

Unit 4 Research Project

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IT560: Managing Technology in a Business Environment

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12/2/2014

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### Abstract

The unit four research project assesses off-the-shelf information systems, and presents an opportunity to apply research to implement a business system. The Best Widget, Inc. (TBWI) is preparing to expand into national and international markets, and the next step in the process is to replace their current information system with a more robust enterprise solution. Thought was given to whether the solution be created in-house or be purchased; TBWI has decided to acquire a business solution from a third party source. A report is to be created containing research on two separate business systems. Each system's features are to be highlighted, and then a recommended system chosen that is best suited for TBWI. The report should contain information about the two business systems, the particular system that was selected, and an implementation strategy. The primary objective of the research project is to gain knowledge about off-the-shelf business management systems, and to apply that knowledge to real-world implementation strategies.

### Unit 4 Research Project

A customer relationship management system, or CRM, is more than just a way to efficiently manage customer data—businesses can use a CRM solution to increase customer satisfaction, to generate higher levels of company revenue, and to allow sales and marketing departments to make better, well-informed decisions (Destination CRM, 2010). A CRM can positively impact a company's bottom line by providing insight into business relationships, customer data, and marketing and sales information. As TBWI continues to grow, it has been determined that the business would benefit from a CRM solution. TBWI would like to implement a customer-centric system that will integrate the customer service, sales, and marketing departments. The main goal is to find a CRM solution that will be right for TBWI; meaning, the new system must meet cost, features, and future growth expectations.

An official report is to be created highlighting an appropriate enterprise solution. The report requirements include identifying two off-the-shelf CRM solutions, examining the features for each proposed system, and explaining which CRM is the preferred solution. Additionally, to facilitate the integration of the new system, a project manager has been assigned to aid in the implementation process. The project manager will use a purchasing methodology as part of the implementation process; the components of the methodology should be clearly defined in the last item of the report.

#### **Off-the-Shelf CRM Solutions**

The first item in the report provides an assessment of two separate CRM solutions; the off-the-shelf solutions are from *Sage* and *Salesforce*. Both CRM solutions offer a variety of onsite and offsite services, which would be practical to the daily operations at TBWI. Each solution will be evaluated, and then one of the business management systems will be recommended that best suits the needs of TBWI.

**CRM Solution #1.** Sage CRM specifically targets small to medium sized businesses, and has perfected the automation of sales and marketing data analytics—for some fourteen thousand plus companies (Sage, 2014). There are two main reasons why Sage CRM has been selected for further evaluation—price and features. For price, Sage offers two distinct cost plans: Sage CRM Professional (cloud-based) and Sage CRM On-Premise. The Sage CRM Professional is \$45 per user, per month; whereas, the Sage CRM On-Premise begins at \$1,495 per server, and has a \$495 per user license, per year charge (Sage, 2014). Although Sage has been a leader in business management software since 1980, they have only recently moved into the cloud technology spectrum, in 2010 (Reischer CRM Consultants GmbH, 2012). Therefore, the recommended price package will be the On-Premise plan, mostly due to Sage’s trusted support and experience of on premise systems.

Considering the CRM features, Sage CRM includes options to accelerate sales, and perform targeted marketing, as well as provides a customer service platform (Sage, 2014). There are extended features that can be purchased, which manage email, mobile services, and social networking. Additionally, there is CRM “builder” software. The builder software can be utilized to monitor equipment, track products, and compile data on competitors. The motto at Sage is *powerful, accessible, and intuitive*—which from the initial evaluation—appears to be true (Sage, 2014). Respectively, the price and available features of the Sage CRM solution are in direct alignment with TBWI’s requirements, and thus have been included in the report as the first evaluated CRM solution.

**CRM Solution #2.** The second CRM solution to be examined comes from Salesforce. The Salesforce CRM was selected for further evaluation due to three main reasons—price, features, and cloud market maturity. When considering the price points, Salesforce offers five

separate cost plans—they include: Group, Professional, Enterprise, Unlimited, and Cloud bundling (Salesforce, 2014). Each plan requires an annual contract, and builds upon the features of the previous plan. The Group plan, which is the cheapest at \$300 per license (billed annually), provides an extensive list of features. The Group plan features include account management, mobile access, custom reports, task and event tracking, Chatter (a social networking network), and Microsoft Outlook integration (Salesforce, 2014). The Professional plan, at \$780, adds on to the Group plan by including campaign management, custom dashboards, role permissions, and a platform for collaborating on forecasts. The Enterprise plan, at \$1,500, is considered the most popular and contains workflow management, report tracking, customer development, and enterprise territory management. At \$3,000 per user license, the features include unlimited customizations, unlimited applications, unlimited online training, and multiple sandboxes. Last but not least, the \$3,600 payment plan provides the extra options of automatic data cleansing, additional sandboxes, and increased data storage.

Each of these payment plans offer a plethora of services and features, though it is recommended that TBWI start off using the *Group plan*, primarily because it is the cheapest of all the Salesforce payment plans, yet offers a wide-range of CRM features. Salesforce has provided host and cloud-based solutions since 1999, and has a long successful history of helping companies integrate customer service, sales, and marketing departments into a single, customer-facing platform (Salesforce, 2014). The Salesforce CRM solution aligns perfectly with TBWI's CRM requirements, and thus has been added to the report as one of the potential CRM solutions.

### **Recommended CRM Solution**

After reviewing both CRM solutions, it is clear that either system has the possibility to bring positive changes to TBWI's business operations. The Sage CRM would be a good choice

for TBWI because it would be located onsite, which means TBWI could be directly responsible for the CRM hardware and software. Having direct access to the CRM system could allow TBWI to resolve onsite issues more quickly. The Sage CRM also has all the CRM features that TBWI requires at this time; the features that accelerate sales and marketing are particularly attractive. Similarly, the Salesforce CRM includes all of the same features of the Sage CRM, and the price points fall well within the budgeted strategy. The Sage CRM does cater to small to mid-sized companies, and TBWI is a mid-sized company at this time. The Salesforce CRM would be a good choice merely because of its ease of use, which is mostly web-based. Both CRM solutions have great support options, excellent customer reviews, and are obviously very good at what they do. However, it is important to note, while both CRM solutions meet TBWI's CRM cost and feature requirements, one of the CRM systems would better prepare the company for global expansion.

Thus, the recommended CRM solution is the Salesforce platform. There are several reasons why Salesforce was chosen over Sage CRM. The first reason has to do with installing onsite hardware, or more appropriately, the lack thereof. Because Salesforce operates entirely in the cloud, the need to install servers, special equipment, or upgrade onsite computers becomes a non-issue. The second reason why Salesforce has been selected is due to its pricing format. Unlike Sage, which only offers two payment options, Salesforce provides five packaged plans, across sales and marketing cloud services. The ability to have several payment options will better suit the needs of TBWI; this has to do with having the capability to tailor features and price points as TBWI expands into new markets. The third reason has to do with a lower price option. The Sage CRM yearly license per user is \$495 (Sage, 2014). In contrast, the Salesforce license is \$300 per user (Salesforce, 2014). Lastly, and arguably the most important, the reason why the

Salesforce CRM is preferred over Sage CRM is due to cloud market maturity. Salesforce has had the colossal advantage of providing hosted and cloud solutions for over a decade and a half, and consequently has earned the reputation as the world's number one CRM application (Salesforce, 2014). As a result of having numerous cloud features, the availability of multiple payment options, a more cost effective solution, and outstanding reliability based upon market maturity, the recommended business management system is the Salesforce CRM platform.

### **Implementation Strategy**

Now that the CRM solution has been selected—the Salesforce platform—the solution will need to be implemented at TBWI. To officially begin the implementation process, the project team should be established. Using information from the previous research project, the team members are the project manager, the IT manager, and representatives from the customer service, sales, and marketing departments. Additionally, several customers have been randomly selected to assist with customer surveys, interviewing, and testing. The next step in the implementation process is for the project manager to begin using a purchasing methodology.

The purchasing methodology is a modified SDLC approach, which encompasses three primary phases for purchasing any application or service; the phases are *definition*, *construction*, and *implementation*. The definition phase, and perhaps the most involved, covers seven steps. The steps are: (1) evaluating whether or not the Salesforce CRM is a viable option for TBWI using a feasibility analysis; (2) clearly defining function requirements in a requirements definition—note, this will be used to develop a request for proposal later on; (3) select a couple of CRM vendors (which has been completed) and evaluate features; (4) team members will assess business criteria, and prioritize features and functions; (5) a request for proposal (RFP) will be developed and distributed—this is an official document containing a vendor invite to address the

needs of TBWI; (6); Once the vendor, in this case Salesforce, has demonstrated the CRM platform and it is deemed satisfactory, the solution will be formally selected for implementation; (7) the last step in the definition phase is the negotiation of the contract—this includes addressing legal issues and creating a detailed strategy to implement the CRM at TBWI. Once the definition phase is complete, the project will move into the construction phase.

In the construction phase, team members will work with Salesforce to develop company processes, and test each of the CRM features as they relate to each department. The customer service, sales, and marketing representatives will determine if changes need to be made to their department databases, migration strategies will be formulated to reduce downtime during the implementation phase, and CRM documentation will be created (Brown, Dehayes, Hoffer, Wainright, & Perkins, 2012). It is important to note, existing business operations must not be impacted by CRM system testing. If a problem does arise, in either the system testing or business operations, the IT manager should be notified immediately. Moving on to the final phase, the implementation phase is where the CRM system will become operational.

The implementation phase will consist of the installation of the CRM system, managing operations, and defining a clear maintenance plan (Brown, Dehayes, Hoffer, et al., 2012). The installation of the CRM includes migrating company databases, training all TBWI personnel, and performing data cleanup as needed. Referencing the previous research project, the project manager will apply the rapid application development (RAD) approach to the implementation of the CRM. The IT manager will make sure everyone has the resources they need to complete their portions of the project. Each representative from the customer service, sales, and marketing departments will complete testing, train all personnel, and sign-off on CRM system documentation. The project manager will verify each of these processes are on track and notify

the IT manager if there are any issues. The operations component is essential to the smooth operation of the CRM, and thus short-term and long-term success must be factored into the final elements of the CRM implementation. The short-term success refers to maintaining open lines of communication; the long-term success relies on system integration and whether or not all features and functions are operating as intended (Brown, Dehayes, Hoffer, et al., 2012). For TBWI, Salesforce sales numbers, email addresses, and contact names have been made readily available to the appropriate TBWI staff. The last step in the implementation phase is maintenance. Understanding who is responsible for which systems is critical to the overall workflow of daily operations. This is why TBWI has created a document that identifies Salesforce systems, the TBWI systems, and provided contact names and support numbers for each system. This is to ensure that Salesforce and TBWI personnel understand their roles and responsibilities in maintaining the CRM at TBWI.

### **Conclusion**

CRM solutions are meant to provide a company with a single platform for managing customer service, sales, and marketing systems. When properly implemented, a CRM solution can increase customer satisfaction rates, permit sales and marketing data to be more effectively utilized, and facilitate company growth. After reviewing the two off-the-shelf CRM systems, it is evident that there are features, payment options, and market presence that need to be carefully examined before selecting a solution. Upon further evaluation of the Sage CRM and Salesforce CRM, it has been determined that the Salesforce CRM is better suited for the needs of TBWI. Salesforce offers lower per-user licensing costs, has extra payment plans, and has the most experience with cloud-based CRM solutions. The implementation strategy that TBWI should use has been clearly defined, which is based upon a purchasing methodology. This methodology

includes a three phase approach—definition, construction, and implementation. By leveraging this methodology, TBWI can negotiate the contract, purchase the CRM solution, implement the business management system, and then continue to maintain the system by managing the operations and maintenance of the system. It is with great confidence that the Salesforce CRM solution will become a positive asset for TBWI in the very near future.

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