

Why implementing CRM in contact centres, I.E.G. statements and meeting Government targets is about more than just buying the right computer system

In an attempt to modernise customer service given in the public sector the Government has made compulsory Implementing Electronic Government (I.E.G.).

Whilst many organisations have succeeded in meeting the deadline of 31 March 2001 for publication of their I.E.G. statements, will this really deliver the higher levels of service the Government and customers want?

If, as has happened in many Government bodies, the issue of implementing Customer Relationship Management, (CRM) and how it interfaces with I.E.G. has been passed to an Information Technology Manager to evaluate, then Steve Shellabear, of Dancing Lion Training & Consultancy argues, they will be hard pressed to meet business goals.

This is not to undermine the good work staff in Information Technology may do. But if, as frequently happens, they are asked to work in near isolation they are unlikely to have access to the depth of resources they need to provide an effective solution.

In our experience, managers are often frustrated in realising their commercial objectives because of an organisational culture that inhibits the success of a CRM programme. Of course there are substantial cost savings and increases in performance that can be achieved, but only if implementing CRM is viewed holistically.

Technology is obviously an essential element of any CRM and call/contact operation. However, the focus can be disproportionately centred on technology, rather than seeing CRM as a multi-strand organisational change encompassing technology, people, processes, customer strategy and customer intelligence. This invariably leads to technology becoming the organisational scapegoat when initiatives fall behind schedule.

Why does this happen and what can be done? There are a number of factors to consider:

Whilst education about 'what is CRM?' has increased, there is still an array of different definitions available. This may be partly because each organisation trying to apply CRM to its individual situation constructs strategies particular to themselves at the time, as well as the professional bias of the person speaking.

Let's start by providing a workable definition of CRM. I suggest: 'meeting and exceeding the needs of your different customer groups by empowering customer facing channels with relevant knowledge to serve them better'. OK, perhaps a bit long and purists might argue we should talk about segmentation by certain criteria, analyse of behavioural patterns and life-time customer value, but it captures the main elements. What most

people want to know is how do you implement it? Below are some of the factors to consider:

1. define objectives

The first step is to clearly define the objectives and methods. The Government have stated that by 2005 all goods and services must be purchased electronically. What are the preferred choices of strategies and the operational tactics available to accomplish this? Remembering this necessarily has to take in to account all sectors of society likely to use the service.

For example: a London Borough Council deciding to set up a call centre environment in order to resolve queries more effectively would have to be exceptionally careful not to implement anything that might prejudice certain sectors of society. For example: telephone lines or internet access may need to be provided free of charge to enable those who cannot afford to make telephone calls to find out about housing benefit. Many traditional customer differentiation models are therefore inappropriate in this unique environment.

2. think customer needs and use your resources wisely

Too often not enough thought is given to the different needs of customers using the products and services and the means prescribed without harnessing staff's experience. Use a consultative approach to research and diagnose customer needs as well as the requirements of those serving them. This will help in producing a robust design as well as increasing participation and ownership of the solution. For example, a client commissioned dancing lion to train existing staff to run customer focus groups. Staff that were keen to learn and extend their role gathered valuable customer data. The outcome was that customers, staff and the organisation all benefited with considerably reduced project costs through undertaking the work themselves.

3. Assess company culture and choose best practice or best-fit option

Assessing the real needs of each department to meet the defined objectives and their 'state of readiness' to implement a real CRM initiative is a necessary foundation to a successful programme. The culture of many organisations can, promote 'group-think', (where assumptions and ways of operating are unexamined), empire building, and politics.

In organisations that have experienced major change, such as restructuring and redundancies, staff may be 'shell shocked' requiring culture building work before managers can hope to implement a new initiative. Unfortunately, in larger organisations even when it's recognised these conditions exist, they may be difficult to correct without senior management and board level support. Not all organisations are ready to work with these issues. Equally, it depends on the order of change required, whether incremental or transformational.

A major contact centre client recognised that they had cultural issues to confront and decided to implement a pragmatic incremental solution. They chose to identify the core competencies and desired behaviour of customer facing staff and then assessed staff against those, identifying the gaps. Having discovered what the gaps were they provided tailored training modules to address those needs. This involved staff modelling the behaviour of 'someone who cared and understood the customer'. Whether it changed the culture is debatable, but it did increase performance. External customer satisfaction surveys measured the ratings of top performers and found they'd increased by 4% with poor performers growing by 16%. Significant figures for a company that strives for customer focus and already achieves higher than average industry figures.

4. Design a communication plan... and communicate!

"If only they'd tell us what's going on!" is a familiar criticism levelled at managers. Another is: "I'm sure someone somewhere knows what's happening!" Usually the bigger the organisation, the bigger the problem.

For CRM to take root and flourish, its objectives, deliverables and milestones need to be understood and embraced by everybody involved. Most call/contact centres have identified their Key Performance Indicators (KPIs) and these are typically shown on wallboards. Most staff are accustomed to getting reports on their group and individual achievement of these.

Planning and implementing a new initiative can require discussion and time.

Staff react badly to seeing managers huddled in meetings when they don't know why. Not being informed reactivates concerns about being unimportant and fears of job security. In the absence of clear information rumour and speculation abound. The most successful programmes get everyone involved early on and maintain communication throughout. Assuming a project team holds responsibility for implementing different strands of the CRM activity, the choice of project team leader is therefore essential both in drawing out honest communication from the team members regarding progress as well as ensuring the wider team is kept informed. On a major programme one client found it worked to rotate the manager leading this function, helping to break down the barriers to communication, responsibility and involvement.

5. Recruit the right people

There is strong evidence to suggest that in telephone based and web enabled contact centres, high quality human interaction is essential to building customer satisfaction and loyalty. In some organisations however, the staffing requirements of the call/contact centre are not properly understood. It's often not recognised they will need to develop their own culture which will be different to that of the parent organisation. The staff also need a different skill set.

It can be assumed that 'anyone can answer the phone and be nice too customers'. Customer service, interpersonal and communication skills are underestimated leading to staff finding themselves in a role that they are fundamentally unsuited for. In the public sector this sometimes happens with long serving staff who are moved sideways, or were originally recruited for a different role, or when the organisation places a strong value on a particular type of knowledge, such as process or technical expertise.

6. Management need to hold the CRM vision and deal with their staff accordingly.

Research has proved that the manner in which managers treat customer facing staff significantly influences the standard of service the customer receives. Values are subtly transferred at work, both consciously and unconsciously. Management and team leaders therefore need to create and maintain a working environment where staff feel genuinely empowered, respected and valued. Not just words on a mission statement. Also to develop real continuous learning mechanisms to improve the customer experience means taking time out to evaluate past performance including refining processes and behaviours.

Apart from knowledge of CRM and Computer and Telephony Integration (CTI), call/contact centre managers need a working knowledge of leadership and management styles including briefing, delegation, monitoring, feedback skills building motivation, giving recognition and rewards, confronting unacceptable behaviour and poor performance, and coaching.

Here the role of the team leader is vital and often underestimated. Sandwiched between management, who often expect them to focus on achieving statistics as a priority and former colleagues where they may have social relationships they seek to protect, many team leaders feel divided loyalties and are ineffective in their roles.

One client recognising that their staff's motivation was poor focused on training and building the identity, confidence and skills of their team-leaders. Through patient nurturing of that team, including building peer support, they saw increases of 10% in customer facing staff's results.

7. Give the necessary training

Many managers are worried that in the growing highly competitive call/contact centre environment if they train their staff they will leave and find better jobs. Whilst this may be a justifiable concern, having it probably highlights the need to review pay and conditions, if only to satisfy yourself that your employment package is commensurate with your competitors. Certainly, not providing training results in poor levels of service and productivity, which is unlikely to be justified.

Tailored training programmes certainly have an important role to play, but like technology, it needs to be underpinned by a range of other disciplines and activities.

Unfortunately training can all too often be un-related to commercial goals, run ad-hoc, generalised and in larger organisations a 'sheep dip approach', where everyone gets the same input regardless of their needs. Depending upon the type of organisation there may also be a bias for a certain form of training, at the expense of others. In our experience, call/contact centre staff require technical, interpersonal, commercial (including legislative) and customer service skills in focussing on customers needs. These all need to be individually considered and a bespoke training solution designed.

Whilst there may be no such thing as contracts for 'a job for life' employers can and should help staff fulfil areas of professional and personal development. Doing so has increased customer service, individual performance, job satisfaction and is a valuable aid to staff retention.

Conclusion

Much more could be said about the challenges of implementing CRM in a call/contact centre environment to support IEG. It is not my intention to provide a definitive list here, but hopefully broaden the discussion to include areas that are sometimes overlooked.

Purchasing the technology to implement CRM is usually a major investment. Whilst this may be necessary, a fraction of the cost is invariably spent on the people. This is ironic when most organisations that have implemented CRM will tell you: "It's the people who make it work". For those organisations that rise to the challenge, grapple with the issues and implement the necessary elements in a balanced way, success will follow. Those that don't will no doubt learn from the experience.

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