The Rules of Change Management

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The What and Why of CRM

- **Why CRM**
Rich constituent relationships that generate lasting bonds are increasingly critical to organizational survival and success. Undeniably, it is a constituent-driven marketplace. And now more than ever, organizations must be able to flexibly adapt to the unique needs of the individuals they serve in order to sustain healthy growth.

- **What CRM Is**
CRM is a strategy used to: 1) learn more about constituent's needs and behaviours in order to develop stronger relationships with them and 2) maximize the value of those constituent relationships through the intelligent and responsible use of relevant data. If done right, organizations should be able to: provide better constituent service, make service delivery more efficient, support multi-channel outreach and marketing, increase revenue, and generate trust and loyalty.

What is CRM?   "It's a mindset, not a thing."

CRM is more than just…

- A database

- Personalized email

- Sophisticated "segmentation"

- Good service

- Contact management

- A large expense

- It is a holistic approach that takes into account people, process, and technology

- It is recognizing a constituent as that unique constituent through any medium, at any time

- It is treating different constituents differently

- It is "remembering" things for and about constituents

- It is using information about each constituent to make each constituent more valuable to the Movement and the Movement more valuable to each constituent

- It is leveraging information about each constituent to decrease the cost of service **AND** increase the lifetime value of each constituent

What is Change Management?

Change = Stress = Resistance

"Change management is a structured approach to shifting/transitioning individuals, teams, and organizations from a current state to a desired future state. It is an organizational process aimed at empowering employees to accept and embrace changes in their current business environment."

– Jeff Hiatt, author of *The Employee's Survival Guide to Change*

Components of a CRM Project

Strategy

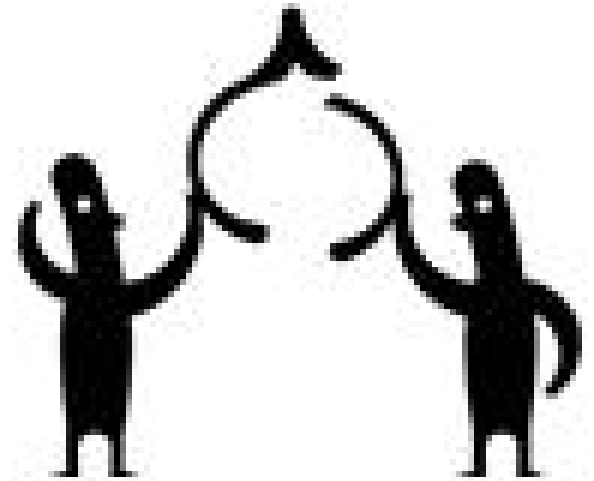## "It's not about your organization."

- Constituent-centric transformation

- Collaborative fundraising / integrated marketing

People

Lack of Information = Anger + Fear = Resistance

- Perceived need for change

- Leadership commitment

- Organizational structure

- Performance metrics

- Communication effectiveness

Process

New Systems + Old Processes = Sore Feet (aka bad fit) = Pain/Discomfort

- Organization-wide business rules

- Cross-functional design

- Workflow management

- Ongoing process ownership

Technology
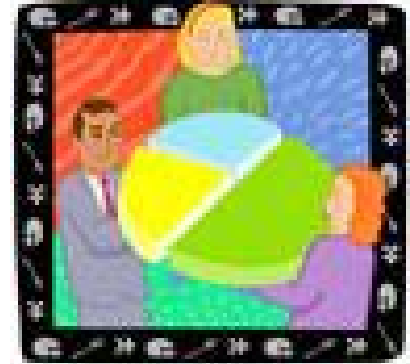
"How IT-smart is your organization?"

- Enterprise solutions
- "Open" architecture
- Cloud computing
- Mobile technologies

Data

"I'm all for CRM, as long as no one else can see _my_ donors."

- 360⁰ view

- Approach to "data" sharing

- Common data definitions

- Business intelligence / actionable insight

Some CRM Change Management Maxims And How To Face Them!

Maxim: CRM Initiatives Have An Abysmal Track Record, But You Don't Have To Be A Part Of That Trend

70% Of CRM Initiatives Fail
- *Cap Gemini*

75% Fail To Impact The Customer Experience
- *Gartner*

Expand Your CRM Mindset To A Customer Experience Management (CEM) Strategy Mindset: #1 Driver Of Success In CRM Deployments

	Customer Relationship Management Strategy	Customer Experience Management Strategy
Why	Very tactical. Get the house in order operationally. Scripts day-to-day interactions with the donor.	More comprehensive strategic planning to ensure results & ROI. Glues together fragmented view of customers to develop and sustain the long term relationship.
View	Focuses on internal objectives (in-side out) with an eye on operational efficiencies and priorities	Focuses on delivering according to donors expectations (outside-in) with an eye on customer life-time value and long-term relationship
What	Captures and distributes what you know about a customer with an interest on the value of the donor to the enterprise	Captures and distributes what a customer thinks about you and the value you bring to she, he or it.
When	Relationship refined after there is a record of a customer interaction	Relationship refined before or at points of customer interaction

Maxim: In The Absence Of A CEM Strategy, Even The Best CRM Technology Can Make Life More (Not Less) Difficult

Postpone Until You Have a Strategy

The selected tech is only a tool…

It facilitates a strategy…

…and it's one of many

…so there needs to be a strategy for it to facilitate

CRM technology will facilitate a business strategy designed to learn about, select, optimize and manage the most valuable customer relationships.

…do our **data**, **internal processes**, **orgs**, **policies**, **rules of engagement** support the consistency expectations?

But our customers are not the same…

…they all have expectations, needs & wants…they each have diff life-time values

…whatever the needs, they need them to be met consistently across the touch-points.

The strategy has to be customer centric…

Are their expectations aligned with their life-time value?

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Bridging Information Gaps for the Worlds Greatest Missions

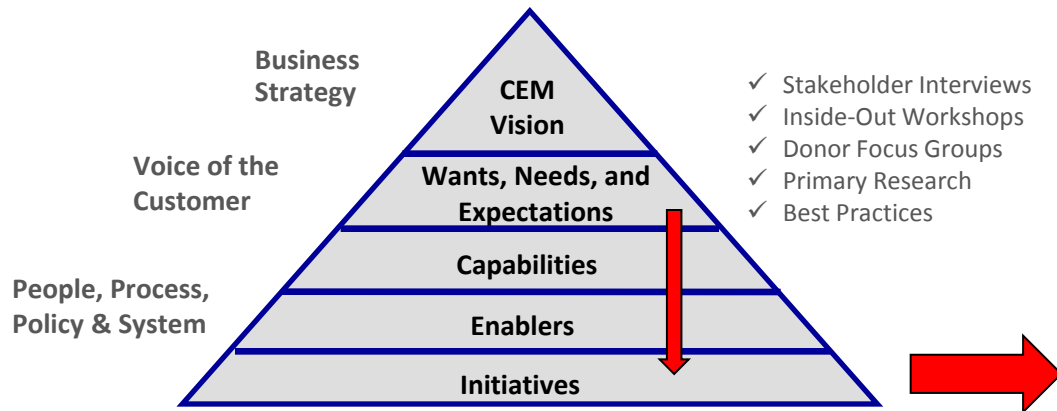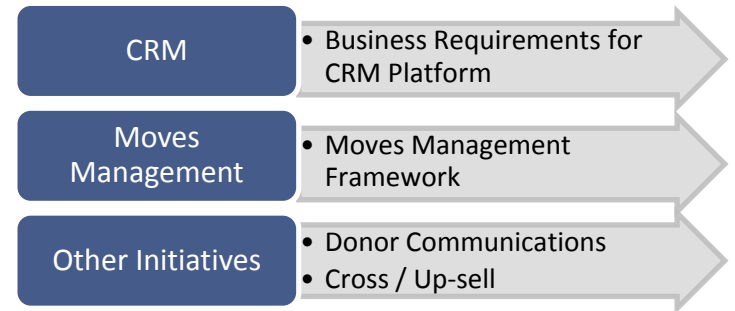American Red Cross

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Developing Strategy: An Approach

Voice of the Customer

Business Strategy

Voice of the Customer

People, Process, Policy & System

Pyramid (top to bottom):
- CEM Vision
- Wants, Needs, and Expectations
- Capabilities
- Enablers
- Initiatives

- ✓ Stakeholder Interviews
- ✓ Inside-Out Workshops
- ✓ Donor Focus Groups
- ✓ Primary Research
- ✓ Best Practices

Initiatives

CRM	• Business Requirements for CRM Platform
Moves Management	• Moves Management Framework
Other Initiatives	• Donor Communications • Cross / Up-sell

CRM/CEM Strategy & Roadmap

Define CE Vision and Strategy Statement

Prioritize Top Donor Wants / Needs

Align with Enterprise and Brand Strategies

Develop guidelines for operational direction

Show prioritized list of initiatives against goals

Determine key loyalty and touch-point metrics

Maxim: This Is Not About You, The Management Team, And Your Insatiable Appetite For "Their" Data!
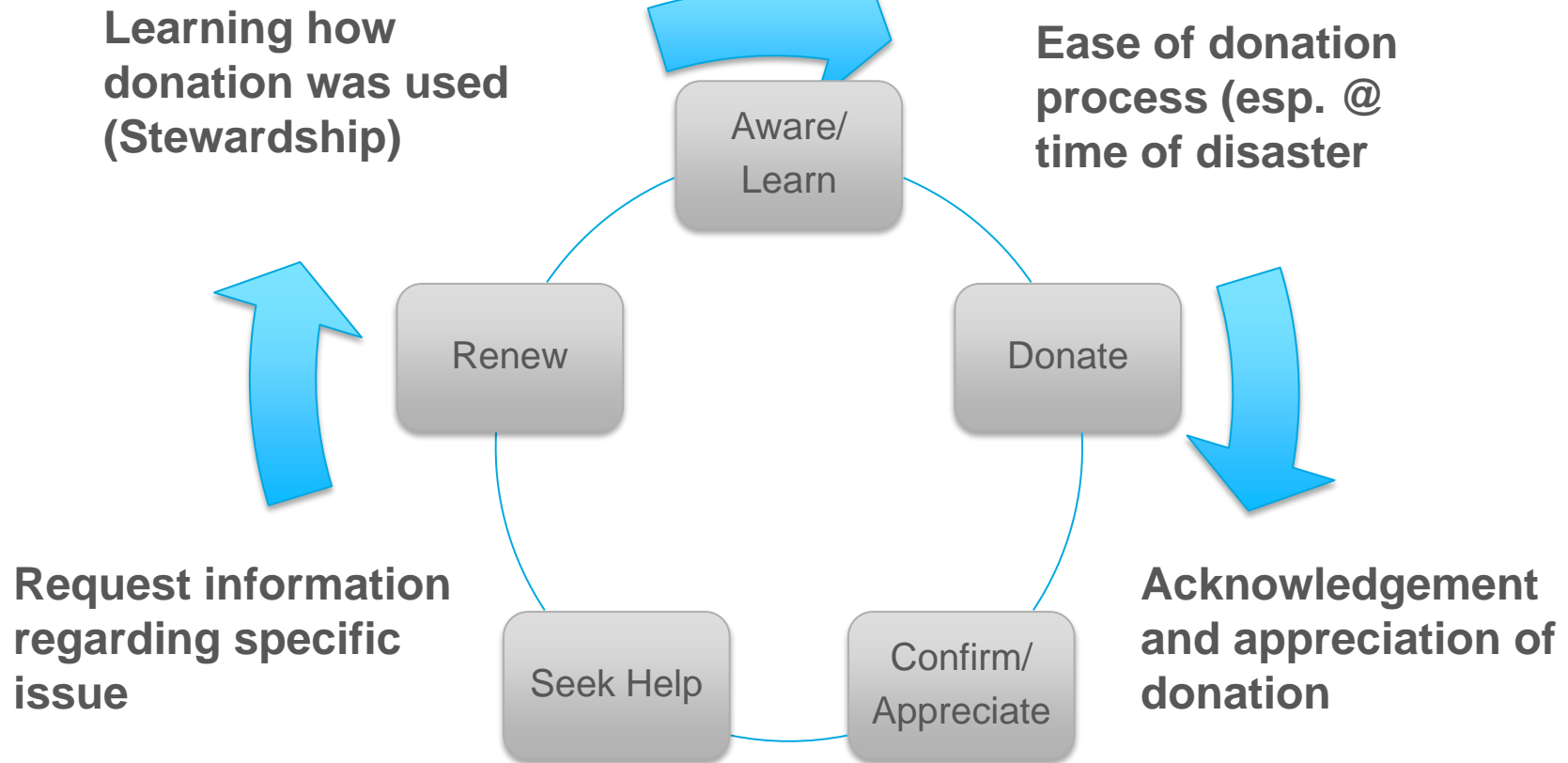
Make It Clear From The Onset Why You Are Doing This…

- More Successful Fundraisers & Front-Line Customer-Facing Personnel
  - Train Better Customer Engagement Not How To Use The System
    - Communicating Effectively
    - Identifying Opportunities
    - Building Relationships

- More Engaged & Loyal Constituents Who Will Also Be Your Advocates

…And Mean It!

- Make Customer-Centricity Central To How You Operate, In Every Function

- Be 100% Present & Engaged

- Lead By Example

- Engage The End-Users From The Beginning

  - Pilot, Examine, Refine, Launch

  - Steering Committee, To Include

  - Trusted/Respected Decision Makers On Behalf Of The Whole Community

  - Both Trailblazers & Naysayers

Maxim: Your CEM Strategy Must Span The Entire Customer Lifecycle And High-Value Touchpoints To Be Effective

Learning how donation was used (Stewardship)

Ease of donation process (esp. @ time of disaster

Aware/ Learn

Renew

Donate

Request information regarding specific issue

Seek Help

Confirm/ Appreciate

Acknowledgement and appreciation of donation

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…And There Must Be Consensus

- Customer Life-Cycle Per Segment, If Appropriate

- Moments Of Truth To Focus On

- Key Interactions

Maxim: CRM Investments Are Not Cheap & Cutting Corners Can Lead To Costly Write-Offs…

Don't Skimp on Necessary Steps

- ## Voice Of The Customer
  - Continuously Assess Customer Sentiment, Needs & Wants And Refine Organizational Capabilities And Enablers To Satisfy The Ever Changing Landscape
  - Requires Investment In Structures That Are Focused On VOC

- ## Deployments Are High-Touch Endeavours
  - Configuration/Testing
  - Training
  - Onsite Project Management
  - Communications

Ongoing Customer Feedback Methods

Customer Feedback
*Welcome Calls   *Transactional Surveys
*Customer Panels   *Relationship Surveys
*Call/Inquiries Into Frontline Orgs   *Social Media

Employee Feedback
*Employee Panels
*Front-line Surveys
*Rep Quality Monitoring
*Executive Immersion
*Employee Engagement Survey

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Maxim: CRM Can't Be Justified Through Conventional ROI Measures...But What You Can Measure Is More Meaningful

- Virtually Impossible To Prove That You Will Collect X Additional Dollars in Donations Or Sell Y Units of A Product If You Bought Technology X

- The ROI Is In Your New Way Of Doing Business (Customer Centric Initiatives) And Measured In
  - Customer Satisfaction
  - Customer Retention/Churn (Loyalty)
  - Net Promoter Score

- Tech Is Cost Of Doing Business
  - How Many Additional Dollars Do You Have To Have In Order to Pay For The Tech? Is It Achievable?

Open Discussion

"People underestimate their capacity for change. There is never a right time to do a difficult thing. A leader's job is to help people have vision of their potential."

– John Porter