

**Kellogg, INSEAD, HBS**

# The CRM Project Lifecycle

**How to do it better than we did!**

**UNICON**

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# Today's Discussion

- 1. Why CRM at a school?**
- 2. Three caselets**
- 3. Lessons learned**
  - Preparation, planning, partnerships
  - The project itself
  - Change management
- 4. Post go-live, early results**

# Why CRM at a school?

## Inadequate information; changing conditions

- **Changing marketplace, increasing competition**

- New entrants are more sophisticated than schools
- Consulting firms often sell CRM systems

- **Typical Exec Ed landscape**

- Home-grown data systems
- Not linked across Exec Ed or across the institution
- Inability to view all customer interactions

- **Our reactions?**

- Seek to better understand and serve customers
- Recognize the power of integrated information
- Pursue CRM as a marketing initiative

**Need internal alignment: shared pain & shared goals**

# Why CRM at a school?

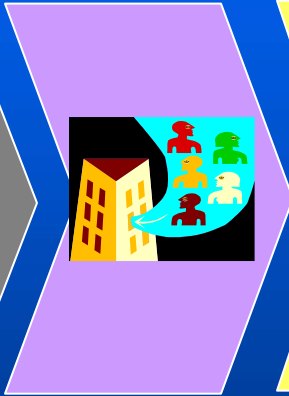
## Integrated IT support across *all* EE activities

1. Manage Portfolio



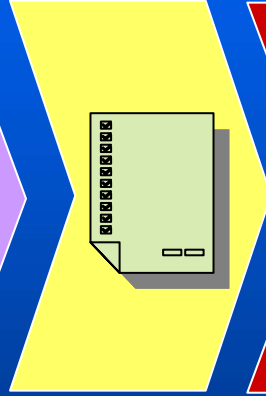
- Tracking corporate visits
- Catalog planning for open enrollment

2. Market



- Campaign conversion rates
- Prospect data
- Data mining

3. Admit



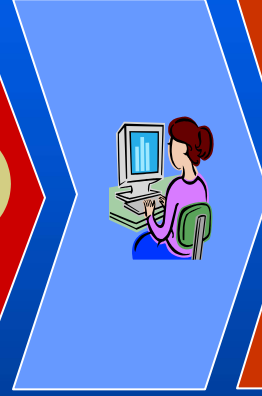
- Applications on line
- Manage admissions process
- Email letters
- Manage all contact with future students

4. Invoice



- Flexible pricing
- Send invoices
- Confirm payments

5. Course Prep



- Send all pre-course materials
- View contact's history
- Rosters, nametags

6. Hotel

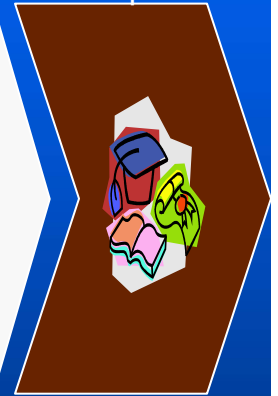


7. Deliver Program



- Prep of all materials

8. Follow Up



- Evals.
- New program ideas
- Customer relationships

# Three caselets:

Similar goals, different approaches, same lessons!

## Kellogg

## INSEAD

## HBS

### Timing

Started 4/04

Go live 6/05

Started 3/04

Go live 5/06

Started 10/04

Go live late 4/06

### Vendor

Intelliworks (iRM)

Accenture (integrator)

Peoplesoft

Intelliworks (iRM)

### Motivation

- Improve & in-source marketing
- Combine registration & marketing systems
- Improve online services

- Untenable legacy databases
- Improve customer relationships

- Online applications
- Improve customer relationships
- Untenable legacy databases

### Scope

Exec Ed only

School-wide

Exec ed only; pilot for whole school CIS

## Preparation:

At least 50% of project time *before* formal kick off

- **Ensure the willpower to change**
  - Formal business case needed?
  - Agreement: the goals, buy in, and funding
- **Identify vendors and make selection**
  - Formal specs versus “going with a product”
  - Vendor’s product roadmap
  - Cost of customizations
- **Analyze your business processes**
  - Document, assess existing processes
  - Compare to product’s specific functionality (& gaps!)

See sample approach in the attachments.

## Planning: Invest tremendous time internally; don't rely on vendor for stewardship

### ■ Project team skills

- Business analysis & writing skills – essential!!
- Tremendous detail orientation

### ■ Define implementation approach

- Key choices: vanilla, data migration, reports

### ■ Create very detailed project plans

### ■ Business continues to run!

- Hire additional, contract resources

# Partnerships

- **School-Wide IT**
- **Vendor/Integrator**
- **Users**



## Partnerships – School Wide IT

Align closely with IT to co-manage the project

- **IT project sponsor, manager**
  - Make resources available
  - Manage the vendor relationship
  - Define infrastructure parameters -- server space and location
  - Priorities vis-à-vis other school-wide projects
- **Pilot or connection to school-wide CRM efforts**
- **IT Security**
- **Contract negotiations -- university legal counsel**

# Partnerships -- Vendor

## Dive deep into their product, plans, & processes

- **Initial investigations**
  - Actually demo/use the software
  - Be challenging & difficult
- **Due diligence about your own processes & gaps**
  - So that vendor knows true customizations needed
- **Expect vendor/integrator presence *on site***
  - Vendor: During planning, a few days every month
  - Integrator: On-site full-time for 12 months (INSEAD)
- **Establish real accountability and timelines!**
  - Detailed weekly (even daily?) project plan
  - Specific milestones every 1-2 weeks
  - Specific vendor staff name(s) on each task

## Partnerships -- Users

Detailed, ongoing involvement is essential

- **Key reps from every functional area**
  - Competing needs & priorities – need to arbitrate
  - Should have involved *everybody* more
- **Detailed review & sign off of all specs**
  - “But we’re still running the business!”
- **All end users must be directly involved in testing as training**
- **Aim for continuity & back-ups in user involvement**
  - Staff turnover/absence

# Today's Discussion

1. Why CRM at a school?
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  - Project implementation
  - Change management

# Project Implementation:

## Communication, thoroughness, vigilance required

### ■ Documentation

- Functional specs
- Technical specs

### ■ Monitoring

- Detailed daily/weekly plans, milestones
  - » Integrate your internal (broader) plan and the vendor's plan
  - » Early intervention
  - » Daily team call/meeting with vendor; weekly senior management call

### ■ Data migration → major driver of cost & complexity

### ■ Budget

- 40-50% of costs were unknown & not anticipated at time of budgeting
- Be painfully clear with vendor re: what is included
  - » Statement of work

## Budget:

Work with others to identify cost “buckets” & magnitude

	Approach A <sup>2</sup>	Approach B <sup>3</sup>		
Project Expense Categories <sup>1</sup>	% of Budget	% of Actuals		
<b>Hardware, Servers</b>	6%	2%		
<b>Software</b>	Roughly half to the vendor	10%	} 97% to the vendor	
<b>Vendor Pre-project consulting</b>		5%		3%
<b>Vendor integration, customizations</b>		32%		39%
<b>Data conversion, QA resources</b>		15%		18%
<b>Project management</b>		15%		11%
<b>Tech writing, training</b>	9%	5%		
<b>Contingency (consulting, contractors)</b>	5%	N/A		
<b>Miscellaneous</b>	1%	1%		
<b>Hiring additional temporary staff</b>	?	0%		

1. Does not include time nor costs of existing university staff working part- or full-time on the project.
2. Approach A assumes that the institution does its own data migration & has extensive work related to integration with other systems.
3. Approach B relies primarily on the vendor to plan and migrate data.

# Project Implementation:

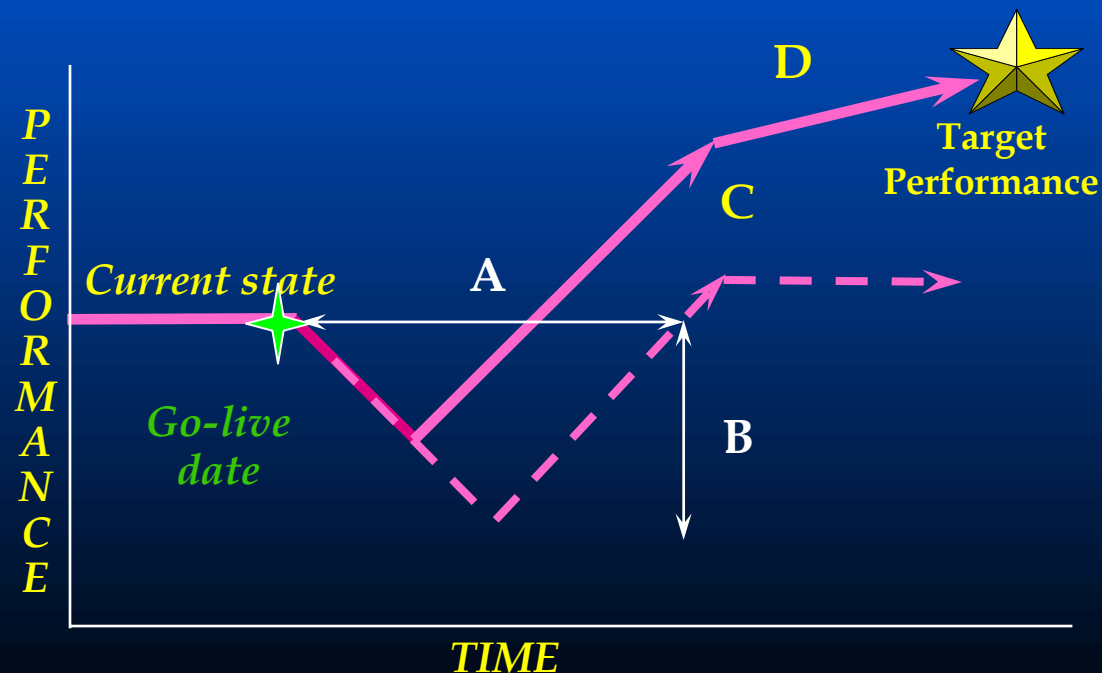
## Fundamentally, it's all about the data

- **Which data will you be migrating?**
  - Map *every* data element & exact location in new system
    - » Very technical; does not involve users
    - » Requires detailed knowledge of old *and* new systems
- **A new system will not fix bad data**
  - Test on legacy data, not just new data
  - Fix old data before migrating
- **Cannot maintain 2 databases**
  - Minimize downtime during the switch over
  - Big bang approach
    - » System down for 1-2 days
    - » Old system: read-only access

# Change management:

## Integrate the new system with the ~~old~~ NEW processes

- CRM must follow the strategy of the business (Nitin's bank example)
- Objectives is to:
  - Minimize A & B (time to recover & performance loss)
  - Maximize C & D (performance increase & longevity)
- Ownership of the final solution by the end-users is critical to the project success





# Change management: Plan to over-communicate

- **Part of overall strategy**
  - Dean presentations at school “general info meetings”
- **Website**
  - Project repository, all documents fully open to all staff
  - Teasers to provoke interest
- **Roadshows**
  - Users in a computer lab for hands-on “dirty demo”
  - 100% participation of all Exed Ed staff
- **Monthly updates**
  - Deans and school operating committee
  - 50 key users in the project
  - All staff – regular feature in E-newsletter
- **Need to give staff opportunity to give honest, candid feedback**
- **Balance, integrate with other change initiatives**

# Change management: Get testing & training right

- **Conference room pilots**
  - Early on, get staff to start playing, testing, exploring
- **Must have vendor available real-time for questions during actual training**
- **Link it directly to real work examples – “use cases”**
  - Effective for both testing and training
  - Consider tutorials for small groups
  - Consider “super users” for each functional area

# Post Go-Live

## Early success stories: Kellogg

### ■ Email campaigns

- We know exactly how many responded, opened, clicked through
- Conversion rate: How many registrations from the email campaign list

### ■ Brochure downloads

- Can track exactly who is downloading which brochures

### ■ Drive prospects to website

- Reduced size of direct mail pieces; no Biz Reply Envelopes
- Gone to self-mailers: less expensive to produce, less postage

### ■ Robust participant profiles for faculty

- Educational degrees, industry codes, age, geographic
- Charts, not just text or tables

## Summary:

CRM can be effective in a school with...

- **Good preparation**
- **Even better planning**
- **Successful partnerships**

... and a lot of time & effort!

Questions?

# Sample project approach

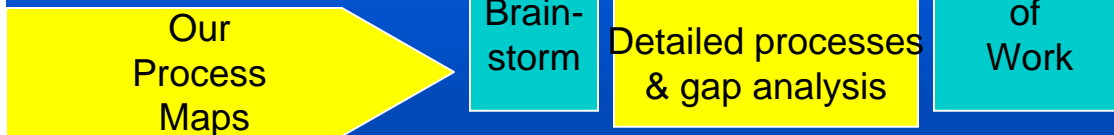
## Almost a year of planning & analysis before kickoff

N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18

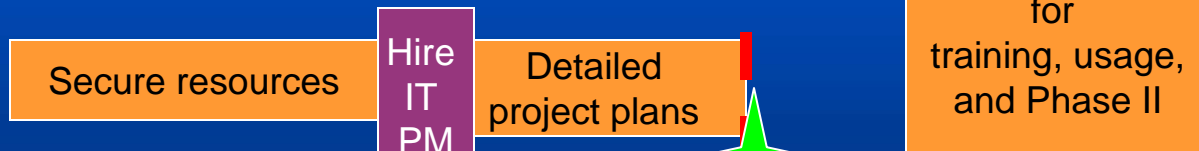
### Vendors



### Processes



### Planning



### IT Project



**Preparation**

**Project**

Training

Go Live  
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