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Staffware eCRM



202 E. Border, Suite 300  
Arlington, Texas 76010  
Ph. 800.766.7355  
[www.staffware.com](http://www.staffware.com)

# Staffware Corporation

# Process-Driven CRM

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*An Introduction*

*by Randy Davis*

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# Process-Driven CRM

## *An Introduction*

Process-Driven CRM is based on the tightly embedded integration of powerful workflow tools and broad CRM applications, and results in increased efficiencies of work tasks created by customer interactions. Process-Driven CRM, based on Staffware's workflow, also enhances the exchange of work tasks and data between CRM and disparate systems inside and outside the enterprise. Staffware eCRM offers the first full integration of the world's most powerful Workflow engine with award winning CRM.<sup>1</sup>

If I were you I would be asking, "How is Process-Driven CRM different from any other kind of CRM?" I would also be suspicious that it is just another marketing gimmick designed to put a little more lipstick on the same old tired pig.

But it's not.

### **I Know You Believe You Understand What You Think I Said; However I'm Not Sure You Realize That What I Think You Heard Is Not What I Meant**

The heading above reminds me of a discussion I recently heard about CRM.

To prevent any misunderstanding, I think it helpful to begin with a working definition of CRM, and I can't think of a better one than that offered by Dick Lee, principal of a consulting firm called High-Yield Marketing. Lee says that CRM is:

*Implementing customer-centric business strategies; which drives redefining of functional roles; which demands re-engineering work processes; which is supported, not driven, by CRM technology<sup>ii</sup>.*

He goes on to say that implementing CRM is a four-step process:

1. Implementing customer-centric business strategies
2. Which drives redefining of functional roles
3. Which demands re-engineering work processes
4. Which is supported, not driven, by CRM technology.

Lee rightly points out that CRM technology is not the starting point of addressing a customer-centric strategy within your company. It's merely the technical means of doing so.

He also points out the importance of identifying and addressing work processes as an integral part of creating a customer-centric organization. It's what Staffware calls workflow.

This paper does not address creating customer-centric business strategies, redefining functional roles, or re-engineering work processes, items 1, 2 and 3 above. It does recognize that re-engineering work processes is imperative, and that using the right technology to manage those processes is an integral part of CRM, especially as it relates to the interaction of various systems within an organization.

## Process-Driven CRM Defined; Benefits Suggested

Process-Driven CRM is the close integration of the often times soft benefits of CRM and the rock-hard benefits of business process automation, otherwise known as workflow. The Workflow product under discussion is developed by Staffware, and has been identified as some of the best in the business by organizations like Doculabs and Gartner Group. Staffware's workflow customers have been awarded the prestigious Giga Award based on measurable benefits derived from automation. Just recently, Staffware achieved the highest overall rating of 13 products in the 2001 edition of Workflow and Groupware Strategies' (W&GS) *Workflow Comparative Study* by market analyst Martin Ader.<sup>iii</sup>

Process-Driven CRM is both an approach to and a technology for the business of customer relationship management. It is a recognition that behind all the customer touch points, behind all the integration of data and systems, behind all the fancy Web sites, and WAP portals, and customer self service modules, lies the ongoing grind of daily business. It's one thing to please a customer upon contact; it's another to satisfy him. And you only satisfy him by fulfilling his requests.

This paper describes two primary benefits of Process-Driven CRM:

1. Process-Driven CRM provides a more solid basis for ROI estimates; and
2. Process-Driven CRM provides better connections between CRM and other internal or external systems, and connection and completeness within the work itself.

CRM is all about generating actions; workflow is all about managing and fulfilling them.

## How is Staffware's Process-Driven CRM Different?

It can be argued that every CRM system utilizes workflow to automate actions initiated by customers or staff. Quite true. Like I said, it's not the degree of newness under discussion, it's the degree itself. How can a business claim to have the full benefits of a CRM system if the processes generated by that system are not fully automated, integrated and managed in such a way as to dramatically reduce time, costs, errors and human interaction – or if the system doesn't improve service to the customer?

Many CRM systems, and ERP systems for that matter, provide limited workflow capabilities, limited to *their* application (or even to specific modules) and those operations within it. Fine, if those systems never have to interact with another system or database or application or business process. How often is that the case? As you think of the architecture of your present or future CRM system, is it self-contained? Or does it not need to interact with accounts payable, or accounts receivable, or application fulfillment, or loan approval, or order fulfillment, or billing, or document management, or replenishment, or procurement, or credit approval, or claims management, or query handling or any of the hundreds of other back office processes that have to be managed and fulfilled day in and day out?

It is precisely at this point that process-driven CRM shows its colors, and where other CRM solutions "with workflow" fall short.

Staffware's Process-Driven CRM system is the integration of award-winning CRM functionality with world-class business process automation specifically designed to both initiate (through Staffware eCRM interaction) business processes, and to automate their fulfillment by gluing the front and back ends together (through Staffware's integrated workflow)

## The Benefits of CRM

I mentioned earlier that Process-Driven CRM is the close integration of the soft benefits of CRM and the rock-hard benefits of workflow. The hard question is, “How can an ROI estimate be generated for any company when it’s not known how the company will actually implement it and make the changes necessary for its success?” The best that can be provided is guesses and estimates. For example, Barton Goldenberg, president of the well-known ISM, Inc., talks of *reasonable expected* benefits:

- 10% increase in sales revenues each year over three years
- 5% increase in win rates each year over three years
- 1% increase in “per deal” margins each year over three years
- 3% increase in customer satisfaction ratings each year over three years
- 10% decrease in general sales and marketing costs each year over three years

ROI’s for CRM are hard to come by for the simple fact that so much is dependent on how a company does business philosophically. More to the point, so much is dependent on how a company is willing to *change* how it does business in order to take advantage of CRM concepts *like customer-centric processes, multiple touch points, a 360-view of the customer, or differentiation marketing*. You can take the same highly sophisticated CRM system into two similar customers and fail miserably with one and succeed wildly with the other. Much of the success of pure CRM is dependent on individual company culture, philosophy, executive commitment to change and so on.

## The Benefits of Workflow

On the other hand, ROI’s for business process automation are much easier to come by, and produce more immediate, tangible results.

Staffware recently commissioned a market research project for 100 customers using workflow. Without falling into the category of figures lie and liars figure, the results were encouraging and reflected the practical nature of automating complex or complicated business processes:

- 62.5% gained efficiency as a result of streamlining business processes
- 57% increased levels of customer service
- 46% were better able to adapt business processes due to changes in legislation or regulation
- 33% increased staff productivity
- 29% experienced cost reductions that impacted the bottom line

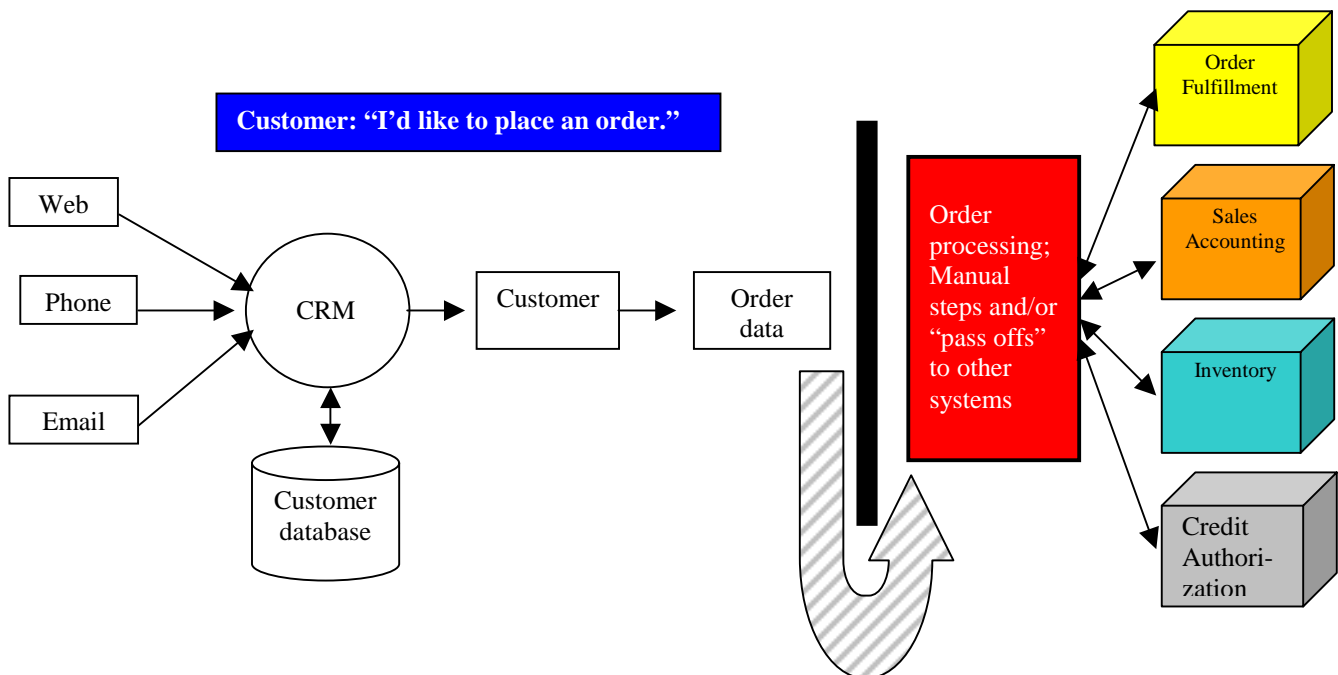
The industries covered were Insurance, Investment and Wholesale Banking, Retail Banking, Government, Telecommunications, Utilities and General Commercial.

Perhaps one slightly humorous but not entirely surprising finding is that 100% of government organizations reported increases in operational efficiency!

The point of this is that Staffware's Process-Driven CRM brings together the dreams of CRM and the grunt work of business process automation in a way that, well, *makes sense*.

## Non-Process-Driven CRM Illustrated

Here's a simple illustration of what I'm talking about:

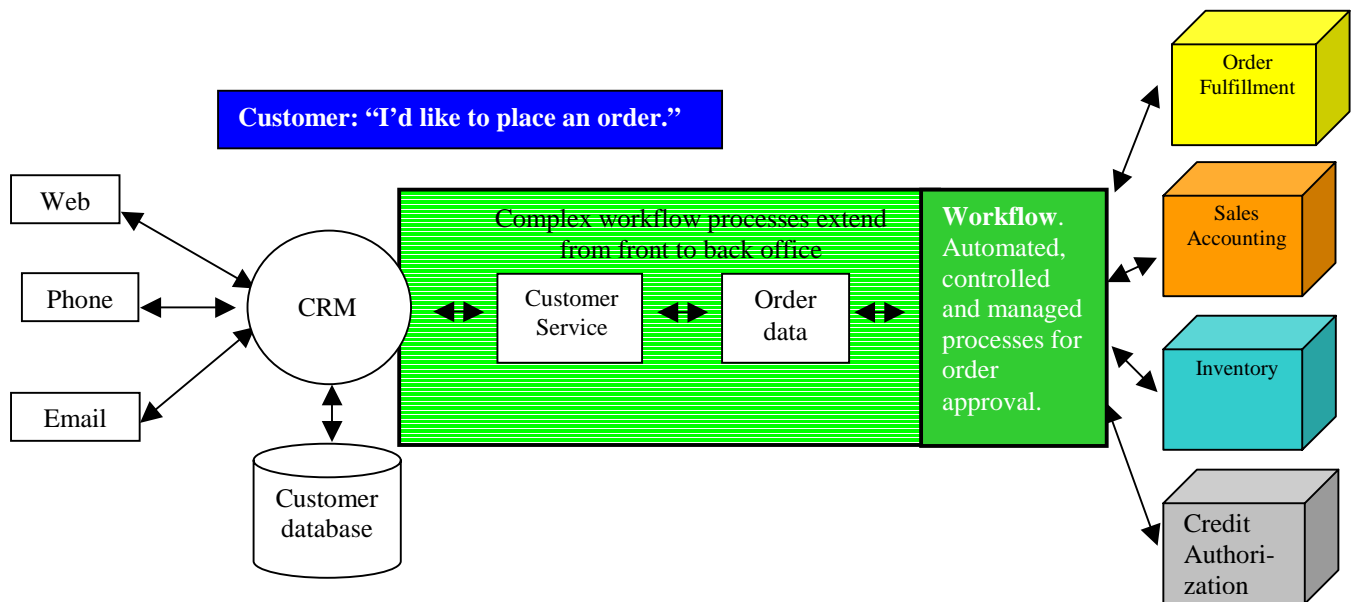


**Illustration A:** CRM front end disconnected from back end.

This illustrates that even an elegant, multi-portal CRM system can break down at the back end if no tight integration exists between the processes initiated by CRM and the fulfillment of those processes all the way through the back end. In fact the front-end CRM systems may have done a great job in setting high expectations only to have the actual processing of the work result in delay, inefficiency, errors or failure. Often, too, the front-end CRM system may not be aware of what the back-end system is doing, where it is in the process, the status of the original request or whether the work has been completed. Neither is the work connected within itself as it lurches between the different systems and the different people and the different decision points and the different processing requirements.

The above describes what William F. Brendler describes as "process gaps" whereby "the customer wants one thing and the process produces something else." Brendler correctly points out that "the goal should be to close the process gaps to make it easier for your customer to do business with you; the goal should not be installing CRM technology."<sup>iv</sup>

## Process-Driven CRM Illustrated



**Illustration B:** Process-Driven eCRM. The Front end connected to back end via Workflow.

The illustration above is not innovative or new as much as it is *unusual*. If the CRM front and the back end are connected, it is often via a combination of clumsy interfaces and/or manual practices. The connection is *not* through well thought-out, automated workflow processes that are designed to identify each step, person responsible, decision point, and task to complete the work, and to ensure the work throughout the enterprise is a) connected, b) completed, and c) audited.

## An Example

One of Staffware's customers, an *e*-University, is implementing Process-Driven CRM to aid in its sales, marketing and student enrollment strategy. Numerous and complex steps are required to properly manage and monitor the sales process, student enrollment, registration, and student-aid processing. Through Workflow, the CRM data is being extended to various faculty and staff that need to perform reviews or make time-sensitive decisions.

Through Process-Driven CRM the *e*-University is integrating its CRM, business process and University Management System requirements.

## What Process-Driven CRM Does

Process-Driven CRM is CRM that recognizes the importance of *connecting and completing the work*, all the way through the process -- from customer first contact to the back office to the supply chain and back. Process-Driven CRM is the tight integration of CRM functionality and powerful automated Workflow processing and legacy integration so that the work generated by customer interactions is seamlessly handed off to the appropriate workflow units, which in turn interact with the necessary

backend systems to complete the work. In often-complex order fulfillment scenarios, customers need to participate in the provisioning process in real-time with back office operations. This is where Process-Driven CRM is imperative.

Process-Driven CRM is designed to automate the following types of work:

- Processes with specific tasks
- Rules that determine the logic of transitions between tasks for which all rules, outcomes and process paths are known
- Tasks that use digital information resources – like document management.
- Automatic work allocation – the delivery of tasks with the appropriate information resources to the people who are available to complete them
- Process control – standardizing the approach taken to work in progress through the guaranteed delivery of tasks to the right people at the right time

## Conclusion

Staffware is not the first or only company to recognize the critical importance of workflow within CRM and between CRM and the back end. However, Staffware *is* the first and only company to take what is recognized as the most powerful and extensive workflow tools in the world and make them an integral part of a CRM offering that has been recognized for the last 6 years by ISM as one of the Top 15 CRM software packages in the market. As a company, Staffware has over 14 years of enterprise process automation experience.

Any company that is looking to implement CRM technology ought to consider Process-Driven CRM based on the benefits of tight integration between CRM and workflow functionality.

If you wish to learn more about Process-Driven CRM, please visit us at [www.falcon-inc.com](http://www.falcon-inc.com),

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Copyright © 2001 by Staffware Corporation. Randy Davis is the Sr. Vice President/Director of Staffware's eCRM Line of Business in the United States. He can be contacted at [RDavis@Staffware-eCRM.com](mailto:RDavis@Staffware-eCRM.com). Staffware eCRM was formerly called "MarketForce" as reviewed by ISM. Staffware eCRM is the only CRM product that has been awarded the prestigious ISM "Top 15" CRM Award for the last 6 years. Version 2-16-01-04.

ISM, Inc., located in Bethesda, Maryland, has provided CRM consultancy since 1985. ISM is the publisher of the comprehensive handbook for CRM product evaluations, **The Guide to CRM Automation**. Barton Goldenberg is the founder of ISM. For more information on **The Guide**, please go to [www.ismguid.com](http://www.ismguid.com).

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## End Notes

<sup>i</sup> Staffware eCRM is the only CRM product to win the prestigious ISM CRM “Top 15” Software award for the last six consecutive years, including 2001. Other competitors included Siebel, Pivotal, Onyx, Peoplesoft and SAP.

<sup>ii</sup> Quotes from “CRM as a Sequential Four-Step Process,” by Dick Lee as published on destinationCRM.com. Excerpts are from Lee’s upcoming book, The Customer Relationship Management Deployment Guide.

<sup>iii</sup> 13 workflow products were analyzed and ranked, including Eastman EW, COSA Workflow, MQseries Workflow, SERfloware, TeamWARE, Visual Workflow from FileNet and BizFlow 2000, with 200 features reviewed and grouped into 12 categories. The 12 categories analyzed were: Throughput, Processing Power, Activity Power, Dispatching & Organization, Operation & Statistics, EAI, Distribution, Internet Support, Dynamic Changes, Process Definition, Activity Definition and Ready To Use Agents.

<sup>iv</sup> Quotes from “People and Processes Make CRM Work,” by William F. Brendler as published on destinationCRM.com. Mr. Brendler is president of Brendler Associates and is an expert in the human challenges associated with implementing new technologies.