
<td><strong>23.1</strong></td>
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CRM as Customer Relationship Marketing. According to Buttlehim, it is a business practice focused on customers. There are two major components in CRM: Marketing and Information Systems. Peppard, (2000) defined CRM as “practicing elements of an approach to marketing that uses continuously refined information about current and potential customers to anticipate and respond to their needs.” In this system, the processes are such that current information which is gathered in a constant manner is refined continuously. The information relates not only to the current customers, but also to the future potential customers. As a management tool, CRM manages the companies’ relationship with customers, thereby enabling the former to identify and attract customers and initiate appropriate steps towards the retention and identification of the profitable customers (Ryals et al., 2001). On the whole, “CRM is not a technology or even a group of technologies. It is a continually evolving process that requires a shift in attitude away from the traditional business model of focusing internally. CRM is an approach a company takes toward its customers. It is backed up by thoughtful investment in people, technology and business processes” (Morrel and Philonenko, 2001, p.8).

Kutner and Cripps (1997) argued that three doctrines constitute the basis of the CRM, from marketing angle. These are:

- Customers should be managed as important assets
- Customers’ profitability varies from one to the other – not all of them are equally desirable
- Customers vary in their needs, preferences, buying behavior and price sensitivity.

In order to maximize the overall value of the customer portfolio, companies should try to understand customer drivers and profitability so that they can tailor what they offer accordingly. Curly (1999) suggested that CRM systems consisted of four main technological components with regard to the information systems perspective. These components are:

- A data warehouse with customer, contract, transaction and channel data
- Analysis tools for examination of the database and identifying customer behavior patterns
- Campaigning management tools for allowing the marketing department to define communication and facilitate automatic generation of these communications
- Interface with the operational environment for maintaining the marketing database and communication channels to deliver the messages.

As mentioned earlier, CRM systems combine marketing and information systems and therefore, the examination of CRM should be based on a consideration of both these two elements:

**CRM in IS Perspective:** In the past two decades, with the development of the ERP systems, CRM evolved, as several organizations began to realize the power within these applications to achieve maximum operational efficiency. According to Holland and Light (1999), the underlying rationale behind using these applications is the belief that their mechanism of internal organizational procedures can improve procedural efficiency and thereby lead to efficiency and effectiveness so as to eventually ensure customer satisfaction. But the use of ERP applications led companies to disregard the requirements of customers with the result that eventually CRM was developed to focus on the customer and their environment, rather than...
solely on the product and its manufacturing process.

**CRM in marketing Perspective:** In the field of marketing, CRM is not a new concept. In fact, organizations have been managing customer relationships for quite some time (Fletcher, 1999) but new features coming from the IS sector makes the use of the software possible for assigning organizations with that task. The main concern that organizations need to consider in CRM approach is 4Ps, i.e., Product, Price, Place, and Promotion. However, CRM focuses on functional integration so that it can help organizations maintain customer satisfaction. In other words, the new marketing approach in CRM is founded on customer retention, rather than customer requisition as per the old approach (Christopher et al., 1998).

The new name given to CPM — Relationship Marketing— recently can be attributed to the following reasons:

- Increasing intensity of global competition,
- Increase in product quality which forces organizations to seek competitive advantage in other ways,
- Increase in the number of highly demanding customers,
- Rapid change in customer buying patterns. (Buttle (1996) argued that since relationship marketing enables companies to build lasting relationships with their customers, which cannot be replicated by competitors, it provides them with a unique and sustained competitive advantage.

By obtaining precise information on targets or market segments and the microsegments within them, CRM enables organizations to reach high levels of profitability, by using databases, data warehouses, data mining, one-to-one marketing, automated call centers and sales force automation. Having implemented these features relating to effective marketing, organizations expand the knowledge they accumulate, helping them to know more about the customers so that they can fulfill the requests of discerning customers, thereby enabling them to raise the customers’ loyalty (Newell, 2000; Ryals et al., 2001).

**The IS development process for adopting CRM system**

In developing an information System (IS), several important process factors are involved. According to Kim (2004), these process factors are as follows:

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**Figure 1; A process model for IS development (Kim, 2004, pp 26)**

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The Organizational Commitment; Information System development process starts with a commitment from the organization. The champion of the project would be the executive-level position (Kim, 2004). It performs the role of initiating the first two processes: a) to augment the financial and Human Resource investment to the desired level (1), and, b) to exercise influence on the stakeholders from a managerial level (2). To ensure that the project is a success the management support assumes utmost importance. However, the complete success of the project demands sustained efforts to promote participation of the users (3) who, according to Kim (2004) are encouraged by the offer of top level support and by assigning skilled level personnel to the project.

Project Management: When organizations fulfill their commitment to invest the required resources in the project, they are able to employ highly skilled team members (4). In fact, a cross-functional project team is formed to effectively balance the IT and business skills. The project includes CRM process and functions, goals and directions, and IT users’ technological requirements. The project team should be sufficiently skilled to handle these functions successfully and therefore, user participation (5), management support (6), and project team skills (7) are factors that influence the management of the project.

Strategy and Process; After forming an appropriate project team, a clear CRM strategy (8) must be defined in order to design CRM processes (9). To do so, CRM goals and directions must be formed on the basis of the management’s requirements. This means that the CRM process development is guided by the CRM strategy. Indeed, by defining necessary process and functional issues, detailed requirements from users will complete the CRM process. Hence, another factor that influences the CRM process development is the requirements from the users (10).

Technology; Both the CRM processes (11), being a sequence of the CRM activities across functional areas and the technological requirements (12), affect the system design. Moreover, the team influences the system design too since the project team (13) must have the required skill to design the IS, which is done by reflecting the requirements in the design effectively. Therefore, system design, in turn, influences both a) system integration (14), including source system integration, channel integration, and the integration between new and legacy system, as well as system functionality (15), including both specific functions it provides and b) how well they are executed.

Implementation of the CRM system will have a major effect on the company and induce huge changes (Kim, 2004) in process, technology, and people and their role. Hence, both during project implementation and after the project is in operation, it is the project team which has an important role in managing these changes. Therefore, the project team skill (16) is an influential factor in change management.

Consequences; Both system integration (17) and system functionality (18) are influential factors in the quality of IS. By determining the usefulness of the system and how well the system performs, the system functionality affects the system quality. When information and system quality is high, user satisfaction will increase (Kim, 2004). High information and system quality create a positive impact on the organization (19). The impact on the organization will therefore depend on how well the CRM process was conducted. In addition, while using a new system, change management (20) and the IS quality become important factors. But Kim (2004) has concluded that a high IS quality alone does not motivate users to
adopt the system. Indeed, they need to understand the needs of the new system and the new processes. Effective change management along with high IS quality can lower users’ resistance and motivate them to use the new system (Kim, 2004).

Customer Relationship Management (CRM) architecture and properties

As a complex set of applications the CRM aims to create a dynamic behavior model for each customer. As Dean (2001) argued, the essence of CRM technologies may be categorized into three layers:

- Operating CRM layer, which manages points of contact with the customer, that is, service, selling and marketing
- Collaborative CRM layer, which offers the customer a spectacular view of the organisation and enables the customer to complete certain tasks, to maintain communications with the organisation and to receive information and updates via a number of channels provided by the organisation
- Analytical CRM layer, which contains technologies offering a system of analysis via data acquired from customer interactions for the purpose of conceiving beneficial business information (Chang, 2001).

By looking closely at the CRM architecture, the dynamics of a CRM solution is better understood. Ryals, et al (2001) presented such architecture.

Figure 2: A critical success factor model for CRM implementation, Ryals et al. (2001)

CRM, as a software solution, incorporates a number of applications, like applications for marketing, sales and customer services.

- *The Integrated Front Office*: Through the use of Information Technologies such as call centers, sales force automation, and Internet, it equips the organizations with marketing, sales and customer service capabilities. This integrated front office gives the companies the complete picture of customer needs, allowing them to relate it to each customer individually and to act according to the customer’s preferences.

- *The Business Intelligence Systems*: On the basis of the customers’ interactions and external data, the
business intelligence system learns about customers. The system is composed of data warehousing systems and mining and analysis systems. Warehousing-related technologies serve as information factories via gathering and preparing the information for organizational use.

- **Workflow and Business Rules**: it transfers business intelligence to the integrated front office. Employees of the front office are given powerful insight at the point of customer contact based on this learning. The front office employees, by using these guidelines and rules, are not able to solve customer-related problems at the point of contact. It is the Inner organizational and cultural factors which affect this particular element of the CRM.

- **Physical Link to the Back-office Systems**: it has the capability of enabling the front office to reach current data on the back office system in real time basis. The back office attempts to manage organizational resources such as employees and finance, management stock, and role materials, etc. by centralizing the internal processes.

### Enterprise Resource Planning (ERP)

Enterprise Resource Planning (ERP) is a system responsible for managing the organizations' needs. It makes it possible for managers to handle all of the organizational activities and tasks. The evolution of these systems started from logistics and manufacturing systems. In these primitive systems, the central elements enabled the management of in-company activities as if the interface with the external world remained untouched.

Thus, ERP and CRM have some similarities and differences. For example, the implementation of both of these systems should be viewed from a strategic point of view, rather than only that of a software implementation perspective. But, each system has its own view or focus. While the ERP’s focus is on internal processes and resource management, such as employees and finance, from the viewpoint of manufacturing certain products, the CRM approach consists of marketing, selling, customer service and call centre management, by incorporating best practices to facilitate rapid decision-making, cost reduction and greater managerial control”. ERP systems have evolved as integration tools, whose aim is to integrate all applications into “a central repository with easy and discrete address to all relevant parties” (Mandal and Gunasekaran, 2003, p.275).

According to Holland and Light, “From a business perspective, the software and the Business Processes Re-engineering (BPR) need to be aligned, which involves a mixture of business process design and software configuration. The ERP projects are therefore much more focused on BPR activities than on more traditional system development projects that still typically retain a high technical component” (Holland and Light, 1999, p.1).

Umble et al., (2003) argue that “ERP provides two major benefits that do not exist in non-integrated departmental systems:

- A unified enterprise view of the business that encompasses all functions and departments.
- An enterprise database where all business transactions are entered, recorded, processed, monitored and reported” (Umble et al., 2003, p.241).

Thus, ERP and CRM have some similarities and differences. For example, the implementation of both of these systems should be viewed from a strategic point of view, rather than only that of a software implementation perspective. But, each system has its own view or focus. While the ERP’s focus is on internal processes and resource
Critical Success Factors in implementing CRM models, thereby focusing on the customer. Therefore, Critical Success Factors in implementing CRM are more or less similar to those of the ERP implementation, with minor differences.

**CSF definition and methodology**

As a methodology, Critical Success Factor (CSF) was first developed by Daniel (1961). It has gained recognition after Rockart (1979) published his paper, which later was cited in many academic business administration and in professional information systems publications. Though the term is used by many scholars, it is not consensual. It is necessary to clear the meanings and intentions at the core of the term since the use of CSF in many cases is different in terms of the user intentions or in the way users choose to use the term.

Authors like Holland and Light (1999), Slevin and Pinto (1987) and Somers and Nelson’s (2001) do not emphasize or refer to the methodology the researcher has to adopt in order to reach the CSF. Though there is a clear methodology for determining CSF, all of these authors treat CSFs as a set of criteria.

As a means of identifying and prioritizing business needs and technical systems, the importance of CSFs has been acknowledged in many information system planning approaches, explaining how these models may be used in recognizing information needs and recommending a discussion on their general usefulness (Flynn and Arce, 1997).

As Flynn and Arce (1997) argued, CSF is more business—oriented since it has evolved from the management community rather than information systems community. CSFs are regularly used in the requirements determination stage of the information system development and planning (Flynn and Arce, 1997). CSFs are “the characteristics, conditions or variables that can significantly impact a company in a competing industry given that the variables, conditions and characteristics are well sustained or managed” (Leidecker and Bruno, 1987).

**Critical Success Factor (CSF) models for Enterprise Resource Planning (ERP)/project implementation**

In this paper, three CSF models are introduced by three authors: Slevin and Pinto’s (1987), Holland and Light (1999), and Somers and Nelson’s (2001).

**CSF model for project implementation by Slevin and Pinto (1987);** In 1987 Slevin and Pinto in 1987 suggested that to manage an ERP project successfully, project managers must be capable in managing both strategic and tactical aspects of ERP project management. They organized ten CSFs in strategic and tactical framework by making an ERP implementation project profile. Strategic CSFs include project mission, top management support, and a project schedule outlining individual action steps for project implementation. Tactical CSFs consist of communication with all affected parties, recruitment of necessary personnel for the project team, obtaining the required technology and expertise for the technical action steps, user acceptance, monitoring, and feedback at each stage, and troubleshooting.
CSF model for ERP implementation by Holland and Light (1999); By further expanding Slevin and Pinto’s model, they emphasized that during the implementation stage there is a need to align business processes with the software. They believed that strategies and tactics were not independent of each other. As Benjamin and Levinson (1993) suggested, managers need to manage organization, business processes, and technology changes in an integrative manner. Strategy should drive tactics to fully integrate the three main management processes, i.e., planning, execution, and control (Holland & Light, 1999).

### Table 2; Slevin and Pinto CSF model, Adapted from Slevin and Pinto (1987)

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<thead>
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<th>Type</th>
<th>Critical Success Factors Table 2; Slevin and Pinto CSF model, Adapted from Slevin and Pinto (1987)</th>
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<tbody>
<tr>
<td>Strategic CSFs</td>
<td><strong>Project Mission</strong>: initial clarity of goals and general direction</td>
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<td></td>
<td><strong>Top management support</strong>: willingness to provide the necessary resources and authority of power</td>
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<td></td>
<td><strong>Project schedule/plan</strong>: detailed specification of the individual action steps required for project implementation</td>
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<td>Tactical CSFs</td>
<td><strong>Client consultation</strong>: communication and consultation with and active listening to all parties</td>
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<td></td>
<td><strong>Personnel</strong>: recruitment, selection, and training of the necessary personnel for the project team</td>
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<td></td>
<td><strong>Technical tasks</strong>: availability of the required technology and expertise to accomplish the specific technical action steps</td>
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<td></td>
<td><strong>Client acceptance</strong>: the act of ‘selling’ the final project to its intended users</td>
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<td></td>
<td><strong>Monitoring and feedback</strong>: timely provision of comprehensive control information (monitoring and feedback) at each stage in the implementation process</td>
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<td></td>
<td><strong>Communication</strong>: provision of an appropriate network and necessary data to all key actors in the project implementation</td>
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<td></td>
<td><strong>Trouble shooting</strong>: ability to handle unexpected crises and deviations from the plan</td>
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### Table 3

<table>
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<tr>
<th>Holland and Light CSF model; Adapted from Holland and Light (1999)</th>
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<thead>
<tr>
<th>Strategic CSFs</th>
<th>Tactical CSFs</th>
</tr>
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<tbody>
<tr>
<td>• Legacy systems</td>
<td>• Client consultation</td>
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<tr>
<td>• Business vision</td>
<td>• Personnel</td>
</tr>
<tr>
<td>• ERP strategy</td>
<td>• BPC and software configuration</td>
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<tr>
<td>• Top management support</td>
<td>• Client acceptance</td>
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<td>• Project schedule and plan</td>
<td>• Monitoring and feedback</td>
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<td>• Communication</td>
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<td>• Trouble shooting</td>
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Critical Success Factors (CSFs) in CRM

As mentioned earlier, ERP and CRM vendors, who once offered their software solutions separately, are now offering them as a single package. As a result, all the CSFs mentioned for ERP implementation could also be applied for CRM implementation. However, research organizations such as Gartner (gartner.com) and IDC (idc.com) have come to the conclusion that CRM, because of its nature, could have its own CSFs. Many of these factors, such as establishing measurable business goals, getting executive support up front, using trained, experienced consultants, investing in training to empower end users, are common with CSFs in ERP implementation. A brief explanation of each factor is presented:

Table 4: Stages of Implementation of ERP; adapted from Somers and Nelson (2001)

<table>
<thead>
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<th>Stages of implementation</th>
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<tr>
<td>Initiation</td>
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<td>Adoption</td>
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<td>Adaptation</td>
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<td>Acceptance</td>
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<td>Reutilization</td>
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<td>Infusion</td>
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Table 5: Somers and Nelson CSFs; adapted from Somers and Nelson (2001)

<table>
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<tr>
<th>Key players and activities</th>
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<tr>
<td>Top management</td>
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<tr>
<td>Project champion</td>
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<tr>
<td>Steering committee</td>
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</table>
- **Establishing measurable business goals**: In CRM implementation, companies need to define the specific business benefits that they expect their CRM project to deliver. Like any other strategic implementation, in CRM implementation, companies should clarify exactly what they are trying to achieve and the goals should be quantitatively articulated such as increase average revenue per sale, improvement in customer retention rates, lowering of customer acquisition costs, improvement in forecast accuracy, improvement in customer response times, improvement in sales close rates, etc.

- **Aligning business and IT operations**: CRM is driven by technology. However, it is not about technology. Technology is only a means to improve the company’s customer-driven business processes. Therefore, for ensuring successful implementation, companies should create operational structures that reinforce it. Accordingly, both business sponsors and technical personnel should be responsible for the design and implementation of the system. To have an effective CRM system, business goals, focusing on producing meaningful results, drive functionality. Business and IT managers are aligned behind a well-defined set of measurable objectives, which in turn guide system design.

- **Getting executive support up front**: CRM projects are strategic initiatives and therefore, should be actively supported by management. As in the case of ERP, without executive endorsement, including an explanation of how the new system supports organizational goals, its initiative can be viewed only as a fad.

- **Allowing business goals drive functionality**: Since CRM projects need to be driven by business goals, every configuration decision becomes important. For example, if a feature does not directly help the company better serve the customers, it probably does not need it. Moreover, companies might use CRM technology to expand the scope of functional areas.

- **Minimizing customization by leveraging out-of-the-box functionality**: One of the most common causes of budget overruns and unsuccessful CRM implementation is the over-customization. For instance, a project team may fall into the trap of customizing the CRM software to mirror customizations made to legacy systems. Or, a project team may set out to adopt a “vanilla” application but quickly falls victim to “feature creep” and ends up with a more specialized product than what business functions require. The majority of these situations are abandoned midstream. But this can be done with the cost of budget overruns or mis-scheduling. If firms avoid imitating legacy solutions too closely and carefully select a CRM solution providing out-of-the-box functionality which meets the firm’s needs, these common scenarios seem to be unnecessary. Firms should first consider the applications’ existing functionality before starting to customize their CRM applications. Customization is often the most costly, time-consuming, and complex component of a CRM implementation. Therefore, choosing a CRM solution which meets companies’ requirements out of the box can dramatically lower
the total cost of ownership over the life of the solution.

- **Using trained, experienced consultants:** In order to be sure that system integrators can actually deliver a CRM project on-time and on-budget, companies should use consultants who are both thoroughly trained in implementation methodologies for the applications. They have the requisite experience in deploying these applications and are considering the same. At least, they should hire consultants who have been certified by the software provider. As Jim McPeak, a Vice President with Nashville-based Envoy Corporation (envoycorp.com) stated, “When you use certified consultants, you know you’re working with people who understand the software inside and out. Certified consultants are able to translate business requirements into software configurations far more effectively than non-certified consultants.”

- **Actively involving end users in solution design:** Unless companies solicit and act on end user input, they run the risk of implementing systems that confuse and alienate the very people they are meant to help. Companies should incorporate the knowledge of frontline professionals into your system design if they want to successfully implement their CRM solutions. According to Rich Harkwell, Vice President of Customer Experience Solutions for Nexstar Financial Corporation (nextarfinancial.com), “Rely on the invaluable feedback of your end users—in this case, [the] customer care representatives. Once you show them a solution’s vanilla capabilities, they will tell you exactly what to do with the product to help them improve their effectiveness.”

- **Investing in training to empower end users:** As another CSF in CRM implementation, training should not come as an afterthought; It should train employees how to effectively execute the business processes with the help of CRM systems, while focusing on demonstrating how software features and functionalities can be used. Moreover, it should also focus on “change management” since its implementation often entails changes to companies’ business processes. Employees must understand how the new processes and CRM technology will help the company better serve customers. Employees will be eager to adapt them once they understand how the system will make them more effective in the long run. Furthermore, organizations must involve end users from the very beginning—not only in designing the CRM solution itself but also in developing the associated training.

- **Using a phased rollout schedule:** Among the methods of implementing CRM, that is, big bang and phased method, the companies are advised to follow the latter one. In a phased deployment schedule, the focus in each phase is on a specific CRM objective and is designed to ensure a quick win. i.e., to gain a meaningful result in a reasonable amount of time.
In a phased implementation, each successive phase leverages the work and experience from prior phases, so that each phase produces a significant business impact in a reasonably short amount of time.

- **Measuring, monitoring, and tracking:** Companies should measure, monitor, and track the system’s effectiveness, with an eye to continuously improving performance once the system goes begins to operate.

**Conclusion**

The increasing use of the Internet, has revolutionized the business world. Transactions between businesses are conducted across borders and time zones in split seconds. In this fast changing business scenario, there is a tremendous potential for customer growth, and the challenge for business lies in customer retention. However, companies have...
Moreover, as has been mentioned several times by several authors, the cost of acquiring a new customer is 5 to 10 times more than that of retaining an existing customer. Therefore, firms need to do everything possible to build customer loyalty by acquiring a thorough understanding of customer behavior, which requires knowing who their customers are, what they buy, and how they buy. As a result, integrating all customer information and making it available to all channels of demand creation are the challenges that confront companies.

ERP and CRM software solutions are integrated approaches that make use of today’s technology to collate information from departmental sections in the case of ERP and disparate channels such as sales, marketing, customer care, and field service. in the case of CRM. However, applications of such systems are pregnant with enormous difficulties, and firms willing to incorporate such systems should consider some success factors, known as Critical Success Factors. Jointly. The implementation process has been a daunting and exhaustive experience for many organizations. Managers and decision makers find that there is no one ‘fixed formula’ that can guarantee its success. This paper has focused on these factors, considering the fact that these two systems are normally implemented in the same order. CRM CSFs have been scrutinized by special reference to the CSFs on ERP implementation.

Reference


