
2007 WHITE PAPER

CRM Your Salespeople Will Love

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By Mike Stevens

Executive Summary

CRM can bring enormous benefits to corporations, but only if users adopt it. Therefore, winning over sales organizations and obtaining buy-in at all levels are crucial to the success of any CRM initiative. Front-line salespeople are often the major source of resistance. In the past, when they have asked the question, "What's in it for me?" the answer has been, "Not much." The newest solutions from leading software providers such as Oracle change this, with features that let salespeople work the way they want to, reduce their administrative burden and genuinely support personal success in every aspect of the sales process.

This white paper provides a brief overview of documented CRM successes to indicate why it's so important, discusses CRM adoption problems in general, then presents a detailed description of the features that directly benefit individual members of the sales force. It also offers some tips to help foster high adoption rates.

CRM: The Adoption Rate Challenge

CRM is becoming increasingly popular. In 2001, fewer than 45 percent of companies surveyed by sales consulting firm CSO Insights had deployed CRM in their sales organizations. Now, that figure has reached 66 percent,¹ and IDC predicts a compound annual growth rate (CAGR) of 31 percent for on-demand CRM from 2004 to 2010.² There's a good reason for this growth: CRM works.

According to Software Magazine, roughly 30 percent of companies that deploy CRM report significant improvement in sales organization performance, including shorter sales cycles, increased win rates, fewer order errors and faster ramp-up to full productivity for new reps.

Quantifiable successes reported by Oracle customers include³:

- 200 percent increase in profits over two years (BT)
- 300 percent increase in sales (ViewSonic)
- \$17 million savings in monthly billing costs (Verizon Wireless)
- 25 percent reduction in call-handling times (U.S. Department of Homeland Security)
- 32 percent increase in retail checking customers (PNC Bank)

In the past, sales executives who have seen numbers like these and turned to CRM for help achieving them have faced a major hurdle: user adoption. According to an AMR Research study in 2002, 47 percent of companies faced serious challenges with user adoption. This year (2007), CSO Insights reports that only about half the companies it surveyed had CRM adoption rates of 75 percent or higher. The unfortunate truth is,

organizations cannot reap the substantial benefits of CRM unless user-adoption rates are high, and this is not always the case.

For sales organizations, an unsuccessful deployment can have a negative effect on sales performance, not to mention morale and management credibility. For IT departments, poor adoption rates are a disaster. In a business climate where budgets are tight and resources scarce, unsuccessful initiatives take resources away from other projects, lower the credibility of IT and leave the problem the initiative was supposed to fix unsolved. Therefore, achieving high adoption rates is a critical imperative.

The Resistance to CRM

Why does CRM encounter resistance? There are several reasons. The first is that rank-and-file salespeople on the front lines often perceive CRM as a tool that exclusively benefits management. It lets them track performance more easily, create forecasts for upper management, while for us it only means more paperwork,

¹http://www.salesandmarketing.com/mg/search/article_display.jsp?vnu_content_id=1003589960

²<http://www.crmlandmark.com/saasmarket.htm>

³<http://www.oracle.com/applications/customer-relationship-management.html>

less flexibility and more snooping. The question, "What's in it for me?" has no satisfactory answer.

These criticisms had at least some justification in the past. It can be argued that early CRM was designed primarily with management in mind. There was nothing wrong with its promises of centralizing customer data in one place, integrating previously siloed views of the customer, not to mention more accurate forecasts. However valuable these capabilities were to an organization as a whole, they were management features with little connection to the everyday realities of selling.

A second issue -- and some would argue the most important -- was the amount of "wasted" time spent meeting the needs of the systems. Early CRM put salespeople in data-entry mode when they wanted to be in sales mode. Every half-hour spent filling out forms was a half-hour not spent in front of a potential customer.

Finally, non-intuitive user interfaces that were hard to learn aggravated all the other problems, and there typically was no integration provided for productivity tools salespeople already used, such as Outlook and Excel.

In the eyes of salespeople, CRM imposed a burden on their most precious resource . time . with no demonstrable benefit. On the practical level, it posed daily problems, and on an emotional level it generated resentment.

Supporting Sales Success

With more than 12 years of experience in CRM, the Oracle

team has developed an approach to CRM that addresses all these issues in ways that make life easier for salespeople and specifically foster success throughout the whole sales process.

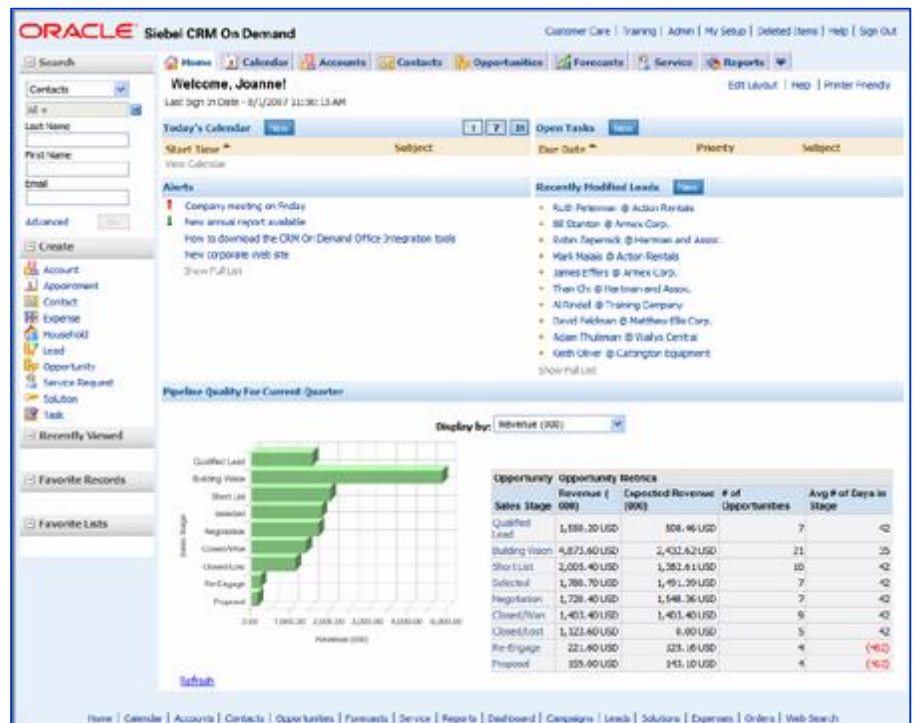
Lead Generation. Every sale begins with a lead, and if that lead comes from a typical lead-generation process, such as a direct-mail campaign or a Web banner, it should be carefully qualified before it reaches the salesperson who is supposed to act on it. Failures in this area are so common that many salespeople simply ignore these leads (if they can) or deal with them grudgingly.

In contrast, Siebel CRM On Demand, Oracle's subscription-based CRM service, provides lead-qualification scripts that assign a numerical value to every lead based on a combination of parameters defined by the sales

organization, such as budget size, budget status (approved, pending, etc.), decision timeframe, location and so on. Salespeople need only follow up on leads that meet a pre-defined threshold score. This reliable, *objective* lead-qualification system has two important positive effects on salespeople:

- They understand the process for qualifying leads, so they can trust it.
- They don't feel they're wasting time following up on leads, because leads are pre-qualified.
- Ultimately, they can increase their close ratio, because the percentage of viable deals entering the pipeline is higher.

Background information. Oracle's Siebel CRM On Demand provides contact information, a history of prior interactions, related deals (such as with a different division in the same company) and other



Salespeople can obtain all the background information they need on a single screen, instead of having to hunt through multiple enterprise databases.

important data that help salespeople refresh their memories or get up-to-speed with a customer they've inherited from someone else.

Sales call preparation. While preparing for sales calls can take hours, CRM On Demand significantly reduces that time. For example, at any stage of the sales process (however that may be defined by the organization), a list of specific resources is available, such as PowerPoint presentations, white papers, success stories and the like. These can be downloaded with a single click. CRM On Demand can even be linked to Google maps to provide single-click driving directions. (This feature is typical of the end-user-focused enhancements in CRM On Demand. In terms of application design, it's a trivial feature. But for a salesperson hurrying out the door to make a sales call on time, it's a huge benefit.)

Better lead qualification, better background information and better access to sales resources all genuinely help salespeople maximize their time, work more efficiently and close more deals. Rather than feeling at cross-purposes with management, salespeople using CRM On Demand can feel that their goals and the goals of management are aligned.

Keeping Organized

Some salespeople are well-organized. For others, organization is a challenge. Either way, Siebel CRM On Demand is a support, not a hindrance. It gives salespeople quick access to existing information about accounts,

provides convenient ways to collect and add new information, and lets salespeople create and prioritize tasks to help them stay on track during busy days with constant interruptions.

Existing information. In most businesses, crucial information about deals and customers . everything from contact phone numbers to invoicing data . is scattered over a variety of corporate database and back-end systems. CRM On Demand presents the primary information salespeople need to work their deals in a clear, single-page format. For leads, to give one example, this includes basic contact information, company background (revenues, number of employees, etc.), associated accounts and information about the lead itself, including its source. Other relevant data, such as order histories from a back-end financial system, can be made available with a single click.

New Information. Obviously, part of a sales rep's job is to collect information, and again, CRM On Demand makes this easy. The input forms are simple, they can be customized to meet individual or group needs, they can be accessed by a variety of endpoint devices (laptops, mobile devices, desktop computers) and the user doesn't even need to be online to access these functions.

Tasks. The CRM On Demand home page gives sales reps a quick overview of everything they need to do, including scheduled meetings, tasks (created inside the system either by the rep or automatically) and alerts, which typically are sales department

messages and notifications. To help salespeople make decisions on how to spend their time, tasks can be prioritized by due date or by the size of the associated deal.

User-Friendly Flexibility

One of the biggest barriers to adoption of CRM systems is the learning curve. CRM On Demand minimizes the challenges of adopting a new system through a combination of familiarity, customization and online help. This is an important benefit of the system. No matter how many features a CRM application may have to help salespeople work more efficiently and close more sales, these features are useless unless they are easy to discover and use.

Familiarity. CRM On Demand is a Web-based system, so the navigation is virtually second nature to any computer user. The system also can be configured to use the familiar terminology within the organization to describe stages of the sales process or the quality of various sales opportunities.

Customization. Screens can be modified at the enterprise or departmental level to add new fields or redesign forms. Even individual users can customize the look of their screens, adding, moving or deleting sections as they desire. For salespeople, the result is a system that bends to the way they work, not vice-versa, and this is powerful support for adoption.

Finally, CRM On Demand eliminates user frustration through a comprehensive, context-sensitive help system, so users can get quick, concise

explanations of how a particular feature works and how it can help them.

Integration for Ease of Use

One of the most important ways CRM On Demand supports the way salespeople work is through integration with third-party applications. Many would argue that the most important is Microsoft Outlook, the first application that many people in business open every morning. Due to the Siebel/Outlook integration, users can read their e-mail and, when something related to leads or opportunities appears, transfer information to the Siebel system without leaving Outlook. Moreover, the transfer method is simple drag-and-drop, with no typing required.

CRM On Demand also can interact with Web-enabled back-office systems that previously might have

required a separate log-in. This could provide, for example, a list of all the orders a customer has placed within a given time period.

In addition to integration with software applications, CRM On Demand can also integrate with mobile devices, such as BlackBerry, Palm and Windows CE-based devices, so salespeople on the road can have a choice of access modes. (This flexibility also helps the IT department.)

Best Practices Coaching

CRM On Demand offers a unique coaching feature that helps users emulate the best practices of the company's sales stars . or simply follow basic best practices that have proven effective over time. The coaching screens are available at various stages of the process, and provide detailed

suggestions on how to move the sales process forward. The screen below, for example, begins with the common premise that sales are motivated by a compelling event, and explains not only how to determine from a customer what that event might be, but also how to take the process several more steps forward.

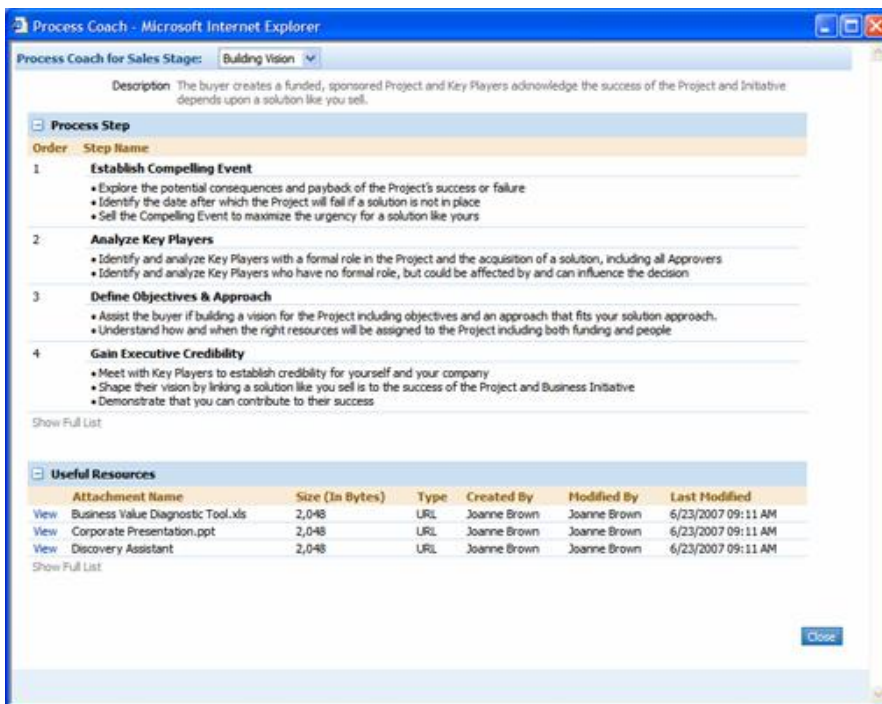
While the compelling event+ concept has merit, there are many other ways to look at the sales process. CRM On Demand is completely flexible so that the most successful sales processes can be cloned.

Sales beginners who want and need guidance welcome this feature. But experienced salespeople who are new to the company also can benefit from these features, as they help explain what otherwise might be unfamiliar terminology. In short, it's yet another element that can lead salespeople to view CRM On Demand as a help, not a hindrance, to success.

Indirect Benefits

The features and benefits outlined above are important because they affect salespeople directly, but CRM On Demand provides important indirect benefits as well.

The most obvious involves leads. The system includes a lead-management process that, like the lead-evaluation process, operates objectively based on business rules that can ensure fairness, prevent favoritism and eliminate embarrassing mistakes, such as assigning the same lead to two different sales reps.



A coaching feature guides new employees through the sales process with customizable best-practices screens.

Less obvious, but arguably more important, are CRM On Demand's analytical capabilities. CRM On Demand is the only subscription-based hosted system that offers a built-in data warehouse that can provide insights into historical trends. These insights don't affect salespeople's day-to-day lives, but they enable a company to make better decisions in marketing, and even with new product development. These decisions ultimately affect salespeople's pocketbooks. For example, if adjustments to lead-generation activities result in a higher percentage of qualified leads at the front end of the sales process, this ultimately will be reflected in higher sales volumes and bigger commissions.

The point here is that if the sales organization as a whole is more successful, the company will be more successful, and this success can translate into important personal benefits, such as job security and more attractive compensation packages.

Tips for Success

While CRM On Demand has been designed to encourage high adoption, the process by which the system is implemented can have a significant positive -- or negative -- effect. Here are some suggestions based on years of experience with CRM deployments in a wide range of organizations.

Review existing processes. There could not be a better time to review your total sales process than when you are thinking about a new CRM application. In addition to the core process, don't forget about potential integration with other

applications, such as Microsoft Outlook or, if you're an Oracle shop, Oracle E Business Suite. Establishing links with these systems can further streamline the sales process, and any change that speeds up or automates tasks will help garner sales force support.

Sell management. In survey after survey, upper management buy-in is cited as the No. 1 factor in obtaining high adoption rates. This should be no surprise. Senior managers control the important carrots and sticks that influence adoption by the rank and file. Communicate with key upper-level stakeholders, and point out the benefits that are important to them, such as more accurate forecasting and strong analytical capabilities, including historical data for trend-spotting.

In addition to persuasion, consider making executive adoption mandatory, and designate CRM On Demand as the means of running the business on a daily basis, such as communicating about sales opportunities and reporting to upper management.

Consult directly with salespeople. In the past, CRM systems have been designed primarily with management's needs in mind, but to foster high adoption rates the needs of front-line salespeople are very important. When you solicit their input about how CRM could help them sell more effectively, you achieve two objectives:

- You receive valuable input on the ways day-to-day aspects of the sales process can be improved (along with a healthy dose of griping, it must be admitted).

- From a psychological point of view, you lay the groundwork for acceptance of the initiative. To build credibility, however, it is important that you have direct contact, as opposed to indirect contact through managers.

Minimize data entry. Data entry is a thorn in the side of most salespeople, who view it as a necessary evil at best, with no value to them personally. There are three strategies related to data entry that can help this situation:

- Reduce the data you collect to a minimum. Ask the obvious questions, such as "Do we really need to know this?" and "Is this data actionable?" Fight the tendency to achieve completeness and be prepared for some political battles.
- Explore importing data from other systems (in real time) to reduce the amount of typing required. CRM On Demand supports this.
- Provide check boxes to answer questions when the input can be pre-defined (such as purchasing time frames).

Ensure adequate training. No matter how intuitive an interface may be, users need a certain amount of training. Make sure they get it. Set up a help desk for the first month or so that will accept phone calls as well as e-mail questions. And leverage the variety of training packages offered by CRM vendors like Oracle. Providing immediate relief to frustration will help keep adoption rates high over time.

Ensure adequate consulting.

Sometimes it's best to engage experts. Oracle can provide front-end consulting to make sure the start-up process goes smoothly.

Sell the users. Remember, most salespeople view CRM as a management tool. The value of the sales force-friendly benefits outlined in this paper may not always be self-evident to users. Therefore, it's vital to remind them on a regular basis of the ways the system can make their lives easier and help them sell more.

Conclusion

CRM can bring enormous benefits to a sales organization, but only if adoption rates are high. Oracle's Siebel CRM On Demand has been specifically designed to foster high adoption. When it's combined with an appropriate implementation process, sales organizations can feel confident of success.

Oracle

Oracle (NASDAQ GS: ORCL) is the world's largest enterprise software company. Oracle technology can be found in nearly every industry around the world and in the offices of 98 of the Fortune 100 companies. Oracle's Siebel CRM On Demand delivers the industry's most complete subscription-based solution for sales, marketing, and service, providing organizations of all types and sizes with rapid time to business value. Oracle is the world's leading supplier of software for information management, and the world's second largest independent software company. Visit our Web site at: www.oracle.com/crmondemand.com

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About the Author

Mike Stevens began his career as technical writer in semiconductor manufacturing, and then switched to marketing. At his own Silicon Valley-based agency, he worked with an impressive list of clients, including HP, EMC, Fujitsu, and Microsoft. His primary focus for the last seven years has been enterprise software.