

Advantages of a Configured System Versus a Custom Developed System

In this paper we discuss the advantages and business fit when comparing Staffware RM as a configured solution versus a custom developed Customer Relationship Management or CRM product. The advantages versus disadvantages of a configured versus a custom system can be more clearly understood when a careful study is made of both types of systems.

The advantages offered by a custom solution are elusive because there is often a perception that because the system is developed specifically for a company with a very focused objective, that this close match to the application need will provide an excellent fit, and a powerful advantage.

However, custom systems are most often delivered with out adequate specifications, little or no real understanding of the real automation needs, and a complete lack of flexibility to be modified when the business processes of a company change. These are the primary reasons why ***more than 90%*** of inhouse development efforts in Customer Relationship Management (CRM) end up in failure.

The real fact is that no business stays the same for long, and that is especially true in sales. Since these changes happen constantly in most companies, there must be an ongoing commitment to adapt and change the system to make it continue to fit the business needs.

A custom system cannot be adapted easily, because you have to return to the programmer each time to make needed changes. Flexibility and configuration are most often not an option for custom systems, because the time it takes to develop configurable systems is many times the normal amount of time taken to write a custom for a particular business need. The problem with custom systems come when business needs change, and the custom system needs expensive changes to the program code to make it fit the new needs.

Some real advantages of configured systems are:

A Proven Track Record

- Flexible, configurable systems are typically designed and delivered by experienced professionals with an understanding of the problems and a proven track record in the areas of need
- Configured software has a much lower risk of failing because it is already a proven solution in other businesses

Full Featured

- Hundreds of additional capabilities are available in the system (out of the box) that are needed, but may not be perceived as needed yet by the users and management

Growth and Change

- configuration allows quick changes that gives the system an ability to grow with company needs providing better company automation coverage overall
- an absolute requirement is that the configurable system must be able to be changed by users as business models and processes change, unlike custom system

Lower Overall Cost

- much more ultimately needed functionality is available at far lower overall cost because the cost and development of these features is shared by many users
- lower maintenance cost
- more capability, value, less cost for the capabilities delivered
- a continued commitment to ongoing maintenance, upgrades, and ongoing support is provided by persons focused on CRM

Flexibility

Corporate business environments require flexibility in a CRM system. Every Company had unique processes and procedures and although a configured software system can provide up to an 80-90% fit, a detailed specification detailing the business application needs the processes actually defines the configuration and any additional development work required to provide a 100% fit to your requirements. It also delivers:

- broad flexibility, ability to be adapted to widely varied business environments
- better fit across individual needs, yet effectively share information across the entire company
- accommodates the needs of the entire user community
- designed to work interactively while on the phone with the customer
- not just an analysis tool, but a selling process automation tool as well

- designed as a solution for sales, marketing, customer service, and in all aspects of the business

Business Fit and Value Analysis

Part of the process of analyzing your needs is that we offer you a ‘business fit analysis’ to show how closely we can fit the needs of your specific requirements with the core Staffware system. This shows clearly and exactly what configuration and system tailoring work would need to be done in order to meet any additional or company specific requirements that are identified for your company.

We suggest that one rough way to measure a system’s capabilities is to actually measure the size of the program itself. Of course, there are many ways that a system’s size may vary, and this represents only a reasonably rough comparison on the overall capabilities of the system. However, since Staffware employs a significant amount of code sharing and is very modular, we consider it to be quite code efficient and therefore feel that this comparison is a fair one to make.

When comparing the size of Staffware and of most in-house developed systems, we find that an installed Staffware system (without data) is about 20 times the size of in-house developed systems.

This ultimately means that if the Staffware system is a good fit for your needs (and I believe we will show that it is a VERY close fit), then your cost per capability or function (which translates to real VALUE) is very good with the Staffware system. You would receive approximately 20 times the amount of working code to accomplish both the jobs that you know about, and also a host of capabilities that will apply to your business as it grows in the future.

A Comparison...

Staffware Existing Program Code vs. an in-house System

The core Staffware system has approximately 400,000 lines of our own source code (not including libraries and other licensed routines). We estimate that there will be less than 1% of proposed developed code to meet an extremely highly tailored system to incorporate requirements that cannot be met through the standard Staffware system setup and configuration utilities alone.

These illustrate that about 99% of the actual program code needed for what we perceive as a very ‘custom’ system is already available in Staffware’s broad suite of products. Therefore, there is usually an outstanding for companies requiring a highly tailored system from the standard capabilities offered by Staffware.

	Staffwar Core Program Code	Custom Developed Code	Data Conversion	Ongoing Support	Configuration	Specification	Training	Implementation
System Code	99%	1%	N/A	N/A	N/A	N/A	N/A	N/A
System Cost	23%	8%	8%	8%	16%	15%	6%	16%

**Staffware Overall Cost Analysis
Code Comparison vs. Overall Cost**

The fact that Staffware provides such a close fit means that you will not have to incur the long list of factors that go with the development of a custom system, or one where there is not such a close fit to the needed capabilities. Typical custom coded system issues are:

- difficulty in defining all of the needs properly
- anticipating future needs to minimize future development costs
- proper written specifications and documentation
- high costs of custom coding
- long development cycles
- downtime caused by a (new) buggy system and the necessary time needed to test and make it work reliably in the business
- the high risk involved in an untested system design, such as:
 - ⇒ difficult use, (i.e. in the user interface)
 - and--
 - ⇒ the high risk of not anticipating all of the critical needs of the workgroup
- poor performance issues
- inability to be changed / modified quickly (configuration)

These factors are all minimized or eliminated with a configurable system that has a track record for a good fit.

The graph below illustrates an example of these costs in a typical highly tailored system. Remember that CRM is a Process and NOT a product.

Estimated Staffware System Cost Reflecting Typical Needs

Software

Even the most sophisticated automation software system *is only one small component* in the complex process of sales, marketing, and customer service automation. Software is the tool. And with the right automation tool a company can achieve dramatic improvements in sales, customer service and profit performance. But it requires highly specialized knowledge – applied consistently and over time – to help a company learn how to get the best possible results from these sophisticated software tools.

Consulting & Specification – *A necessity for a successful system*

Our business process and marketing analysts spend time needed to understand your company, your customers and your operating requirements. We then prepare and present to you a detailed analysis to help you understand the product and process, needs that you have, and how we take all that and put it into one cohesive information system.

System Configuration / Implementation

This area pulling together the configuration to fit your business needs, data conversion, system customization, pilot testing and final implementation of the system are all vital elements of configuration.

Training

The importance of training is highly underrated by most businesses. However, professional training will turn your base users into *power* users and give your management command and control over your system. Staffware and Falcon Computer Solutions, Inc. Training helps you get the highest possible return from your MarketForce investment.

Ongoing Support

To ensure that your company receives maximum benefit from your Staffware RM system, Staffware and Falcon Computer Solutions, Inc. ongoing support offers continued support to you beginning at the evaluation stage.

To succeed most companies need the input and expertise of knowledge and experienced CRM specialists.

Conclusion

- 1) Unless the chosen system can be changed and adapted to business needs quickly, with low impact, minimum programming, to fit new requirements in the business, it is not really a viable CRM solution.
- 2) Unless a company plans an ongoing commitment to the CRM needs of the company, they will not achieve success in CRM because of the changing environment.

CRM is a process, not a product and a company must plan, commit resources, and invest in this constantly changing environment and choose a system that has proven to be

flexible and can be adapted to new challenges quickly. This will ensure that they will be successful in making their business run more efficiently, deliver top sales performance and increase profitability.