

STRATEGY DOCUMENT

Rob Brickle clears up what a 'customer management strategy' actually is.



Rob Brickle: CRM technology is the engine room of a customer management strategy

A friend said to me recently that I keep going on about the need for organisations to have a proper customer management strategy rather than just implementing a CRM solution, which is fine – but what do I really mean?

Fair question, I thought. I felt I had been clear about that but obviously not! So I've decided to take the opportunity to explain what I mean by a customer management strategy and put the CRM bit in context...

A customer management strategy needs to address a number of specific but different areas. Simply put, the strategy needs to cover the organisation itself, the people, management interventions, and processes and systems. I will focus on each of these below and hopefully put some definition around them.

Unless the organisation is 100% behind effective customer management, the initiative will fail. This means support at the top level, an appropriate culture and behaviours, as well as an organisational alignment with the customers themselves. Too many organisations say all the right words but don't 'walk the talk' and this is where they fail. Indeed, many organisations fail to properly recognise the value of the customer and the contribution they can bring to the organisation – not just in terms of revenue.

Then of course there are the people who make up that organisation. It's an obvious comment, but apart from having the appropriate roles in place, it is essential to have an understanding of the competencies that go with those roles. Competency frameworks, once implemented, must be aligned with the organisation's training and development programmes in order to realise the investment made in the organisation's human capital. Whenever the return on investment in this area fails to be realised, it is generally down to poor management.

There has to be a way of measuring and driving action on customer management generally. This isn't about customer satisfaction data or helpdesk statistics but about the complete range of measures that fit into an easy-to-use customer management scorecard and which can help improve and drive change in the organisation.

This works in harmony with the other parts of the strategy and is the key to driving financial changes to the bottom line, through operational improvements, increased efficiency, development of new opportunities and customer retention.

Last but not least, it is essential to have the appropriate processes and systems operating across the organisation – and this is where the CRM technology clearly fits in. The processes and systems will form the engine room of the strategy. Their implementation must be driven by the other components and operate across the entire organisation.

Next time I will look at the different technologies and their appropriateness (or not) to different situations.

In the meantime, Bsquared runs a short assessment of an organisation's engagement with its customers and how effective that is. I am prepared to offer that for free to any organisation that wants to apply before the end of March 2007. Simply email info@bsquared-consulting.com with 'Free Assessment' in the subject line and we will get back to you.

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