

# Piloting a CRM Initiative

*Balancing People, Process and Technology*

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# A brief history of CRM

- The “roots”
- Why it took off
- What it looked like then
- What it looks like now
- What’s different now

# Key Success Factors

- A unified, enterprise vision of CRM
- Educated, informed, and talented people
- Streamlined processes and procedures
- Sufficient data and information to make informed business decisions with regard to the customer
- Technology that seamlessly supports internal operations and is transparent to the customer



# Perceptions of Unification

*"Sometimes you can't see the trees for the forest."*



25,000 Feet  
View of Corporate Executives

*"Everything looks so small"*

# View from 25,000 Feet

- What they'll see...
  - Enterprise-wide application of the information
  - We'll be able better understand the business
    - Customers, Prospects, Products, Competitors, Markets, etc.
  - We'll be able to reduce marketing costs
    - Improvements in processes
    - Improvements in information quantity and quality
  - We could fix some of those broken marketing and sales processes

# View from 25,000 Feet

- What they may not see...
  - It's bigger than it looks
    - It will cost more than originally anticipated
    - It will take longer than originally planned
    - There won't be enough knowledgeable people to make it work
    - It can become an octopus
  - It's not about technology
    - Buying software doesn't solve the problems

# View from 25,000 Feet

- What they may not see...
  - It's not just for marketing and sales
    - It's perhaps more about corporate strategy and direction than it is about execution
    - It's a change in the way the enterprise conducts business at all points of contact.
  - The ROI will be difficult (if not impossible) to measure objectively
  - Users will be slow to adapt

# View from 25,000 Feet

- Implications of the “Vision Gap”
  - Funding may be reduced (or eliminated) if:
    - All progress is not “highly-visible”
    - It takes too long to implement
    - ROI cannot be demonstrated in some fashion
  - A technology focus may overpower the need for delivering clear, concise, marketing information that can improve value to the corporation



15,000 Feet

View of Middle Management

*"Hey! That hole in the ground is the Grand Canyon!"*

# View from 15,000 Feet

- What they'll see...
  - We be able to more easily design new products and services
    - Decrease the time from concept to market
  - We can identify and target better markets and market segments for our products and services
  - We'll better understand our competitors products and services
  - Provide better support for sales and distribution channels

# View from 15,000 Feet

- What they may not see...
  - All information has value to the organization when used collectively
  - The need for a broader, analytic-based skill-set is critical in end-users
    - May not see the need or value in education and training
  - The value of capturing and using certain data in support of customer needs, values and expectations

# View from 15,000 Feet

- Implications of the “Vision Gap”
  - May not be actively listening to the customer’s voice
  - May not fully realize the intended improvements in marketing programs based on integrated data
  - Products and services could be ill-conceived and not match market needs



# 5,000 Feet

## View of End Users

*"Look...there's my house."*

# View from 5,000 Feet

- What they'll see...
  - Increased access to actionable information
  - Reduced “wheel-spinning” to obtain data
  - “Now *anyone* can do it” syndrome
    - Fear of losing “place” in the organization
  - Increased access to information to review and technological capabilities will result in additional work load

# View from 5,000 Feet

- What they may not see...
  - The whole is greater than the sum of the parts of which it's made
  - They're value is in understanding the information and it's use and *not* in the previous process or system used to obtain the information
    - Job security lies in the information and not the technology

# View from 5,000 Feet

- Implications of the "Vision Gap"
  - Granular focus on data may not produce the desired results for the enterprise
  - May be less productive
    - Fear
    - Lack of education and training

# Keys to unifying the vision

- Unifying the vision:
  - Leverage the strengths of each vision
  - Set realistic expectations at all levels
  - Address key change management issues
  - Monitor and evaluate your successes



# **Unifying people, process and technology**

How BCBSFL is making it work

# How BCBSFL Makes CRM Work

- BCBSFL
  - The Company, the challenges
- BCBSFL's approach to CRM
  - What we're trying to do
- Implementation
  - People, process and technology

# BCBSFL

- The Company
  - Multiple business units
  - Variety of products and services
  - B2B, B2C
- The Challenges
  - Rapidly changing health industry
  - Drivers of change include technology, consumer demographics
  - Threats and opportunities

# BCBSFL's Approach to CRM

- Defining what we are trying to do
  - Take the “caps” off
  - Definition: What it is, and is not
  - Leadership agreement on vision, objectives and strategy
- Recognizing fundamental building blocks
  - Understanding our customers
  - Tools to bring that understanding to bear at every touch point

# How We Are Implementing

- The Mental Model – CRM Value Chain
- Operating Vision – Customer's Experiences
  - Understand how to fill the gap
- Manage the "space" to close the gaps
  - Release philosophy – incremental value
  - Project-based
  - Integrated infrastructure

# Managing the Space...

- People
  - Do not underestimate resistance to change!
  - BCBSFL benchmarked, designed, and is using a robust change management plan
    - Why change?
    - Impact
    - Regular communication
  - Involve subject matter experts in the design and test new technologies and processes
  - Train people to provide ongoing support
  - Align rewards & incentives to ensure customer focus

# Managing the Space...

- Process
  - Common vision, objectives, goals and strategy across the business units
  - Outside—in perspective on business process
    - Maximize positive experiences for our customers
  - Establish performance metrics
  - Business process changes, changes in technology, and organizational changes must be built in an integrated manner

# Managing the Space...

- Technology
  - Choose the right tools for your job
    - For BCBSFL, Siebel for many front-end functions, Selectica for ratings
  - Consider the trade-offs of single platform vs. point solutions
    - We try to balance these
  - Carefully estimate expected ROI, monitor progress and measure actual ROI

# In Summary

- What we've learned in implementing CRM
  - Agree on what you want to do, why and how
  - Don't underestimate resistance to change
  - Integrate changes involving people, process and technology



# Managing the Smooth Landing

*"Please stay in your seats until we've arrived at the gate."*

# People

- Get individuals who will be affected by the change involved from the beginning of the project
- Communicate regularly, with appropriate messages and provide an easy way to employees to provide comments
- Prepare for and provide sufficient training, giving your employees the skill set necessary for the new strategies, processes and technology you'll be implementing

# Process

- Make sure that your company's overall customer goals are in-sync throughout the enterprise
- Ensure that your processes make life easier for your customers—not necessarily for you
- Establish baselines and measures for optimal process performance
- Integrate internal processes and technology to optimize customer satisfaction

# Data and Technology

- Ensure that you have the right technology to accomplish your goals
  - A sales automation tool won't be very efficient in managing marketing campaigns
- Know what you need to know to drive revenue and improve customer loyalty and satisfaction
  - Do you know why customers buy? Do you know why they're not buying from competitors?
  - What impact will changing demographics, regulations, etc. have on your customers?

# Thank You!

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