

BUSINESS MANAGEMENT : BEST PRACTICES

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*Ask the MD or the FD how many people work for the company or what the annual revenues are and you'll almost certainly get the right answer. But ask them both how many customers they have and you'll probably get two different answers!*

Astonishingly, in the vast majority of companies, questions about customers will leave senior executives sitting in an embarrassed silence.

Business managers often don't know how they acquired their customers, what kind of relationship the company has with them, or whether the customers are profitable. And they cannot relate those different pieces of information to one another.

So what is the problem? Information isn't integrated. Executives don't have the tools to link disparate sources of information together and see what is happening on the macro and micro levels.

Systems alone are not the solution, though: processes, the sales team and technology systems are all interrelated.

### **Integrated CRM**

What should you know about your customers? Do you know if a marketing or sales campaign is profitable (not just money well spent)?

Can you spot long sales cycles for different customers or products that might reveal something about unprofitable activities? Can you ask about credit control, to identify customer black spots?

These questions are difficult to answer if processes aren't integrated. A system may be good at managing direct marketing campaigns or logging prospective leads, but if it stops the minute a sale is made then profitable customer management is stopped in its tracks.

Building effective strategic sales campaigns is impossible if your customer relationship management (CRM) system can't tell you what products and services your customers buy or prefer.

Sales teams should be able to share diaries in real time and while on the move, not just at the end of the day when most remote or mobile CRM systems synchronise with the office.

The lag may be just a couple of hours, but it means customers don't get immediate answers and staff are often double-booked. That compromises not just collaboration between your employees, but also service delivery to your customers.

It happens far too often that a remote worker schedules an appointment while on the road, only to find that a colleague in the office has already arranged a conflicting meeting.

### **Are your sales staff actually using your CRM system?**

The biggest killer of CRM systems is inconvenience. If technology doesn't make your sales team's job easier, they just won't use it.

It is no secret that sales personnel tend to be a breed apart - which is why they are good at their job.

However, being focussed on sales can bring its drawbacks: sales people often loathe bureaucracy or prioritise customer-facing activities, both of which can compromise the effective use of technology.

That's why CRM systems have to fit the way salespeople prefer to operate, not try to change the people to fit the system.

If your CRM system is too cumbersome or labour intensive, sales people will avoid it. Even if they do grudgingly use it, you're like to face problems of invalid data entry, inaccurate analysis and possibly spoiled customer relationships.

Ideally, salespeople should be able to access systems remotely, allowing for sales opportunities there and then.

For example, CRM applications may simply ask too many questions, ostensibly to gather as much information about an engagement as possible, but causing sales personnel to avoid it altogether.

Alternatively, if the system insists on questions being answered by choosing from various options, an irritated salesperson may actually just fill in the blanks with the first option on the list.

The information gathered will then be incorrect, yet other staff may believe it to be valid and will probably use this data to drive business decisions.



### **Less might mean more**

Is your system suited to your business? All CRM systems claim to interface disparate data sources and do the analysis to provide this information, but if they can't do it easily, campaigns you should be running will not get off the ground.

Sometimes, less can be more. Less data, more fully integrated can mean more customer knowledge.

Proper integration involves a single source of data, ranged across all functions of the business, from marketing and sales, through logistics and accounts, to after-sales. Separate applications only hinder this process.

Choose a single application that matches your existing sales processes and is simple to use.

Install practical systems. Ensure the software is fast enough in all practical environments (whether local, multi-office, remote or from home), and can be interfaced with other technologies.

Productive customer information will result in all opportunities being materialised. Customers generate profits – and if management adopts a client centric model, increased profits will be realised.

The alternative is to let your competitors do this first!

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